



Business Plan 2007/08

Capacitybuilders, delivering the ChangeUp programme

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1. Chief Executive's foreword

We must never lose sight of our central proposition: to help build a vibrant, high quality and sustainably funded third sector¹ which can make a real difference to peoples' lives.

This means that Capacitybuilders is dedicated to investing in support organisations for the benefit of local frontline groups and also working to inform and influence other funders about the importance of building the strength of the third sector. We are also working with a variety of other agencies to ensure that we are jointly building the capacity of the third sector in both service provision and campaigning.

Over the next financial year 2007/08 we will be delivering tangible benefits for frontline organisations and preparing for a new phase in ChangeUp from April 2008. We are currently reviewing the ChangeUp Consortia model and helping all the consortia assess their performance to date. In September 2007 we will be launching our tender exercise for the management of a streamlined set of national support services².

Simon Hebditch
Chief Executive.

'We want all third sector organisations to be able to access high quality support that meets their needs when they need it'.

By improving support, we will strengthen the sector, increasing its ability to create a better quality of life for individuals and communities.

¹ **Third sector**, in this context, means all types of organisations that are not-for-profit, and not a public body. The sector includes charities (registered or not), voluntary organisations, community organisations (and un-constituted groups) and social enterprises. For our purposes, it excludes organisations such as cooperatives, trades unions and universities.

² **National Support Services**, further information about National Support Services can be found in 2008-11 Corporate Plan.

2. Background

ChangeUp

The Home Office launched ChangeUp in 2003/04, with the aim of strengthening the third sector by 2014. The ChangeUp framework sets out a bold but achievable aim – that by 2014 the needs of frontline voluntary and community organisations will be met by support which is available nationwide, structured for maximum efficiency, offering excellent provision which is accessible to all while reflecting and promoting diversity, and is sustainably funded.

Capacitybuilders and ChangeUp

Capacitybuilders² was established in April 2006 and assumed responsibility for delivering the ChangeUp programme from the Home Office. Capacitybuilders has a £70.8 million budget to fund ChangeUp for 2006/07 and 2007/08.

Capacitybuilders has replaced the nine regional Government Offices in coordinating the delivery of ChangeUp funding and inherited two basic methods of delivery : national hubs of expertise, covering advice, training and information on the main themes of the programme (governance, performance, finance, volunteering, workforce development and ICT) and geographically based support networks or ‘consortia’³. There are also some theme based consortia covering subjects such as children, young people or families, race equality and social enterprise support.

² Capacitybuilders is a non-departmental public body (NDPB) and a company limited by guarantee with a remit to create a more effective third sector by building its skills and resource base.

³ As part of Capacitybuilders’ new commitment to simple language, we are increasingly referring to consortia as ‘support networks’ and you will find these terms used interchangeably in this document. In ChangeUp, consortia are the groups of infrastructure organisations that responded to the Home Office Active Community Unit’s call in 2003 to come together in order to receive funds to improve support to frontline organisations (though some had set themselves up before that date with a similar remit) . Some operate at regional level, some at sub-regional level, and some at local authority level – though there is no consistent pattern across the regions. There are about 130 at present.

Destination 2014 – our strategy for the delivery of ChangeUp

Capacitybuilders launched Destination 2014 at its annual conference in Birmingham on July 3rd 2007. The strategy is the result of a consultation programme which ran from December 2006 to March 2007. The consultation process ensured that a wide range of voices from across the sector had their say, feeding into the development of the strategic framework, which identifies the priorities Capacitybuilders should adopt to meet its vision and achieve its strategic objectives by 2014.

This business plan underpins the Destination 2014 strategy, outlining the delivery plan for the financial year 2007/08. Capacitybuilders three-yearly corporate plan will also be updated and re-published at the end of the financial year 08/09, bringing it into line with Destination 2014 and HM Treasury/Cabinet Office third sector review.

3. Our vision, mission, objectives and values

Vision

Our overall aim is to help create a more effective third sector.

We want all third sector organisations to be able to access high quality support that meets their needs, when they need it.

By improving support, we will strengthen the sector, increasing its ability to create a better quality of life for individuals and communities.

Our mission

To achieve our vision, we will effectively manage funds and seek to influence the policy and practice of decision-makers and other funders. We will work in partnership with support providers, funders and government to develop more effective and sustainable support services for frontline⁴ organisations across England.

Our objectives

We will:

- improve the quality and effectiveness of support for third sector organisations
- demonstrate the benefits of support services
- aim to ensure equal access for all third sector organisations to mainstream support services
- target resources where necessary to address the needs of particular excluded groups
- influence funding policy and practice to ensure sustainable support to third sector organisations
- engage with the public sector.

We will achieve these objectives through:

- effective management and distribution of grant funds
- the commissioning of innovative projects thus facilitating learning across the sector
- investing in the support organisations and networks working with diverse communities
- implementing specific programmes relating to the broad equalities and diversity agenda
- working with general support bodies in the third sector or with those specialist and functional groups who themselves are offering assistance
- to their frontline⁴ constituencies.

Our values**At Capacitybuilders we are:**

- committed to an independent and vibrant third sector
- convinced that working in partnership across sectors and organisations is the right way forward
- professional, trustworthy and transparent.

We will strive to:

- reduce inequality and support the diversity of today's communities
- be open to learning and sharing our learning, based on what works best
- deliver programmes to high standards.

⁴ Organisations directly involved in delivering services to the public, campaigning or working in communities. They can be any size – from a Save our Village Green group to the Royal National Lifeboats Institute. If they are small and run by the community in which they are based, they are sometimes referred to as grassroots organisations.

4. Strategic intent



5. Looking ahead to 2007/08

Set out below are the key challenges and principle activities that will be undertaken in 2007/08. All will require that we focus our organisational skills, knowledge and resources to deliver the best outcomes against our strategic aims.

The activities and milestones relate to the delivery plan set out in Destination 2014. The section 'our resources', outlines how the budget will be allocated to these activities.

The Delivery Plan

Improving the quality and effectiveness of infrastructure support for third sector organisations.

Consortia – Support networks

There are over 130 geographically based support networks or 'consortia'. There are also some theme based consortia covering subjects such as children, young people or families, race equality and social enterprise support.

Activities	By	Progress/Milestones
Review of ChangeUp consortia model.	July 2007 Report September 07	Changes and improvements to the consortia model and remit; options to continue to fund infrastructure development where consortia are failing.
Review ChangeUp consortia fund management arrangements.	October 2007	A clearer and more consistent approach to fund management and monitoring of consortia.
Funding decision on Consortia Development Fund and related programmes.	December 2007	Review and self development effort by all consortia to improve performance.
Announce funding for support networks 2008/11.	December 2007	Publish funding decisions at least three months before the next financial year; three year funding enables longer term planning.

National support services

There are currently six national hubs of expertise, covering advice, training and information on the main themes of the programme : governance, performance, finance, volunteering, workforce development and ICT.

Activities	By	Progress/Milestones
Views sought on specification for content and shape of national support services.	June 2007	Involvement in defining programme needs and relationships between national support services and support networks.
Open tender exercise for bodies to take responsibility for the delivery of national support services.	September 2007	Agreements achieved with preferred bidders.
Preparation of detailed business plans for all national support services in conjunction with strategic lead bodies, support networks and other support providers.	December 2007 / January 2008	Funded business plans for national support services from April 2008 to March 2011 developed in conjunction with local, sub regional and regional support networks.
Sign off of three year grants for national support services.	December 2007/ January 2008	

Learning and Innovation

Activities	By	Progress/Milestones
Complete a regional and national stock-take of priorities for improving sub-sectoral/thematic engagement in ChangeUp.	July/ September 2007	Gap analysis and priorities for possible future funding to ensure all sub-sectors are fully engaged with support networks.
Review position of social enterprises within ChangeUp and establish funding level for 2008/11.	September 2007	Develop our position and plans as regards social enterprise support provision.
Investigate Peer Review as a tool for building organisations' capacity.	October 2007	Co-sponsor conference with Performance Hub.
Review range of different models of support for frontline organisations.	December 2007	Develop Learning and Innovation work programme for 2008/11.
Review existing quality standards and outcomes monitoring systems for support organisations.	December 2007	Quality improvement plan for support organisations with agreement about the appropriate content of tools/approaches.

Demonstrating to key stakeholders the benefits of support services to frontline organisations

Activities	By	Progress/Milestones
Open tender exercise for organisations/individuals to carry out the scoping phase of the evaluation of ChangeUp.	June 2007	Commission agreed.
Demonstrate the benefits of investment in support services through publishing case studies on the web and through other communication channels.	July 2007 onwards	One case study per region published by end July 07.
Scoping phase of the evaluation.	September 2007	Mapping and analysing existing information and evaluations; plans and methodology for the main evaluation of ChangeUp; proposed systems to communicate ChangeUp achievements, and share information and learning.
Based on the scoping phase, invite agencies to tender to carry out the main annual evaluation programme.	September/December 2007	Commission agreed.
First round of ChangeUp evaluation.	January 2008	First batch of findings on the impact of ChangeUp 2003/07.

Ensuring equal access for all third sector organisations to mainstream support services, and targeting resources where necessary

Activities	By	Progress/Milestones
Assess current progress of Improving Reach pilot programme.	September 2007	First assessment of the success of the pilot programme and the issues identified; proposals on opening the Improving Reach programme to other socially excluded groups.
Re-assess the recommendations on equalities and diversity made to Capacitybuilders and the Home Office in 2006 in the Zahno Rao report 'Mainstreaming Diversity'.	September 2007	Develop strategy and policy across all strands of work.
Launch the application process for the new Improving Reach three-year funded programme.	October 2007	Publish funding decisions re Improving Reach at least two months before the next financial year.
Financial decisions made concerning Improving Reach programme.	January 2008	Funding agreed for new Improving Reach programme.
Final review of Consortia Development Fund and its impact	March 2008	Evidence o equality and diversity issues being addressed by consortia; improvement plans in place where necessary.

Developing and influencing funding practice to sustain support for third sector organisations

Activities	By	Progress/Milestones
Fund demonstration projects in 10 Community Foundations to explore how to support small organisations in their community to build capacity.	June 2007/ April 2008	Gain a better understanding of the potential for funder coalitions to support capacity building.
Amend our articles of association to enable us to work with private companies and charitable foundations in building the capacity of the third sector.	July 2007	Achieving greater freedom to co-operate with other sectors on capacity building.
Map the support for VCS capacity building provided by government departments and other national public sector agencies.	September 2007	Provision of baseline information to inform future approaches to other funders concerning joint activity and increased co-ordination.

Engaging with the public sector

Activities	By	Progress/Milestones
Support the Partnership Improvement Programme, ran by IDeA, to increase collaboration and mutual understanding between sectors.	April 2007/ March 2010	Wider participation in the programme for third sector in 50 local authorities.
Develop and initiate influencing strategy in partnership with third sector partners, government departments and statutory sector support providers.	September 2007	A focused process of engagement, meshing with other sector initiatives, and with clear objectives.

Regional working.

Capacitybuilders' Regional Managers play a pivotal role as the communication link between Capacitybuilders' and the ChangeUp programme across the UK. Regional Managers are responsible for establishing and managing relationships with a range of organisations; identifying and understanding the needs of the sector and peoples' involvement with ChangeUp, identifying gaps and encouraging partnership working.

The regional managers have three broad goals in support of the delivery plan:

Policy and strategy

Using regional knowledge and sector based experience to support Capacitybuilders in the development of policy and its strategic direction and helping to ensure that the objectives of Destination 2014 are delivered, with reach to 'equalities organisations' and front line groups at community level.

Programmes

Supporting the organisation to develop its programmes taking account of regional knowledge and needs and then working regionally to support the rollout of programmes.

Process

Helping to ensure that Capacitybuilders makes decisions on funding and direction that are in accordance with third sector regional priorities and needs. Supporting Capacitybuilders to 'join up' impact across the various aspects of its work.

6. Our resources

Capacitybuilders' Grant in Aid for 2007/08 will be £33.5 million. This includes an allocation of £300,000 to carry out an independent evaluation of ChangeUp and non cash costs including 3.5% cost of Capital Charge on net assets and depreciation.

Resource targets

Programme spend 98% of budget allocation. Administration cost not to exceed 10% of programme spend.

Summary budget		
Programme	Budget 2007/08 £	%
National support services	9,600,000	28.7%
Consortia	14,000,000	41.8%
Learning & Innovation	1,300,000	3.8%
Improving Reach	5,000,000	14.9%
Discretionary funding	150,000	0.5%
Sub total	30,050,000	89.7%
INP	100,000	0.3%
Staff costs	1,507,403	4.5%
* Admin costs	1,842,190	5.5%
Total	33,499,593	100.0%

7. Major internal projects

Customer Relations Management database

A Customer Relationship Management (CRM) database will sit at the heart of the organisation and provide contact and relationship information on all of Capacitybuilders' key stakeholders, target groups, organisations and individuals to enable us to manage relationships and communications in a coherent and proactive manner.

The database will be centrally managed, with day to day access by users across the business and from all functions. Users will be able to access and update data with the focus on ensuring information is kept as up to date and accurate as possible.

Grants Management Database

Grant management database will provide:

- proactive management of grant application processes by Grants Officers from programme launch through to objective monitoring and evaluation
- up to date financial status of grant offers made, payments made, future payment schedules and commitments
- more powerful and flexible reporting capabilities that will allow faster, easier and more accurate enquiries.

Leased line

- The implementation of the 10Mbps leased line will support the increased data volumes expected as a result of the use of the new Intranet, CRM and Grants Management systems, providing all staff combined with a fast and reliable connection.
- The new line will provide flexibility to support the introduction of a VPN (Virtual Private Network) connection providing synchronisation of Outlook data between remote users and central Exchange system and Blackberry.

8. Governance structure

Capacitybuilders' governance structure operates at a number of different levels:

As a limited company Capacitybuilders is governed by the requirements of the Companies Acts, which are further reinforced by the contents of its Memorandum and Articles of Association.

At the corporate level there is a governance protocol between the Cabinet Office sponsor unit and Capacitybuilders. This protocol is enshrined within the Governance Management and Accountability Agreement and covers areas including:

- appointment and role of Accounting Officer
- role of the sponsor unit
- business and affairs of the company
- provision of information and assistance
- corporate plan
- freedom of information
- confidentiality and announcements.

Capacitybuilders' Board will seek the views of the Infrastructure National Partnership (INP), among others, on its strategy and funding programmes. The mechanism through which this advice will be sought will be agreed between Capacitybuilders and the INP.

The Board

The board is made up of 7 non-executive experts from the sector – Chris Pond (Chair), Caryl Agard, Margaret Bolton, David Harbourne, Julia Kaufmann, Sir Roger Singleton and Professor Margaret Talbot - and 3 executive directors – Simon Hebditch, Gilbert George and Jon Fox (from August 2007).

The Grants Committee

The Grants Committee consist of three members of the Board, Julia Kaufmann (Chair), Caryl Agard and Professor Margaret Talbot. Committee meetings are normally attended by the Chief Executive, Simon Hebditch; Head of Grants, John Marshall; Grants Development Manager, Jennie Bryce; and other staff and consultants attend by invitation.

The Policy and Strategy Committee

The Policy and Strategy Committee is chaired by Margaret Bolton and comprises Caryl Agard, Julia Kaufmann (board members), Simon Hebditch (Chief Executive) and two external experts: Ben Hughes, Chief Executive of BASSAC and Marilyn Taylor, Professor of Urban Governance and Regeneration, at the Cities Research Centre, at the University of the West of England.

The Audit and Risk Committee

The Audit and Risk Committee consisted of two members of the Board, David Harbourne (Chair) and Sir Roger Singleton. Celia Adams is also a member as an independent financial expert.

Committee meetings are normally attended by the Chief Executive, Simon Hebditch; the Director of Resources and Planning, Gilbert George; representatives of Capacitybuilders' internal and external auditors and a representative of the Cabinet Office. Other staff and consultants attend by invitation.

9. Risks

Capacitybuilders recognises that effective risk management underpins sound corporate governance and is crucial to achieving its objectives. Risk will be managed in accordance with Office of Government Commerce (OGC) guidance and the principles of 'managing successful programmes' (MSP).

The Board's risk management strategy defines how we identify and manage our risks to an acceptable level. This strategy is supported by a detailed policy that guides staff on how to apply risk management principles in their day-to-day work. Risk will be managed at corporate and operational levels.

The Board has been actively involved in identifying the strategic risks to which Capacitybuilders is exposed and will work with the senior management team to identify suitable actions to manage those risks to an appropriate level.

10. Organisational Chart

