

THE BROADS TRUST BUSINESS PLAN

April 2019

The Norfolk and Suffolk Charitable Trust.
Charity Number 1124552.

BROADS TRUST BUSINESS PLAN APRIL 2019

SUMMARY

This is a review of the Trust's operational business approach following the sixth full year of the Love the Broads (LTB) scheme. It shows that our progress towards a more mature and self-supportive scheme has been much slower than that forecast by Nurture Lakeland (NL).

The original plan identified four areas of activity being

- Income Generation
- Communication
- Administration
- Wider Education

To these we add a fifth area

- Governance and Structure

All these activities need considerable improvement to move the LTB scheme further forward. A realistic appraisal of the costs we face for the coming two years, together with a forecast for the following three years, separating out the grants we will award from running costs, is set out in the 5 year financial plan and is designed for simplicity and flexibility for future annual amendment. This shows that in order to re-energise LTB to make real progress we need to raise over £28,000 in 2019 and considerably more in ensuing year. If we can achieve these results the Trust will be on a proper sustained trajectory for the foreseeable future.

BACKGROUND

In 2012, with financial support from the Broads Authority, NL produced a document for the Broads Trust entitled "The Broads Visitor Giving Initiative Business Plan" which set out the principles behind a visitor giving scheme, how they could be applied to the Broads, and outlined a strategy for the Broads Trust to develop such a scheme over five years to 2017

LTB was immediately established with the Trust accepting the NL vision, creating the initiative and adopting the guiding principles suggested.

Cautious advice from NL forecast that it would take time for the Trust to travel through some of the suggested stages, later regarding some of their own figures to be ambitious as reality and catchment size crept in. The Trust would perhaps achieve their stage 3 in 5 years from the start and the whole scheme should be viewed as achieving its aspirations in 10 -20 years.

Building on that advice, we have achieved sufficient income to enable grant programme totals of around £10,000 per annum with around 70 business partners and a few individual donors. In fact donation income rose from £2,500 in 2012 to £24,000 in 2017. But the scheme's income reached a plateau of around £20,000 in 2015 and, despite continued application of resources, significant growth has been elusive. More seed capital to enable more administrative support plus a greater

input from Trustees will be required to break through the £20,000 barrier. (NB. the achievement of £24k in 2017 was the result of a significant one-off donation that is unlikely to be repeated.) These comments should be considered in the light of the achievements, and LTB has achieved much to get this far. It is now an established and well-known brand – but all organisations reach performance plateaus which need surmounting and the only way to do this is by plan creation, adherence and proactive commitments to implementation.

THE PRESENT POSITION

Over the 10-20 year time frame envisaged by NL at year 6 the scheme is still in its early stages of development. It has benefitted from a £10,000 additional investment by the Broads Authority over and above its original Broads Society founding investment of £11,000 and an RDPE grant of £9,600. This money, together with scheme revenue generated has enabled the Trust to make a comprehensive series of successful grants of modest amounts. Importantly where the Broads Trust funding has been granted it's "respectability" has effectively triggered other grants for recipients.

An effective web site promulgates the Trust's guiding principles and delivers grant information and news and Twitter and Facebook accounts are managed by gifted trustees. Regular Enews letters are emailed to a large range of businesses and individuals, providing information about the schemes work.

Marketing tools such as badges and booklets are available in display boxes attracting donations in some 70 locations around the Broads. A Friends of LTB organisation provides a membership option and encourages larger donations, providing annual subscription income. The Trust has allowed some large tourism businesses to sponsor their own special projects with their collected donations being channelled exclusively.

The use of opt-out donations, where donations are automatically added to the cost of accommodation or services, is by far the most effective in gathering donations but new GDPR regulations have made this method less attractive to businesses. The addition of a small surcharge on the sale of drinks or cakes at cafes/tea shops has been found to be very effective in obtaining small but regular contributions.

All these achievements have only been possible through the unstinting efforts of our part time staff together with on-going management support from a dedicated Trustee.

So the Broads Trust remains committed to the NL plan but recognizes that it will take far longer to fructify than originally forecast to reach the goal of self-sustainment with a modest charge to cover its costs.

Considering in turn the four areas of activity in the original NL plan:

INCOME GENERATION

Experience shows that there is much work involved in persuading businesses and individuals to sign up to support the scheme and to keep them on board. Personal contact with firms is often the way forward and on occasion a great deal of reassurance is necessary, including discussion and

negotiation about how individual firms can fit their support for the scheme into their business models. The work for this can be summarized as

- Initial contact with businesses, getting new members to join the scheme
- Identifying ways in which businesses will support the scheme
- Arranging and administering collections of money and applying for Gift Aid
- Purchasing stock of badges and other merchandise to facilitate the scheme
- Delivering such stock to participating businesses

There are several ways in which income can be generated:

1. Sale of badges and books
2. Direct donations to collecting boxes
3. Donations from larger businesses on behalf of their customers
4. Membership fees
5. One-off significant donations from individuals
6. Miscellaneous donations through Just Giving
7. 'Smart phone' and on-line giving using technology

Of these methods items 3 and 5 are the most efficient in terms of administrative resource to manage. Item 1 is the simplest engagement that a business can commit but the return is limited because of the high cost of the merchandise.

In addition two methods of obtaining donations have not yet been successful – Legacies and business sponsorship. These two are also administrative resource efficient.

New technological methods of giving are developing and these should be investigated.

Although focus should not be taken away from the other mechanisms, more emphasis must be given to the more lucrative approaches.

For larger businesses it is very important that their own brand must not be contaminated by failure and, as a fledgling organization within a comparatively unknown industry, every year of successful operation must help that confidence, but it requires explanation, encouragement and time to make presentations and bring them into the scheme.

Building on the above, the key points for the plan are:

Active trustees: unpaid supporters with excellent transferable skills: each trustee should be responsible for bringing in at least 1 new businesses of any sort every year

Aftercare - supporting existing business: trustees can do a lot more under this heading. Participating business needs to be encouraged, "stroked", properly thanked and acknowledged – especially newly recruited business.

The purpose of aftercare is that businesses which are successfully integrated into the scheme will be our best recruiters – but it will need trustee management. We need to create a "family" of LTB supporters who are proud of what they do and why they do it and who are not afraid to introduce and recommend the scheme to anyone. It should be remembered that the scheme is a win- win scenario for everyone, except possibly the Chancellor of the Exchequer.

Recognition. The trust needs to publically acknowledge and thank all its supporters, businesses, friends, donors, volunteers, helpers, stake holders (BA,BS,NCC) and trustees. This should be done at an independent donated venue in June every year, ideally with sponsored food and drink and on line invitations to minimize costs.

Business Partners. Our goal for this plan should be ambitious and we propose that by 2023 we will have some **200 businesses**, large and small, collecting on behalf of the trust. An increase of around 20 new businesses per year is required and this increase could be achieved as follows:

Those introduced by trustees (1 per year per trustee)	10
Those introduced by existing business (with trustee encouragement)	5
Those recruited by other means, including friends	5
Annual scheme expansion (net per year)	20

Legacies. A campaign with local funeral directors and solicitors should be started with the aim of attracting significant legacies.

Business Sponsors. Close working with the BA should be developed so that a joint approach can be made to notable local businesses. This could attract sponsorship of a specific large project or less targeted funding for operational costs

COMMUNICATION

The Trust needs to extend its communication with stakeholders and donors. The regular Enews updates are very important to keep energising supporters and must continue; we need to regularly tell our donors what is being done with their money. Presence on social media must be developed with more regular posts on both Facebook and Twitter.

Donors need to see a clear connection so the following important areas need attention:

- Information to businesses and individuals about the continual development of the scheme
- Requests to donors for other potential givers
- Website updates
- Scheme existence publicity, encouraging grant applications
- Encouraging bonding between donors and grant recipients
- Progressive press releases and grant news dissemination
- Constant social media updates
- Monitoring the reach of the scheme
- Ensure geographic spread of projects
- Ensure sufficient boating projects are included (boaters provide Broads revenue)
- Trustee involvement with holiday, leisure and tourism organisations
- Work with existing business partners to encourage more significant coverage of LtB activities on their websites

ADMINISTRATION

The grant scheme will not run itself; the need to raise money to both support the scheme plus a transparent programme of grants is paramount. As the scheme gets larger so will its administration and the recording of grants made, direct result evaluation and expenditure monitoring will become more intensive. This will include:

- Running the annual bid round for grants
- Providing pre-application advice for potential projects
- Checking payments of grant money, expenditure details and news liaison
- Reporting developments to the Trust
- Regular reporting progress to seed capital providers such as BA, Broads Society
- Relationship management with all parties, particularly stakeholder meetings
- Move towards a full time organiser as soon as practicable
- Introduce a cash reserves policy in case of future funding downturns

The Trust has employed a part time officer (10hrs/week) since the schemes inception to manage most aspects of administration, publicity and promotion. In addition, as a result of targeted funding from the BA, a Business Engagement Officer has been employed for the last 18 months. This role has been extremely successful in liaison with business partners and maximising the collection of donations. It is essential that these posts are sustained. Cost of this administrative support has been around £10,000 pa, equating to 50% of income. This cost/income ratio is too high and income must be increased to reduce it.

WIDER EDUCATION

Visitors to the Broads will not be persuaded to contribute to the scheme and businesses will not sign up unless they can understand and become committed to the overall objectives of the scheme. The individual projects which the scheme will support can go some way to opening the door to this understanding but the scheme provides a major opportunity for many more and different people to learn about the heritage of the Broads. This learning can be delivered to different audiences by different means, possibly as follows:

- Information about the scheme and the benefits of contributing
- Posting updates of progress on the website and via social media
- Producing targeted literature about local schemes for potential donors
- Recruiting and using local businesses as scheme champions
- Site visits for trustees and other businesses to projects under way
- Concentrating on corporate social responsibility for larger businesses
- Offering training, work experience and team building for larger businesses
- Trustee direct involvement to achieve the above
- Staff and trustee development training
- Health and wellbeing agenda
- Tourism organisation liaison and involvement

In addition to the four areas identified by Nurture Lakeland and discussed above, there is a fifth area that should be considered:

GOVERNANCE AND STRUCTURE

The Broads Trust was created as a charity in 2012 and the Constitution stipulates a maximum of 12 trustees. Currently there are 10.

The office of Chairman was held by Major Nick Barne until his untimely death in 2016, at which time Keith Bacon agreed to act as Chairman for meetings but declined to take on the responsibility of a full chairman. Bryan Read, one of the first trustees and treasurer has indicated his desire to step down.

Appointment of a new chairman and treasurer plus at least one more trustee should be pursued urgently to fully equip the trust for supporting the development of the LtB project.

The structure of the Trust includes the requirement that two trustees should be appointed by the Broads Authority and two by the Broads Society. These appointments, particularly that of the BA, provide significant resource for the Trust. The relationship with the BA must be cherished and opportunities for working together to recruit larger business donors and sponsors should be developed. Working with the BA on larger projects that require significant funding will introduce opportunities to attract major matched funding.

There is close synergy between Broads Tourism (now called Visit the Broads) and the existing relationship between the two organisations must be nurtured. There are significant opportunities for sharing experience and making a more powerful approach to businesses. Re-branding LtB to feature The Broads National Park brand would introduce greater impact. There are also opportunities for exchanging information with other English and Welsh National Parks

FINANCIAL FORECASTS

These are on the accompanying Excel spreadsheets

AMBITIONS FOR LOVE THE BROADS

This update of the original NL plan is designed to be a realism check on where we are after 6 years and what we now need to do to take LtB forward. We need to examine what we have done – which is considerable – and how best to develop. The original vision remains and we must create a second five year plan to re-energise our activities and re-energise our supporters and donors.

It is essential that the annual income grows to more than £50,000 and that administration costs are reduced to no more than 20% of income. This is a challenging target and will only be achieved if significant donors can be recruited, whether that is through major business sponsorship, legacies or large one-off donations.

Experience has shown that there is considerable cost and administrative effort involved in selling membership of the scheme and communication of its merits and progress to new business entrants and to a wider audience. Both sets of audiences are very important: we do have to ensure so far as

we can that we build on the 70 plus businesses signed up to the scheme, but we also have to make sure we communicate effectively with people who make their donations through those businesses.

Experience also shows that there is a significant time lag between recruiting a new member into the scheme and receiving resultant income. Most businesses plan their marketing some 12 months in advance so promoting their membership of the scheme and communicating it to their customers must usually wait until the start of the following season. Larger businesses need time to modify their accounting procedures to accept, record and transfer donations to the Trust

So far the management, involvement and communication with a stable list of business partners have become the dominant feature of the Trust's activities, together with the invitation and assessment of grant applications. Formal administrative support has been through a part time Development Officer working 500 hours per year and a part time Engagement Officer working around 150 hrs per year. With an income of around £20,000 pa the costs of admin are around 50% of donation income. It is vital that income is increased so that the costs become a smaller percentage of income. The target should be to achieve an admin/grant ratio of no more than 20%. It is of course relevant to comment that, as work to recruit new income sources develops, so the actual administrative support needed also increases!

There will be more to do to attract better projects to apply for funding; the grant bidding process needs sustained administrative support from the Trust's employees, volunteers and trustees. Effort should be applied to attracting bids for larger projects that would require the introduction of significant matched funding. This might be extended to attract at least one major local business as sponsor for a large scale project.

Yet it is unrealistic to expect one or two part time employees with limited support time to achieve all the goals. Direct committed involvement of Trustees to support our key tasks is necessary
These include:

- Publicising the scheme's existence and encourage funding applications
- Providing pre application advice for potential applicants for LTB grants
- Communicating with grant recipients and connecting between them and donors
- Producing press releases about scheme progress and grants made
- Grant follow up success stories and result literature (get it writ, get it right!)
- Summarising achievements and goals, long term project planning
- Reviewing and writing annual business plans
- Recruit celebrity backing
- Mend fences with crucial landowners to ensure their approval and co-operation
- Publically define relationship between the scheme and Broads Authority

In our view the more trustees can commit to help with some of this work and quantify the hours they may be prepared to devote to the scheme on a regular basis, the better supported our grant applications to funding bodies will be; time donated in this way can, for some funders, be counted as part of the Trust's contribution to a funding package. And active commitment from the trustees towards the project is a clear indicator of the collective will to make it succeed

HIGH LEVEL GOALS

- Recruit new Trustee

- Appoint Chairman
- Increase business participation – 20 new businesses per year?
- Continue to develop relationship with BA
- Develop approach to significant funders together with Broads Authority
- Research legacy giving
- Recruit one major sponsor
- Develop relationship with Visit the Broads
- Target 20% admin/income ratio

Final copy: Peter Howe. April 2019