



Voluntary
Action
Calderdale

Planning Toolkit

Designed for Voluntary Action Calderdale by fit4funding



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Planning Toolkit

* What is it?

- a series of templates to help groups to draw up their own project plans, business or development plans and funding strategies

* Who is it for?

- community groups and voluntary organisations, in Calderdale and beyond

* How can we access it?

- on CD-Rom from Voluntary Action Calderdale (VAC)
- on VAC or fit4funding's websites
- in hard copy from VAC

You should save a copy of this file before you start to fill your form entries.

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Planning Toolkit

Contents

1 Definitions	3
2 The Process	4
2.1 Who will be involved in developing the plan?	4
2.2 Organising the process	4
2.3 How long will it take?	5
3 Project Plan Template	6
3.1 Project Outline: what you want to do and how it will work	7
3.2 Evidence of Need	9
3.3 Monitoring & Evaluation	11
3.4 Resources	13
3.5 Budget	14
3.5.1 Expenditure	14
3.5.2 Income	15
4 Business Plan Template	16
4.1 The Organisation	17
4.1.1 Aims and objectives	17
4.1.2 Track record (or, history of success)	18
4.1.3 Current activities and partnerships	19
4.1.4 Governance, staffing & policies	20
4.2 Development Plan	22
4.3 Finances	23
4.3.2 Cashflow forecast	24
4.4 Risk analysis and action plan	25
4.5 Executive summary	26
5 Funding Strategy Template	28
5.1 Your funding needs	29
5.2 Possible funders – why might they be interested?	29
5.3 Are these the best funding options for you?	30
5.4 What actions do you need to take?	31
5.5 Contingency planning	32
6 Where next? – ways to use the plans	33

Planning Toolkit

1 Definitions

Project: a self-contained piece of work an organisation undertakes to further its aims – for example, an outreach service, a holiday playscheme, running training courses.

Project Plan: this sets out what the project is, why it's needed, how it will work and what it will cost.

Business Plan (sometimes called a *Development Plan*): this covers the development of the organisation as a whole, including its:

- aims and objectives
- membership and governance
- history
- current activities
- partnerships
- development plans (including all the information in a project plan)
- finances
- risk analysis

Funding Strategy: a plan for how either the whole organisation or a particular project could be financed. This can form one section of a business plan, or it can stand alone.

Action Plan: what tasks need to be done, who will do them and by when. An action plan could be part of a project plan, a business plan or a funding strategy.

All these plans can help clarify where you're going and how you can get there. They're useful for existing members and staff, people new to the organisation, your partners and supporters and potential funders or investors.

At the start there is usually an **Executive Summary** – a shorter version with a sentence or two under each section. It's easiest to write this part last, so we've put it at the end.

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2 The Process

2.1 Who will be involved in developing the plan?

The plan is the responsibility of the whole organisation - not just one individual. It will need:

- input from the management committee and senior staff, setting overall direction of plan, to ensure it is driven by the organisation's values and principles
- contributions from staff, volunteers and users to the objectives and the plan's development, to ensure that it is both relevant to users' needs and realistic

This will help to ensure everyone understands it and owns it.

2.2 Organising the process

To get input from all these people, it can be useful to have a big structured event where everyone can contribute. That way, you get as many good ideas as possible, and you can also check which of these have the widest support.

Tools to help with these forward planning events include:

- SWOT and PEST analysis
- post-it walls, wheels and voting stickers

SWOT analysis: SWOT stands for Strengths, Weaknesses, Opportunities and Threats. In small groups, ask everyone to list all the organisation's internal strengths and weaknesses as they see them, and then the external opportunities and threats.

Strengths <i>e.g. close links with the local community</i>	Weaknesses <i>e.g. struggling to recruit committee members</i>
Opportunities <i>e.g. possible partnerships</i>	Threats <i>e.g. competition for funding</i>

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This helps groups celebrate and build on their strong points and set priorities to address the weaknesses, take advantage of opportunities and guard against threats.

Pest analysis: This focuses on the external half of a SWOT analysis, and breaks it down into four categories: Political, Economic, Social and Technological.

<p>Political <i>e.g. changes in political control, locally or nationally</i></p>	<p>Economic <i>e.g. rising unemployment</i></p>
<p>Social <i>e.g. an ageing population</i></p>	<p>Technological <i>e.g. new ways to keep in contact (mobiles, e-mail, etc.)</i></p>

In each category people could identify issues which could be positive or negative. It doesn't matter if people can't agree on which category an issue fits – the main thing is to raise and discuss as many as possible.

Post-it walls and wheels: These help groups to identify ways they could develop and agree which should have priority. People are asked to write down their ideas for new developments, one idea per post-it. Then the group can decide which are highest priority, by moving them either up and down a wall or into the centre of a circle or wheel (where the central ideas are top priority). Or you can give each person a number of coloured stickers to vote for their favourite ideas.

Once the priorities are agreed, a smaller task group can be delegated to do the practical work of putting the plan together, with a co-ordinator or chair to make sure all the tasks are covered and deadlines are met.

2.3 How long will it take?

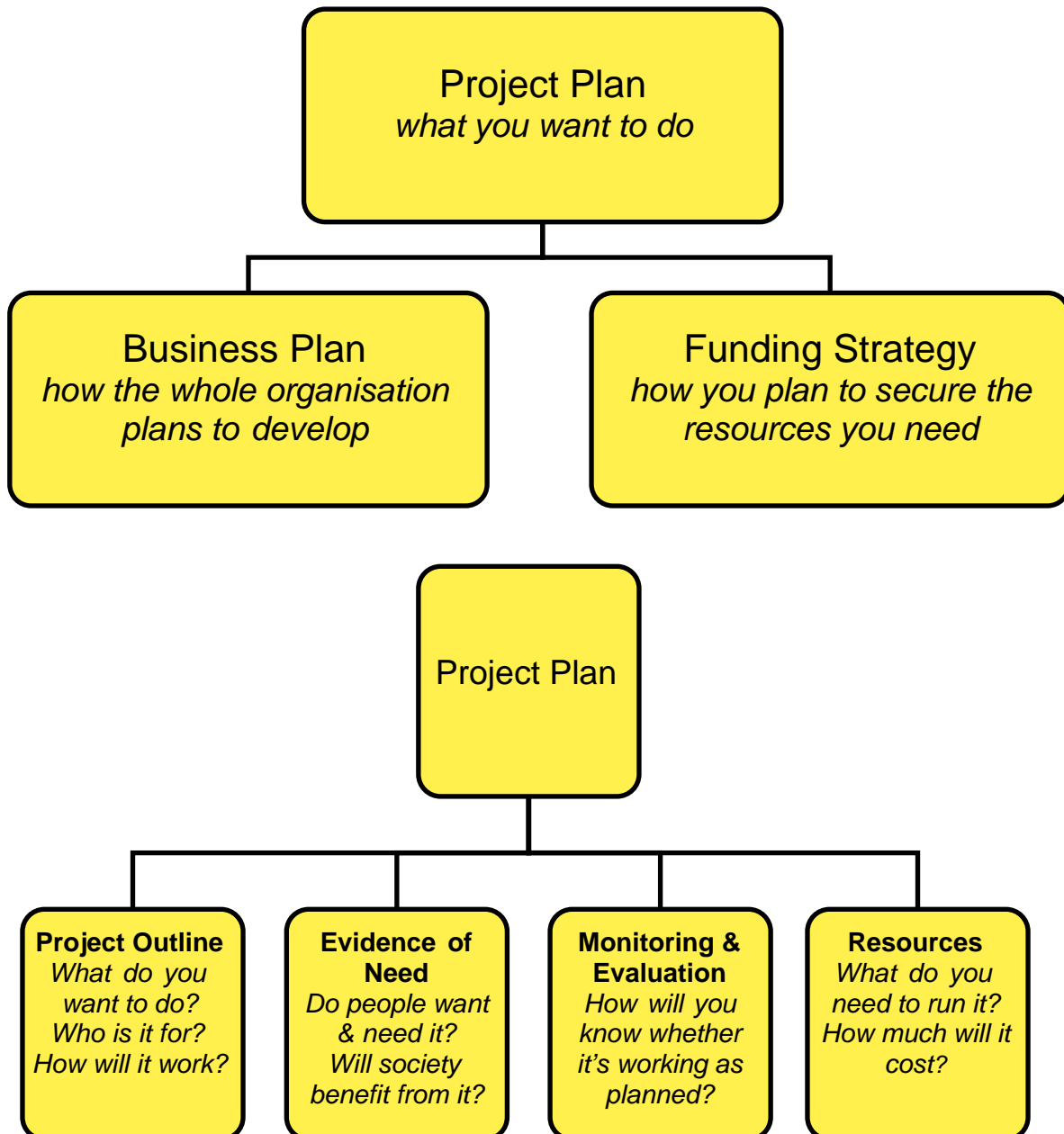
That's up to you – you may have a deadline to meet if, for instance, you're required to include the plan with a funding application. A full business plan can take months, but it's important not to let the process drag on for too long and lose momentum.

Remember, your plan will never really be complete - it should always develop, reacting to internal and external changes.

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3 Project Plan Template

What kind of plan do you need? Usually (but not always), you'll need a project plan first, as that will feed in to the others.



If you have several different pieces of work you want to develop, you may need a separate project plan for each one.



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3.1 Project Outline: what you want to do and how it will work

What do you want to do? (Summarise this in no more than 50 words – e.g. *We want to run Tai Chi classes for older people in Elland, to improve their physical and emotional health.*)

Who is it for? (This could be the whole community in a named area, or it could be more specific, e.g. *people over 50 in Elland and the surrounding area, particularly those at risk of osteoporosis.*) How will you advertise the project to them and make sure they can access it?



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Who will work on the project? What will they be doing? Will they be volunteers or paid staff? Will they need any qualifications? How will they be supported and managed?

Where will the project take place? Do you have suitable premises already? Will these be accessible and convenient for your target group? Or will you go to them?

When do you plan to start, and how often will it run?



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3.2 Evidence of Need

How do you know people want this and that it's likely to be well used (*demand*)? – e.g. surveys/other consultations, waiting lists, etc. (Have people in Elland said they want Tai Chi classes?)

Why do people need it? Are they missing out on the opportunities which other people have? Have they been identified as deprived in some way, e.g. on the Indices of Multiple Deprivation (or by someone else's research)? Or do they have unmet needs which haven't been recognised? Why can't they pay for this themselves? (Are osteoporosis rates high in Elland? Is there evidence that Tai Chi can help reduce them? Is it a wealthy area where people could be expected to pay the full cost?)



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Are there any wider benefits to society as a whole from this project? – e.g. better community relations, an improved environment, a boost to the local economy?

What other services or provision is available for your target group? Why is your project needed as well? How will you work together?



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3.3 Monitoring & Evaluation

What will you measure to check your project is running successfully and being well used, by the people you're targeting? (e.g. numbers of sessions run, numbers of people attending, who they are/where they're from, drop-out rates, etc. These are all outputs.)

How many people would you expect to support or work with in the life of the project?

If it lasts longer than a year, how many would you expect to work with in year 1? Year 2? Year 3?
i.e. milestones to measure your progress along the way.

How will you collect and record this information?



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How will you know whether your project is effective in meeting needs? What *outcomes* (or results) do you expect it to achieve?

How will you collect and record this information?

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3.4 Resources

What resources will you need to run this project? – e.g. paid staff, volunteers, management, premises, materials, running costs

Do you have any of these already to put in to the project? (If so, which? What would they cost if you had to buy them? You can calculate the value of volunteers' time by multiplying the number of hours you expect them to put in by the minimum wage hourly rate.) Or any money to put in? (If so, how much?)

Draw up a budget for this project, covering your *expenditure* – in other words,

- everything you'll need to run it (your 'shopping list', in *headings*)
- how much each item will cost (researched as accurately as possible)

and any *income* you definitely have which can go towards it (in other words, the amount in the box above).

Take the income figure away from the expenditure to find the amount you'll need to raise.



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3.5 Budget

3.5.1 Expenditure

Heading (e.g. salaries, National Insurance, rent, heating/lighting, travel, equipment, etc.)	Amount	Assumptions/how you calculated this figure
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Total expenditure:



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3.5.2 Income

Heading (e.g. manager's time, premises, cash)

Amount

Source (your reserves? a funder? – if so, which?)

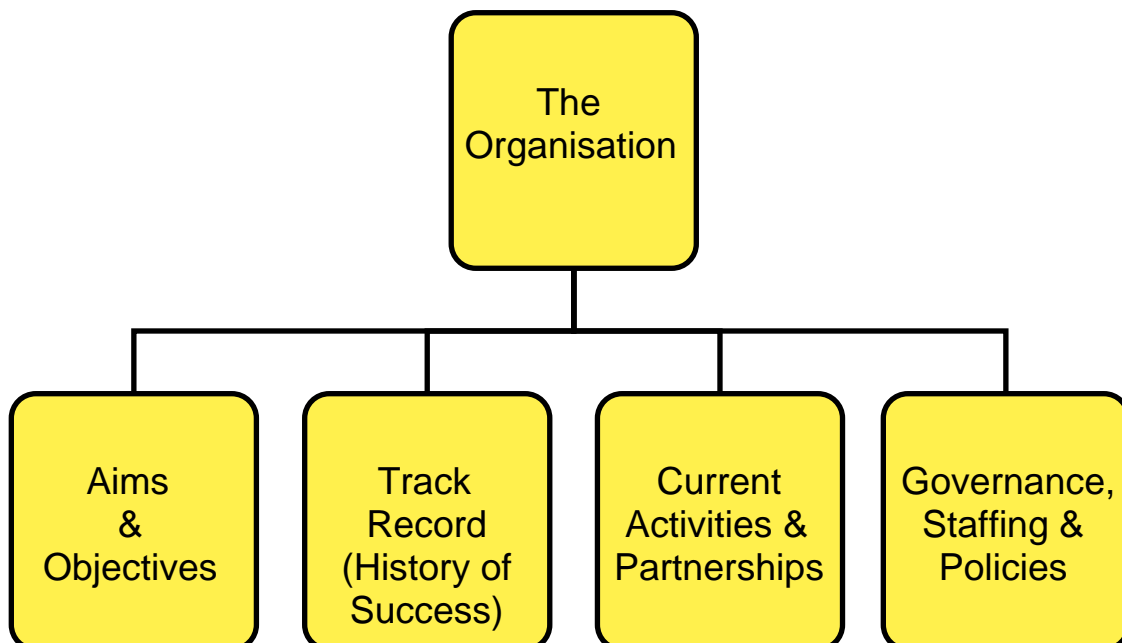
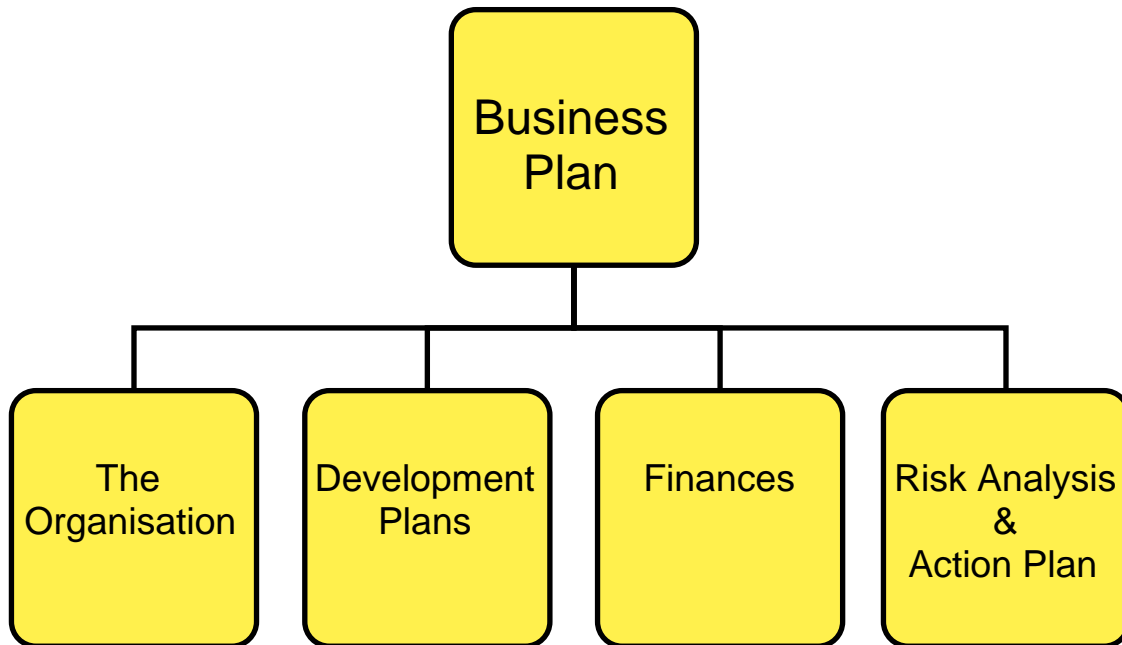
Total income:

Amount still needed (expenditure minus income)

You may have no income to put in; if so, this amount will be the same as 'total expenditure'

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4 Business Plan Template



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4.1 The Organisation

4.1.1 Aims and objectives

What are your organisation's aims? (What is it there to achieve, or what is its lasting purpose? What vision is it working towards? The aims need to be broad enough to cover the life of the organisation, not just the short term. They may specify a geographical area or section of the community. The Elland Tai Chi project could be run by an organisation whose aim is *to support older people in Calderdale to live healthier and more fulfilled lives*. Your aims should be in your constitution or governing document, but sometimes these are written in formal language which doesn't give a clear picture to outsiders of the organisation's vision.)

Objectives, i.e. practical ways to achieve the aims. (The objectives of the organisation supporting older people in Calderdale could include: providing activities which promote healthy lifestyles for older people, raising awareness of health issues and campaigning for better access to healthcare for this group.)

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4.1.2 Track record (or, history of success)

History (When did your organisation start? Does it have a history of success in running the kind of projects in its development plan? If not, do the individual members and/or the staff and volunteers have that experience? Has it achieved any external recognition, such as awards or funding?)

Quality assurance (Do you have any quality systems in place? e.g., Investors in People, PQASSO (Practical Quality Assurance System for Small Organisations) or systems specific to your field. Have you passed any external inspections?)



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4.1.3 Current activities and partnerships

Current activities (Describe briefly what you do and where.)

Partnerships and joint working (Do you work with any other organisations, formally or informally? If so, list your most important partnerships and explain how you work together.)

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4.1.4 Governance, staffing & policies

Legal structure (Is your organisation a Registered Charity? A Company Limited by Guarantee [it could be both, also known as a Charitable Incorporated Organisation]? A Community Interest Company? If it's none of these and you don't have to send annual returns to a regulator, it may be an Unincorporated Association. Are you a branch of a national organisation? If so, are you independent or do they control your branch's finances?)

Governing body (Your management committee may call themselves the Board of Directors [if it's a company] or the Trustees [if it's a registered charity]. Are they elected by a wider membership? Or nominated by partner organisations? What skills and experience do they have?)

Community involvement (What is the community you serve? How can that community influence the way the organisation develops? This could cover your consultation methods and ways to involve service users, but also whether you're based in the community and where your committee members, staff and volunteers come from.)



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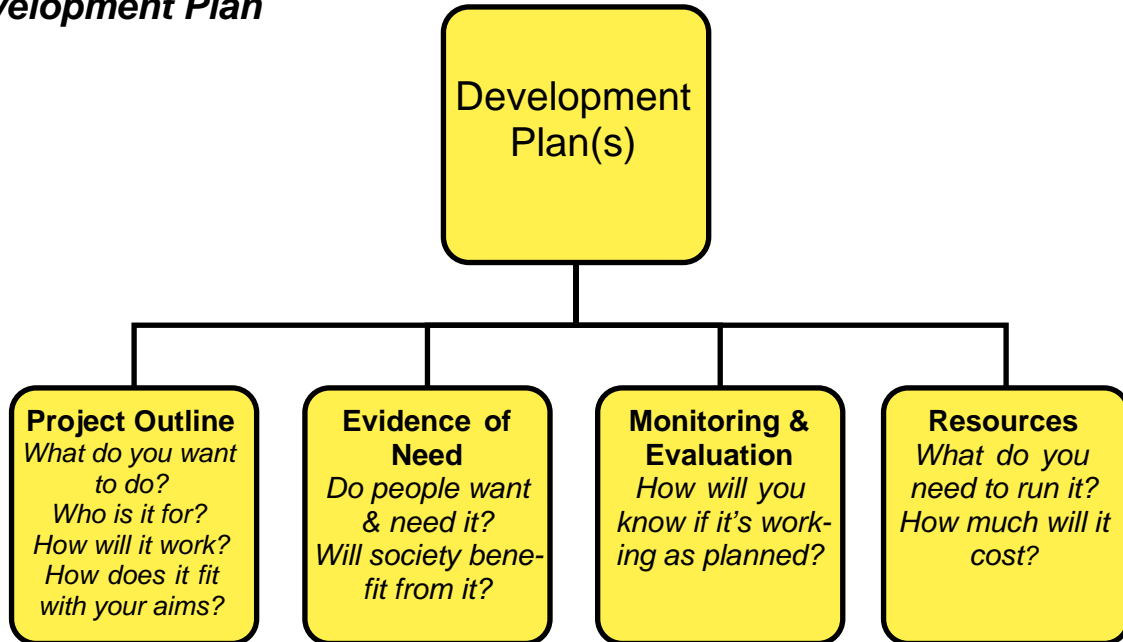
4.1.5 Delivering quality

Staff and volunteers (Who actually does the day-to-day work, and how are they recruited and supported? It may be helpful to include a diagram here if your staffing structure is complex.)

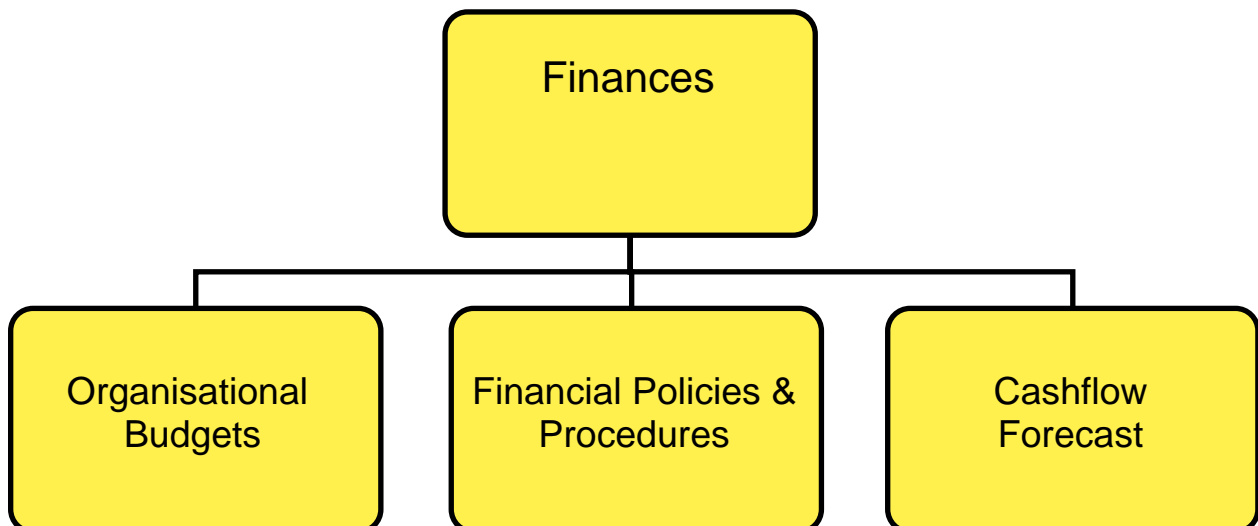
What policies do you have to guide staff and volunteers and ensure that they provide quality services in safety (for themselves, service users and the public)? What insurances do you have?

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4.2 Development Plan



The information in your project plan(s) can go here to form section 2 of your business plan, but if you have more than one project in mind, set out how they will all fit together. How do they fit with your organisation's aims?



You could add a funding strategy at this point. You will also need:

- a risk analysis
- an action plan



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4.3 Finances

The organisation's budgets (Estimate your likely expenditure and income for however many years your plan covers, taking into account inflation and any other predictable changes. See the 'budget' section in the Project Plan template if you need prompts on what budget headings to include.)

Financial policies and procedures (What do you have in place to ensure that the organisation's finances are protected from undue risk and fraud?)



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4.3.1 Cashflow forecast

(Split your annual budget into twelve months and forecast when money will come into your account and go out again. Some will be the same amounts every month, but some bills are quarterly or annual, as are payments from funders or major purchasers (which may not be paid until you've delivered all or part of the project). Cashflow forecasting will identify any points where you would be in danger of going into the red.) NB It's better to do both budgets & cashflow forecasts in Excel spreadsheets. West Yorkshire Community Accountancy Service (www.wycas.org.uk) can help with this.

Heading	Total Budget for Year	April	May	June	July	August	September	October	November	December	January	February	March
Income													
Expenditure													
Balance													

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4.4 Risk analysis and action plan

What could go wrong with your business plan? It could be something internal to the organisation or in the external environment. Common problems include:

- difficulties recruiting staff (leading to a late start to the project and underperformance against targets)
- difficulties in recruiting and retaining committee members (overstretching the small group who remain)
- changes in funders' priorities
- partnerships breaking down
- lack of suitable premises or sites for new buildings

List the risks which could undermine your plan, assess how high each risk is, and consider ways of minimising either the risk or its impact, assigning each task to a named person.

Risk	High/ Low	Actions to minimise the risk or its impact	Who	By When
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4.5 Executive summary

Aims & objectives

Track record & quality assurance

Current activities & partnerships

Governance, staffing & policies

Development plans

Evidence of need & demand

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Monitoring & evaluation methods

Resources needed

Funding strategy (if included)

Risk analysis & action plan

Details of any appendices (e.g. plans for a new building, job descriptions for new posts)

Your executive summary will just be a shorter version of what you've already written under the same headings. It will give people an overview of your plan.

Remember it will need to go at the front of the plan when you produce the final version.

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5 Funding Strategy Template

For each of your project plans you will need a strategy to gain (or keep) the resources to put them into practice. This isn't always cash – another organisation might be able to give you meeting space or second a member of its staff to you – but most groups need money at some stage in their development. Questions to consider include:

- Will the project generate any income? (This could be directly from fees paid by service users, or by other purchasers – often government bodies like Local Authorities or Primary Care Trusts who purchase services on behalf of the people who need them.) If it does, it may still need money to start it up – which could be a grant or a loan.
- Does your organisation have any money to put into this? (This could be from reserves or projected fundraising income. It's not essential to invest the organisation's own money in a project, but if you do have significant reserves, funders may ask why you want to use their money, not yours.)

If the answer to both the above is 'no', then you need to research other income sources – usually either grants or donations from the public, or a mixture of the two. If you are already receiving grant or contract funding, you may need a strategy to safeguard it and extend it for as long as possible.

NB If you have several project plans at the same time, you may need to devise a separate funding strategy for each one, but make sure they join up – if 'the Lottery' is the best funding source for both project A and project B, you'll have to choose between them, because a National Lottery funding programme will usually only fund one project per group at a time.

You can use some of the information from your project plan in the first part of your funding strategy ('Your Funding Needs'). Then you need to research:

- who might fund it
- why they might be interested in it
- whether that's the best funding option for you
- what actions you need to take

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5.1 Your funding needs

Project outline

Money needed (the total expenditure less any income towards it that's definitely secured)

5.2 Possible funders – why might they be interested?

How does your project outline fit with their priorities? And what are your strengths which would encourage them to invest in you? (Are you experienced in this kind of work? Good at reaching people they want to target? Has the quality of your work been recognised by any outside bodies?)

**Funder/
purchaser**

Funder's priorities

Our strengths *

* See the 'Track Record' section in your Business Plan.



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5.3 Are these the best funding options for you?

How well do their priorities fit with yours? How burdensome are their requirements (e.g. monitoring)? Do they pay only when targets are met, and are the targets achievable? Will they pay the full cost of the work? Could their involvement alienate your other supporters (e.g. some controversial companies)? How much work will be involved in making a good bid? Is the timing right for you? Put them in order, with the best options first, and notes explaining any concerns you have.

Funder/Purchaser

Concerns/issues

If you have serious concerns about all the funding options, you may need to review your project plans.

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5.4 What actions do you need to take?

The tasks involved in devising a funding strategy include:

- project planning (including budgeting)
- researching possible funders or purchasers and their criteria
- collecting evidence that you can deliver high-quality projects and meet the requirements of your current funders
- communicating with current, future and potential funders (this could be through formal reporting, inviting them to open days and AGMs, networking or lobbying, and writing applications or tenders; it involves both verbal and written skills)
- assessing which funding streams will be most appropriate for the organisation
- contingency planning for what might go wrong, and devising a plan B. (You need to know about both your own area of work and the funding environment to do this.)
- recording successful and unsuccessful bids

No individual has all the necessary skills, and if they did, it wouldn't be healthy to have all those skills tied up in one person – no one else would 'own' the strategy, and what if they left? So, as with any other kind of planning, it's better (and fairer) to share out the tasks.

Task	Any new skills needed & how to gain them	Who will lead	By when
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5.5 Contingency planning

What could go wrong with your funding strategy? Here are some examples:

Future funding:

- competition for the fund is very high so even good, appropriate applications are turned down
- you make a mistake in an application and set targets ten times higher than you could actually achieve
- the treasurer goes on holiday just before a funding deadline and no one else knows the detail of the figures

Existing funding:

- your existing grant funding is opened up to competitive tendering
- you don't meet the targets agreed
- there's a change in political control leading to a change in priorities for funding

List the risks which could undermine your funding strategy, how high each risk is, and ways of minimising either the risk or its impact, allocating the tasks involved to named people.

Risk	High/Low	Actions to minimise risk or impact	Who
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6 Where next? – ways to use the plans

Project plans can be used as part of a **project proposal** to:

- colleagues, the management committee or other people within your organisation
- funders
- potential partner organisations

Project proposals cover all the project details but relate them to the priorities of whoever you're trying to convince – so if they're inside the organisation, you might stress how well the project would meet your overall aims and perhaps raise your profile and credibility. If they're funders or partners, you stress the links between the project's outcomes and *their* aims.

If you're planning to tender for a **contract**, it won't be so important to evidence the need for the project, because the purchasing body will have already decided that this work is needed. However, you may need to include more detail from your business plan about the **capacity** of your organisation to deliver the work, as purchasers will need to be confident that the contract's targets will be met.

Your business plan can support your funding applications but can also be used internally – to help new members and supporters to see where the organisation is heading, and to ensure that the committee, staff and volunteers are all working towards the same goals. It needs to be readable, but it's also useful to have a short **executive summary** of one or two sides so people can see the key points at a glance.

Your business plan and funding strategy may feed into other action plans – for instance, a **training plan** for the organisation, or a **marketing strategy**.

All these plans should help you to meet **quality assurance** requirements, because they're part of a cycle of planning, reviewing and improving.