



CAPACITYBUILDERS

CORPORATE PLAN

2006–2009

Table of contents

1	Executive summary	2
2	Context and scope	4
2.1	Background.....	4
2.2	Role of Capacitybuilders	4
2.3	Vision	5
2.4	Mission.....	5
2.5	Principles	5
2.6	Challenges and issues.....	5
2.7	Structure and approach of the corporate plan.....	6
3	Strategic considerations	7
3.1	Intended outcomes for 2014	7
3.2	Benefits and measurements	7
3.3	Business objectives	7
3.4	Identified outputs.....	8
3.5	High-level plan	8
4	Corporate plan 2006–2009	9
4.1	The bigger picture	9
4.2	Operational objectives	9
4.3	Business objectives	12
4.4	Financial plan 2006–2009	14
4.5	Staffing plan	15
4.6	Risk management	16
4.7	Corporate governance	16
4.8	Evaluation and success criteria.....	19
	Annex A: Risk register	22
	Annex B: Grant payment profile 2006/07	24
	Annex Ci: Funding graphs	25
	Annex Cii: Funding graphs	26
	Annex Ciii: Funding graphs.....	27
	Annex D: Board Directors, Managers and Regional Coordinators.....	28
	Annex E: Organisation of the Capacitybuilders staff.....	29
	Annex F: Details of national Hubs and allocations.....	30
	Annex G:Alignment with Cabinet Office Strategic Objectives	31

1 Executive summary

Capacity Builders (UK) Limited (Capacitybuilders) was incorporated on 14 February 2006 as a company limited by guarantee. It is also an executive non-departmental public body (NDPB). The company commenced business on 3 April 2006 and assumed responsibility for delivering the ChangeUp programme¹ from the Home Office.² Capacitybuilders has a £70.8 million budget to fund ChangeUp for the financial years 2006/07 and 2007/08.

Capacitybuilders has replaced the nine regional Government offices in coordinating the delivery of ChangeUp funding to the consortia.³ Capacitybuilders' budget also includes funding for the six national Hubs.⁴ Within the overall budget of £70.8 million the annual allocation up to March 2008 for both the consortia and the Hubs has been mandated by the Cabinet Office. In addition to assuming responsibility for delivery of ChangeUp and the Hubs, Capacitybuilders is also tasked with developing funding streams to other qualified voluntary and community sector (VCS) entities.

The key objectives of Capacitybuilders are to:

- improve the quality of infrastructure⁵ support for VCOs;
- encourage extra investment in infrastructure through demonstrating its benefits;
- ensure that investment reaches diverse organisations; and
- develop knowledge of other funds available and influence the policy and practice of other funders.

The aim of the ChangeUp framework is that by 2014 the needs of frontline VCOs will be met by support that:

- is available nationwide;
- is structured for maximum efficiency;
- offers excellent provision;
- is accessible to all;
- reflects and promotes diversity; and
- is sustainably funded.

These objectives form the context for the strategic objectives of this corporate plan, and in turn they lead to two broader divisions: business objectives and operational objectives. The business objectives are to secure Capacitybuilders' future; the

¹ A Government funding programme developed with voluntary and community organisations (VCOs) to build capacity and infrastructure in the sector.

² Change to the machinery of Government has transferred ministerial responsibilities and administrative arrangements for Capacitybuilders and therefore ChangeUp from the Home Office to the Cabinet Office.

³ Consortia organisations supporting frontline organisations in their communities.

⁴ Centres of expertise.

⁵ Infrastructure is the physical facilities, structures, systems, relationships, people, knowledge and skills that help frontline organisations achieve their aims (as defined in the Capacitybuilders strategy document, *Fit for Growth*, April 2006).

operational objectives refer to how the Capacitybuilders action programme will deliver funding to the VCS. Underpinning all of this work is the need to establish the baseline for Capacitybuilders. The priority is to review the progress of ChangeUp and Capacitybuilders, and it is absolutely important to gain the agreement of stakeholders on the methodology and success criteria for both of these major activities.

The voluntary and community sector is but part of the broader “third sector” which also encompasses the social enterprise movement, social companies, non-profit distributing entities with a clear social purpose and a range of economically based developments. Capacitybuilders will ensure that its various programmes include support for the infrastructure of the third sector as a whole.

The intended outcomes are:

- a more efficient VCS infrastructure
which will lead to:
- better effective delivery of VCS services; and
- greater investment in the sector.

2 Context and scope

2.1 Background

The Government committed itself to a 10-year programme – running from 2004 to 2014 – to develop the infrastructure of the VCS, after the publication of the Treasury's document *The Role of the Voluntary and Community Sector in Service Delivery – A Cross Cutting Review*. The programme was called ChangeUp, and it was allocated £80 million of funding for FY04/05 and FY05/06. The years 2004–2006 have been spent in developing the VCS infrastructure. ChangeUp allocated £4 million to a Public Service Priority Programme developing specialist infrastructure, with the balance going to the broader remit, which has been achieved by forming regional and sub-regional (county, borough or metropolitan borough) consortia to represent the many VCS organisations, and by establishing the Hubs.

There is no standard pattern for consortia, but they all have the role of ensuring that the priorities for supporting the VCS are sector led rather than Government directed. There are 127 consortia.

The Hubs are national centres of expertise, and are a primary means of developing VCS capacity in the key areas of:

- finance;
- governance;
- information and communications technology (ICT);
- performance;
- volunteering; and
- workforce development.

Capacity Builders (UK) Limited (Capacitybuilders) was incorporated on 14 February 2006 as a company limited by guarantee. It commenced business on 3 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 FY06/07 and FY07/08.

2.2 Role of Capacitybuilders

Capacitybuilders has replaced the nine regional Government offices in coordinating the delivery of ChangeUp funding to the consortia. Capacitybuilders' budget also includes funding for the Hubs. Within the overall budget of £70.8 million the annual allocation up to March 2008 for both the consortia and the Hubs has been mandated by the Cabinet Office.

In addition to assuming responsibility for delivery of ChangeUp and Hubs funding, Capacitybuilders is also tasked with developing funding streams to appropriate infrastructure bodies.

Capacitybuilders has a guaranteed operational life of two years, the financial years 2006/07 and 2007/08. Currently funding has been committed for these two years only. This document is produced with an overriding assumption that the operational life of Capacitybuilders will continue beyond 31 March 2008 until at least 2014.

2.3 Vision

Our vision is an independent, innovative, flexible, responsive and sustainable VCS which achieves its full potential in service delivery, policy analysis, community development and campaigning.

2.4 Mission

Our mission is to secure a high-quality, sustainably funded infrastructure for frontline VCOs. This should allow them to achieve their aims better and use their resources more effectively.

2.5 Principles

Capacitybuilders will:

- respect VCOs' independence;
- take full account of diversity;
- take account of the experience of frontline VCOs;
- recognise that a variety of approaches to capacity building may be successful;
- respect the public service principles established by the Nolan committee;
- apply diligence, integrity and fairness, at all times;
- seek consistency of practice and procedure; and
- implement streamlined and responsive management structures.

2.6 Challenges and issues

2.6.1 Sustainable funding

Capacitybuilders is funded for two years only, and in this period the mission is to provide a sustainable infrastructure to frontline VCOs. It is our top priority to secure funding for FY08/09 and beyond.

2.6.2 Funding profile

Capacitybuilders has been given a budget of £37.3 million for FY06/07 and £33.5 million for FY07/08. Given that large elements of the budget allocation are currently mandated, there is relatively little scope in which to manage the £3.8 million year-on-year drop in funding. At this early stage Capacitybuilders cannot be definitive in how this challenge will be met, and figures presented later in this corporate plan should be seen as illustrative of the options and approaches being considered by the Board.

2.6.3 In-year spend

Figuratively, Capacitybuilders is at the top of a vast, diffuse pyramid that is the VCS. Although our priority is to deliver funds, within proper guidelines or criteria, to the sector, Capacitybuilders is very conscious of the requirement for FY06/07 funds to have been correctly spent by 31 March 2007. The challenge is to introduce a reporting and monitoring regime that is acceptable to both the VCS and the Cabinet Office.

2.6.4 Evaluation

To date there has been little activity to assess the benefits so far delivered by ChangeUp. A major feature of this corporate plan is to deliver a minimum of two evaluation reports: one in FY06/07 and another in FY07/08. These reports will have a number of inter-related outputs:

- confirmation of the start point or baseline (a separate study is identifying the baseline);
- determination of a comprehensive set of criteria for success;
- production of approved measurements and processes with which to gauge progress; and
- a benefits realisation plan (BRP) with which to monitor progress through to 2014 and to conduct the Gateway 5 Benefits Review⁶ at that point.

2.7 Structure and approach of the corporate plan

Given the long-term nature of ChangeUp it is important, particularly in this first corporate plan, to place the short-term plan in the context of the strategic objectives. Therefore the first part of the corporate plan covers Capacitybuilders' operational and business objectives, describing the outcomes to be achieved and introducing the need for measurement and benefits realisation. The section is short but high level, being indicative rather than prescriptive.

The major section of this document is the Capacitybuilders corporate plan. It describes in more detail the shorter-term key objectives and outputs that will contribute towards realising the long-term goal. Particular attention is paid to the business model that underpins the financial plan, the overall resource requirement, and the targets Capacitybuilders has set itself. The aim is to continue to improve the quality of infrastructure support to VCOs and to demonstrate its value to the Government and the sector beyond 2008, both of which will enable Capacitybuilders to justify and secure funding beyond that date.

⁶ There are five OGC Gateway reviews during the lifecycle of a project, three before contract award and two looking at service implementation and confirmation of the operational benefits. A project is reviewed at the OGC Gateway Review appropriate to the point reached in its lifecycle.

3 Strategic considerations

3.1 Intended outcomes for 2014

Capacitybuilders' vision is of an independent, innovative, flexible, responsive and sustainable VCS which achieves its full potential in service delivery, policy analysis, community development and campaigning.

The four key objectives of Capacitybuilders are to:

- improve the quality of infrastructure support for VCOs;
- encourage extra investment in infrastructure through demonstrating its benefits;
- ensure that investment reaches diverse organisations; and
- develop knowledge of other funds available and influence the policy and practice of other funders.

The intended outcomes are:

- a more efficient VCS infrastructure
which will lead to:
- better effective delivery of VCS services; and
- greater investment in the sector.

3.2 Benefits and measurements

At present the outcomes are too broad to enable an authoritative assessment to be made of whether in 2014 Capacitybuilders will have achieved its objectives. As an output Capacitybuilders must produce a Benefits Realisation Plan (BRP). The BRP itself requires that there is agreement on the success criteria and on what is to be measured and monitored to determine whether the intended outcomes have been delivered.

3.3 Business objectives

Capacitybuilders' strategic business objectives are to:

- increase the proportion of non-government funded investment in ChangeUp;
- become the fund manager of choice for delivering third party funding, especially that from other government departments (OGDs) into the VCS; and
- secure its own future and funding through to 2014.

3.4 Identified outputs

3.4.1 *Benefits Realisation Plan*

A BRP will:

- define and describe the intended outcomes;
- define the baseline from which progress can be measured;
- establish the success criteria for delivering the outcomes;
- define the measures for monitoring progress towards meeting business and operational objectives; and
- establish the monitoring and management regime.

The BRP will be produced as part of the series of activities related to the evaluation report for FY06/07 (see Section 4.8).

3.4.2 *Business model*

The business model will provide the framework with which to monitor and gauge Capacitybuilders' progress towards meeting its business objectives.

3.5 High-level plan

The immediate plans for Capacitybuilders need to be placed within the strategic context described thus far, suggesting a two-part high-level plan to meet our strategic objectives.

Part 1 – Mission and strategic objectives to 2014: The mission and strategic objectives need regular review to confirm that they are still valid. This in turn will enable confirmation that the more detailed corporate plan and business plan are consistent with meeting these aims.

Part 2 – Corporate plan for 2006–2009: The major part of this document will detail the objectives and resource requirements for FY06/07, FY07/08 and FY08/09. This will include:

- the outputs needed to monitor progress towards meeting the strategic objectives;
- the business objectives from 2006 to 2009;
- the programmes delivery plan 2006 to 2009;
- the financial plan to support the business objectives and the programmes delivery plan.

Although the plan will be subject to annual review, there will be a major review of objectives and progress in 2007/08. This will confirm or change objectives and targets up to 2014.