



voluntary action sheffield

TRIENNIAL BUSINESS PLAN REVIEW

MAY 2009

Final

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1 INTRODUCTION

In the three years since we last conducted a Business Plan Review, much has changed in our operating environment, internally and externally. There has been unrelenting change in the public sector policy environment, which has had major implications for the local third sector and, by extension, for our work. Not least, is the advent of local area agreements, the growth in public sector commissioning within the voluntary sector and, more recently and locally, the establishment of Community Assemblies in Sheffield.

Many of these developments have been positive, providing new opportunities for the sector to influence policy-making and play a more active part in developing services for our communities.

But, in the last year or so, this has been against a backdrop of a global economic downturn, coupled with the ending of the Objective One and other public sector funding regimes which have been a major driver for local third sector development in Sheffield and South Yorkshire. There will also new constraints on public sector finances in the years ahead. These present major challenges for the local sector and will need to be considered as part of current wide-ranging review of Sheffield's Third Sector, which VAS is supporting.

Needless to say, in such an environment, VAS will continue to vigorously champion the value of local voluntary and community organisations, in terms of addressing increasing hardship, helping communities to recover and in providing cost-effective, flexible and responsive services.

One of the other big and more positive changes in our operating environment since our last review is the advent of the Circle, which opened for business in April 2007. As well as providing an excellent base for VAS and a cluster of other local third sector organisations, it has become an established city-centre hub/venue for voluntary and community organisations to hold meetings and events, which is much as we had hoped for in our vision for the building, before we set out on developing it over seven years ago. Some public and private sector organisations have also become regular users of the building, which helps to provide revenue to support running costs. With the benefit of a recent refurbishment of the ground and first floors, we expect the Circle to go from strength to strength over the next three years, with a wider range of groups using it.

This review begins by reminding us of our strategic planning framework, as relevant now as it was when it was devised over three years ago, as it is built upon VAS's vision, mission and values. It is the framework from which our work priorities are determined, and performance managed. It is followed an analysis of some of the major policy drivers informing our work planning at the present time, a look at our 'customer' base and how we strive to ensure that we are focussed on their needs.

A new development for us in this review is a policy commitment. This is a kind of manifesto which puts a series of policy objectives around our work, both in terms of changes we will seek to make in the external environment as well as specific actions and service developments we will undertake.

At the 'business end' of the review are the key workplan themes, performance indicators, and the budget/financial outlook sections and a review of the major risks and challenges. Sections on marketing, a review of the management structure and a proposed review of the governance structure complete the package.

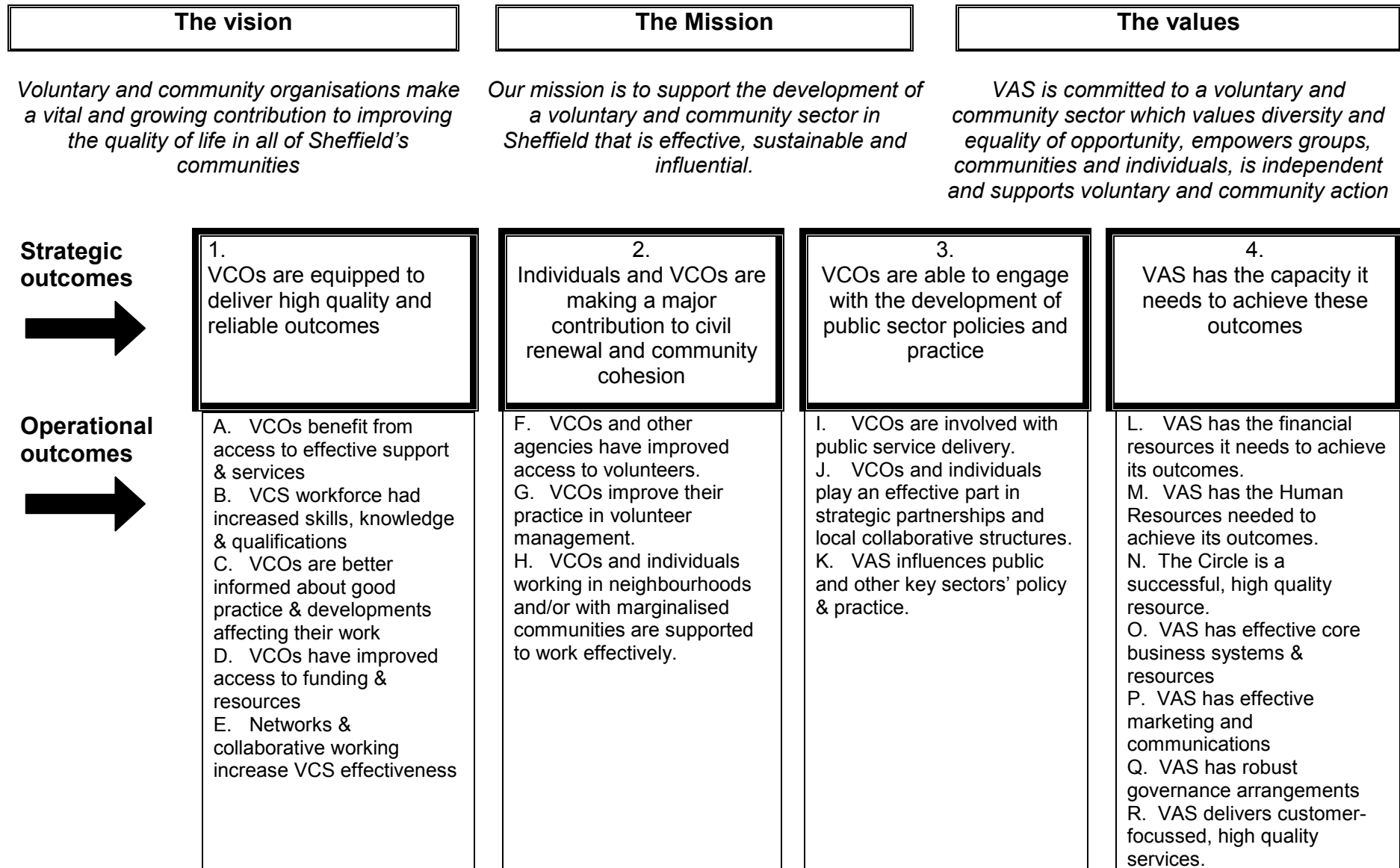
As always, comments and suggestions arising from the contents of this review will be welcome.

A handwritten signature in black ink, appearing to read 'Nick Warren', with a stylized, cursive script.

*Nick Warren
Chief Executive
May 2009*

2 STRATEGIC PLANNING FRAMEWORK

(as revised in April 2008)



3 A CHANGING ENVIRONMENT

There have been many changes in the policy environment since VAS last conducted a major review of its business plan. What follows is a summary of some of the major drivers that are informing VAS's plans for the coming year and beyond.

Localism

Local government is currently very high on the political agenda. The Government White Paper 'Communities in control: Real people, real power' (July 2008) contains proposals that seek to increase engagement and participation and encourage more deliberation in local decision-making.

Sheffield City Council is launching its new Community Assemblies in May 2009, which for the first time will be devolving some executive powers to members in each of the seven localities. It is the first Council in the country to establish a panel under the Sustainable Communities Act (2007), which empowers local authorities to submit proposals to central government for change that they consider will encourage the improvement of the economic, social or environmental well-being of the local area. It is also currently consulting on its draft Community Involvement Strategy, to provide opportunities for local people to have a say on how services are delivered. Each offers important new opportunities for voluntary and community organisations to help shape Council policy and practice.

Local third sector review

At the same time, a major review of the local third sector has been initiated by the City Council, supported by VAS, OFFER, CLASSY the Sheffield BME Network and NHS Sheffield. Consultants will be carrying out a wide-spread review of the sector's capacity, infrastructure and working relationships with a view to making recommendations by August of what needs to be done to ensure it is fit for purpose, in terms of helping to address the city's key priorities, and sustainable in the medium to long term.

VAS will be seeking to ensure that the review is well informed through widespread participation from local organisations and that the conclusions and recommendations are appropriate and understood by key stakeholders.

Economic downturn

The above review is taking place at a particularly challenging time for the sector in Sheffield, which is not only having to deal with the impact of the economic downturn, but is also facing the consequences of the ending of the Objective 1 programme, which invested in the region of £35m in voluntary and community sector programmes and infrastructure in the City. Much has been achieved in this period and the sector has been able to demonstrate the importance of its contribution to developing the core economy, through the

creation of social capital, support for social enterprise in some of the hardest to reach communities and in underpinning public services.

But financial pressures on the sector will continue to grow, particularly as there will be increasing constraints on public sector expenditure in the years ahead. It is vitally important that the current adverse economic conditions do not end up with the sector's architecture being determined entirely through natural selection and that we ensure that its most vital strands and foundations are safeguarded.

VAS is pulling together key services and information to help support local groups through the recession, starting with a major event in early May. It will be reviewing what other specialist help it can provide as the year progresses.

Support for volunteering

VAS has been taking a lead, on behalf of the Sheffield First Partnership (SFP), on developing a volunteering strategy for the city. This builds on research commissioned by VAS from Sheffield Hallam University in 2007 that identified where there was potential to increase the quantity and quality of volunteering in the city through greater collaborative work, specific initiatives and appropriate investment. Having adopted National Indicator 7, to increase the level of volunteering, as a local priority indicator with the Sheffield First Agreement, the City has committed itself to making this happen. To that end VAS has appointed a Strategic Volunteering Manager to take this work forward into an implementation stage by late 2009/10.

Compacts

Compacts (local and national) have provided a useful framework for the conduct of working relationships between the third sector and public sectors for around a decade. As well as the national Compact (with Government) having a refresh, with the appointment of a new Commissioner, major consultation last year and a new version to be launched in November 2009, the local Compacts (with Sheffield City Council and NHS Sheffield) are also undergoing review.

The Health Compact undertook a survey to gain the views and experiences of VCS organisations locally, this is to be followed up by mapping a number of VCS organisations and their relationship with NHS Trusts over the coming year. The application of the health compact has also led to NHS Sheffield agreeing to 3 year contracts for VCS organisations in line with compact protocols.

The City Council Compact (should be carrying out a similar one in the coming weeks) is planning on carrying out a similar VCS survey in the coming weeks. The latter is complicated by the City Council's Compact being in effective abeyance, pending formal approval of changes agreed as a result of a major review and consultation in 2007 (and further held up, no doubt, by the change in political administration last year). This makes a challenge to the City

Council Compact difficult in the current state of dormancy. We would wish to see the status of that review clarified as soon as possible.

Both compacts are currently exploring possible areas for joint working and will be looking closely at the results of the third sector review. In the longer term, we would wish to see the two Compacts combined into a single document, with common codes of conduct etc. This is something the local third sector review will need to consider.

Procurement & commissioning

The drive towards increased competitive tendering continues unabated in both the City Council and the NHS. There is an increase in the number of contracts being let and third sector organisations are having some successes.

This in part is due to the third sector in Sheffield significantly re-structuring itself into a number of bidding consortia to take advantage of the new procurement agenda and to position itself for larger regional and sub regional sub contracts. Despite these successes the consortia are fragile and it is hoped that the local third sector review will identify ways of investing in the development of this segment of the market, to retain and increase the diverse and local economy the Council is looking for.

Although there is much discussion of sub regional and regional contracting, on the ground, there are very few opportunities. There are large national contracts being let [LSC, DWP] but these still remain beyond the reach of the third sector, despite Government intentions and interventions to implement changes, with the contracts still going to national and international prime contractors.

Over the past two years it has become clearer that there are a significant number of smaller organisations for whom the procurement agenda is irrelevant and who provide better value for money through grant aid.

Personalisation

The Government's Putting People First "Concordat" of December 2007 says that every local authority will need to make personal budgets available to people. This person-centred approach has come to be known as personalisation, based on the idea that an individual is best placed to know what their needs are and how those needs can best be met. It includes self-directed support, direct payments, individual budgets and personal budgets. In all these models, the individual makes the decisions about how the budget allocated to meet their need should be spent. It can also apply to self-funders, those not eligible for social services funding, who will decide where to spend their money (as they do now of course).

The 'go live' date in Sheffield is November 2009. At that point, new people coming into social services and those up for review will go through the self-directed support process.

It alters the relationship between a VCS organisation, those who fund its services and its 'customers'. It will affect some organisations more quickly than others - e.g. some organisations already take many self-funders, but over time it is still likely to affect the relationship as 'users' become 'customers' and exert their power to choose. It is also likely to spread beyond social care – certainly to health (NHS Sheffield has applied to become a pilot to deliver the new personal health budgets) and probably further. It has cross-party support.

Some of the affects on the local VCS will be:

- Increased competition with private sector organisations and large national charities
- Changes to commissioning and contractual relationships
- Opportunities to take on new roles – helping people to plan their support, advocacy etc
- Different models of service – user-led organisations, more flexible team working, partnerships with other organisations (VCS or private)
- Need for new skills – marketing and information, customer awareness, user involvement, different financial models (individual service accounts, increased importance of unit costs)

VAS needs to be able to respond to these needs. This may mean some new work as well as ensuring that what we already offer incorporates a personalised approach.

Regional policy environment

VAS has been working with the Regional Forum on the development of a policy and approach to engaging with the new regional structures, following the publication of the Government's Sub National Review last year, the ending of the Regional Assemblies, the transference of sub-regional investment structures from Regional Development Agencies to the City Regions, the creation of a new board of local authority leaders combined with members of the Yorkshire Forward board, and the development of a new Integrated Regional Strategy.

This has various implications for us, if we wish to continue to see the local voluntary and community sector influence the policy agenda, to overcome the trend towards hard economic targets without adequately taking into account the wider social and environmental factors. To this end we will support the Regional Forum in the establishment of a regional VCS Leaders Advisory Group, which will contribute to the new regional decision making processes and in organising events aimed at raising awareness among key policy-makers.

National policy matters

Much of policy and decision-making affecting the sector is determined nationally and it remains important for VAS to maintain a close eye on what is

happening in Whitehall and Westminster. VAS will continue to work closely with NAVCA, as a member of its Trustee Board, as a route into influence at national policy level. With a general election pending with the next year or so, VAS will also be seeking to influence the main political parties on their policies with respect to the local VCS and to that end will be inviting them to address and take part in Policy Forum events at the Circle.

4 VAS'S 'CUSTOMERS'

Customer profile

VAS's main 'customers' are local voluntary and community organisations. We work with around 900 organisations per year - around a third of the sector in Sheffield.

Around a third of our customers define themselves as local voluntary organisations; over a quarter are community groups; around 10% are social enterprises; over 5% are community infrastructure such as community forums/development trusts; over 6% are faith groups and a similar percentage define themselves as self-help groups.

Around 10% of the organisations we work with are black and minority ethnic organisations. Apart from organisations that work with all client groups, BME organisations and organisations working with children and young people are VAS's largest customer groups.

In terms of size, around 60% of our customers have less than 5 paid staff and 25% have no paid staff. Forty percent have an income under £50k pa and 17% have an income over £500k. But inevitably there are significant differences between which groups use different services, with smaller groups making more use of community accountancy and group development support and larger organisations making more use of procurement support and legal advice.

Customer feedback

Customer feedback is vital to help us improve what we do and how we do it. But getting customer feedback which provides useful information and which does not overburden the customers – the organisations and individuals that use VAS's services – is a challenge. We are developing our methods and procedures for doing this and this is a summary of what we currently do.

VAS-wide, when services complete a piece of work with an organisation, we send a review form so that the group can give a satisfaction rating and tell us whether its objectives were achieved. Staff and managers analyse the returned forms and the results feed into performance management and team planning. Customer feedback is a standing item on team meeting agendas. In 07/08, 100% of respondents (83 returned forms from across VAS, around 10% return) were very or fairly satisfied with the service provided and 94%

said that their original objectives were fully met. 100% of respondents rated staff 'knowledgeable and skilled in their work area' and 'helpful, professional and efficient'.

We send a satisfaction survey to all organisations that we work with every year, and this asks organisations to say what difference the service has made. This helps us to report on our progress in achieving performance measurements and helps VAS to say what our 'impact' has been on front line organisations in the sector.

In 07/08, 85% of respondents said that using VAS's services had made a positive difference to their organisations (10% didn't know yet and 5% said it hadn't made a positive difference).

Some of the things respondents last year listed as making a positive difference included:

"Better understanding of charity law; helped us become (good) employers; ensured our policies and procedures are sound."

"Payroll saves a huge amount of time for us."

Helped senior staff and Board to analyse the environment we work in and start to plan the future."

"Helped us to clarify roles of the management committee members."

"VAS is always one step ahead of the game and therefore courses/seminars are always relevant to help us to move forward in the right direction."

"...Procurement is making a real shift in what we do."

Departments also do service specific surveys or run focus groups to gather information to feed into funder reviews, business plans, grant applications and so on.

In terms of individuals, we ask for feedback from all training course participants through individual evaluation forms and analyse the data at every team meeting. We follow up volunteer enquirers after a three-month period to find out how they rate the Volunteer Centre's services and whether they are in a volunteering placement. We send a feedback form to every customer booking rooms at The Circle and again this data is analysed and acted on.

All methods of customer feedback are summarised each year as part of an annual VAS customer feedback report which goes to VAS's Trustee Board.

Although across the whole of VAS's services feedback is overwhelmingly positive, we get useful comments and suggestions. One area that was identified as an area for improvement was VAS's communications and as a result of this we now have a dedicated marketing and communications post. Sometimes feedback can be conflicting but it alerts us to having to manage this issue carefully with customers.

"I always have lunch club accounts done at VAS – excellent service and the rate is good..."

"We get our accounts done by VAS and in my opinion it is too expensive for a voluntary group..."

5 KEY WORKPLAN THEMES & AREAS FOR DEVELOPMENT

In 09/10 VAS is planning to work with nearly 1000 VCOs, provide 2000 training places, signpost 2,500 volunteers, and support and champion the sector in its many roles. For a detailed breakdown of all this activity see our comprehensive Workplan 2009/10. For a summary of our achievements see the Impact Report published in the autumn each year.

The purpose of this section is not to repeat these sources but to summarise the main Workplan themes and developments.

Equipping VCOs to deliver effectively

- The delivery of our intensive support services is strongly influenced by changes in funding. We are no longer able to offer comprehensive help with introducing quality systems and practices, except for local infrastructure organisations across South Yorkshire through the Performance Improvement Project. We will be able to expand our support for financial management and accountancy with the help of Big Lottery BASIS funding, working with our CVS partners across South Yorkshire in developing joint approaches to delivery. Basis funding is contributing also to legal and HR services but leaving us with a funding gap that can only be met by charging clients. This is reinforcing a strongly customer focused approach to evolving the services we offer.
- While forced to increase charges towards full cost recovery for some of our services, VAS remains committed to supporting access by small groups. Our new charging policy includes this commitment, and our Small Groups Worker and many of our other services pay particular attention to meeting the needs of the 75% of VCOs that have an income of less than £50k pa
- We also prioritise groups in crisis and are paying close attention to responding to the needs of groups impacted by the recession. Legal, HR and financial advice are all needed to help with downsizing, closure, mergers and collaboration, illustrating the breadth and depth of support that we are called upon to provide
- Our extensive training programme continues to develop in response to high demand. The training department will, resources permitting, be re-launching our management mentoring service, and expanding our range of learning delivery with conferences, summer short courses, and e-learning.
- The use of the Circle continues to grow and we are expecting well in excess of 1,000 bookings for our training, conference and meeting rooms from VCS organisations alone as well as providing a permanent office base for 12 VCS organisations. We also intend to develop our Events Management Service as part of the package of support.
- Our support for learning in the sector will be enhanced through creating a local Accreditation Support Service, contributing to the development of a unitised qualification framework, and building up the Circle's profile as a centrally located hub for VCS learning.

- We are increasingly called upon to undertake high level and in depth work with VCOs. We need to ensure that we can put together multi-disciplinary approaches to such demand, which may be to do with start-up, enterprise and procurement, merger or collaboration, crisis or closure.

Individuals active in their communities

- VAS will employ the new Strategic Volunteering Manager to progress and implement Sheffield's Volunteering Strategy on behalf of the Sheffield First Partnership. Increasing the number and diversity of volunteers (NI 6) to meet LAA targets, increasing employer involvement, reaching neighbourhoods across the city, are all themes of the strategy. Finding volunteers remains a key issue for many VCOs.
- The Volunteer Centre is preparing for a substantial increase in demand from people wanting to find out about volunteer opportunities. This is partly a result of the recession as well as renewed marketing and publicity as the Centre reopens following a refit. The Centre plans to recruit additional volunteer advisers and enhance their training to help respond to demand.
- The Volunteer Centre already provides additional support to meet the needs of refugees and asylum seekers, particularly in finding placements that will improve their employability. Extra help is now planned for other people with extra support needs. Development of a framework for measuring progress towards personal and professional goals, and identification of progression routes within volunteering will help ensure placements that best meet clients' needs.
- There is potential for development of a current pilot for brokering employer supported volunteering. Pilots of pre-and post-volunteering workshops and of a new Volunteer Forum are also planned, and exploration of how we can work with others to support youth volunteering.
- VAS supports a large number of neighbourhood-based VCOs and will continue to ensure that training and other support are highly accessible to such groups, such as through running financial awareness sessions in neighbourhoods.
- VAS is actively involved in developing and implementing the city's Community Cohesion Strategy action plan, including working with Sheffield City Council and other partners to improve communications about cohesion issues, increase civic involvement, and develop actions to improve understanding and cohesion in the city.

Influencing public policy & practice

- As the public service commissioning agenda gathers pace we need to consolidate the groundbreaking work in establishing local bidding consortia which are still in their infancy, and encourage the development of good procurement processes and practice.
- One major area of opportunity for the sector is presented by commissioning of health and social care services and we need to link the expertise of our Procurement Support Officer more closely with that of the

Planning & Partnership team, and to pursue discussions with commissioning officers.

- Our Planning & Partnership Team is busy researching and raising awareness of the far-reaching implications of 'personalisation' of health and social care services. Self directed support may offer huge potential for VCOs to become involved in delivering such services. Unless well prepared and responsive to the new arrangements, local VCOs will lose out to well known nationals and the private sector, with the result that users have less choice and there are fewer benefits to the local area. We will be bringing together expertise from across VAS to help prepare the local third sector for this fundamental change.
- We are supporting VCOs to have an increased role in planning and delivery of services through involvement with the new Community Assemblies and Service Districts
- As well as directly promoting sector concerns through membership of the Sheffield First Board, the Regional Forum Trustee Board and the NAVCA Trustee Board, we are actively involved in supporting VCOs to voice their concerns. We will work increasingly closely with Offer in supporting VCS representation to the LSP (particularly Health & Well-Being and Children & Young People's 0-19+ Partnerships and sub-boards), and in supporting the development of a citywide BME network.
- We will work to improve the effectiveness of the Sheffield Compacts by supporting the development of the Health Compact and closer integration or merger with the City Council compact. We will seek council approval of amendments on three-year funding agreements negotiated in 2007.
- Future role and funding of the sector is of widespread concern and we will support the city's Third Sector Review in taking a strategic look at role, relationships and resources
- Having successfully established the Sheffield LINK with a staff team and newly elected governing board, the focus turns to delivery. GP access, infection control, person-centred care and equipment and adaptations are amongst the service review priorities established by the LINK
- Development of our Policy Commitments, see below, will strengthen our championing of the issues & concerns of the sector

Resources for our work

- Challenging income generation targets include increases of 38% for room hire and a similar figure for charges for services, particularly HR, Legal, financial & ICT. This increasing reliance on enterprise will be supported by new charging policies, monthly monitoring and a staff Income Generation Group to monitor & develop practice.
- In response to the more complex funding environment we are introducing an internal funding intranet section to share funding information and ideas more effectively and to support bid-writing.
- We will be seeking additional funding to eliminate underlying deficits in our training programme, volunteer centre and planning & partnership work, and to sustain our work on procurement.

- Resources are needed to strengthen our contribution to a number of key agendas including enterprise, recession support, more intensive volunteering support and brokerage, procurement, performance improvement and personalisation. Funds to ensure access to our services by smaller groups are also needed.
- Following an independent feasibility study, we will be promoting our VC-Connect database to LIOs nationally. We believe that this spin-off of our own VASCAT database has the potential to contribute future surpluses, and we will be establishing this enterprise as a 'virtual company' within VAS.
- VASCAT itself will receive further investment to update data, and to ensure that it provides the monitoring we need to meet the changing requirements of our funders.
- Following the refit of the Circle we will continue to invest in its future viability by introducing new conference management software, reviewing catering arrangements, and intensifying marketing.
- As well as reviewing and updating many of our HR policies and procedures, we will be looking more closely at managing workplace stress
- Other policy work will include adopting an Environmental Policy and implementing our Travel Plan.
- Training, CAPS and the Volunteer Centre all plan to extend their service delivery by recruiting volunteers.
- The challenges of managing increasingly complex resourcing of our work in a more uncertain operating environment have led us to strengthen our management team by introducing a PA to the CEO/ET. We will re-structure line-management reports through the introduction of an External Services Manager in place of our CBQM, and increase the management capacity within the Planning & Partnership Team

6 VAS'S POLICY COMMITMENT

In 2009, for the first time, we are publishing a 'Policy Commitment' –priorities for VAS's policy work for the year ahead. This sets out a series of policy objectives, relating both to VAS's own work priorities and changes it will seek in the policies and practices of other organisations, particularly in the public sector. The aim will be to further VAS's mission of supporting the development of a VCS in Sheffield that is effective, sustainable and influential. We have selected these priorities because we believe that if progress is made on these issues, it will make a positive difference for voluntary and community organisations in Sheffield.

VAS's policy work relates to population groups such as children and young people, older adults, black and minority ethnic communities, as well as work on issues such as volunteering, skills and health. We often work at a local level, with other voluntary and community organisations as well as statutory and private sector organisations. But we also work with others sub-regionally, regionally and nationally, if we feel this work could be useful for the voluntary and community sector in Sheffield. We will continue to work on these policy issues in addition to the priorities we're highlighting below.

1.VAS champions the role, value and concerns of the voluntary and community sector in Sheffield.

We will

- Promote the value and diversity of the sector, including the work of smaller organisations
- Champion the sector's role and contribution to the city, including its role in delivering services
- Host events to promote policy debates within the sector locally and with partner organisations

2. VAS champions longer-term financial viability in the voluntary and community sector in Sheffield.

We will

- Lobby Sheffield City Council and NHS Sheffield for
 - multi-year funding agreements
 - continuation of grant aid
 - Full Cost Recovery
 - best practice on commissioning and procurement.
- Influence the local Third Sector Review on funding and sustainability issues for the sector
- Support smaller groups to access procurement and funding opportunities
- Support closer working within the sector when appropriate (including consortia and mergers)

3. VAS supports the voluntary and community sector in Sheffield to survive the recession.

We will

- Provide relevant information, services and support
- Champion the needs of voluntary and community organisations with public sector partners and in strategic partnerships
- Lobby for emergency/crisis funds to be available to organisations in financial difficulty
- Lobby central Government to provide more support to the local VCS.

4. VAS promotes good practice in and with the voluntary and community sector in Sheffield.

We will

- Challenge over-regulation of voluntary and community organisations
- Train organisations in measuring and evidencing the effectiveness of their work
- Lobby funders for monitoring and evaluation appropriate to the size of funding and organisation
- Strengthen the role of the two Sheffield Compacts through closer working or merger
- Lobby the public sector to make sure legal documents are user friendly and comply with Compact principles and codes of practice.

5. VAS champions volunteering in Sheffield.

We will

- Champion and support diversity in volunteering in Sheffield
- Lead on developing and implementing a Volunteering Strategy for Sheffield
- Support best practice and help to reduce barriers to volunteering with voluntary and community organisations and public sector organisations.

7 PERFORMANCE INDICATORS

VAS introduced Key Performance Indicators (KPIs) in 2006 to measure progress towards achieving VAS's four strategic outcomes. In 2008, we added a number of other performance measurements to the KPIs.

Indicators were chosen on the basis that they were

- SMART (specific, measurable, achievable, realistic and timed)
- meaningful in terms of impact as a result of VAS's intervention
- had a workable shelf-life of a least three years
- measurable within existing resources.

We collect the evidence to measure KPIs through monitoring (VAS's work activities are recorded on a database), evaluation and customer feedback. Although the KPIs were developed primarily for internal monitoring purposes, we publish progress in VAS's annual impact report.

<p>Strategic outcome KPIs</p>	<p>1</p>	<p>VCOs are equipped to deliver high quality and reliable outcomes</p> <p><i>1.1 Number of people completing training courses</i></p> <p><i>1.2 Number and % of organisations reporting a positive difference as a result of using VAS's services</i></p> <p><i>1.3 Number of groups supported (2hrs +)</i></p>
<p>Additional Performance measurements</p>	<ul style="list-style-type: none"> • • • • • • • • • 	<ul style="list-style-type: none"> <i>% and number of organisations reporting improved financial management</i> <i>% and number of organisations reporting improved HR/legal practice</i> <i>Number of people gaining qualifications</i> <i>Number and % of participants that report increased skills and knowledge as a result of using training services</i> <i>Number and % of organisations reporting that they are 'better informed' about developments affecting their work and the VCS</i> <i>Numbers of groups referred to other support agencies.</i> <i>Number of successful funding applications supported.</i> <i>Number and % of respondents reporting that participating in VAS supported networks had made a positive difference to their work or organisation</i>
<p>Strategic outcome KPIs</p>	<p>2</p>	<p>Individuals and VCOs are making a major contribution to civil renewal and community cohesion</p> <p><i>2.1 Number of volunteers signposted into volunteering</i></p> <p><i>2.2 % of volunteers active 3- 6 months after signposting</i></p> <p><i>2.3 Number of BME groups accessing our services</i></p>

Additional performance measurements

- *Number of new organisations registered with the Volunteer Centre*
- *Number and % of organisations reporting improvements in volunteer management*
- *Number and % of groups working in disadvantaged areas accessing VAS's services.*

Strategic outcome KPIs

- 3 VCOs are able to engage with the development of public sector policies and practice**
- 3.1** *Number and % of VCOs (responding to a survey) reporting that VAS has helped them to engage with the public sector*
- 3.2** *Number of VCOs assisted in successfully tendering for services*
- No and % of organisations aware of local Compacts*

Additional performance measurements

- *Number and % of organisations who feel that local Compacts have improved relations between the public sector and VCS*
- *Numbers of individuals and VCOs that are members of Sheffield LINK*

Strategic outcome KPIs

- 4 VAS has the capacity it needs to achieve these outcomes**
- 4.1** *% occupancy of tenanted space in Circle Building*
- 4.2** *% occupancy of meeting space in Circle Building*
- 4.3** *Corporate budget is balanced and there are sufficient reserves*

Additional performance measurements

- *Annual staff survey demonstrates 75% staff satisfaction rate*
- *VAS teams report satisfaction with VASCAT monitoring and information in annual review.*
- *Number and % of respondents reporting to a survey that they feel informed about VAS's services*
- *% of trustees attending 3 or more trustee meetings per year.*
- *Number and % of respondents reporting satisfaction with VAS's services*

8 BUDGET 2009/10

2009/ 10		BUDGET															
Department	Income breakdown													Total	Total	Surplus/	Dept total
Project	Other	Desig	Reserve	Cap Bldrs	SCC	Europe	PCT	Lottery	Trusts	Trng rcpts	Room hire	Charges	Income	Expenditure	Deficit		
Volunteer Centre		Support			28,262		15,000						64,443	64,445	-2		
Volunteer Centre		21,181															
Refugee Project								75,733					75,733	75,772	-39		
Community engagement			10,120			27,000							37,120	37,121	-1	-43	
Training													0				
Training - open/tailored		43,362					15,000			110,000		5,000	173,362	164,342	9,020		
Mental Health Training			5,387		38,130					12,500			56,017	56,081	-64		
Wrkforce Development				39,988									39,988	39,989	-1	8,955	
Capacity Building & Quality													0				
Small groups			7,786		45,000								52,786	52,735	51		
Legal consultancy								30,000				26,000	56,000	65,023	-9,023		
HR							22,000	26,000				12,000	60,000	61,409	-1,409		
Infrastructure Quality			11,536	49,921									61,457	61,459	-2		
Procurement Project			5,713			50,000						10,000	65,713	65,715	-2	-10,385	
CAPS													0				
Payroll												71,000	71,000	63,517	7,483		
CAS					54,333		10,000	57,684		8,000		66,000	196,017	200,619	-4,602	2,881	
Planning & partnership													0				
Planning & partnership			32,885		124,722		63,943						221,550	221,714	-164		
BME CYP Communities			3,085		10,000								13,085	13,034	51		
LiNKS					232,100								232,100	232,109	-9		
PCT Compact							36,500						36,500	36,483	17		
PCT VCS Forum							27,000						27,000	26,983	17		
SCC Compact					36,500								36,500	36,482	18	-70	
The Circle	rents	291,743	32,000	38,979							227,229		589,951	620,707	-30,756		
													0			-30,756	
													0				
ICT										10,150	10,500	62,040	82,690	109,359	-26,669	-26,669	
Core	Mgmt re-charge	421,767			54,847		6,207						482,821	482,821	0	0	
Additional unrestricted	interest/donations	14,750							33,000			14,375	62,125	0	62,125	62,125	
Net income		728,260	96,543	115,491	89,909	623,894	77,000	195,650	189,417	33,000	140,650	237,729	266,415	2,793,958	2,787,920	6,038	6,038

9 FINANCIAL OUTLOOK TO 2012

Financial Strategy

The overall funding aims for VAS are:

- For the whole organisation to break-even when taken over a 3 year cycle.
- To maintain free reserves of at least £250k
- For departments and projects to be fully cost-covering wherever this is achievable allowing unrestricted income to be utilised for development, for meeting unavoidable project deficits and for managing risks
- To utilise any unrestricted departmental surpluses in the best interests of VAS as a whole
- To improve cash-flow wherever this is possible.
- To be enterprising in seeking opportunities for income generation.
- To cover costs by achieving Full Cost Recovery from all VAS projects.
- Keep management charges at or below 22% of project costs.

Departmental financial targets, particularly for income generation, can be found in our Corporate Work Plan 2009/10.

Projected Income and Expenditure 2009/10

Our 2010 budget presented a major challenge for VAS. This had been anticipated given that our 3-year fixed term investment from Yorkshire Forward ended in March 09 having contributed £520k of revenue funding in its final year alone. Add to that the end of Objective 1 funding and the challenge is clear.

Section 8 gives our income and expenditure budget based upon the plans outlined earlier for 2009/10.

The Board has adopted a budget for the year with a small surplus of £6k predicted on a turnover of £2.8m. This compares to a surplus of £6k on a £3m turnover in 2008/09. To some extent this positive budget position is because new resources have been found, particularly from the Big Lottery BASIS programme, to sustain key services. However, it follows a number of redundancies and the closure of a valuable service, The South Yorkshire Quality Project, and depends upon use of £96k of designated reserves built up over recent years. It also includes a higher than normal level of uncertainty about some of the income, reflecting increased funding complexity & uncertainty generally.

The main areas of uncertainty are:

- £50k of funding for the procurement support work

- An increase in fees charged to groups using our services. Our accountancy, legal & HR services are all expected to raise a substantial part of their costs by charging for their services
- Following a refit, revised charges, and more intensive marketing, we are aiming for the Circle to continue to build up its income to achieve break-even by 2010/11. But this is a challenging target and by no means certain.

The main underlying funding concerns for VAS are:

- Absence of grant support for our extensive training programme despite its very evident quality, popularity and value to the sector. The end of grant-funding, due to changing grant regimes nationally, can only be partly offset by increased charges
- A long-term under-funding of the Volunteer Centre
- Increasingly complex funding arrangements generally.

More positively, there are a number of opportunities that could improve our position but were too uncertain to include in our budgets when they were prepared.

Projected Income and Expenditure 2010/11

It is too early to present a budget for 2010/11 as the uncertainties would make this very speculative. This is in line with our usual practice. The critical factors are expected to be:

- The future of a number of grant contracts, including ABG for Small Group Support and the Volunteering Strategy
- The impact of the City Council's Third Sector Review and of recession-induced cuts in public spending
- The continued support of the PCT for a range of VAS service delivery
- The success of VC-Connect. Based on an independent feasibility study that confirmed the potential viability of this product, we are marketing it nationally to local infrastructure organisations. We believe that this product has the potential to contribute surpluses from 2010/11
- Our success in generating income from fees and charges, particularly from the Circle room hire, CAPS and HR services

- The success of efforts to bring in new funding, particularly in support of the Training Programme, the Volunteer Centre and Planning & Partnership
- Our ability to conserve reserves designated for revenue support in 09/10 so that they can augment the £50k of reserves currently available to roll forward into 10/11.

Overall, the Board has budgeted to remain within our financial strategy targets. This means maintaining free reserves above the minimum target level, agreeing a deficit prior to use of designated reserves that is within the 3-year breakeven target for VAS, and keeping management and overhead costs within acceptable levels. However, the challenge of achieving this out-turn in 09/10 in the face of increased uncertainty is greater than in previous years and beyond this the uncertainties of a world recovering from recession look greater still.

10 MARKETING

Since last September we have had a post dedicated to coordinating and improving VAS's marketing and communications and this additional capacity and expertise is starting to making a significant difference to teams and the organisation as a whole. We will be building on this in the year ahead with improvements to communications, such as introducing a VAS e-newsletter, better branding and style of communications, particularly those developed in-house, and better ways of consulting with VAS's customers.

There are some issues which affect marketing across several departments. In order to deliver services which the sector needs we have to achieve income generation targets. This is a different and challenging way of working for many staff and requires new marketing approaches to reach new customers and retain existing ones. There is also the challenge of communicating the necessity for income generation to our customers.

There are possibilities for marketing and selling some of our services beyond the voluntary and community sector, for example, training and event management. We have to take care that any such developments add value to VAS's core work by helping to subsidise services with our primary customer base. But there are also marketing challenges in reaching into markets where we have no prior knowledge or track record.

We still have a job to do in improving understanding locally about what VAS does and how we can help organisations – in the public sector and in the voluntary and community sector. We are reaching about a third of the local sector in any one year but many groups may not know about what we can offer or have only a partial picture. This is something to work on in the year ahead. Half of 'new' enquiries come from existing customers (using a different service or returning).

We still need to improve the information we hold about organisations on our database so that we can target our marketing appropriately. To this end we are about to embark on a major update of database information.

We need to get better at working with local and national media in promoting our work and the work of the sector locally. We will feed in stories to journalists on a regular basis and will use events such as Volunteers Week in June and the launch of our photography exhibition to get coverage of volunteers' 'stories' from organisations across the city.

Marketing the Circle and its facilities will remain a major priority for VAS, in order to achieve business plan targets. We need to market to the private sector (particularly where this complements and supports voluntary & community use), retain our existing customers, increase evening and Saturday bookings and promote the revamped brand to staff, customers and other stakeholders. We will shortly launch a new brochure and will revamp the Circle website; we will develop stronger relationships with key partners and networking organisations; and we will deliver an ongoing programme of marketing activity including advertising, direct mail, press coverage, cultivation events and networking.

There are a number of marketing issues for other departments in VAS. We have in the past few years been working closely with other Councils for Voluntary Service (CVSs) in South Yorkshire to deliver some services and are just about to start a South Yorkshire project, funded by BASIS (Big Lottery) to deliver accountancy services. In these situations there is always a challenge to get the right local marketing and branding while at the same time having an identifiable project at a sub-regional level.

In the past year or so VAS has sold licenses of our database to other infrastructure organisations across the country. This has been mainly responsive and there has been very little marketing. However we are likely to develop this further and it will require significant marketing to several hundred organisations nationally.

11 MANAGEMENT STRUCTURE REVIEW

The Executive Team has considered what changes need to take place in the management structure to take into account the following:-

- appropriate alignment with lead strategic responsibilities for ET members (see below);
- line-management capacity in terms of ET and other MT members' time, especially taking into account other demands on time and the number of part time managers;
- the need for high level PA support for the ET and Chair.

The main changes over the current arrangements are:

- The discontinuation of the post of Capacity-Building & Quality Manager;
- The introduction of a new post of *External Services Manager;
- Job title of Director of Services to become Director of Operations
- The creation of a new PA post.

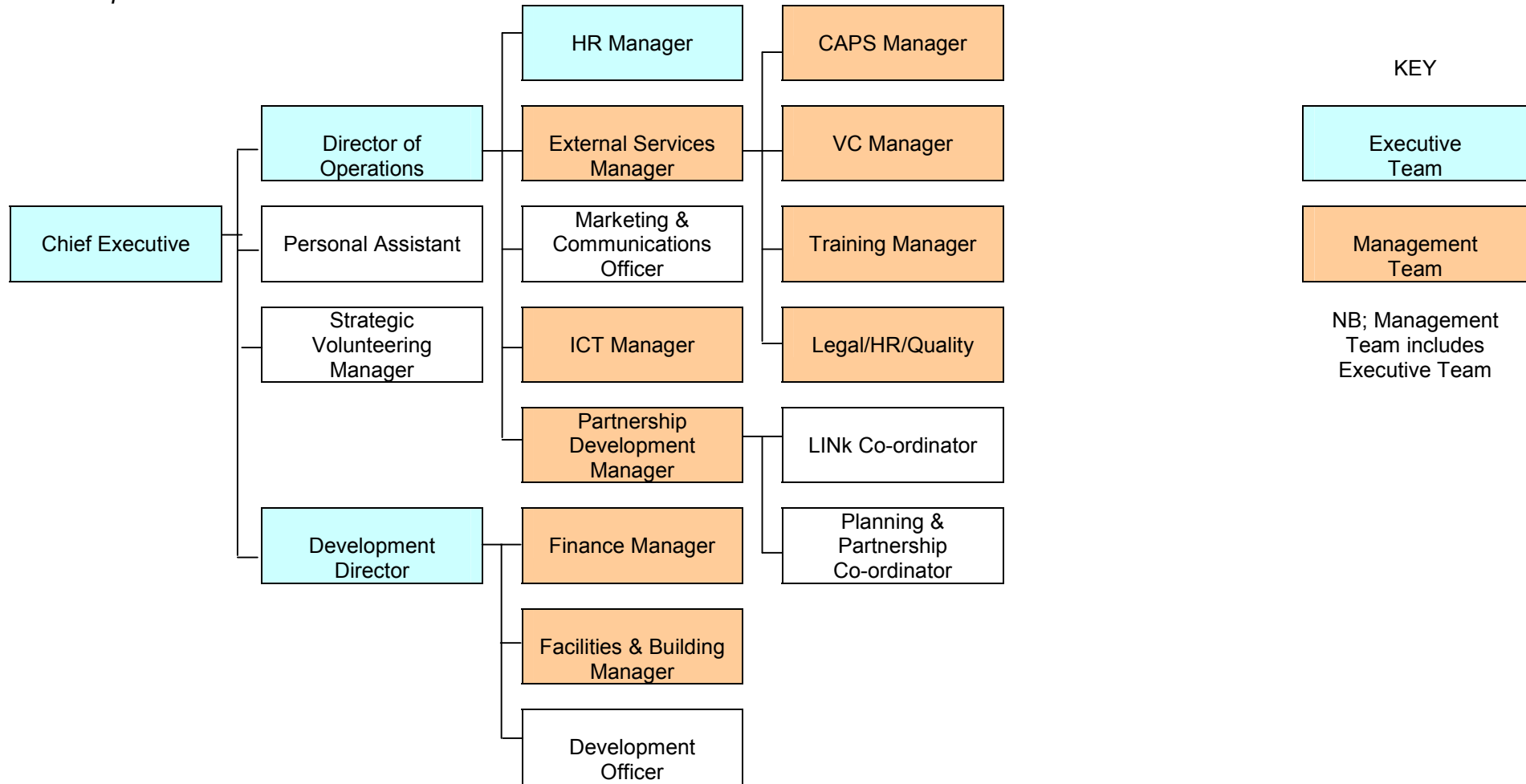
** External Services Manager primary remit to line manage front line service managers, service development, quality assurance and customer feedback.*

The current strategic lead responsibilities within the Executive Team are as follows:

	Chief Executive	Director of Operations	Development Director
Strategic lead	Board/governance	Communications	Business planning
External lead/representation	<ul style="list-style-type: none"> • Sheffield First Partnership • NAVCA Trustee Board • Regional Forum Trustee Board • SCC Compact 	<ul style="list-style-type: none"> • OFFER Trustee Board • Community Cohesion Steering Group 	<ul style="list-style-type: none"> • South Yorks ChangeUp Consortium • Sheffield Community Infrastructure Partnership (SCIP) • Sustainable Communities Panel
Interim lead	<ul style="list-style-type: none"> • Governance review • Sheffield VCS review • Volunteering strategy 	<ul style="list-style-type: none"> • Recession response • Community assemblies • Personalisation 	

PROPOSED MANAGEMENT STRUCTURE – JULY 2009

Include p/t hours worked?



12 GOVERNANCE REVIEW

Since the current governance arrangements were made in 1986 (following a complete overhaul of its Memorandum & Articles of Association), VAS has undergone huge change in the nature and scale of its operation. Given the size of the organisation today and the establishment of a strong and professional management team, it is timely to consider whether the Board as currently constituted, with over 21 members, its Committee structure, Board/link members etc is still fit for purpose.

There are some reasons to think that a review may be necessary sooner rather than later. These include current vacancies on the Board, the inability to engage all Board members in the work of the organisation as much as we and they would like, and the need to find a new Chair to take over from Beryl Seaman who wishes to step down at the end of this year.

It is proposed that a review be set up with the Board to address these questions in the autumn of 2009.

APPENDIX

ABBREVIATIONS

BME	Black & minority ethnic
CLASSY	Community Legal Advice Services South Yorkshire
CVS	Council(s) for Voluntary Service (generic local infrastructure organisations like VAS)
DWP	Department for Work & Pensions
ET	Executive Team
LAA	Local Area Agreement
LSC	Learning & Skills Council
LSP	Local Strategic Partnership (Sheffield First)
NAVCA	National Association for Voluntary & Community Action
OFFER	Open Forum for Economic Regeneration (Sheffield's community empowerment network)
VAS	Voluntary Action Sheffield
VASCAT	VAS Contacts Activities Training (VAS's database)
VCO	Voluntary & Community Organisation
VCS	Voluntary & Community Sector (a.k.a. the Third Sector)