

Local Trust
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people

BUSINESS PLAN 2023-24

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1. PREPARING FOR THE FINAL PHASE OF BIG LOCAL

This section introduces the Business Plan, sets out its context, including the key objectives trustees set for the organisation in their Strategy Framework 2020-26 and identifies the key organisational strategies that will guide the organisation going forward into the period 2023-27.

1.1 In April 2023 we will enter the final phase of Big Local and Local Trust. There will be three years left to support Big Local areas to spend out the funds committed to them and successfully secure their local legacies. In the further year after that Local Trust will complete work documenting and accounting for the Big Local programme; publish final research and evaluation reports; and wind down its operations, achieving a successful closedown, currently planned for February 2027.

1.2 The way we will approach our work over the period 2023-27 is set out in the following key strategies, produced over the last twelve months by staff and trustees:

- the **Legacy Strategy**, worked on over the last year by both trustees and staff, defines our shared ambitions in terms of the long-term impact of Local Trust's work, beyond the end of the Big Local programme
- the **Closure Strategy**, which sets out how we plan to wind up Local Trust by a current planned end date of February 2027. This will inform a more detailed Closure Plan, to be prepared during Summer 2023
- our **Diversity and Inclusion Strategy**, which captures the huge range of work in support of diversity and inclusion Local Trust has championed over the first decade of the Big Local programme, and our ambitions to embed diversity and inclusion in the final phase of the programme and within our legacy

1.3 These documents, the final drafts of which are being brought to Board alongside this Business Plan for approval, outline our high-level ambitions and key deliverables for the period 2023-27, build on and replace the *Strategy Framework 2020-26* published in March 2020. This set out four overarching priorities for us over the final phase of the Big Local programme:

- The Big Local programme has been successfully delivered and Local Trust has provided the support necessary for Big Local partnerships to put in place their plans for legacy and sustainability.
- The approach and principles that underpin Big Local – that funding for communities should be long-term, resident-led, patient, place-based, non-judgmental – are mainstream across civil society, private and public sectors.
- There has been a tangible improvement in the social and economic capacity of 'left-behind areas', as a result of new community-led investment in rebuilding social capital and civic infrastructure, alongside the increase in public investment to deliver

economic change.

- There has been a structural change in our economy, society and politics, which leads to greater devolution of power, with local people and communities having more control over resources and decision-making.

A report and reflection on our progress against the targets set out in that Strategy Framework has been prepared as part of the background papers to this Business Plan.

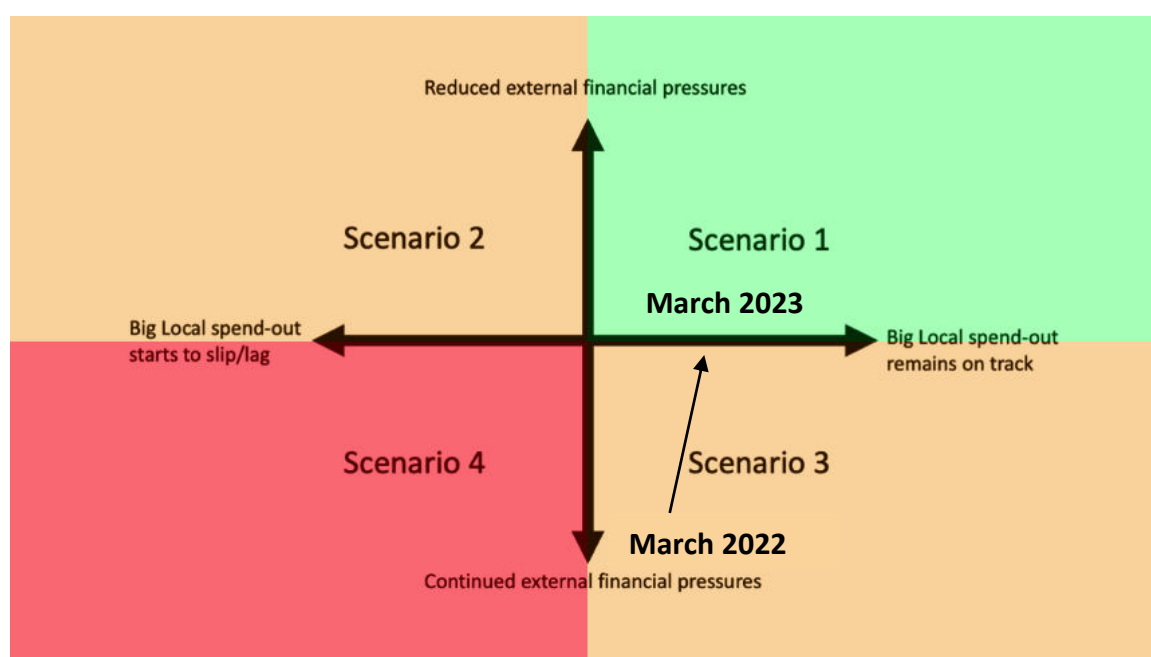
- 1.4 This Business Plan is also informed by the content of **Area Sustainability Plans**, which Local Trust prepared in late 2022 to meet obligations under our Big Local Trust Deed, and provide an assessment of the progress of each Big Local partnership and their legacy ambitions, and setting out how we plan to support them as they prepare to enter the final phase of their Big Local journey.
- 1.5 To ensure we are well placed to deliver on our new strategic objectives, and the actions which will enable us to progress them, we will initiate some structural changes within our organisation at the start of 2023-24. These changes, which reflect long-term budgeting decisions made by trustees in November 2022, are detailed in section 11. Further changes in staffing are likely to take place from 2024-25 onwards, reflecting the content of the Local Trust Closure Plan, which will be prepared over the first half of 2023-24.
- 1.6 We enter this new business plan period at a time of continued uncertainty and volatility. Economic headwinds continue to create a challenging operating environment for many Big Locals. Whilst the national political environment has stabilised somewhat when compared to the preceding 12 months, we are now entering a pre-election period which will bring its own challenges and pressures. We need to be aware that Big Local areas are also affected by this challenging external environment, and this may impact on their ability to push forward with their plans as they approach spend out. Section 2 of this document sets out how we have sought to navigate these key areas of uncertainty when preparing our plans for 2023-24.
- 1.7 At time of writing government has indicated that future use of dormant assets will include the creation of “community wealth funds”, the details of which it plans to consult on in coming months. It is unclear what (if any) any role that Local Trust may have in relation to supporting, incubating or otherwise advising on the establishment of such a fund. Elements of this business plan may need to be revisited in year to reflect any potential demand that this might make on our resources during 2023-24 and beyond.
- 1.8 The good news is that Local Trust remains well-placed to deliver on our strategic objectives. The careful management of our endowment means that we are fortunate to have long-term, secured funds in place to sustain our business through to the end of 2026-27. A summary of our current financial position is included at section 10 of this plan, with much more detailed financial information included in the Budget papers prepared alongside the Business Plan. We have a talented and well-motivated staff team and a confident and forward-looking trustee group. Our external relationships – with Big Locals, delivery partners, and external stakeholders are positive and value-generating. Together these mean we enter the coming year with optimism, enthusiasm and confidence.

- 1.9 This Business Plan sets out how we make progress towards them during 2023-24. It includes a small number of focused milestones and measures against which we will assess our progress over the coming year.

2. NAVIGATING UNCERTAINTY

This section revisits the four scenarios identified by trustees in 2022 as a tool to help understand the ways in which external economic factors and the progress of Big Local areas towards spend out might influence the decisions we make about allocating resources as we develop our business plans

- 2.1 As noted in the introduction to this Business Plan, we are preparing this plan against a background of uncertainty. Looking forward, we face a range of unknowns, including: the impact of changes to inflation and interest rates; and demand from Big Local areas for support as they reach the final stages of their programme.
- 2.2 However, the careful management of our endowment means that at present we retain the flexibility to respond to pressures as they occur whilst retaining funds to support activities associated with closure and any contingencies that might occur over our remaining period of operation.
- 2.3 As part of our last Business Plan process, we developed a simple scenarios model, to help us identify the key decisions we might need to make over the remainder of the programme.



- 2.4 Scenario 1 is based on an assumption that inflationary and other external pressures ease significantly, whilst Big Local areas continue to spend against profile on the basis of our current projections, with few presenting significant problems which require additional commitment of dedicated support resources to them. In such a scenario, it is likely that Local Trust would again build up a significant contingency reserve which could be used to enhance the existing support we provide across Big Local areas, as well as enable more investment in developing our wider organisational legacy.
- 2.5 Scenario 2 is based on an assumption that inflationary and other external pressures ease significantly, but Big Local areas struggle to maintain spend, with bounce back from the pandemic stalling in a significant number of areas, requiring significant additional

commitment of dedicated support resources to them to enable them to spend out. In such a scenario, it is likely that Local Trust would have to commit most or all funds released as a result of easing economic headwinds to substantially enhance the existing support we provide to Big Local areas over the remainder of the programme, and place limits on our ability to increase funds already committed to research, evaluation, and sharing the outputs of that learning.

- 2.6 Scenario 3 is based on an assumption that inflationary and other external factors continue to put our finances under pressure, but Big Local areas continue to spend against profile on the basis of our current projections, with few presenting significant problems which require additional commitment of dedicated support resources to them. In such a scenario, it is likely that Local Trust would largely stick to existing delivery plans, and hold back from significant additional commitments, either on support to Big Local areas or additional research, evaluation and shared learning.
- 2.7 Scenario 4 is based on an assumption that inflationary and other external factors continue to put our finances under pressure, at the same time as Big Local areas struggle to maintain spend, with bounce back from the pandemic stalling in a significant number of areas, requiring significant additional commitment of dedicated support resources to them to enable them to spend out. In such a scenario, it is likely that Local Trust would have to significantly scale back activities not directly related to support to Big Local areas, including significantly cutting back on existing plans for research, evaluation and shared learning.
- 2.8 At present, our assessment is that the scenario we are working in sits on the boundary between Scenario 1 and Scenario 3. Inflationary pressures appear to be easing. Increases in bank base rates have provided some limited additional financial headroom for the organisation as we make resourcing decisions, providing scope for moderate additional investment in legacy activities alongside continued investment in support for Big Local areas. Big Local areas are, in general, progressing towards spend out at a rate which is consistent with our current workforce and support planning. Going forward, we will continue to periodically review where we stand in relation to these scenarios, and adjust our operational plans and budgets accordingly – including a further full review of our budgeting assumptions at mid-year in November 2023, following preparation of our Closure Plan.

3. SUPPORTING BIG LOCAL AREAS AND HELPING THEM ACHIEVE THEIR LEGACIES

This section details how we will commit resources to help Big Local areas successfully complete their Big Local journey. It addresses three key challenges facing us as we enter 2023-24: (i) ensuring that, across the programme as a whole, there is sufficient progress towards spend-out by Big Local areas; (ii) providing focused support to those areas with furthest to go; and (iii) the approach we will take to the small number of areas which are at significant risk of not spending out their Big Local funds by March 2026.

3.1 Local Trust's primary role is to support 150 local communities across the country to make a success of the funds allocated to them by the Big Local programme. Local Trust will always prioritise support for Big Local areas, both in terms of allocation of operational resources and staff and management focus. This is reflected in this business plan and associated budget.

3.2 The aims of the Big Local programme established at its launch were that, as a result of being part of the programme:

- communities will be better able to identify local needs and take action in response to them
- people will have increased skills and confidence, so that they continue to identify and respond to needs in the future
- the community will make a difference to the needs it prioritises
- people will feel that their area is an even better place to live

3.3 To enable this, Big Local's design was fundamentally different from most other grant programmes. The Big Local programme is:

Long term – providing certainty and continuity, over 10-15 years

Resident-led – working directly with individuals living, working, studying and playing in areas rather than through organisations; building confidence and capacity amongst those wanting to make a difference to their community and their local area

Non-prescriptive – enabling residents to spend on their own terms and in their own time, on the projects they judge to be most important to them

Patient and non-judgemental – giving communities the time and opportunity to learn, make mistakes, resolve disagreements and overcome challenges for themselves, on their way to achieving their ambitions

Accompanied by flexible and responsive support – to help communities to build the confidence and capability to make the most of the opportunities available to them, whilst not constraining their own ambition and initiative

3.4 Our approach is designed to ensure residents’ time and energy is spent on the things that make a lasting difference – often as much about building relationships and locally-led institutions that underpin long term change in any community as the individual projects that might be funded in any year. The programme structure maintains this core ethos while ensuring appropriate systems and checks are in place to account for funding. We continue to believe in and celebrate these values, whilst recognising that some aspects of the way we support the programme will have to change as the Big Local approaches its end.

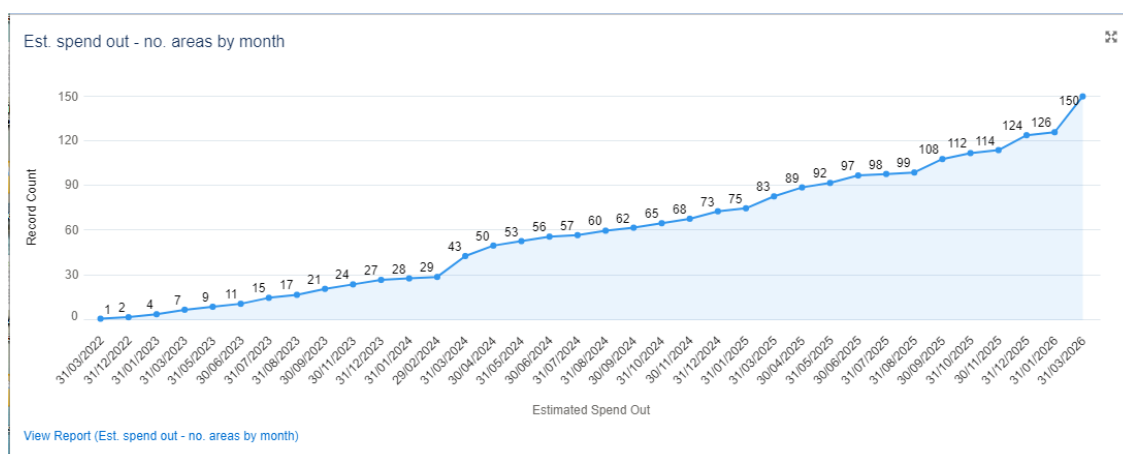
3.5 The success of Big Local is not just important to the lives of people living in Big Local areas. Local Trust’s wider impact as an organisation has only been possible because of the scale of the Big Local programme, the learning we draw from it, and the credibility we gain from our effective support for its delivery. The success and achievements of Big Local communities underpin everything that we do.

Entering the final phase of Big Local

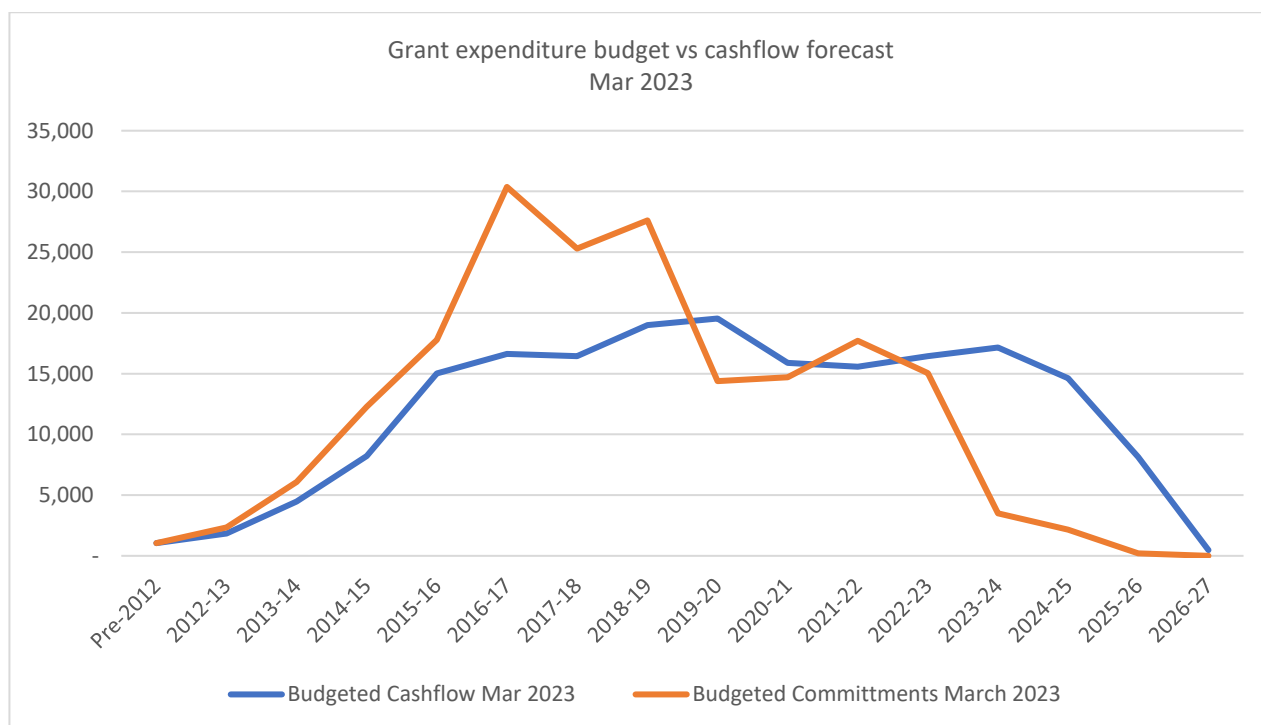
3.6 Like Local Trust, the Big Local programme is now entering its final phase. The vast majority of Big Local funds are now committed, with 103 out of 150 Big Local areas having agreed their final plans by the end of January 2022. Over the next 2-3 years, increasing numbers of Big Locals will be coming to the end of those plans and exiting the programme, having spent the last of the £1.2m allocated to them in 2010-12.

3.7 One area (CELL) has already ‘spent and closed out’ during 2022-23, having completed its Big Local programme; another is currently in process of doing so (Three Parishes). A further handful of areas are expected to formally close their participation in the Big Local programme in coming months. Some 60 areas have between £100k and £300k remaining to spend, with around half of these expected to spend out and exit the programme during 2023-24.

3.8 The chart below shows our current estimated departure date for Big Local areas from the programme. The slightly heavier loading in the final quarter of 2025-26 reflects the expectation that a few areas will wish to “stay with the programme to the end”, and the allocation of the small number of areas currently “on hold” to that quarter on the basis that they do not currently have any projected end date for their spend. As we implement the measures set out in para 3.11 below, our expectation is that these will help reduce the risk of slippage in projected end dates (and may move some forward in some cases).



3.9 With most Big Local funds committed, we are now starting to see a consequent increase in actual cash spent. Our Deed requires that at least £220m of Big Local funds is spent by February 2027. We have already passed this in terms of funds either already spent or committed (which currently stands at £241m as at January 2023) and remain on track to achieve this milestone in terms of actual cash spent during 2024-25.



3.10 We will continue throughout the remainder of the programme to ensure that Big Local areas are given the best possible support to make the most of their final period of spend, including their plans beyond Big Local. From 2024-25 onwards, as the number of Big Local areas left in the programme decreases, our long term budget provision is based on a parallel reduction in our own programme management and area support capacity. Numbers of staff directly working on programme management and area support activities are projected to reduce significantly and progressively as we approach 2026-27. That means that during 2023-24 we need to put particular effort into supporting those areas closest to spending out their remaining funds to successfully exit the programme, to enable resources in future years to be focused on those with particular support needs or furthest to go.

Supporting close out

3.11 As areas move closer to spending out their remaining funds, we will from Summer 2023 move them onto a Big Local Closure Support Pathway, to help ensure that partnerships, LTOs and their delivery partners exit from the formally managed part of the programme in an orderly and well managed way. Ideally, we would like to see the volume of areas spending out and leaving the programme maintain the projected even spread over the

next three years to ensure we can provide the best managed support to them during that time, taking into account Local Trust's own organisational capacity over that period.

To enable this, our intention is to explore how best we might set a threshold of funds left to spend, after which areas might (subject to a risk assessment) move from the Rep/Area Advisor support model to a new model that might provide for example:

- direct support from an identified local Area Support Coordinator (where this has not happened already);
- practical support in understanding and following the [closure planning guidance](#) we have prepared;
- signposting of "next steps" assistance, including, where relevant, brokering bespoke legacy support and continued advice from "Make It Happen" delivery partners;
- highlighting of opportunities for participation in ongoing Local Trust legacy programmes, including the planned new Staff Alumni Project
- the capture of any key achievements and experiences not yet documented for inclusion in the Learning from Big Local (formerly Compendium) project

On the basis of spend figures at February 2022, dependent on final decisions on design we would expect around 50 areas to enter that spend out process over the course of 2023-24.

- 3.12 We will also explore the scope to determine a lower threshold of funds left to spend, below which, where there is an established incorporated successor bodies in place which meets our expectations (in areas such as governance and inclusion), we will consider the case for providing the remainder of Big Local funding to them as a less restricted grant (other than that funds be spent for the benefit of their local area) with no requirement for detailed subsequent expenditure reporting, to help them exit the programme with minimal bureaucracy and the best chance of future success.
- 3.13 This would build on the successful approach to closure of the Creative Civic Change programme, which – with the agreement of funding partners – allowed grants of up to £15,000 to be made where funds were outstanding at the end of the programme. We would expect that less than 10 areas would be likely qualify for this approach during 2023-24, but that this might become a more common outcome in the final two years of the programme.
- 3.14 Following spend out, where Big Local areas identify successor bodies, they will be welcome to continue to participate in relevant Big Local activities and networks where they are relevant to them.

Helping areas achieve their legacies

- 3.15 Our Legacy Strategy sets out how we intend to support Big Local areas to make the most of their remaining time in the programme and prepare for their own local legacies. We aim to ensure that:

- community-owned and led assets and organisations initiated by Big Local partnerships as part of their legacies continue to thrive beyond the end of the programme
- those institutions are inclusive, and are equipped to maintain strong and balanced partnerships with statutory agencies, funders and other key local stakeholders
- Big Local communities have greater confidence and ability in accessing a fairer share of funding
- where they choose to, people who were involved in Big Local remain active and able to create change, with a shared commitment to developing a diverse new generation of people within their communities involved in leading and delivering change

3.16 To help achieve this, our approach to supporting partnerships was substantially revised and refreshed over the last year:

- launching the 'Make it Happen' campaign and the support centre on the Local Trust website, enabling areas to access direct support from expert partners in line with their priorities, with a particular focus on legacy focused themes, such as incorporation, taking on assets, fundraising and inclusion.
- completing the transition from the model of Local Trust 'reps' to a smaller number of 'Area Advisors', providing more customised support to reflect areas' needs, and greater accountability for outcomes.
- complementing this with an in-house team of Area Co-ordinators, providing Local Trust greater coverage and direct links to areas during the period of the programme leading up to spend out/close down.

3.17 This is resulting in more bespoke and tailored support, both for those Big Local partnerships with big projects to deliver and/or significant legacy ambitions, but also for those areas facing the most significant problems and/or at highest risk of not spending out. The Area Sustainability Plans we have prepared for each of the 150 Big Local areas provide an account of our plans for the more tailored approach to support we will be providing to all active Big Local partnerships over the remainder of the programme

3.18 To ensure we are best placed to provide the increasingly integrated support Big Local areas will require as they come to the end of the programme, at the start of 2023-24 we will merge the team responsible for area support activities into the programme delivery directorate.

3.19 Over the next twelve months, we will continue to review how our support programme needs to further adapt and change to reflect the changing needs and demands of Big Local areas as they enter the final phase of the programme. Reflecting patterns of attendance at events over the last 12 months, there will be an accelerated shift of resources from a broader-based support offer towards key legacy and closure issues, such as:

- Closure planning
- Incorporation/legacy bodies
- Fundraising
- Asset ownership
- Delivery capacity (such as worker pool, recruitment and retention support)

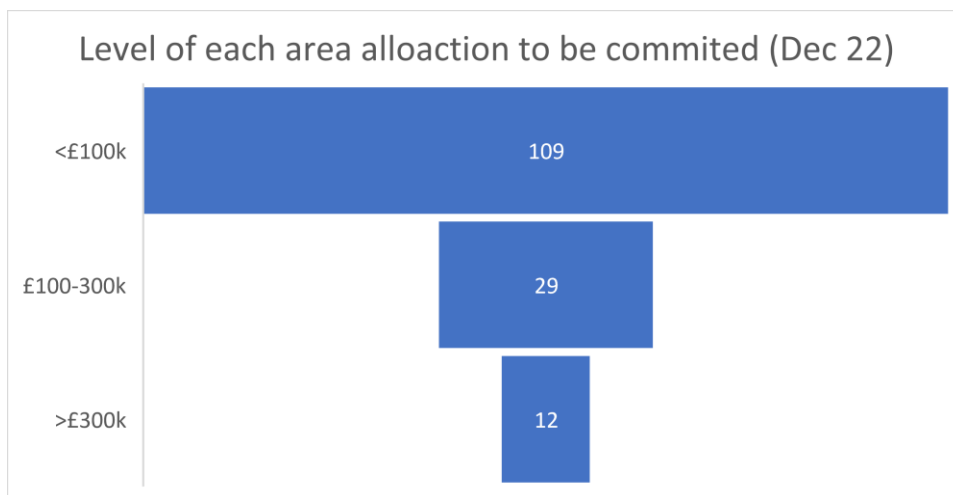
whilst phasing out most other events and activities by mid-year.

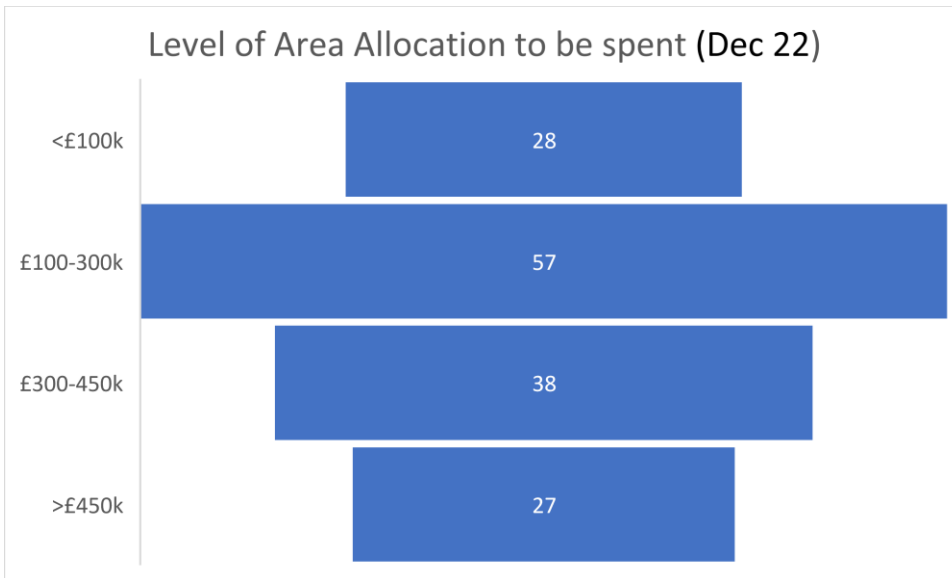
3.20 We will build on the ‘Get Inclusive’ theme of Make it Happen to ensure EDI considerations and advice are embedded across the support available, and that Area Advisors and Co-ordinators are equipped to promote inclusion and challenge practice. We will look to provide additional support where areas want to take proactive or ambitious steps in terms of promoting equality and inclusion in their legacy.

3.21 We will further ensure that initiative, events and networks run for Big Local partnerships are accessible and relevant to diverse partnership members, and ensure strong feedback loops on the support we provide.

Prioritising support for areas with furthest to travel

3.22 There are still some Big Local areas with a distance to travel before they reach the end of the programme. As at end December 2022, 13 Big Local areas still have more than £300k of their allocation as yet uncommitted, and a further 30 between £100k and £200k yet to commit to planned initiatives. In total, some 65 Big Local areas have more than £300k of funds to draw down and spend before March 2026.





3.23 Over the coming year we will look to prioritise support to those areas to ensure they are not at risk of failing to spend their allocated funds by the end of 2025-26. As part of our oversight of the Big Local programme, we regularly assess risk profiles for all areas. Where areas are adjudged at to be at risk of not spending out, we engage with them to agree action plans with clear milestones and check points to get them back on track. Agreed actions might include amending plans, taking up additional delivery support, or resolving points of dispute that might be holding them back.

3.24 With a disproportionate number of these areas being located in London, we have created a specific post tasked with coordinating work to support areas in the capital effectively plan for and spend their Big Local funds, and will implement a number of adjustments and enhancements to our approach to working with, supporting and monitoring progress in these areas.

Areas at risk of not spending out

3.25 It is inevitable in a programme covering 150 different neighbourhoods that over the next 2-3 years there may be a small number of partnerships that hit problems so significant that, even with substantial provision of support, there is no reasonable prospect of them being resolved in time to secure spend of the £1m initially promised to their area.

3.26 Whilst in the past we would have taken time to support partnerships to move past these challenges, we recognise that at this stage in the programme this may no longer be possible. From 2023-24 where this occurs, we will initiate alternative approaches in areas that are adjudged have fallen into this categorisation. In doing so, our approach will be

- to minimise the risk of the area not receiving the £1m committed to them at the start of the Big Local programme
- to retain a community element to the distribution or use of funds wherever possible
- to mitigate the impact of problems in individual areas affecting our capacity to engage with other areas that require support during the remaining years of the programme.

- to ensure that such action is within the parameters and approach agreed by trustees, and that trustees and the Protector are engaged where new risks or opportunities are identified’.

SUPPORTING BIG LOCAL AREAS - 2023-24 TARGETS

- 7 A further £3m of grant commitment to Big Local area plans by March 2024**
- 8 40% reduction in outstanding spend (in cash terms) across the programme by March 2024**
- 9 33% reduction by March 2024 in outstanding spend balances in the 25 areas with lowest spend (as of December 2022)**
- 10 Revised support package in place for at least 50 areas on the ‘closure pathway’ by end March 2024**
- 11 All areas adjudged to no longer have a reasonable prospect of spending £1m of Big Local funds by March 2026 moved onto “Plan B” arrangements within six months of that assessment taking place.**

4. SECURING LOCAL TRUST'S OWN LEGACY

This section sets out how we plan to build on Local Trust's significant investment in influencing and informing policy and practice across policymakers, funders and others with an interest in harnessing the power of communities to improve their local areas, drawing on evidence and insight from the Big Local programme, as a key element of our organisational legacy.

4.1 We want the legacy of Local Trust's work to last well beyond the end of the Big Local programme. It has always been recognised that to do this we need to influence policy and practice more widely, drawing on learning from the Big Local programme. The founding Big Local Trust deed expresses the wish that Local Trust should:

...promote learning from the local schemes more broadly, to policymakers, funders and communities involved in similar efforts at improvement as the areas of benefit.

4.2 Over the last 3-4 years We have sought to achieve this primarily through our policy and influencing work. Drawing on evidence from Big Local, we have:

- promoted and celebrated the achievements of Big Local areas, and sought opportunities for the voices of Big Local areas to be heard
- sought to promote the case for committing significant long-term funding to support community-led investment in deprived neighbourhoods, in particular those that have suffered a loss of social infrastructure.
- highlighted the importance of providing long-term support for local people to build their capacity to lead change themselves, drawing on the strong evidence base established through Big Local.

4.3 Over the last year we have:

- maintained significant investment in storytelling, website content, podcasts and other vehicles to showcase the achievements of Big Local areas and the residents leading the work within them
- participated in a range of campaigns seeking to promote the potential and power of community, including the Community Wealth Fund Alliance, which Local Trust was both a founding member and serviced. The CWF campaign – resourced independently from Big Local through a mix of grants from trusts and foundations and “legacy” funds Local Trust received from the former Community Development Foundation – has been particularly successful as a means of (i) building stronger links and greater visibility for Local Trust across sectors; (ii) mainstreaming discussion of social infrastructure and (to a lesser extent) left behind areas within the policy debate; (iii) providing a focus for more general advocating for community-led approaches to improving neighbourhoods. At time of writing, the Government has just announced its intention to establish “community wealth funds” and consult on their design and delivery, a process we will wish to continue to contribute to.

- continued to support the work of the All-Party Parliamentary Group on Left Behind Neighbourhoods, which over the last year has conducted a major inquiry into levelling up left-behind neighbourhoods, which has benefited from significant input and insight from residents of Big Local areas
- produced a range of submissions, case studies and research reports, including facilitating significant collaborative work on preparation of the final iteration of the Community Needs Index created in collaboration with OCSI
- continued work on the Learning from Big Local (formerly Compendium) project (launched as part of our 2021-22 Business Plan) which seeks to capture and document the achievements and challenges of every Big Local partnership and the programme as a whole. This workstream, informed by significant user/audience testing is intended to both answer the question “what have you achieved with £250m?” that is likely to become increasingly important as we approach the end of the Big Local programme.

4.4 Local Trust’s Legacy Strategy restates our commitment to sharing learning and insight as we approach the end of the Big Local programme. It commits us to a vision that, as a result of the effort and achievement of residents of 150 Big Local areas and our work distilling learning from it:

- There is a wider understanding within the public debate of the central importance of robust and vibrant locally-led institutions and infrastructure as the foundation of powerful communities and successful neighbourhoods
- Public, private and civil society organisations increasingly seek to embed that insight in how they work, prioritising building and strengthening the social infrastructure of communities through all aspects of their work
- The principle of placing money and assets in the hands of local people, and providing them with long-term patient support to help initiate and build those institutions, in particular where they do not already exist, is well established in policy and practice across sectors
- The resources and institutions exist to support those working towards these goals and there is a clear evidence base to support this, expressed in terms that are relevant and accessible to key audiences.

Continuing to develop our policy and advocacy work

4.5 Whilst we wound up our campaigning work in support of a Community Wealth Fund at the end of December 2022, Local Trust intends to continue to invest in our policy and advocacy work for the next two years at least, including contributing to the announced consultation on the design and delivery of the CWF, following Ministers’ announcements on 7 March 2023. Long term budget reprofiling carried out in November 2022 has ensured that significant policy capacity within Local Trust will continue to be resourced through to 2025.

4.6 The approaching pre-election period means that we will need to continue to focus on engaging with policy makers and opinion formers in Westminster and Whitehall, including

work in support of the APPG for 'left behind' neighbourhoods. Whilst continuing to seek to influence existing government policy, we will be ramping up our work to contribute to pre-election planning by both major parties.

- 4.7 Early in the next financial year the APPG will be completing and launching the report of its year-long inquiry into how to 'level up' 'left behind' neighbourhoods. Our hope is that this will highlight, help to give momentum to, and garner political support for the case for long term intervention to improve neighbourhoods that have fallen into decline. This builds on the strong body of research and policy work both we and the APPG have done on left behind neighbourhoods over the last 4-5 years, including the campaign for the Community Wealth Fund.
- 4.8 However, we recognise that as the election approaches we will need to work hard to ensure that our evidence and insight is seen as relevant to pre-manifesto policy development across all the main political parties. At time of writing, the Labour Party has recently identified five key priority missions as part of that pre-manifesto process. It is likely that during 2023-24 we will see a similar focusing of intent amongst other parties. We will continue to invest time into understanding how these interact with our areas of interest and identify where we can contribute ideas and evidence to support that work.
- 4.9 To support this over the course of the coming year, working both on our own and in partnership with others, we will undertake research, hold events and produce papers which focus attention on the learning generated by Big Local, place it in the context of current needs, past government neighbourhood-scale area-based initiatives, and future opportunities, to help set out options for improving outcomes in the most 'left behind' and deprived neighbourhoods.

Extending our reach beyond Whitehall and Westminster

- 4.10 Whilst crucially important, politicians and policy makers are increasingly only part of the story of how to achieve change. We will, over the coming year, scope out opportunities to engage with and influence a broader range of stakeholders, in sectors such as health, local government and the private sector to promote learning from Big Local around the potential of community power, and as a contribution to our ambition to create a wider commitment to addressing decline and deprivation at a neighbourhood level through long term funding for community-led change.
- 4.11 We understand that building new audiences in these areas will take time, and rely on a combination of focused and determined outreach, opportunistic engagement and sustained follow through. Over the coming year we will continue to identify opportunities where we can build partnerships to enable us to have the most impact, and use this to inform systematic packaging and promotion of our evidence and insight to those new audiences.
- 4.12 Our expectation is that over the coming year we will focus primarily on engaging with the local government and health sectors, as this is where we have gained most initial traction and engagement. Key initiatives we will seek to progress will include:
- working with the National Academy for Social Prescribing to explore the lessons from Big Local for community-led approaches to social prescribing, drawing on both

examples of community-led social prescribing within Big Local areas; the interaction between Big Local funded initiatives and health service-led social prescribing; and the potential of new place based community-led funding as a means of developing further, more responsive social prescribing capacity in harder to reach communities

- working in partnership with the Institute for Community Studies to develop a new knowledge sharing network for local authorities interested in sharing experience and ideas in relation to community-led change, social infrastructure, social capital and left behind areas
- developing our profile within the academic sector, beyond the institutions that we have historically partnered with on research and evaluation, to ensure our perspectives, insights and ideas have the widest levels of visibility and engagement.

4.13 We will continue to explore the potential for growing and sharing our knowledge and insight with relevant parts of the private sector to provide a platform for more substantive activity in the future.

Levering the power of our research and insight

4.14 In support of all of this, we will further increase the extent to which we utilise the rich and extensive body of research and evidence we have developed over time, reflecting our commitment to ensuring that our legacy is rooted in a deep understanding of what works. And we will continue to invest in research and evaluation and ensure it is available and accessible as a freely available resource describing the achievements and challenges of delivering Big Local. In particular, over the coming year we will

- continue to capture the achievements and challenges of every Big Local partnership and the programme as a whole through the Learning from Big Local (formerly Compendium) project, which will continue its work through to the end of the programme
- as a contribution to this, commission the fourth and final phase of the Our Bigger Story evaluation to look specifically at how Local Trust has worked over time to deliver Big Local, paying particular attention to how this has changed in response to shifts in the external context and developments in the programme to report by Summer 2025
- initiate work on a “How to...” resource aimed at community-based organisations looking to achieve change in their communities, based on the experience of changemakers in Big Local areas. This practically focused resource will link to and complement the Learning from Big Local (formerly Compendium) project focused on documenting the impact of the Big Local approach to funding/supporting local communities
- explore the potential to build our research capacity (in particular in relation to quantitative research) through recruitment and potentially secondments from other organisations, including government and transfer knowledge back to partner organisations

- increase our engagement with academic institutions, including hosting a range of seminars for academic audiences and sponsoring a collaborative PhD scholarship at Sheffield Hallam University focused on understanding the legacies of resident-led community regeneration in deprived neighbourhoods
- continue to broaden the scope of the Learning from the Big Local project to include content relevant to funders and statutory agencies - “how might we do something like this again in the future?” – and communities – “What can we learn from Big Local areas in terms of how to deliver our own community led initiatives?”

4.15 Over the last few years we made use of the power of engaging and compelling stories as one of the best ways of conveying our messages, and bringing life to our research and policy narratives. We will over the coming year continue to collect and share inspiring stories of community-led change that provide exemplars and models of what is possible when people are given the time, resources, trust and support to lead change in their neighbourhoods. This will include web-based content, case studies for our documents and those of others, podcasts and other formatted content. We will ensure they reflect diverse voices and perspectives, including experiences of challenging inequalities in power and access to resources.

4.16 Next year we will also be investing more resource in our press and media work both to promote our policy and research output and as a means of getting Big Local stories out to a wider audience. To support this we will be developing a small but diverse network of people from Big Local areas who can act as media spokespeople. We will also continue to invest in our digital platforms and channels as a means of maintaining and growing our audience and to support our ambition to effectively reach new sectors and sub sectors.

4.17 In support of this, consistent with decisions made by trustees in the November review of long term budgets, we will at the start of the year:

- bring the Research Team into the Policy and Communications Directorate, enhancing our capacity to promote and share our insights and expertise more widely.
- Establish a new Learning from Big Local Team, which will sit separately from the Research Team, reporting to Jayne Humm as Head of Research and Learning, which will bring together and increase staff numbers working on the Learning from Big Local Project, to provide increased delivery capacity to this key part of our legacy
- create a new role – the Head of External Affairs – to manage the Policy and Communications teams, and – over time – to develop additional capacity where necessary to take forward engagement with new audiences such as local government and the private sector.
- increase the budget of our communications team during 2023-24 to allow us to relaunch our Journalist-at-Large programme, as a means of further increasing the stories we gather and content we share

4.18 Our budget for 2023-24 includes new provision to cover the cost for all of the proposals contained within this section, where it had not already been provided for as part of the

November 2022 long-term budget review. In addition, recognising the extent to which both opportunities and challenges may change significantly over the coming year, the budget includes an additional £200k contingency for additional partnership opportunities relevant to either election preparation and/or cross sectoral partnerships, subject to the approval of the Chief Executive.

Carrying the torch

- 4.19 We are determined that the values and approaches embodied by Local Trust should not be lost on our closure. We will therefore continue to actively seek out opportunities to develop initiatives and organisations that will endure beyond the end of Local Trust that are capable of carrying the torch for our work and values. As a matter of principle we are always open and enthusiastic about other organisations seeking to adopt our ideas and approaches where this can significantly add to and consolidate our legacy, and we will support them in doing so, wherever possible. A good example of this in practice is the wide range of organisations now funding and researching issues around the importance role of social infrastructure within communities.
- 4.20 Over the coming year we will therefore continue to actively look for opportunities to work with others to support the establishment of institutions that will carry on beyond Local Trust which might take responsibility for sharing our insight and evidence after we have closed our operations. This may build on the work carried out over the last two years building the case for a Centre for Community and Neighbourhood Improvement, working in partnership with academic and other institutions.
- 4.21 We recognise that all of the ambitions outlined above may be dependent on the ability to bring partners together, build collaborations and take advantage of opportunities as they arise. We are therefore putting aside an additional £200k contingency budget within the policy and research budget to enable the development of new and exciting projects consistent with the approach set out in this section of the plan and the associated strategies, where they cannot otherwise be funded through existing budget provision. This funding will be held separately from other policy and research funds, and drawdown of this fund will be subject to the approval of the Chief Executive.

2023-24 TARGETS

Tangible progress towards a pre-election commitment by both main parties to specific policy proposals to improve the prospects of the most deprived or 'left behind' neighbourhoods by March 2024 (or election if earlier)

Learning from Big Local (formerly Compendium) project scope extended to include "How to" content aimed at funders/statutory agencies and community groups by March 2024

Health focused partnership with National Academy for Social Prescribing launched by September 2023

New network-based initiative focused on sharing learning within and across Local Government-focused scoped and piloted by March 2024

Successor body identified to share LT insight and evidence post closure identified and outline implementation plan developed by March 2024 [stretch goal]

5. CREATING LEGACY MOMENTUM

This section sets out how we plan to generate significant early progress on some of the key new legacy projects identified in the Legacy Strategy developed by trustees, through the creation of a new time limited Legacy Projects team tasked with getting these initiatives going during 2023-24

- 5.1 We want to see swift progress on our new Legacy Strategy and recognise that this will require the commitment of people and resources. Whilst some aspects of the Legacy Strategy will be taken forward within existing teams, from the start of 2023-24, we will create a new, time-limited role of Director of Legacy Projects with the intention of giving strong initial momentum across four specific priority legacy projects:
- Developing ways in which those who have been involved in Big Local areas, including workers, partnerships members and others can continue to have impact individually or collectively after the programme has finished (including the full launch of Big Local Together, if it proves sustainable)
 - Establishing the “Staff Alumni Project” – an ambition that we should put in place training, development and networking plans that ensure that as we scale down and our staff leave Local Trust for other roles, they take with them the skills, motivation and networks needed to effectively share our learning, insights and approaches throughout the rest of their careers
 - Leading work on a final Big Local Connects in autumn 2023 – intended to be a no-holds-barred “bigger than ever” celebration of community (not least the “Big Local family”), achievement and what comes next, in the year that most areas will be approaching final spend out.
 - Exploring possible succession/continuation options for the Community Leadership Academy
- 5.2 These initiatives will offer specific opportunities to carry forward the commitment to inclusivity and priorities of our EDI strategy – from building the confidence and skills of staff as champions of challenging existing power, to ensuring the final Connects models inclusive practice.

2023-24 TARGETS

- 12 Resourced plan in place to support Big Local partnership members/workforce prepare themselves for after the programme by December 2023**
- 13 Staff Alumni Project for Local Trust staff defined with initial phase ready for delivery by November 2023**
- 14 At least 115 Big Locals represented at final Big Local Connects in October 2023 with 90% attendee satisfaction rating**
- 15 Plan in place by November 2023 to either hand on or close down CLA at end of current wave**

6. PREPARING FOR A SUCCESSFUL CLOSURE

This section sets out how during 2023-24 we will set in motion the work needed to ensure that Local Trust successfully closes in 2027. It reflects the recommendations of the Closure Report, commissioned by trustees in Summer 2022, and the new Closure Strategy, which accompanies this Business Plan. This section sets out the principles that will guide us during the closure process, and the key actions that need to take place over the coming year.

6.1 Achieving a successful closure at the end of 2026-27 is critically important part of Local Trust's work. In Summer 2022 we commissioned initial advice on planning for closure. This informed preparation of a Closure Strategy, which forms part of the package of documents that make up our current business plan. Our Closure Strategy sets out the following key principles that will define our success – that it is:

- **Well planned and managed** – we will create robust and comprehensive plans with clear milestones and deadlines; and commit the resources needed – of people, funds and time – to ensure their delivery
- **Transparent and clearly communicated** – we will set out and share our plans openly with those affected by them, including staff, delivery partners and Big Local areas. We will look to share our plans in particular with other spend out endowments (such as the Building Communities Trust, Power to Change, Centre for Aging Better, Spirit of 2012), to allow them to benefit from our thinking and learning, and us from theirs
- **Fair, equitable and inclusive** – our organisation has benefited from an incredibly able and committed staff team; as we close, we will seek to treat them fairly, include them in our decision-making, and support them to plan with confidence for their own futures beyond Local Trust
- **Delivering on our promises to others** – we will ensure that in closing we are mindful of our obligations and commitments to others, particularly Big Local areas, and avoid doing anything that undermines our support for their work including closing out.
- **Responsive, pragmatic and reflective** – we recognise that a successful outcome is more important than hitting arbitrary targets or deadlines, and that we will need to keep our plans under ongoing review throughout the closure process to ensure alignment with the principles and values underpinning this strategy. We also recognise the complexity of the task, and the need to be agile and reflective while pressing ahead.
- **Aligned with our other strategies and plans** – our work on closure will inevitably interact, affect and be affected by our other plans and activities. We will work to ensure that our plans for closure remain aligned with and support our other strategies and plans, and in particular the Legacy Strategy which defines our ambitions for the long term impact of Local Trust and Big Local

- **Focused on the future** – we understand in particular that our approach to closure will have a significant impact on our long term legacy – both in terms of our formal plans and softer perceptions of our retrospective reputation – and we will seek to ensure that all of our decisions reflect that awareness
- **Recognising that closure is not simply an administrative task** – many of the decisions that we make and the way we implement them will have emotional impact, whether on individuals or collectively on staff, trustees, partners or Big Locals. We acknowledge and will respond to this with the same seriousness we engage with financial and organisational challenges.

6.2 Over the next six months, we will focus on completing the detailed planning of how we will achieve all of this. The Chief Operating Officer will take the lead on this work, as part of her organisational responsibility for delivery, finance and resources. This will include drawing up a Closure Plan that sets out in detail how we intend to implement our Closure Strategy.

6.3 We recognise that in planning for the start of significant downsizing of our staff team from towards the end the next financial year and through to closure, there will be a significant impact on both individuals’ career plans, as well as overall organisational capacity. The Closure Plan will therefore be developed in collaboration with the staff team and trustees, and subjected to extensive consultation. As work on the plan develops, consideration will be given to establishing a small cross-organisation closure team responsible for project managing and delivering on key tasks.

6.4 Key early actions likely to be actioned as part of closure planning will include:

- Over the first half of 2023-24, a review of our approach to retention and redundancy and develop new policies to inform how we manage this within Local Trust
- By November 2023, identification of mission critical staff and organisational capabilities, and developing retention plans to ensure that we are capable of operating effectively across our business through to the end of the programme. A particular priority will be given to ensuring that we do not lose critical mass or capability in key areas of our business where this is needed to ensure effective management and successfully delivery of the Big Local programme.
- Ahead of any downsizing of the staff team in future years, detailed planning for how we will invest in supporting them to prepare for the future, including provision of career coaching and advice. We will consult staff on the development of these plans, as part of our work on the Staff Alumni Project, to ensure wherever possible they reflect their needs and aspirations.

6.5 Our Closure Plan will include a proactive programme of communication to keep stakeholders at all levels informed about Local Trust’s closure decisions and their implementation.

- By Summer 2023, we will publish a public statement/blog setting out our approach to closure, including links to our Closure Strategy, to ensure that our key stakeholders and partners are aware of and engaged with our plans
- We will subsequently publish biannual updates on progress, which will increase in frequency as closure approaches
- As part of the Closure Plan package, we will prepare a detailed communications plan focusing on messaging to our staff team, to give them the maximum possible certainty as we develop our plans for the future, and continue to focus on communication with staff as a priority going forward.

2023-24 TARGETS

- **Public closure statement made by July 2023**
- **Updating of retention and redundancy policies and identification of mission critical staff and organisational capabilities by October 2023**
- **Closure Plan, including stakeholder communication plan, approved by Board by November 2023**

7. PROMOTING INCLUSIVITY AND DIVERSITY

This section details Local Trust's commitment to diversity and inclusion, our progress to date, and what our new Equality, Diversity and Inclusion Strategy means for our work going forward

- 7.1 Over recent years, considerable focus has been placed, across society, on acknowledging and acting on the importance of addressing inequalities of power and resource, and the need to provide a voice for those who too often are ignored and marginalised.
- 7.2 Local Trust believes that the long term, embedded, systemic problems so effectively highlighted by the Black Lives Matter and other similar movements reflect much wider, long term, embedded inequalities that Big Local was set up to challenge. As part of our work, we seek to provide space and a platform for residents of our areas whose voices are not normally allowed to be heard, and we seek to support them in challenging existing centres of power, sometimes in the face of hostility, apathy or inertia; at other times simply a lack of understanding or knowledge.
- 7.3 However, we accept that we also need to be willing to challenge ourselves, and subject our own assumptions, beliefs and actions to the same degree of scrutiny that we choose to apply to others. And we recognise that we will be viewed and judged on the consistency between the values and beliefs we claim to hold and the behaviours we exhibit, both inside and outside of Local Trust.
- 7.4 Local Trust therefore commissioned in 2020-21 an external review of the extent to which the principles of equality, diversity and inclusion were reflected in our work and our organisation. This concluded that:
- The culture within Local Trust is seen as friendly, forward-looking, liberal and welcoming to staff. Staff surveys don't flag issues of discrimination and the organisation makes efforts to respond to staff feedback.
 - There is broad agreement about importance of EDI internally, and a shared desire across the organisation to discuss, support and question progress around EDI, including through the identification of practical actions.
 - Local Trust has a good overview of the reflective nature of partnership members and forthcoming research on 'power' will help us to understand how inclusion is experienced in areas better, and what we might do to further support areas in this space.
 - Local Trust is seen as responsive and confident when responding to particular EDI-related concerns or incidents within Big Local partnerships.
- 7.5 However, it also recommended that we:
- develop and decide on what the organisation's priorities are in regard to EDI at a strategic level, which will support the creation of an appropriate action plan if

necessary

- as an organisation that is small, agile and deeply thoughtful about its mission, try out different approaches and assess their impact in helping us achieve our aims.
- are clear on what we expect of people within the organisation to further EDI, bearing in mind our strategic priorities.

7.6 Since then, Local Trust has worked with external consultants to review how best we might take these recommendations forward, including developing a new EDI Strategy which forms part of the suite of documents that have underpinned our business planning process for 2023-24.

7.7 The strategy commits Local Trust to action across three domains:

- **Our relationship with Big Local partnerships** – including provide relevant and accessible support.
- **Our external narrative, advocacy and partnership working**, with particular opportunities in of increasing focus on legacy.
- **The way we work as an organisation and how we might carry this in to a future beyond Big Local**

7.8 The strategy is underpinned by an action plan, and key opportunities to move the strategy forward are reflected across the chapters of this Business Plan to avoid the strategy becoming divorced from day-to-day business and priorities across the organisation. Progress in implementing the strategy and action plan will be tracked across the year, with an annual report to Trustees..

7.9 We recognise that the Big Local programme represents a fundamental transfer of power at the local level and, consistent with this, we will seek to ensure that learning about the relationship between place-based approaches and Equality, Diversity and Inclusion is embedded in how we tell our story and how we support people to continue their journeys into the future.

2023-24 TARGETS

- **Establish internal mechanisms and roles to champion and monitor progress against strategy commitments and the action plan by June 2023**
- **Development and implement an internal EDI communications and engagement plan by June 2023**
- **Report on progress, learning and present forward plan for 2024-5 to Board in March 2024.**

Organisation, governance and systems

2023-24

8. GOVERNANCE

This section sets out how Local Trust plans to further develop its governance arrangements, in particular in the light of developing plans for organisational closure.

- 8.1 Local Trust is a well governed organisation, with a confident and forward-looking trustee group supported by a highly skilled and motivated executive team. Governance is regularly reviewed and committee structures, terms of reference and delegation schemes updated, most recently in early 2022. An independent Protector provides ongoing assurance that the Big Local Trust Deed is effectively administered and well governed
- 8.2 Our Closure Strategy highlights the extent to which, going forward, Local Trust Trustees, Executive and the Protector will continue playing critically important roles in ensuring Local Trust's closure is subject to those same high standards of governance and oversight over the final years of the programme.
- 8.3 In support of that, a Governance Review will take place early in 2023-24 to ensure that governance structures provide appropriate trustee engagement with and oversight of the Closure Plan and monitoring of its implementation.
- 8.4 As part of that, there will be a review of trustee skills and expertise relevant to closure and related issues, to identify if and where further recruitment of trustees would be of benefit to assist with overseeing the closure process.
- 8.5 In 2023/4 we will introduce more systematic and consistent templates to ensure equality, diversity and inclusion considerations are recorded in decision papers for Board, SMT and the Big Local Oversight Group (BLOG).

2023-24 TARGETS

- **Governance Review completed by end Q2 2023-24**
- **New board level governance arrangements in place by Autumn 2023**

9. CORE BUSINESS SYSTEMS

This section describes the changes we have made to core business systems within Local Trust over the last twelve months, which we will seek to further embed and lever value out of during 2023-24

9.1 During 2022-23 we rolled out significant changes to update and upgrade our core business systems ready for the final phase of the Big Local programme:

- We completed the implementation of **Salesforce** as our new Grant Management System and CRM, increasing our ability to manage and interrogate grant, spend and other key performance data, replacing our old and largely dysfunctional Big Local Community CRM/GMS.
- We further developed our **Monday** dashboard system, integrating it with Salesforce to provide cross organisation visibility of key information on Big Local areas, enabling more effective coordination and sharing of key management information
- We rolled out **Sage Intacct**, a new cloud-based finance system that went live on the 5 November 2022 and replaced Exchequer the accounting system used by Local Trust since its outset. The new system is dynamic, compatible with Salesforce and enables better reporting, more accurate and timely information which is necessary for the final years of the programme.
- We improved our Information Technology security through the implementation of **Mimecast** – (a secure email gateway which protects against all forms of email compromise) and **Microsoft Intune** which helps to manage and protect all mobile devices, ensuring they are compliant with our policy and security requirements, as well as control information access to staff. Both systems are secure cloud-based systems.
- We engaged Worknest, a new HR provider who supplies us with comprehensive support in all aspects of Employment Law (including representing us in any legal challenges), Human Resources and Health and Safety. The package comes with expenses insurance cover which protects against the costs of employment tribunals, appeals and awards. A comprehensive review and update of our employment contracts and policies were carried out by Worknest during the year.

9.2 Over the coming year we will work to further embed the new systems and the capabilities they provide in our ways of working. We are not planning significant further changes to core business systems over the next twelve months.

10. FINANCES

This section provides a summary of key elements of our financial plans for the coming year. More detail is included in the Budget papers that accompany the business plan

- 10.1 Our financial plans are set out in the Budget prepared alongside this business plan. We continue to plan for full spend-out of the £274.45m provided by the Big Local Trust endowment fund by February 2027. We are required by the Trust Deed to spend a minimum of £220m by the end of the programme in 2026-27. We have passed this milestone already in terms of committed funds and now expect to pass this important milestone in terms of cash spent in September 2023.
- 10.2 We expected 2022-23 to be a year of ‘calm’ following the pandemic, but we were instead faced with a year of new challenges caused by the cost-of living-crisis. Inflation rocketed to its highest level in decades, exacerbated by the turbulent political climate, posing some risks to Big Local areas capital projects, as well as adding pressures to Local Trust’s staffing and central costs budgets. Whilst we expect inflation to peak over the coming months, this has built in significant additional costs that need to be met from budget provisions for the remainder of our operational lifespan.
- 10.3 However, accompanying rises in interest rates has generated additional (and previously unbudgeted for) income from our endowment which means that we are likely to be able to continue to comfortably provide for the costs of support activities, legacy projects, closure costs and other central resources over the remainder of the programme, whilst retaining a significant contingency provision to meet unexpected events or take advantage of new opportunities.
- 10.4 Expected expenditure during 2023-24 is:
- £3.5m new grant commitments
 - £17.1m grants spent
 - £8.9m spent on central and support costs

In addition, we expect to receive around £2.2m projected additional income due to continued elevated interest rates during 2023-24 (although due to continued economic uncertainty, this will not be consolidated into our current contingency projections until the mid-year budget review in November 2023)

- 10.5 The budget for 2023-24 broadly reflects and is consistent with the long term reprofiling of budgets approved by Board in November 2022, which provided for:
- the creation of a new time-limited Legacy Projects team for 2023-24
 - the transfer of the Research team into the Policy and Communications Directorate
 - an extension of the Policy team through to 2025-26
 - the creation of new area coordinators posts, replacing previous outsourced Rep support
 - building capacity/resilience in the Finance and Resources and Senior Management teams to the end of the programme

10.6 The budget that accompanies this business plan provides for the following significant additional changes:

- £248k additional provision to resource the Compendium team over 2023-24 and 2024-25 and (including provision to extend remit of the project to provide community-focused element to its content)
- £250k funding to initiate the first phase of the legacy projects being taken forward by the new Legacy Projects team (additional funding will be considered in November 2023 depending on progress)
- £100k funding for a new collaboration with the National Academy for Social Prescribing to identify and disseminate at the lessons of Big Local for developing approaches to community-led social prescribing
- a £200k contingency for additional partnership opportunities relevant to either election preparation and/or cross sectoral partnerships

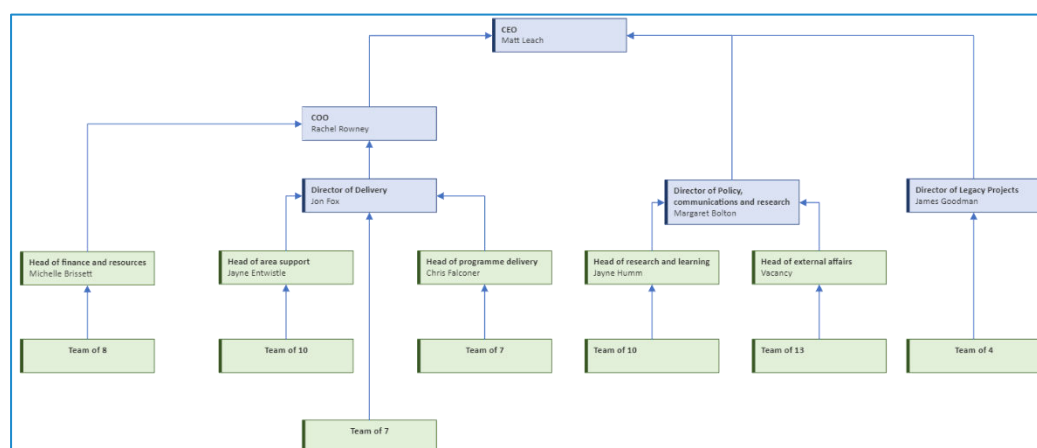
10.7 Trustees will have a further opportunity in November 2023 to consider the long-term budget. The November review will in particular enable trustees to consider the scope for more ambitious decisions around allocation of any remaining contingency provision in the light of what will hopefully be more clarity on:

- the impact of ongoing economic uncertainty on our financial position
- the rate of progress in supporting Big Local areas to spend out and likely ongoing demands in terms of support and grant management
- progress in developing specific Legacy projects
- the Closure Plan and the scale of provision that it may highlight in terms of provision for retention, redundancy, interim support and other costs associated with closure
- any significant changes in planning that might be required in the light of further decisions on a possible Community Wealth Fund following the announcement of a consultation on its design and delivery

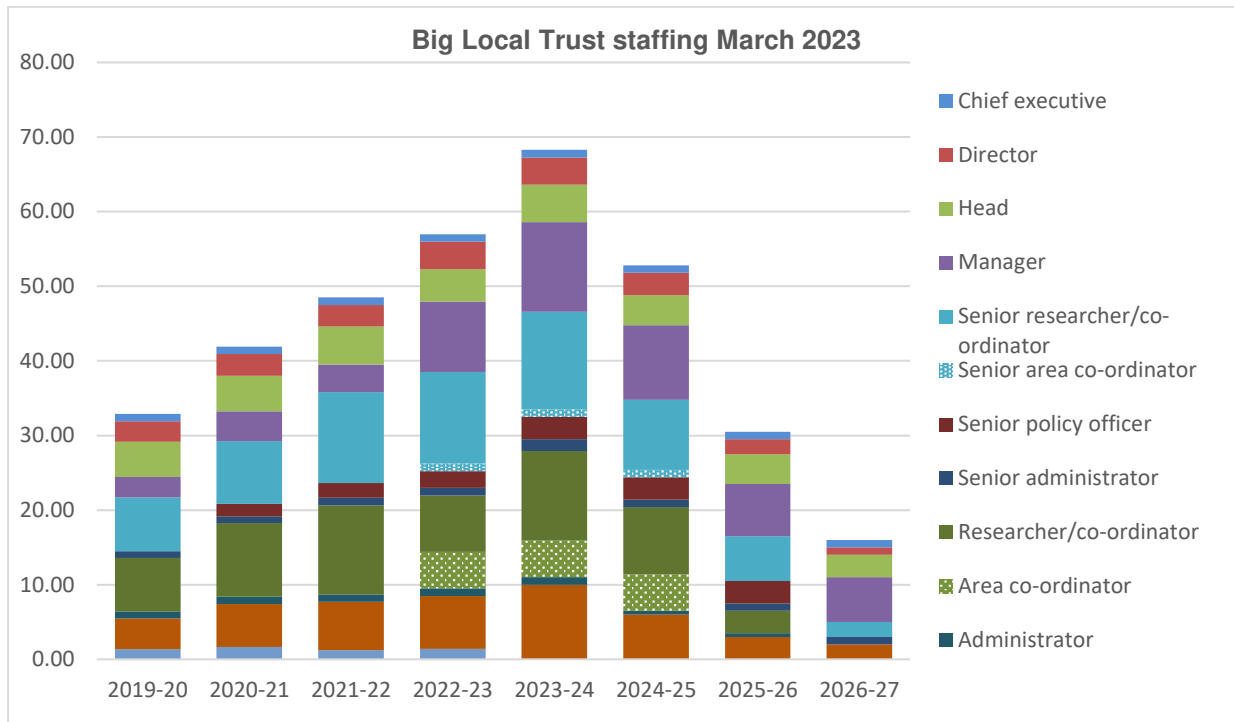
11. PEOPLE

This section sets out our staffing plans for the current year, bringing together information on reorganisation of staff teams; outlines future plans for staffing, looking ahead to likely further changes that will take place as we plan for closure; and includes information on pay and reward decisions made for 2023-24. It should be read alongside the Budget papers prepared alongside the draft Business Plan

- 11.1 Local Trust currently has some 60 FTE staff. We expect that number to increase slightly through 2023-24 before starting to reduce significantly and progressively ahead of organisational closure currently planned for February 2027. However, as noted elsewhere in this Business Plan some changes will be implemented from the start of 2023-24 reflecting our developing approach to supporting Big Local areas through the final years of the programme.
- 11.2 Consistent with the decisions of Board as part of the November 2022 long term budget review, the current Partnerships Directorate is being wound up from April 2023, with most staff focused on support to Big Local areas moving to sit alongside colleagues in Programme Delivery. A more limited number will become part of the new time-limited Legacy Projects Team. The Director of Partnership's role will change to Director of Legacy Projects until the end of 2023, after which the role will come to an end. No significant other changes are currently planned in the Programme Delivery team during 2023-24.
- 11.3 The Research and Learning team are being moved to become part of an expanded Policy, Communications and Research Directorate. Roles will be organised as two teams, separating a team dedicated to work on the Learning from Big Local (formerly Compendium) project from the more general Research Team. Placing our research function alongside the policy team and communications teams, will enable us to better align our externally focused work and cement collaboration across these three teams.
- 11.4 The Policy Team has been reorganised to reflect the end of the CWF campaign. A new Head of External Affairs will be recruited to lead our policy and communications work.
- 11.5 No significant changes are planned for the Resources Team, beyond the return of the Chief Operating Officer to oversee the whole function and focus on closure planning. However, consistent with the recommendations of the recent report on preparing for closure, HR capacity within the team will be made permanent to support closure planning.



11.6 Looking forward, as noted above, and subject to detailed consideration of our Closure Plan in autumn 2023-24, we would expect to see the start of a significant year on year reduction in staffing through to closure in 2026-27. Our expected forward staff profile is set out below.



11.7 As is the case in all organisations, people move on and we would expect to see an increase in staff turnover as we move closer to closure. Whereas before we might have looked to directly replace departing staff, we will now have to more actively review how this interacts with our longer-term planning for closure. This may include engaging with staff to redesign approaches to delivery, sharing tasks and roles more flexibly between teams and individuals and exploring other ways to deliver, including where relevant use of secondees and short term contractors or consultants. It may also include opportunities for development among the existing staff team.

Pay and reward

11.8 Local Trust regularly commissions independent benchmarking of its salary data against other organisations in the charitable sector. It has sought, historically, to ensure that pay levels for individual roles are within 10% of median pay when compared to other employers.

11.9 Local Trust recognises that as the organisation reaches the final years of its operations, it will need to retain the staff it needs to run the organisation through to the end (and recruit where gaps emerge), and that this may require both a shift in our approach to remuneration (to make us more competitive in a challenging job market) and the consideration of other incentives to retain key staff. This will be addressed during 2023-24 in the context of the Closure Plan.

11.10 In April 2023, in line with its practice in previous years, Local Trust has awarded a cost-of-living uplift to staff consistent with the current inflation rate (as published on 22 March 2023) with an additional uplift for lower paid staff members. We recognise that this is

higher than some employers (although broadly aligned with decisions made in a number of peer funders), but understand the case for doing so, both to address issues of competitiveness identified in para 11.8 above, but also to help our employees manage cost of living pressures at a difficult economic time.

11.11 To provide additional help staff facing particular pressures as a result of cost-of-living increases, in January 2023, we introduced some new flexibility into our approach to pay and reward, including:

- Limited provision for salary advances/loans
- The ability to sell back holiday (subject to statutory provision)
- Access to additional support and advice through our employee help line

We will continue with these provisions during 2023-24, and monitor their take up and impact ahead of a further review of our approach to managing cost of living issues in the context at mid-year.

Culture and inclusion

11.12 Although relatively small scale, the organisational changes being implemented from April offer the opportunity for teams to regroup and ensure ways of working are in line with Local Trust's values and that our strong and focused teams are connected and work effectively on shared priorities.

11.13 During 2023/24, we will take forward the commitments and actions coming of the EDI strategy focusing on the way we work as an organisation, fostering an open, inclusive and ambitious culture. An internal communications and engagement plan will ensure opportunities for all staff to continue to learn and reflect on relevant issues.

11.14 There will also be a focus on more formal learning opportunities and refreshed induction for staff joining Local Trust. We will recognise the contribution that staff make to implementing the strategy through the appraisal process.

12. RISK

This section sets out the key risks facing Local Trust as we enter 2023-24. It draws on the Operational Risk Register which is regularly reviewed and updated by both the Executive and Trustees.

12.1 A number of key risks have informed our drafting of this Business Plan, and will impact on its delivery. We regularly review and monitor risks, including those of highest importance or impact in our Operational Risk Register. At time of writing of the Business Plan, these are the most significant risks affecting us.

- ***Significant number of Big Local partnerships fail or stall as pressures increase on delivery, further disruption caused by any renewed social or economic restrictions, loss of energy and inflation induced project failure*** - There is a risk, in particular, that a continued high level of inflation may make some larger Big Local projects less viable and result in a reduction in total commitments, or cash spend where unforeseen additional fundraising is required. Cost of living pressures may also create risks around continued strong volunteer participation in the programme. We are in particular actively supporting Big Local areas with large projects (mostly related to capital assets) through our Make it Happen programme, and continue to monitor the wider impact of cost of living pressures on Big Local areas.
- ***Lagging spending across too many Big Local areas means that planned resourcing of programme and support staff and activities is insufficient*** - There is a risk of continued slow spend in Big Local that have significant balances yet to be spent and, in particular, “hang back” by areas that slow down end-stage spend to remain in the programme. We are developing plans to help “Close out” areas that are close to the end of the programme; focusing on supporting core delivery within slow spending areas, and developing alternative delivery plans where necessary to minimise risk of areas not spending out.
- ***Significant organisational failure across the programme*** – we continue to monitor the risk of organisational failures within the Big Local programme, including that: a significant number of legal entities created through Big Local fail; a significant number of physical assets created, purchased or invested in through Big Local fail; or that significant number of LTOs close or go into administration. All of these risks are enhanced by the current economic crisis. We cannot fully control this area of risk, but focus effort on identifying and acting on risk, and providing Big Local areas with the business planning support they need to make the most of their opportunities to take on assets and move towards incorporation.
- ***The cost of implementing organisation closure is not yet known*** - A closure plan will be drawn up in the first half of 2023-24 and considered in November 2023 as part of the mid-year budget review. We do not at present expect this to result in costs which cannot be met from our overall contingency provision.
- ***The outcome of government decisions on the design and delivery of a Community Wealth Fund (or Funds)*** - There may be a need to revisit the Business Plan and budget if any decision made places demands on Local Trust to support or contribute to design and/or delivery of a new Community Wealth Fund (or Funds), something

that will become clearer as the terms of the announced consultation on its design and delivery are announced – something expected in coming weeks.

- ***Political change/instability during pre-election period*** – we recognise that significant elements of our plans to share insight and learning to policy makers and politicians may be affected by changes in the political dynamic in the run up to the next election, currently expected to take place in 2024 or very early 2025. We will remain alive to that as an external risk and work to ensure that our contributions to the public debate are seen as balanced and non-partisan, and where engagement becomes more difficult (for example in relation to the functioning of the APPG or other initiatives involving politicians), that we are able to focus effort in other areas of importance to the sharing of our message.

12.2 We regularly review the risks facing Local Trust and Big Local, with all operational risks considered and where appropriate updated by SMT at least once a quarter ahead of being shared with relevant trustee committees and Board. Following approval of this business plan, the Executive will be taking forward a from scratch review of the content of the current risk register to rationalise/simplify its content, aligning it with the new plan.

13. STATUS OF THIS DOCUMENT

This section of the Business Plan sets out its status in the context of the Big Local Trust Deed. Following legal advice on the content of the Deed, a similar statement accompanies every Business Plan prepared by Local Trust. By approving the Business Plan, trustees are confirming that they are content with the statements made within the chapter in relation to both 2023-24 Business Plan and accompanying Budget, and the spending plans included within it.

- 13.1 This document sets out Local Trust’s Business Plan for 2023-24. Together with the documents referred to at paragraph 1.2, it forms the “Big Local Business Plan”, replacing and superseding the document referred to in the Big Local Trust Deed and any subsequent business planning or strategic documents prepared for Big Local Trust and Local Trust.

The Big Local Deed

- 13.2 Delivery of this plan is primarily supported by funds from the Big Local Trust. Further information on the use of funds is included in the Budget that accompanies this document.

- 13.3 The Big Local Trust Deed contains the following Objects:

5.1 The Objects of the charity are:

(a) the advancement of community development; and

(b) the relief of unemployment;

for the benefit of the public, in particular, but without limitation, in the localities in each region specified in Schedule 6 [Big Local areas].

- 13.4 The work of Local Trust focuses overwhelmingly on the delivery of 5.1(a) – “the advancement of community development”, defined by the Charity Commission as including (inter alia):

- the promotion of civic responsibility and good citizenship
- the promotion of urban and rural regeneration
- the promotion of volunteering
- the promotion of the voluntary sector
- promoting the efficiency and effectiveness of charities and the effective use of charitable resources
- the promotion of community capacity building

- 13.5 The Big Local Trust Deed further provides that:

5.2. Objects 5.1(a) and 5.1(b) are to be achieved in particular, but without limitation, by:

(a) making Distributions to Recipients; and

(b) conducting research and disseminating the useful results of such research.

13.6 In approving the Business Plan and Budget for 2023-24, Trustees are content that all proposed expenditure contained within it is covered by cl5.2(a) and cl5.2(b) without need for any recourse to the “without limitation” provision.

13.7 Trustees have noted in particular the relevance of the Wishes of the Founder set out in Schedule 8 of the Deed, that

The Charity should also promote learning from the local schemes more broadly, to policymakers, funders and communities involved in similar efforts at improvement as the areas of benefit

which has informed Local Trust’s decisions to invest resource into the creation of a policy team and the commitment of resources to communications and research within this and previous Business Plans and Budgets, and underpins a significant part of its plans to secure a long term legacy from its work.

13.8 Clause 5.2(b) necessarily requires the commitment of resources to fund activities outside of Big Local areas, and Clauses 4.2 and 4.3 of the Deed require that money spend outside of “areas of benefit” (Big Local areas) may only amount to what trustees reasonably considered might be “minor” when compared to – respectively – the total value of the fund and (to the extent that resources being applied is drawn from the income of the endowment) the total income accrued to the fund.

13.9 Trustees have considered the allocation of resources in the 2023-24 Budget and Business Plan in furtherance of Cl 5.2(b) and concluded that they are content it could not be reasonably considered anything but minor in the context of the tests outlined above.