

A young woman with dark hair in a bun, wearing a grey hoodie over a pink shirt, stands outdoors next to a tree. She is smiling and holding a silver trophy with a blue base. The background shows a red building and green foliage under a blue sky.

# Strategic Plan

2020-2025

YMCA NEWCASTLE





# Welcome

From our CEO


The only certainty in the next 5 years is that it will be a period of constant change and that there will be a period of economic decline. To enable us to remain focused on our Charitable Mission we have revised our strategy and set clear goals and milestones to achieve them.

Our operational plans will have to be agile to meet the speed of that change and innovative to meet the increased needs of our beneficiaries within available resources. This strategic plan is the platform to meet these challenges.

If you would like more information or would like to work with us in any way we would love to hear from you.

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# Purpose of the Strategic Plan

The purpose of this document is to communicate the strategic intentions of YMCA Newcastle for the next 5 years to our beneficiaries, volunteers, staff, funders, supporters and our supply chain.

This is a revision of our previous strategy following the changes to the external and internal operating environments since the Covid-19 pandemic.



The Strategic Plan takes account of the wide range of external and internal information and data that was available prior to the pandemic as set out below.

There is little information on the likely post epidemic environment available at the time of writing.

- ▶ The results of International, National and local consultation with young people about what matters to them, what's important to them and what they would like.
- ▶ Statutory data on health, well being, poverty, educational attainment, employment and housing.
- ▶ Third Sector publications about issues including: mental health, physical health, self esteem, body confidence, isolation and loneliness, antisocial behavior, crime and punishment, gender, sexuality and identity.
- ▶ Information about the macro economy, welfare reform, health and social care reform, labour market information, local politics.
- ▶ Information from the YMCA Federation strategy and other YMCAs in other parts of the country, their services, asset management, challenges and solutions.
- ▶ Consultation with beneficiaries, volunteers, staff and trustees.
- ▶ Professional advisors about maximising the use of our assets.
- ▶ The last 25 years of the provision of youth work services in areas with high levels of deprivation.
- ▶ Our financial performance over the last 10 years.



# Background and context

On 6 June 1844, 22 year-old draper George Williams joined 11 friends to organise the first Young Men's Christian Association (YMCA), a refuge of Bible study and prayer for young men seeking escape from the hazards of life on the streets of London.

Today, YMCA has grown to be the largest and oldest youth charity in the world serving more than 58 million people in 119 countries regardless of age, race, gender, sexual orientation or socio-economic background.

In England and Wales there are 99 local YMCAs, each independent and registered charities in their own right, responsible for their own governance and finance but all are affiliated to the YMCA Federation. This enables us to set our own strategy and use our resources to meet the needs of our local communities and operating environment whilst benefiting from being connected regionally, nationally and internationally.

2019 marked the 175th anniversary of the founding of YMCA and the 170th anniversary of the founding of YMCA Newcastle. Throughout those 170 years the charity has been through many periods of good times as well as challenging times. It has not just survived but has flourished and we have arrived at this point in our journey with a strong asset base and with excellent Governance in place that will enable us to deliver the future we articulate here.

We fully acknowledge the Christian heritage that our charity was founded on as well as the changes since then that mean you no longer have to be Young, Male or Christian to access support from the YMCA.



# Our vision, mission and values

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## Our vision

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Our vision is of thriving and inclusive communities.

## Our mission

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Our mission is to provide the opportunities, resources and support so the community and its young people can belong, contribute and thrive.

## Our values

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### ► Equity

We treat everyone as equals, however we work to reduce inequalities and allocate our resources depending on individual need and circumstances.

### ► Respect

We respect individuals for who they are regardless of their circumstances.

### ► Tolerance

Our culture is non-judgemental and tolerant of different lifestyles, value and beliefs.

### ► Integrity

By acting in accordance with our organisational beliefs and values to do the right things, in the right way and at the right time.

### ► Openness

Our culture is transparent so that all our stakeholders can see the work we do.

### ► Unconditional

Our support to the community and young people is unconditional regardless of their actions, beliefs and attitudes.

### ► Sustainability

We strive for long term sustainability by governing the organisation to ensure its long term ability to meet the future needs of the young people of Newcastle.







## Achieving our vision

To achieve our mission we will;

- ▶ Deliver our services from quality infrastructure and assets that are based in the communities in which we work.
- ▶ Involve the community in shaping our services.
- ▶ Work with community partners to maximise our reach and impact.
- ▶ We will maximise the use of technology to ensure our efficiency and quality and maximise our reach and impact.

## Achieving our mission

To achieve our mission we will create opportunities, resources and support so that communities and young people;

- ▶ Are supported to overcome crisis situations.
- ▶ Can develop their personal and social skills.
- ▶ Can access suitable accommodation.
- ▶ Can access suitable employment.
- ▶ Can manage their health and wellbeing.

# Our strategic goals

Our strategic and operational plans for the next 5 years will be written to enable us to achieve our strategic goals which are;

- ▶ Ensure the long term financial security and sustainability of the charity in an unpredictable economic climate.
- ▶ Ensure that our resources deliver the maximum economic and social value and achieve our charitable objectives.
- ▶ Ensure that our services meet accredited quality standards.





## How to guidance

- ▶ The Strategic objectives will be set by the Board for a 5 year period but will be reviewed annually to take account of the internal and external operating environments.
- ▶ The Strategic objectives and progress against delivering them will be publicly communicated.
- ▶ The CEO and staff team will create and deliver the operational plan to achieve the strategic objectives.

## Boundary guidance

- ▶ Services will be identified with a clear service description created for each area of business.
- ▶ All new opportunities, services and activities must be approved by the Board before they commence.
- ▶ New opportunities must be designed on a full cost recovery basis.
- ▶ Trading opportunities must be capable of generating a surplus.
- ▶ Partnerships must be formal and have clear terms of reference with responsibilities and liabilities clearly identified.
- ▶ Collaborations must have clear terms of reference.

## Priority guidance

- ▶ New opportunities will be chosen using the following priority criteria, which are not in preferential order;
  - Duration of funding
  - Sustainability past initial funding
  - Within our risk appetite
  - Impact on existing services
  - Capacity to do it properly
  - Contribution to overall charitable purpose
  - Pass public benefit test
  - Value for money

# Governance and decision making

The Board of Trustees will use a decision making framework based on the Harvard Business Review Strategy by Simple Rules model. The guidance to enable strategic decision making is broken down into the following areas; **How to guidance, Boundary guidance, Priority guidance, Timing guidance and Exit guidance.**

## Timing guidance

- ▶ Existing commitments should not be jeopardised by the diversion of resources to secure new services or activities.
- ▶ The annual budget cycle must contain resources to develop new opportunities.
- ▶ The Board must have information early to enable good decision making.

## Exit guidance

- ▶ Services and activities should cease if;
  - Risks cannot be mitigated by sufficient controls
  - The programme ceases to meet the needs of young people
  - Contract outcomes become unachievable
  - The long-term viability makes it unsustainable
  - The service or activity breaches regulatory compliance
  - The desired balance between charitable benefit, business needs, quality standards, and affordability cannot be achieved

# Financing our work



The traditional model of financing charity run services is one that relies on a mix of charitable giving through grant making trusts and donations, grant aid from statutory bodies and earned income from service contracts with statutory bodies. We consider this business model to be unsustainable in modern times and it places our charity at great risk in the medium term.

Since the 2008 recession: individuals have less disposable income to donate; grant making trusts earn less income from assets; companies have less profits to allocate to CSR schemes and statutory bodies grant aid is no longer available.

Competitive tendering and contracts seldom have certainty of service delivery past 3 years and contracting involves high levels of risk, upfront investments and payments by results.

The forecast financial operating environment post the Covid19 pandemic is that the situation is likely to worsen.

We will move to a sustainable model of financing the charity from:

- ▶ Earned income from our rental property portfolio to fund our core costs;
- ▶ Earned income from social enterprises and social businesses set up run by YMCA Newcastle that achieve our charitable objectives by supporting our beneficiaries and generate a trading surplus to reinvest into services, and;
- ▶ Charitable grants to fund our charitable services.



# Strategic milestones

Strategic goals	31st March 2021	31st March 2023	31st March 2025
<b>Ensure the long term financial security and sustainability of the charity in an unpredictable economic environment</b>	<p>Annual losses reduced to agreed level</p> <p>Core cost are partially funded from grants, investments and trading activity with deficit funded from reserves</p> <p>Current trading subsidiaries achieve break even</p> <p>Current social businesses achieve break even from trading and grants</p> <p>Charity Services break even at full cost recovery from grants</p>	<p>Financial breakeven</p> <p>Core cost fully funded from investment and trading activity</p> <p>Trading subsidiaries achieve agreed profit levels</p> <p>Social businesses achieve break even from trading</p> <p>Charity Services break even at full cost recovery from grants</p>	<p>Annual surplus invested into reserves</p> <p>Core cost fully funded from investment and trading activity</p> <p>Trading subsidiaries achieve agreed profit levels</p> <p>Social businesses achieve agreed profit levels from trading</p> <p>Charity Services break even at full cost recovery from grants</p>
<b>Ensure that our resources deliver the maximum economic and social value and achieve our charitable objectives</b>	<p>New manufacturing social business launched with borrowing and charitable grant</p> <p>New housing social business launched with borrowing and charitable grant</p>	<p>Current social businesses achieve growth profile</p>	<p>Manufacturing social business achieves growth profile</p> <p>Housing social business achieves growth profile</p>
<b>Ensure that our services meet accredited quality standards</b>	<p>Achieve Trusted Charity Level 1</p> <p>Achieve Investing in Volunteers Standard</p> <p>Achieve fundraising standards mark</p> <p>Retain Ofsted “Good” rating</p> <p>Maintain food hygiene 5 Star rating at all sites</p>	<p>Achieve Trusted Charity Level 2</p> <p>Maintain Investing in Volunteers Standard</p> <p>Maintain fundraising standards mark</p> <p>Achieve relevant ISSO standard in manufacturing social business</p> <p>Achieve relevant Social housing standards</p> <p>Achieve Ofsted “Outstanding” rating</p> <p>Maintain food hygiene 5 Star rating at all sites</p>	<p>Maintain Trusted Charity status</p> <p>Maintain Investing in Volunteers</p> <p>Standard Maintain fundraising standards mark</p> <p>Maintain relevant ISSO standard in manufacturing social business</p> <p>Maintain relevant Social housing standards</p> <p>Maintain Ofsted “Outstanding” rating</p> <p>Maintain food hygiene 5 Star rating at all sites</p>