

Mental health matters
Developing your business plan
Wales



Mental Health Matters

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Accessibility

Also available upon request in other formats including large print.

Our equality principles

Promoting accessibility; valuing cultural diversity; promoting participation; promoting equality of opportunity; promoting inclusive communities; reducing disadvantage and exclusion. Please visit our website for more information.

We care about the environment

The Big Lottery Fund in Wales is working towards sustainable development and the use of sustainable resources.

Our mission

We are committed to bringing real improvements to communities and the lives of people most in need.

Our values

We have identified seven values that underpin our work: fairness; accessibility; strategic focus; involving people; innovation; enabling; additional to government.

The Big Lottery Fund is committed to valuing diversity and promoting equality of opportunity, both as a grantmaker and employer. The Big Lottery Fund will aim to adopt an inclusive approach to ensure grant applicants and recipients, stakeholders, job applicants and employees are treated fairly.

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Y Loteri Genedlaethol

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Developing your business plan

Introduction

This guidance is for applicants applying to the Mental Health Matters programme. It provides applicants with information on the required content and format of the business plan.

The business plan should expand on the information provided in your application form. Please ensure that it is compatible and meets any requirements as set out in the Mental Health Matters guidance notes.

You must send in a business plan by the date agreed with your grants officer. This must be within four months of the date of your grant offer. The business plan will be used to further assess your project and make a decision on continuing your grant.

1. Your business plan

If you already have a business plan for your project, there is no need for you to produce another. However, you must make sure that the information we ask for below is in your business plan and that it is up-to-date and relevant to your project.

Please cross-reference the information we require to the relevant page number(s) and section(s) of your business plan. The business plan should be typed and the pages numbered. It should include the following information:

- executive summary
- organisation summary
- project background
- strategic context
- project delivery
- project resources
- project costs
- financial appraisal
- marketing and communications strategy
- monitoring and evaluation plan
- risk analysis
- sustainable development
- supporting information
- exit strategy.

2. Executive summary

This should be a concise summary of the overall business plan, which highlights the most important features of your project including:

- a short description of the scope of the project, including what it will do, what it will achieve and who will benefit from it
- a summary of how you are going to deliver your project, including timetable, budget and resources
- who the key stakeholders and partners are and how you will work with them.

3. Organisation summary (department in the case of Local Authorities)

This section should include an outline of your organisation/department's aims, objectives and legal status. It should describe the:

- services and activities your organisation/department currently provides, how these are delivered and who benefits from your work
- the organisation/department's management structure, decision making processes and key lines of communication and reporting
- roles and responsibilities of the project board members or trustees and senior management team, with reference to their relevant skills, experience and expertise, and their current and future involvement in your project.

Identify other organisations and stakeholders you work with, including details of any partnership arrangements you may have with them.

Provide details of other projects you have delivered that were similar to your project, how successful they were and what you learnt from them.

4. Project background

This section should describe how your project has been developed to date and why you are the best organisation/department to deliver the project. It should give a clear summary of the history of your project with reference to any relevant studies, research and consultation that has been carried out.

5. Strategic context

This section should include the following:

- the need that your project aims to address
- the outcomes and benefits your project aims to achieve (as identified in your application)
- how your project will achieve the outcomes (as identified in your application)
- describe the different ways that you have researched the need for this work
- give evidence of the level of need that exists in the area that will benefit
- describe the people or organisations that your project targets, how many people or organisations are affected by the needs your project addresses, what their needs are and how you have consulted and involved them
- refer to any work that other organisations or individuals have done that supports your evidence of need
- set out the options that you considered for meeting the identified need and delivering the proposed outcomes and your reasons for choosing the option you did
- describe existing complementary or competing services or projects that already address the needs of your project beneficiaries and how your project adds value to these services or projects. For example, consider existing mental health provision that is provided by either the health service, local authority or the voluntary sector. You should also take into account existing facilities and services. You must demonstrate that your project does not duplicate existing provision
- describe any relevant links with other projects locally, regionally or nationally, how your project complements these and, if applicable, how your project benefits from being part of a larger initiative
- describe the relationship between your project and relevant local, regional or national plans for developing mental health services. You should include things such as Raising the Standard – the revised Adult Mental Health National Service Framework and Action Plan for Wales, the Suicide

Prevention Strategy for Wales and other relevant local strategies where they exist.

6. Project delivery

This section should include detailed information about your project and describe the services, activities and facilities it will provide. In describing these, detailed consideration should be given to the strategic context of your project and how it will deliver the option you have chosen to meet the need you have identified.

Other areas that are addressed in this section should include:

- where your project will be delivered
- the users that your project wants to attract, referring to relevant market research and your needs analysis
- the total number of people or organisations that need your project – tell us what percentage the project will reach
- how you will reach the proposed beneficiaries of your project
- a description of how your project will be open and accessible and how you will overcome any barriers to using the services, activities or facilities
- how your project meets our equality principles: promoting accessibility; valuing cultural diversity; promoting participation; promoting equal opportunities; promoting inclusive communities; contributing to the reduction of disadvantage and exclusion and meeting the needs of Welsh speakers.

You must include a work-plan for your project that contains details of the services and activities you will deliver, the dates when these will take place and the key milestones or performance indicators you will use to measure your progress.

All projects have a critical path, which is the order in which events must take place for the project to run on schedule. You should make sure that the outcome milestones in your application reflect the timetable and critical path included within the business plan.

7. Project resources

You will need a range of resources to deliver your project. In this section, describe how the project will be managed, the staff and volunteer resources required and include:

Management and supervision resources (organisation structure and project structure)

- how staff, volunteers, freelance workers and consultants within your project will be managed
- who will manage your project finances and what experience they have
- the existing arrangements you have for managing your work and any new arrangements that you will put in place for your project
- what policies your organisation already has and what policies you will have to develop in order to deliver your project.

Staff resources

- details of the staff who will lead on delivering your project and their roles
- details and justification of all the staff posts that will be created for this project, including a staffing structure diagram that clearly shows existing and new posts, as well as where the project staff will fit into your organisation and the reporting lines for your project
- indicate how staff working on your project will work together to deliver it and provide a staffing structure for the project itself
- indicate any recruitment or training plans, including timescales and costs.

In your Mental Health Matters application you completed question 3.9 for each staff post our grant would contribute to or pay for. Please remember that the information provided here should be compatible with that provided in your application. Where revisions have been made, these should be discussed with us.

Volunteer resources

Describe the role of volunteers in the delivery of your project (give the number of regular volunteers, the amount of time they will give and explain the tasks they will do within the project). Provide information of how many (if any) new volunteers will be required, how they will be recruited and supported.

Partnership working and stakeholders

If partner organisations will be involved in the delivery of your project, please describe:

- what their role will be
- what the advantage of involving them will be
- how you will manage the partnership
- what commitment to your project they have provided.

Please provide a partnership or service level agreement with any organisations you are working with in the delivery of your project. This should make clear what the responsibilities of each of the organisations are and how you will work together.

8. Project costs

You cannot use a Big Lottery Fund grant to duplicate or replace activities funded through taxes. We will only fund projects that are additional to services that the local and national government has a statutory responsibility to provide.

The project costs should be well developed and based on a detailed cost plan. In this section include a breakdown of the revenue, capital and overhead costs. The calculations of these costs should be clear and based on evidence from a relevant source. Any assumptions about the costs should be clearly stated, for example, concerning contingency, inflation and VAT and any deliberate omissions. General advice on how to compile a budget is available in our publication 'Applying for your project overheads: Guidance for Big Lottery Fund applicants' - section 6' which is available from our website www.biglotteryfund.org.uk. In addition there is information and a calculator on our website which may also help you.

Please tell us how much money you need from us in each project year. Make sure that you read the programme guidance notes as identified below.

- Mental Health Matters Guidance notes: Pages 10, 24-27
- Mental Health Matters Capital guidance notes.

These documents will help you understand:

- the total amount we will fund
- what is eligible and ineligible for funding

- what overheads we will fund
- value added tax (VAT)
- legal costs associated with grant award you should provide for.

In some cases you may not want us to fund the whole project. In these cases you will need to tell us where the other funds will come from and whether this money is secured. Where this money is unsecured please provide details as to when you expect a decision to be made and what action you propose to take should this decision be unfavourable. These other sources of funding may come from another grant maker, a contract, from money you hold in reserve or from income that your project will generate. If your project will generate an income you should explain how you have calculated this in your business plan. Include in-kind contributions here with an explanation of how you decided on the attached value. We will need to agree these with you and may require an independent valuation.

Please remember that the information provided here should be compatible with that provided in your application (Question 3.7). Where revisions have been made, these should be discussed with us.

9. Financial appraisal

You should plan the finances of your project to ensure that you have the resources you need when you need them and that your project is financially viable.

You should carry out a financial forecast in the form of a cash flow statement that sets out your project's income and expenditure requirements. As a minimum, the forecast should cover the duration of your project and should generally be monthly for the first year and quarterly from then on. The level of detail should reflect the complexity and scale of your project, but should include:

- project expenditure requirements
- project funding requirements
- the sources of income which may be earned (such as charges to your users) or unearned (such as grants or donations)
- details of the assumptions behind the projections for both expenditure and income
- details explaining how money to be borrowed to fund your project will be paid back, if applicable.

To ensure that the forecast is realistic it is important to assess how sensitive your projections are to external factors and to consider the best and worst case scenarios. You should test the sensitivity of the assumptions used in your cash flow projections by making changes to the items that will have the greatest impact. If the impact of a small change is significant, this may suggest your proposition is not financially robust. These are factors that are most likely to affect the success of the business plan. You should consider how you will manage these risks and incorporate them into your risk analysis.

10. Marketing and communications strategy

One of the outcomes of the Mental Health Matters programme is that communities have a greater understanding and are more supportive of people with mental health problems. It is important that your marketing and communications strategy takes this into account.

This section should explain:

- what methods will be used to publicise your work and achievements and who the target audience is for each communication method
- for projects that seek to influence policy or procedures within other organisations or statutory services, how and when you intend to do this and any plans you have to disseminate the learning from this work. If this work is a main aim of your project you should include dates in your project plan.

11. Monitoring and evaluation plan

This section should provide a detailed description of how your project will be monitored and evaluated including:

- any baselines you have gathered for this work
- how you will gather evidence to show that you are meeting your milestones and achieving your outcomes
- how you will use the information you gather to improve your project
- how you will involve the project beneficiaries in monitoring your project
- the specific evaluation plans you have for the project, including whether you will carry out the evaluation internally or appoint a consultant (tell us how you calculated any costs associated with this in the project costs section)
- how you plan to monitor the broader or longer-term impact of your project and if so, how you will do this.

12. Risk analysis

The business plan should include an assessment of the main risks associated with your project and explain your approach to managing them.

There are many ways of assessing the potential risks to a project, such as completing:

- a register that identifies the potential risks to your project, the probability of them occurring, the likely impact if the risk occurs and the ownership and management of the risks identified
- an analysis of your project's Strengths, Weaknesses, Opportunities and Threats (SWOT analysis)
- an analysis of the Legal, Environmental, Political, Economic, Social, Technological, factors that may impact on the environment in which your project operates (LE PEST analysis).

A risk analysis is most useful when the key stakeholders in a project help to produce it. This allows for wider stakeholder considerations to be taken into account. Once the key risks have been identified your plan should explain how these would be managed.

Please include a table that lists the main risks that may affect the success of your project. This will help you plan ahead and be better prepared.

Example

Description	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Describe the risk – for example policy changes or loss of key staff.	Say what the impact would be and rate the impact as High, Medium or Low.	Say how likely it is that the risk will happen – High, Medium or Low.	Explain what controls you already have in place to manage this risk.	Explain what you will need to do to put controls in place or enhance existing controls.	Say who is responsible for managing the risk.

13. Sustainable development considerations

In line with the Welsh Assembly Government's duty to promote sustainable development, this section of your business plan should set out how your project will address social, economic and environmental issues in an integrated way. To help you understand what this means in practice and help you assess whether your project is contributing to sustainable development, we have included guidance 'Sustainable Community guide' on the Mental Health Matters section of our website: www.biglotteryfund.org.uk We advise you to work through this guidance as you plan your project.

14. Supporting information

You should refer to supporting information throughout your business plan and include key information here. This may include:

- written financial procedures for your organisation
- the latest set of annual accounts for your organisation if they are more recent than those submitted with your application
- organisational policies, such as equal opportunities, young people and vulnerable adult protection policies
- service level agreements with third parties.

15. Exit strategy

Our funding will only be available for a limited time. You need to consider the long term future of your project and explain what your plans are for your project once our funding comes to an end. We call this an exit strategy. Although you may not be able to give a full indication at this stage, it is important that you consider this from the outset so that project sustainability is included as an important part of your plans. You should consider the following questions:

- will the activities supported by your project continue and if so, how?
- how will the needs of your target beneficiaries be met once your project ends?
- will your project activities be transferred to other providers?
- what discussions will you need to have with local stakeholders regarding the long term future of your project?
- if you do not intend to continue with your project, what plans do you have for ending it?
- what are your plans for buildings and equipment once our funding ends?

You will be responsible for the condition and use of assets for the asset monitoring period. The asset monitoring period is related to the type and size of the grant as set out in the terms and conditions of grant.