



# The Building Change Trust and Building Change Trust Limited

## Annual Report and Accounts

for the year ended 31 December 2010

Presented to the Big Lottery Fund in accordance with the reporting direction given by the Big Lottery Fund in Annexe B of the Letter of Offer from the Big Lottery Fund to the Building Change Trust Limited dated 11 July 2008



The Building Change Trust was established by the Big Lottery Fund with a National Lottery grant of £10 million as an investment for community capacity building and promotion of the voluntary and community sector in Northern Ireland.



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## Foreword

Bill Osborne, Chairperson, Building Change Trust Limited.

In a recent publication, *Battles, Boats, and Bones - Archaeological Discoveries in Northern Ireland 1987 - 2008*, Michael Coulter states in his foreword, *"The discoveries presented here illustrate both how diverse and exciting our archaeological heritage is, and, that historic monuments come in a wide variety of forms. It is fascinating to contemplate how such unprepossessing lands such as school playing fields, eroding bogs, ex-army compounds, waste ground and disused factories can conceal the important relics and everyday remnants of our ancestors."*

The Voluntary and Community sector also has its own rich, diverse and exciting heritage which is often overlooked or perhaps, more sadly, neglected. Its historic monuments and relics are less obvious as the traces of its "archaeological remains" are not always physical but found in the nature of society. However, some physical evidence does remain and Clifton House and the remnants of the elm water pipes are fine examples of community activism in the 18th century of The Belfast Charitable Society. The Society built a Poor House and Hospital which opened in 1774, now known today as Clifton House. The Society was also to the fore ensuring that the citizens of Belfast had a supply of pure water. In 1778, due to the pollution of the local streams and to improve the health of the residents of the hospital and poor house the Society began to produce a supply of clean drinking water; the surplus water was sold to the wider populace from a cart travelling the streets of Belfast.

This early form of social entrepreneurship eventually led to the creation of an independent Water Board in 1840, by which time the Society had raised and invested £30,000 in a water supply system for Belfast. Hence the need for elm wood underground pipes which were purchased and imported from England. In leading 'by doing' the Society improved the health and well-being of the community in advance of any political or legislative intervention, indeed they were the stimulus for political engagement and intervention. Their actions combined with advocacy were transformative; they went beyond efficiency and effectiveness to something radically better.

The Trust believes that our sector with this strong heritage is not daunted by the challenges of the current economic turbulence and we are confident that the modest investment we are making can enable radically better solutions.

Rediscovering and cherishing the fascinating heritage of voluntary social action in local communities, towns and cities, is not to be misunderstood as a cry to resurrect the relics; no one who cares for social justice would seek the reopening of the Poor House. The *"important relics and everyday remnants of our ancestors"* associated with voluntary social action show that change for the common good requires people individually and collectively to step forward to challenge, find new ways and demonstrate practical solutions to the absurdity of poverty, inequality, injustice and discrimination. In this area the Trust, through its Exploring and Delivering Change Award programmes, is supporting organisations to embrace and engage in change. This is not an easy process and we recognise that once engaged the journey may offer other challenges and opportunities, we want to hear about these and capture them in order to share learning and experience from those who receive an award. Additional investment has therefore been made in an added value programme to facilitate discussion, experience and dissemination of learning.

Uncovering and reflecting on past forms of social activism leaves one with mixed emotions of amazement of what was achieved and frustration that the social issues still remain. In this context the Trust has invested in two significant interventions with a £1 million award to Charity Bank and through commissioning the £1 million Collaboration NI initiative from a consortium led by NICVA.

Realising that to combat endemic issues such as poverty will always require civil society interventions the Trust have, through supporting the establishment of a permanent loan fund, left a sustainable financial resource with Charity Bank for the sector. In addition we have ring-fenced a further £1 million for social investment at some stage in the future. We await with interest the outcome of the project being led by Charity Bank that will look at social investment development in Northern Ireland for the future.

Duncan Morrow, Director of the Community Relations Council, commented, *"Doing will always be more real than talking, and offering to do things together will be even better."* In the Collaboration NI project involving NICVA, CO3 and Stellar Consulting, the Trust are investing in the capacity of the sector to experiment with how it does things together and to look at models and structures to face the challenges of the future. The Trust are keen to maximise impact and avoid duplication by cooperating with others and we were delighted that the Department for Social Development through its Voluntary and Community Unit made a contribution to this project. There are no easy solutions but like our ancestors we need to see the opportunities that both crisis and change offer to nudge society to a better place from where it is. For in doing so we create the space for future generations to step forward.

Finally, it is a privilege for me to be Chair of an exciting experimental organisation and I am particularly grateful to my fellow Directors for their support and extensive contribution. On behalf of all the Directors it is important to acknowledge the valued contribution from the Protector which has ensured that the Trust operates within its objectives and adheres to the principles of good governance. This Annual Report reflects the work and achievements of the past year and on behalf of the Directors I would wish to record our appreciation and thanks to the small staff team for helping to make it all happen.

Bill Osborne

## Background and history of the Building Change Trust

The Building Change Trust was established in 2008 by the Big Lottery Fund following the submission and acceptance of a proposal developed by the Community Foundation for Northern Ireland, Community Evaluation Northern Ireland, Business in the Community, Rural Community Network and the Volunteer Development Agency.

The Trust is resourced through a National Lottery grant of £10 million as an investment for community capacity building and promotion of the voluntary and community sector in Northern Ireland.

The Trust is accepted as a charity by HM Revenue and Customs (XT11390) and is managed by a corporate trustee; Building Change Trust Limited.

The corporate Trustee, Building Change Trust Limited is registered as a company limited by guarantee in Northern Ireland (NI071182).

The corporate Trustee has 9 Directors drawn from across the community, voluntary and private sectors and a Protector appointed by the Big Lottery Fund. Each of the original bid proposers along with the Big Lottery Fund has the right to nominate one Director to the Board of the corporate trustee.

The Trust will by the 31 December 2018 have invested and expended the £10 million original grant along with any interest generated.

The Trust plans to support the community and voluntary sector through the development and delivery of and learning from a range of programmes including commissioned work, awards programmes and other interventions.

The specific objects of the Trust as detailed within the Trust Deed are as follows:

*“To make awards for charitable purposes for:*

- the development, for the public benefit, of the capacity and skills of the members of socially and economically disadvantaged communities in Northern Ireland in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;*
- the promotion, for the public benefit, of the Voluntary Sector, the efficiency and effectiveness of Charities and the effective use of charitable resources in Northern Ireland;*
- the advancement, for the public benefit, of citizenship and community development in Northern Ireland;*

*and thereby increase opportunities for volunteering, enhance the identification and support of best practice and good governance in the Voluntary Sector and the development of the skills of persons working in the Voluntary Sector and enable organisations in the Voluntary Sector to work effectively together for the benefit of the community.”*

The development of criteria for distribution of resources and decisions on the distribution of resources are the responsibility of the board of Directors of the corporate trustee.

In 2009 the Trust was initially focused on establishment and governance arrangements and on enabling delivery of the actions outlined in the business plan accepted by BIG. Consultation with the sector was also undertaken with a view to informing future investment by the Trust. In 2010 following on from the original business plan the Trust developed a strategy and programmes for the 2010-2013 period - significant investment was made in Charity Bank, plans for Collaboration NI advanced and the Trust’s award programmes - Exploring and Deliver Change made a reality. As the Trust seeks to embed and learn from that work, the focus in 2011 will be on further programme roll out and ongoing consultation with the sector with a view to informing future strategy and actions.

## Summary operational plan and achievements against objectives for 2010 and targets for 2011

The following pages set out the work of the Trust in 2010 and targets for 2011 under the key headings of

- Trust Governance
- Finance and Investment
- Programme Development and Implementation
- Marketing and Communications

### Trust Governance

Key issues	Objectives	Targets for 2010
Board and Board sub group meetings	The Directors are facilitated to run the Trust in line with the requirements of the Trust Deed and the Memorandum and Articles of Association	To publish an Annual Report and Accounts for both entities by 31 May 2010
Protector		To recruit two additional Directors for the corporate Trustee by autumn 2010
Insurance		To develop and consider options in respect of administration and Chairperson remuneration and make final decision and any required changes by June 2010
Risk Register	To manage the contract with CFNI to ensure high quality management and administration support is delivered	To establish a Finance and General Purposes committee and have at least 2 meetings by December 2010
Audit and Annual Report		To have at least 4 meetings of the Board of Directors of the corporate Trustee
Companies House requirements	To comply with BIG requirements in respect of the £10 million grant	To prepare and submit 3 quarterly reports to BIG
Reporting to BIG	To work with the Directors to ensure the Trust can meet its strategic objectives	To host a meeting between the corporate Trustee and BIG NI committee

## Trust Governance

### Achievements for 2010

Annual Report and Accounts for the Trust and the corporate Trustee presented to BIG in June 2010

The Trust advertised twice for Directors in 2010. In response to the later advertisement two new Directors; Beverley Bigger and Maeve Monaghan were appointed to the Board of the corporate Trustee in autumn 2010. Billy Gamble was also appointed as the CFNI nominee to replace Barbary Cook.

A sub group of a number of Directors and the Protector reported to the May Board meeting making recommendations under key headings of

- **Identity**  
Actions were agreed and taken to ensure the Trust is seen as separate from CFNI
- **Structure**  
Regular formal meetings took place between Chair and Trust Administrator and also with CFNI Director
- **Role of the Chair**  
Role, time commitment and question of remuneration of unpaid role of Chairperson to be reviewed at mid point of 3 year term in 2011
- **Role and workload of the Administrator**  
Trust Administrator and Chairperson to review and report back to Board.

Terms of Reference for a Finance and General Purposes Committee were agreed by the Trust Board at its March 2010 Board meeting. The committee was not established in 2010 due to the need to recruit additional Directors and other operational matters

The Trust Board met 8 times during 2010. In addition to Board meetings there were also 1 strategy planning session, 2 meetings with the original bid partners, a number of meetings of the subgroup looking at Chair remuneration and other issues and 3 meetings of the evaluation subgroup

Quarterly reports covering Jan - Mar 10, Apr - June 10, Jul - Sept 10 were prepared by the Trust Administrator and submitted to BIG with 3 follow up meetings held with BIG staff

The Trust Board and the BIG NI committee met together on 4 May 2010 at which a range of issues were discussed including progress to date and profile

### Impact

A well managed organisation  
Good governance  
A high level of input and attendance by Directors  
Complying with BIG requirements and other legal requirements  
Well placed to deliver on strategic objectives

## Trust Governance

### Commentary

The corporate trustee; Building Change Trust Limited was formed late in 2008 and the Trust Deed between it and BIG establishing the charity The Building Change Trust signed in December of that year. In 2009, the focus was on becoming established and setting up the systems and procedures required for good governance and to support and enable future programme development and delivery.

In 2010 the focus was on using the systems and procedures established to further consult with the community and voluntary sector and to develop and implement the Trust strategy and also to review the governance and management and administration arrangements in place and proposing and making adjustments. The Trust identified the need for clarity in its relationship with the Community Foundation for Northern Ireland, the need to ensure the Trust was and was seen to be independent and the need to recruit additional Directors to augment the original Board.

The Directors, who were new to the Trust and each other in many cases, met monthly on average and by the year end had completed all of the tasks associated with the establishment of a new organisation including setting out how they would develop a new strategy and programmes for the period from 2010 onwards. The Directors established a sub group to consider issues around and make recommendations in respect of the administration arrangements in place for the Trust and the remuneration of the Chairperson. These issues had been raised by the Protector.

In 2010 the Directors also agreed arrangements and established sub groups dealing with evaluation and finance and general purposes.

### Targets for 2011

To publish an Annual Report and Accounts for both entities by 31 May 2011

To deliver effective ongoing induction for Directors appointed in 2010 and the Directors to be nominated by RCN and BIG in 2011

To review and decide on need for further additional Directors and to decide on arrangements for Trustee chairperson following end of current Chairperson's term in 2011

To follow up on any outstanding actions from the 2009 review of administration and Chairperson remuneration

To hold 4 meetings of the Trust's Finance and General Purposes Committee during 2011

To hold 6 meetings of the Board of the corporate Trustee during 2011

To prepare and submit 3 quarterly reports to BIG

To comply in a timely fashion with all legal requirements governing the operation of the charitable Trust and the Trustee company

### Finance and Investment

Key issues	Objectives	Targets for 2010
Manual of Regulations and systems and procedures.	To develop, update and implement a comprehensive Manual of Regulations that meets the needs of the Trust.	To update and add to the Manual of Regulations by the end of June 2010 taking account of new strategy and programmes
Budgets and finance reports to Board		To formally review the performance of the appointed investment managers, the performance of investments during the first period of operations by the end of June 2010 and make any necessary changes
Appointment of investment advisors	To work with investment advisors and bankers to ensure the return on investments is sufficient to allow the Trust to meet its governance requirements and programme objectives	To consider and respond appropriately by the end of June 2010 to any advice given by the auditors in their consideration and preparation of the accounts of the Trust
Ongoing monitoring and review of investments		To establish and facilitate at least two meetings of the Finance and General Purposes Committee
Decisions in respect of future investments	To facilitate decision making by the Board through the provision of accurate investment, financial reports and budgets to Board meetings.	
	To effectively manage the finance function of the Trust ensuring all organisation systems and procedures and best practice is adhered to.	

### Finance and Investment

#### Achievements for 2010

- Manual of Regulations amended to deal with operation of award and other programmes
- Performance of investments, Investment Policy Statement and the investment managers was reviewed at the June 2010 Board meeting. No changes were made to the low risk strategy and asset allocation in place and it was agreed to continue with Quilter given their performance to date
- Detailed 3 year operational budget for period 2011-2013 was presented to and agreed by Board
- Consideration of issues raised by KPMG in annual accounts and action taken in association with CFNI including
  - Employment in November 2010 of full time 100% Finance and Administration Officer working to the Trust thus enabling more effective segregation of duties
  - Implementation of SAGE book keeping and planned introduction of BACS payment arrangements

#### Impact

Comprehensive systems and procedures in place operating effectively. Investments managed effectively and produce adequate income. Decisions made on basis of comprehensive and timely financial information.

#### Commentary

The key decisions facing the Directors of the corporate trustee in 2009 in respect of finance and investments were the selection of investment managers and the development of an appropriate Investment Policy Statement. At 31 December a rate of return of 3.5% had been achieved on the investments made in June of the year. The Trustee also considered the arrangements to be put in place to enable effective and deliver of programmes from 2010 onwards. These arrangements include the establishment of a sub committee to consider finance and related matters and make recommendations to the full Board. It is anticipated that this committee will commence work in 2010.

In 2010 the Trust began to develop and implement additional strands of work and started to incur expenditure in respect of Charity Bank and also the Exploring Change and Deliver Change Award Programmes. It was identified that enhanced financial and administration arrangements were needed and these were agreed with CFNI and implemented.

The return on investment from 31/12/09 - 31/12/10 was 5.6%. No changes were made to the strategy and policy statement

#### Targets for 2011

- Further update and refinement of the Manual of Regulations to take account of the operation of programmes
- Annual review of investment, Investment Policy Statement and investment manager performance by September 2011
- Active involvement in investment decision making by the Trust's Finance and General Purposes Committee based on operational cash flow requirements and advice of investment managers
- Implementation by 31 May 2011 of BACS system as standard method of payment by the Trust

**Programme development and implementation**

Key issues	Objectives	Targets for 2010
Trust Strategic and Action Plan	To develop, deliver and use information from a process of stakeholder engagement.	The key targets in respect of the Trust's strands of work and programmes are laid out separately below.
Trust evaluation		Additional targets are as follows
Building Capacity for a New Paradigm	To establish, facilitate and service the Strategic Programme Panels and Advisory Circles	To promote the Trust's strategy and programmes to the community and voluntary sector across NI and respond as necessary to requests for information, advice and support.
Strategic Programme Panel		
Advisory Circles	To develop, agree, communicate, implement and review an effective strategic and action plan.	To update the Trust evaluation arrangements by August 2010 to take account of the new strategy and programmes and ensure appropriate evaluation and learning
Building Change Awards (direct support, grants)		To develop and implement by October 2010 appropriate forms of wider stakeholder engagement including through an effective added value programme for the Exploring Change and Deliver Change awards programmes
Charity Bank	To gain maximum benefit from the implementation of the bid partners "Building Capacity for a New Paradigm".	To develop and implement appropriate award payment and monitoring arrangements by August 2010 that protect Trust funds but which also enable organisations to efficiently and effectively deliver their projects
Stakeholder engagement	To establish relationships and working arrangements with the CFNI Observatory Project and the other bid partner projects.	To develop and issue a formal Letter of Offer for a capital grant to Charity Bank by June 2010 thereby enabling the further development of social finance in Northern Ireland
	To commission and manage an external formative evaluation.	To monitor the administration contract with the Community Foundation for Northern Ireland in line with contractual obligations.
	To develop and agree a strategy and action plan in respect of direct support and transformative grants.	
	To consider the integration of Charity Bank loans within the overall programme	

**Programme development and implementation**

**Achievements for 2010**

The Trust launched its strategy and programmes for period 2010-2013 during May 2010 and during the year received a total of 74 applications to Exploring Change Phase 1 and Deliver Change Phases 1 and 2 to which 22 awards were made

During spring 2010 the Trust received the final Year 1 evaluation report from Hall Aitken. The Trust evaluation sub group met a number of times and proposed future evaluation arrangements to be enacted from 2011 onwards

In September 2010 the Trust agreed arrangements with CFNI for the recruitment of an additional part time staff member to develop and deliver an added value programme. This post was to be recruited early in 2011

Outline financial and non financial reporting arrangements were presented and agreed by the Trust Board but final arrangements were postponed until 2011 pending appointment of a Finance and Administration Officer by CFNI.

The targets and progress made on the award to Charity Bank are detailed separately elsewhere in this report.

Enhanced arrangements were agreed for monitoring of the CFNI administration contract. Monthly meetings were held between the Trust Administrator, CFNI Director and Trust Chairperson to review progress and key issues

**Impact**

An optimal strategy and action plan developed and implemented following appropriate engagement and consultation. Effective SPP and Advisory circles inputting into Trust plans and programmes

Ongoing learning and change from implementation.

Comprehensive frameworks for direct support and transformative grants (and as appropriate) loans developed and implemented

**Commentary**

Whilst the main focus in 2009 was establishment of the Trust and setting up of appropriate systems and procedures, the Trustee was also conscious of the need to engage with the sector and the importance of a process that developed a strategy and programmes for the Trust which was additional to the individual and collaborative work of the original bid partners. By the end of 2009, in addition to resourcing the work of the original bid partners, the Trust had consulted widely and had set out a strategy and programme development process and timescale for 2010 which would result in the development of a new strategy and programmes. Hall Aitken submitted a preliminary report on their evaluation findings late in 2009, this was robust in setting out the issues and challenges facing the Trust. The internal CENI evaluation of the work of the original bid partners also progressed. During the period the trustee Directors met with representatives of the bid partners as part of a process to clarify relationships and discuss and share progress and issues. Further engagement events are planned for 2011.

In 2010 the Trust made significant and distinctive progress on strategy and programme development and implementation and commenced allocating resources beyond the original bid partners in respect of Charity Bank, the Exploring and Deliver Change Awards Programme and for Collaboration NI.

### Programme development and implementation

#### Targets for 2011

By 31 May 2011 to engage with key stakeholders to identify what needs to be done by the Trust and others to support smaller community and voluntary organisations during a time of change

By 31 July 2011 to consider possibilities for future programme strands to address the needs of smaller organisations and other emerging /future issues impacting the sector

By the end of the year to discuss with other charitable foundations operating in Northern Ireland the issues of change for the sector with a view to considering a co-ordinated response to some issues

By 30 April 2011 to develop a detailed programme plan and budget for the proposed Building Change added value programme which both supports the work of award recipients and seeks to bring lessons of change more widely in the sector

By 30 June 2011 to meet with the new Minister for Social Development in order to provide an update on the work of the Trust and consider areas of mutual benefit

To engage with a range of party political representatives in the new assembly to update on the work of the Trust

To establish appropriate structures within the Building Change added value programme which serve the needs of award recipients and which also have the potential to generate intelligence for the Trust in respect of future strategy

To stay abreast of key developments impacting the sector in Northern Ireland, Ireland and across the UK with a view to informing future strategy.

### Marketing and Communications

#### Key issues

#### Objectives

#### Targets for 2010

Communications Plan	To develop high quality and effective communication material and mechanisms for the Trust.	To develop and agree by July 2010 a revised and updated communications strategy that meets the needs of the Trust for the future
Corporate branding and logos		To review the function of the website by August 2010 and make any changes necessary to ensure the website is appropriate for the Trust's needs in the context of the new strategy and programmes
Corporate communication material	To work to ensure that knowledge and information on the Trust is communicated effectively to a range of target audiences	To organise and deliver 8 information sessions on new programmes in 2010
Website		To develop case studies in respect of each project award made and to publish all on the Trust website.
Publications	To develop and maintain an effective website.	To consider the potential for additional publications highlighting issues of particular interest for the sector
Stakeholder engagement	To ensure that there is ongoing communication with stakeholders to facilitate strategic consultation.	To communicate the outputs and outcomes of the new strategy and programmes to audiences within and outside the community and voluntary sector
	To work with BIG as necessary in respect of communications	

## Marketing and Communications

### Achievements for 2010

Communications strategy developed by Trust Administrator and CFNI Communications Officer was presented to and signed off by Board at their September 2010 Board meeting

Changes to website platform and hosting were made in Autumn 2010 to enable more functionality into the future. There were over 4,000 visits to the website during the year.

4 Information sessions on the Exploring and Deliver Change Programmes were delivered in Belfast and Derry,

No additional publications were commissioned during the period

The Trust summary strategy documented was circulated to key stakeholders during May and June 2010.

The Trust Board met with the Minister for Social Development and the Trust Administrator and Chairperson engaged with a wide range of individuals and organisations across the sector

The Trust published details of all intended initial award recipients including summary project details during November 2010

The Trust initial Exploring and Deliver Change awards and the grant to Charity bank were launched at high profile events during November and December 2010

### Impact

Awareness and knowledge of Trust and Trust Programme across community and voluntary sector.

Good engagement between Trust and key stakeholders.

A functional and effective website used by sector and others.

### Commentary

The aim of marketing and communications work in 2010 has been to ensure the Trust is seen as a separate entity with a clear agenda making a contribution to the work of the sector in Northern Ireland through making use of the branding material and bringing the strategy, programmes of work to a range of audiences.

Whilst further work is needed, the functionality of the website has been enhanced and the profile and distinctiveness of the Trust has been highlighted through launching and making the first awards under the Exploring and Deliver Change Programmes, the award to Charity Bank and preliminary work on Collaboration NI. The implementation of the award programmes and future plans in respect of the Trust's Building Change added value programme will provide further mechanisms to bring the work and lessons of the work of the Trust to a range of stakeholders inside and outside the sector.

## Marketing and Communications

### Targets for 2011

By June 2011 to have more effective use of the Trust's website including

- Development of an e-bulletin
- Use of social media
- Interactive content
- Enhanced project case studies

To deepen awareness and knowledge of the Trust within different stakeholder groups inside and outside the sector by use of strong and consistent marketing material across the various programme strands

To engage effectively with the new Northern Ireland Assembly and relevant government departments and ministers especially with the Departments for Social Development and Agriculture and Rural Development

## Programmes progress in 2010 and targets for 2011

### Initial transformative awards

#### Aims

To build capacity for a new paradigm for the voluntary and community sector that will be characterised by a high level of active civic engagement, more effective services, and greater community well-being

#### Funding allocation

£1.2 million

#### Timescale

Initial transformative awards cover the period 01/01/09 - 31/12/11

#### Total targets

6 awards

Business in the Community  
Community Foundation for Northern Ireland  
Community Evaluation Northern Ireland  
Rural Community Network  
Volunteer Now  
CO3

#### Additional targets

In addition to individual project activity to work in an integrated and collaborative way to support the community and voluntary sector in Enniskillen town and the Ards Peninsula

#### 2010 targets

Conduct 2 monitoring visits for each funded project

#### Evaluation

Internal evaluation by CENI.  
External evaluation by Hall Aitken and BIG

#### Outcomes and impact

The practical outworking of the proposal will be concerned with supporting community development; developing community and civic engagement through volunteering; building partnerships within and across sectors; enhancing the skills and capacity of the sector to ensure better governance, deliver services more effectively, work more collaboratively, and access/compete successfully for funds.

#### Progress in 2010

In 2010 the Catalyst for Change Partnership worked to align project plans using a common planning framework. This framework set out the partners individual work on a regional basis and also the joint work in Enniskillen and the Ards Peninsula

The Trust Administrator met twice with each funded project subsequent to 6 monthly monitoring forms being received.

CENI issued an interim Year 2 report covering the first 6 months of activity in 2010, the full year 2 report will be issued in 2011

Whilst individual regional project activity has made significant progress, the impact in the two target areas of Enniskillen and the Ards Peninsula is less clear at this stage.

## Programmes progress in 2010 and targets for 2011

### Initial transformative awards

#### Targets 2011

The Trust has agreed a number of changes to individual projects as follows

- The Volunteer Now project has been extended until 30 June 2012
- The CFNI Observatory project has been extended until 31 March 2012
- The CENI project has been extended until 31 March 2012

The aim of the extensions is to allow the projects to complete their activity and have maximum impact in the context of accumulated delays in delivery and budget underspend.

The Trust also anticipates joint working between the 5 projects and the new Added Value support programme being developed and delivered by CFNI on the Trust's behalf. The detail of this joint working is to be worked out but in practice the areas under consideration are

- RCN engaging with and providing support for project implementation to the rural clusters; The Villages Together and Ballymena East Rural Community Cluster
- CENI working with a selected group of projects to explore introducing Measuring Change; A New Approach to their organisations
- Volunteer Now working with selected projects to aim to make Timebanking a reality
- Business in the Community brokering the involvement of key private sector organisations to selected projects
- CFNI Observatory project taking and looking at in detail some of the potential policy lessons and issues emerging from discussion and engagement with projects supported under the Exploring and Deliver Change initiative

**Programmes progress in 2010 and targets for 2011**

**Exploring Change Awards Programme**

**Aims**

An awards programme to enable recipients to complete a project exploring options for change and future sustainability in the context of making a contribution to one or more of our aims

**Funding allocation**

£1.2 million

**Timescale**

Exploring Change will make 15 awards in each of 4 phases from May 2010 until May 2012

**Total targets**

60 awards up to £20,000 per award

**Additional targets**

15 - 20 individuals per cohort to participate in an added value programme which will entail 10 days work per cohort (15 awards) of networking, seminars, study visits and case study development

**2010 targets**

Launch programme  
Open for applications  
Assess applications  
Make 15 awards in total in phase 1  
Establish monitoring and reporting arrangements  
Commence added value programme.

**Evaluation**

Individual project evaluation arrangements.  
Programme evaluation arrangements to be confirmed but integrated with the Trust's external evaluation

**Outcomes and impact**

Highlighting of the possibility and need for change to the rest of the community and voluntary sector.  
Discussion of issues raised by projects within funded organisations and more widely within the sector.  
Exposure of individuals in funded projects to wider concepts of change for the sector.

**Progress in 2010**

The Trust launched its strategy and the Exploring and Deliver Change Award Programmes in May 2010. By the year end decisions had been made in respect of Phase 1 of both award programmes and Letters of Offer issued to 16 organisations for Exploring Change Phase 1.

These awards were publically announced at a ceremony in Belfast on 25 November with the first Letters of Offer subsequently issued in December 2010 as follows

Applicant	Ref	Amount Awarded
Forthspring Inter Community Group	2166	£17,885.00
YouthNet	2167	£12,174.00
Community Foundation for Northern Ireland	2168	£19,000.00
Northern Ireland Environment Link	2171	£18,500.00
Ulster Cancer Foundation	2178	£14,000.00
Northern Ireland Rural Women's Network	2182	£19,958.00
The Cedar Foundation	2184	£19,000.00
Intercomm	2189	£20,000.00
The Ashton Centre	2192	£20,000.00
Community Arts Forum	2200	£19,440.00
CO3	2201	£14,000.00
Royal Mencap Society	2202	£20,000.00
Mulholland After Care Services	2204	£19,900.00
The Village Garden Broughshane - on behalf of BERCC	2206	£20,000.00
Ulster Community Investment Trust	2207	£18,000.00
Aware Defeat Depression	2208	£20,000.00

**Programmes progress in 2010 and targets for 2011**

**Exploring Change Awards Programme**

The Trust evaluation sub group met in late 2010 and agreed the need for a logical monitoring and evaluation framework for Trust activity overall and also in respect of the Exploring and Deliver Change Awards Programmes. It was agreed to vary the contract with Hall Aitken to enable this framework to be developed and that award programme indicators would be developed in consultation with funded projects.

In Autumn 2010 the Trust Board also agreed arrangements with the Community Foundation for Northern Ireland for the development and delivery of the added value support programme. The key aims of this programme which will be rolled out in 2011 are as follows

1. To capture learning from the implementation of their projects and to
  - a. Utilise that information in the ongoing evaluation of the Trust
  - b. Share that learning with the Trust structures, wider community and voluntary sector, government and other policy makers with a view to informing future policy and practice
  - c. Develop project case studies that will contribute to a and b above
2. To add value to the work of the project promoters in delivering their project through
  - a. Facilitating networking for mutual benefit amongst and between the project promoters and other Trust stakeholders
  - b. Working with the promoters to try and identify support and development needs in respect of optimal project delivery and where possible to take action to address these needs
  - c. Facilitating exposure of the promoters to change possibilities in respect of the sector from best practice locally and elsewhere and in doing so to enable joint learning and sharing.

**Targets 2011**

To make decisions on all Exploring Change Phase 2 applications by 30 April 2011

To issue all Letters of Offer for Exploring Change Phase 2 applications by 31 May 2011

To ensure all grant payments to the Exploring Change Phase 1 and 2 are made without unnecessary delays

To have agreed and implemented a clear, simple and effective monitoring and evaluation framework for the Exploring and Deliver Change Award Programmes by mid May 2011

To engage with a range of stakeholders to identify what the Trust should consider doing to support smaller community and voluntary organisations and to take actions including modifying the Exploring Change Phase 3 and Phase 4 as necessary

To implement a clear and simple financial reporting framework for award recipients by the 30 April 2011

To commence a rolling programme of supportive grant verification visits to funded projects

**Programmes progress in 2010 and targets for 2011**

**Deliver Change Awards Programme**

**Aims**

An awards programme to enable recipients start to implement change for future sustainability in the context of making a contribution to one or more of our aims.

**Funding allocation**

£1 million

**Timescale**

Deliver Change will make 20 awards in 3 phases (5,5 10) from May 2012 until September 2013

**Total targets**

20 awards of around £50,000 per award

**Additional targets**

5 - 10 individuals per cohort to participate in an added value programme which will entail 10 days work per cohort (15 awards) of networking, seminars, study visits and case study development.

**2010 targets**

Launch programme  
Open for applications.  
Application assessment.  
Make 5 awards in total in phase 1  
Establish monitoring and reporting arrangements  
Commence added value programme

**Evaluation**

Individual project evaluation arrangements.  
Programme evaluation arrangements to be confirmed but integrated with the Trust's external evaluation

**Outcomes and impact**

Highlighting of the possibility and need for change to the rest of the community and voluntary sector.  
Discussion of issues raised by projects within funded organisations and more widely within the sector.  
Exposure of individuals in funded projects to wider concepts of change for the sector.

**Progress in 2010**

The Deliver Change Awards Programme is operated under a similar framework to the Exploring Change Awards Programme.

Applicant	Ref	Amount Awarded
Holywell Trust	2162	£50,000.00
Volunteer Now	2173	£50,000.00
Gingerbread NI	2176	£49,976.00
VOYPIC (Voice of Young People in Care)	2194	£50,000.00
The Villages Together	2212	£49,822.00
Age NI	2215	£50,000.00

6 projects were approved for Deliver Change Phase 1 in 2010 with Letters of Offer issued in December 2010. Progress is the same as for the Exploring Change Awards Programme as detailed above.

**Programmes progress in 2010 and targets for 2011**

**Deliver Change Awards Programme**

**Targets 2011**

The Deliver Change Programme is being developed and delivered under the same awards management framework as the Exploring Change Programme.

To make decisions on all Deliver Change Phase 2 applications by 30 January 2011

To issue all Letters of Offer for Deliver Change Phase 2 applications by 28 February 2011

To ensure all grant payments to Deliver Change Phase 2 are made without unnecessary delays

To have agreed and implemented a clear, simple and effective monitoring and evaluation framework for the Exploring and Deliver Change Award Programmes by mid may 2011

To implement a clear and simple financial reporting framework for award recipients by the 30 April 2011

To commence a rolling programme of supportive grant verification visits to funded projects

## Programmes progress in 2010 and targets for 2011

### Partnerships, collaboration and mergers support programme

#### Aims

A commissioned programme to run from 2010 - 2013.

The aims are:

- to assist organisations at all levels within the sector to contribute to the debate on the role of collaboration in all its forms
- to provide practical support to assist organisations explore the issues
- to provide an integrated programme of support, to contribute to learning within the sector
- and create a legacy for the sector in respect of the issue

#### Funding allocation

Tendered

#### Timescale

Tender to be awarded autumn 2010 and to run for a three year period.

#### Targets

To be agreed with successful tenderer

#### Additional targets

The successful tenderer will be required to work with the Trust to integrate their programme where possible with the Trust's other programmes creating and taking advantage of opportunities for joint working.

#### 2010 targets

Announce and tender programme

Tender evaluation

Appoint delivery agent and agree detailed project plan and targets

Participate in advisory group

Ongoing tender management

#### Evaluation

The successful tenderer will be required to commission an external formative evaluation.

The Trust's own external evaluation will also consider the programme.

#### Outcomes and impact

An increase in realistic and meaningful collaboration between organisations that brings benefits to the communities they serve.

#### Progress 2010

The Trust tendered for the development of its Partnerships, Collaboration and Mergers support programme in April 2010 with a closing date for submission of tenders in late August 2010. 3 tenders were received which were subsequently considered by a sub group of the Trust board established for the purpose. Late in 2010 the Trust Board agreed NICVA in partnership with CO3 and Stellar Leadership as the preferred bidder to deliver the new "Collaboration NI" initiative and subsequently agreed that the Trust Administrator would enter into detailed negotiations with the lead partner to develop the contract and that it would contract the partners to deliver Collaboration NI for a sum not exceeding £1 million over a three year period beginning 1 January 2011.

The Trust also had discussions with the Department for Social Development and subsequently submitted an application for grant aid for Collaboration NI, securing an offer of £78,000 for a 3 month period beginning 1 January 2011.

## Programmes progress in 2010 and targets for 2011

### Partnerships, collaboration and mergers support programme

#### Targets 2011

To agree a contract with NICVA effective from 1 January 2011 for 3 years for Collaboration NI with a budget not exceeding £1 million

To effectively manage and report on £78,000 grant aid received from DSD towards the costs of the project

The targets established for Collaboration NI for 2011 are as follows

For the partners to recruit and appoint the staff to develop, coordinate and deliver the programme

To launch Collaboration NI with a major conference for the sector in the first quarter of 2011

To develop, launch and maintain the Collaboration NI website as the key information repository for the programme

To develop and implement effective marketing materials and marketing programme to promote the initiative across the sector and more widely with other stakeholders

To develop and deliver 12 training courses as part of a clear training calendar

To deliver 20 bespoke in house training sessions to identified community and voluntary sector organisations

To complete 2 study visits to look at the issues and benefits associated with collaboration in the community and voluntary sector

To provide expert facilitation to 10 organisations/clusters to assist their exploration of and dealing with issues associated with collaboration

To access qualified legal opinion from Cleaver Fulton Rankin in respect of individual organisational /groups of organisation issues as required

To provide 15 coaching support sessions to key organisational leaders dealing with collaboration

To develop and deliver one Train the Facilitator course for 10 people to enable support for and consideration of collaboration issues be rolled out across the sector

To conduct 8 meetings of the partners; NICVA, CO3 and Stellar Leadership involved in delivery of the programme

To develop and deliver a relevant programme of research to accompany the programme including case studies and base line information

10 executive volunteer mentors trained and mentoring provided to 10 mentees in organisations dealing with issues in respect of collaboration

10 executive career guidance sessions delivered to key personnel in organisations dealing with collaboration issues

12 in house governance sessions delivered to organisations dealing with collaboration issues

To appoint a legal advisor as one of the key staff, to develop mechanisms to allow for self audit due diligence for organisations and to assist 4 organisations to utilise the support and carry out self audit due diligence

To develop and implement effective monitoring and evaluation arrangements for the programme and to commission an external evaluation of the first year of activity

To establish and implement a programme advisory group representing key stakeholders to advise on the direction of the programme and which will meet 3 times per annum

**Programmes progress in 2010 and targets for 2011**

**Establishment of a permanent loan fund for the NI community and voluntary sector**

**Aims**

The establishment through Charity Bank of a permanent loan fund for the Northern Ireland community and voluntary sector.

We recognise that now and in the future the sector will operate in a time of reduced and constrained funding and that innovation and changes in funding and financing arrangements are both inevitable and desirable.

**Funding allocation**

£1 million

**Timescale**

Initial capital grant to be made in summer 2010.  
 Informal investment readiness programme to commence autumn 2010.  
 Formal programme to commence 2011 for 5 years.  
 Loan making to commence in 2012 and to run to 31 December 2018 and beyond.  
 Deposit taking to commence in 2010 and to run until 31 December 2018 and beyond.

**Targets**

Cumulative loan making of 49 loans with a cumulative total of £4 million lent  
 £4.5 million in deposits taken  
 96 individuals completing an accredited Investment Readiness Support programme between 2011 and 2015

**Additional targets**

Charity Bank and the Trust will work closely together to create and take advantage of opportunities for joint working and integration of the Charity Bank programme with the other programmes resourced by the Trust.

**2010 targets**

Develop and issue Letter of Offer of funding to Charity Bank by June 2010  
 Work with Charity Bank to integrate their programme with the added value programme.

**Evaluation**

Charity Bank will be required to commission an external independent formative evaluation.  
 The Trust's own external evaluation will also consider the programme

**Outcomes and impact**

A wider discussion on the potential for loan finance to support the sector.  
 An increase in loan applicants and deposit making with Charity Bank.  
 A more knowledgeable workforce within the sector equipped to make better informed decisions in respect of financial management.  
 The development of other social finance products for Northern Ireland in the future

**Progress 2010**

During 2009 and 2010 the Trust carried out extensive and detailed examination of the proposal within the original business plan agreed by BIG that £2 million would be paid in grant to Charity Bank towards the establishment of a permanent loan fund in Northern Ireland. Advice was taken from the Trust's accountants and solicitors, information sought on social finance and investment from Social Finance based in London alongside detailed discussions at the Trust Board and with the Protector. A key issue the Trust Board sought to consider was to clearly identify the benefits accruing to the sector in Northern Ireland from any award made.

During late Spring and Summer 2010 following the decision of the Trust Board to proceed with a £1 million grant in two instalments the Trust Administrator worked alongside the Trust's solicitors to prepare an agreement between the Trust and Charity Bank. This work was concluded in Autumn 2010 with the £1 million grant to Charity Bank launched by the

**Programmes progress in 2010 and targets for 2011**

**Establishment of a permanent loan fund for the NI community and voluntary sector**

Minister for Social Development Alex Attwood MLA at an event in Belfast on 7 December.

The agreement with Charity Bank sets out targets in respect of deposit taking and loan making, monitoring and reporting on progress and also specifies that Charity Bank will deliver an investment readiness support programme for the sector each year for 5 years commencing 2011 with some initial activity in 2010. The first investment readiness seminar was delivered to representatives of the sector on 14 December 2010 with an emphasis on learning from the experience of asset transfer from the public sector to community and voluntary organisations elsewhere in the UK

**Targets 2011**

The Building Change Trust Loans Project for Charities in Northern Ireland is being supported with a £1 million capital grant to Charity Bank from the Building Change Trust

The agreement between the Trust and Charity Bank is effective from 01 November 2011 and runs until 31 October 2018.

£500,000 has been paid on signing of the agreement with a further payment of £500,000 to take place after 1 year of operation of the initiative.

During Year 1 of the project the bulk of which will take place during the calendar year 2011 the following targets have been agreed

Calendar Year	2011
No of loans	0
Av loan size £,000's	0
Amount lent £,000's	0
Cumulative amt lent £,000's	0
Deposits	£500,000

1 Investment Readiness Support Programme seminar to be provided within 2 months of the Effective Date and a further 2 seminars to be provided within 6 months of the Effective Date to the Northern Ireland community and voluntary sector.

Charity Bank must commission and deliver an Investment Readiness Support Programme to the reasonable satisfaction of BCT for a 5 year period commencing in 2011

This programme will provide a number places per year in each of 5 years to participants who will be identified as BCT participants i.e. from charitable community and voluntary organisations in Northern Ireland.

An external independent evaluation of progress in Year 1 will be commissioned by Charity Bank and presented to the Trust between months 9 and 12.

## PROTECTOR'S REPORT 2009 - 2010

(Second Annual Report)

### Background

This is my second report as the Protector of the Building Change Trust ('the Trust'). The Trust was established by BIG with a National Lottery grant of £10m as an investment for community capacity building and the promotion of the voluntary and community sector in Northern Ireland. I was invited to become the Protector of the Trust by the Big Lottery Fund ('BIG') on 12 November 2008. The legal basis for my appointment is found within a Trust Deed entered into between BIG and the Building Change Trust Limited. It took effect on 12 December 2008 and is for a three year period.

### Remuneration of Protector

The Protector receives remuneration from the Trust and details of this are set out in the Trust's Annual Report.

### Role of Protector

The award of £10m by BIG was in the form of a wholly expendable endowment to be spent over the 10 year life of the Trust in accordance with the provisions of the Trust Deed. Building Change Trust Limited acts as a Corporate Trustee of the Trust (and in the remainder of this Report I use the term 'Corporate Trustee' to refer to Building Change Trust Limited). The Trust Deed is a legal document governing how the funding must be distributed. This document, as well as setting out the objects of the Trust, also provides for the appointment of a Protector and details the powers and duties of the Protector.

### Duties of the Protector

My principal duty is to oversee the work of the Corporate Trustee to ensure that it administers the Trust in accordance with the terms of the Trust Deed and to protect the Trust's property. The day to day business of the Corporate Trustee is managed by its Board of Directors.

Whilst the Trust Deed together with the Memorandum and Articles of Association of the Corporate Trustee set out the formal legal position and role of the Protector, I consider that this duty should be discharged purposefully. The innovative challenge undertaken by the Corporate Trustee suggests that the Protector should take a keen interest in maintaining and fostering good working relationships with the Corporate Trustee and BIG.

In my approach to my role I have therefore sought to maintain a high level of engagement with the Directors of the Corporate Trustee and the Trust Administrator through regular attendance at Board meetings and workshops organised by or in conjunction with the Trust.

I wish to acknowledge the help and assistance that I have received from each of the Directors of the Corporate Trustee over the last twelve months. The Directors have continued to apply themselves diligently to the work of the Trust, ably led by the Chairman, Bill Osborne who has been ever ready to meet and discuss with me issues pertaining to the work and ambitions of the Trust. Throughout the year Bill has been ably assisted by Nigel McKinney of the Community Foundation for Northern Ireland, as the Trust Administrator.

I also wish to thank Avila Kilmurray the Trust Secretary who retired from this position at the end of the year and who was replaced by Maeve Monaghan, one of the Trust Directors.

### Directors

There have been a number of changes to the Board of the Corporate Trustee in the course of this year. Barbary Cook, who was nominated by the Community Foundation for Northern Ireland, was replaced by Billy Gamble; Peter Osborne, BIG's nominated director retired and has yet to be replaced; Libby Keys, a nominee of the Rural Community Network, also retired and has yet to be replaced. In addition, two new Directors were appointed following application to the Trust namely, Beverley Bigger and Maeve Monaghan.

Each of the departing Directors contributed substantially to the work of the Trust and helped to establish the firm foundations needed to ensure that the Trust will successfully complete its programme in due course. The new Directors have already brought their own energy, ideas and commitment to the work of the Trust.

### Protector Issues

During the past year I have discussed with the Corporate Trustee a number of issues relating to the operation and activities of the Trust. These included the following:

- A review of action taken in relation to issues raised in the Protector's First Report;
- The composition of the Board of the Corporate Trustee;
- The image of the Trust;
- Conflict of Interests;
- The Administrative needs of the Trust;
- Governance;
- Charity Bank.

The Directors have given their full attention to these issues and have dealt with matters in an appropriate and timely manner. Some of the issues I have raised are essentially work in progress which benefit from continuing or occasional review. In addition, the Directors have considered and dealt with these issues in the context of the internal and external evaluation reports commissioned by the Directors, as well as the external valuation report commissioned by BIG. These reports have been supportive of the work of the Corporate Trustee and are to be welcomed.

### Directors

As I have already noted there have been changes to the makeup of the Board. Unfortunately some Board Members had to resign due to competing commitments or for personal reasons. Once the nominated Board Members who have retired have been replaced, the overall number of directors will have increased with the addition of the two directors who were recruited by the Board. The benefit of having a full compliment of Board Members is self evident and assists the Corporate Trustee in carrying out its work in a timely manner. This is especially important given the non executive nature of these appointments. The addition of the recruited directors is to be welcomed and the Board should continue to consider strengthening and broadening its base of directors. This will facilitate the Corporate Trustee in carrying on some of its activities through smaller and more focused Board committees and should lessen the demands on the time and energy of all Board members.

The process for replacing nominated directors to the Board of the Corporate Trustee has unfortunately been somewhat protracted. Whilst I appreciate that the nominating bodies have their own internal procedures which can lead to unavoidable delay in nomination and replacement, this does cause difficulties for the work of the Trust and I would urge those nominating bodies to give consideration to trying to deal with any such process of replacement as quickly as possible. It is also however important to bear in mind that nominated directors must exercise independent judgement as members of the Board of the Trust and cannot simply reflect the views, opinions or attitudes of their appointing body.

## Image of the Trust

In the past year the Trust has worked hard to promote the challenge which it shares with the wider community and voluntary sectors. It has successfully launched a number of exciting programmes, particularly the Exploring Change Awards and the Deliver Change programmes. The Directors have worked hard to ensure that their award programmes have been launched to a wide audience. As well as engaging in an ongoing and important dialogue with the community and voluntary sectors the Board has taken its message and challenge to the Minister for Social Development and his senior officials. The Trust Administrator has been provided with additional administrative support to carry out his work.

All of this is to be welcomed in positioning the Trust at the heart of transformative change. This is especially so in the context of an economic and social climate that has altered radically in the relatively short time that has elapsed since the Trust was conceived. The Directors have both recognised these changes and adapted to the challenges that they present. In its own way this might be regarded as reflective of the effective transformative change and is to be welcomed.

I continue to believe that there should be a greater engagement between the Directors and BIG. Quite properly the Directors acknowledge the special relationship with the original bid partners and their continuing engagement with those partners has been, and will continue to be, of enormous benefit to the work of the Trust. The Directors have noted my concern that their engagement with BIG is not as strong as it both could and should be, notwithstanding the high level of contact between the Trust Chairman and BIG.

The importance of this relationship is not simply a reflection of the considerable investment by BIG, but the somewhat unique trust model itself demands that its benefits (and drawbacks) be considered between the Trust and BIG in the interests of the development of similar projects elsewhere or indeed within the Trust itself. The Trust is of course itself a model for transformative change.

## Evaluation

The Trust has been subject to considerable internal and external evaluation. These have been useful if perhaps somewhat time consuming exercises. This is understandable given the somewhat unique nature of the Trust. Some thought might be given as to whether it would be possible for the Trust and BIG to agree to share a single external evaluation or at least part of the evaluation processes.

## Conflicts of Interest

In the course of this year I discussed with the Directors the potential for conflicts of interest in the context of the ongoing process of grant programme appraisals. I felt this was relevant in view of the fact that one of the bid partners (and itself a recipient of an award by the Trust) was involved in the assessment of applications. I am satisfied that the Trust has put in place sufficient safeguards to deal with any actual conflicts of interest that may arise during this process.

## Trust Administration

I also discussed with the Board the arrangements for ensuring that the Trust's ongoing administrative needs would be met by the Trust Administrator in view of the additional responsibilities and workload arising as a result of the award programmes. It is of course vital to the standing and work of the Trust that these programmes are seen to operate efficiently. This matter was duly and sufficiently dealt with by the Directors.

## Governance

I had previously engaged with the Board on a number of issues of corporate governance and one additional matter I asked the Board to consider was the function of the company secretary. I noted that a company secretary discharges an important role ensuring the efficient administration of a company such as the Corporate Trustee, particularly with regard to ensuring compliance with statutory and other formal requirements and in doing so provides a service both to members of the Board and to the members of the Corporate Trustee itself.

At my suggestion the Board considered the possibility for a perceived conflict of interest arising from the fact that the company secretary who attended meetings of the Board of the Corporate Trustee was employed by one of the bid partners which was also in receipt of an award by the Trust. I suggested that the existing company secretary should be replaced and this was accepted and dealt with, as noted earlier in my report. I will again stress that nothing in this report or otherwise should be taken as a criticism of the person originally nominated as company secretary. Once again the Directors have been willing to acknowledge and embrace my suggestions to ensure that there is confidence in the corporate governance arrangements within the Trust.

## Charity Bank

In my first report I had noted my concern about the original proposal for an investment in the Charity Bank. I also noted that the matter was the subject of ongoing discussion and I am happy to confirm, as anticipated, that the Trust has agreed and made a substantial initial payment to Charity Bank which accords with its power to do so and clearly meets the objectives of the Trust itself.

## Operational and Financial Matters

Much effort was expended by the Directors of the Corporate Trustee during the first year of the Trust in ensuring that the operation of the Trust and the management of its endowment were put on a sound footing. In my view the Trust continues to have in place appropriate procedures and arrangements for the internal and external protection as well as the audit of its finances. I intend that the Protector should meet annually with the auditors and to review with them the draft accounts of both the Trust and the Corporate Trustee and that this should be done prior to the Accounts being proposed for consideration and formal approval.

## Business and Strategic Plans

The work of the Trust is now entering a crucial period. The Directors have developed programmes and awards and a strategy which recognises the challenges of years 3 to 5 of the Trust's activities. The Directors have also put in place arrangements to ensure that there will be maximum collaboration between award recipients, as well as a process for extracting maximum learning and understanding of the work done to date. This leaves the Trust well placed to measure the effect of its outputs, learning and change. A key challenge for the Trust will be to extract and reinvest in the sector the learning which comes from what has been done to date.

## Conclusion

In conclusion it remains a privilege for me to be the Protector of the Trust and I eagerly cast my eye forward to my report for the current year (2011). In the meantime I continue to support where possible the work of the Directors and to engage with them and with BIG as they strive to provide an enduring basis for transformative change.

Michael Wilson [•] May 2010

## Directors' response to Protector's Report

The Directors of the Building Change Trust Limited welcome the report of the Protector, Michael Wilson and wish to record our appreciation for his advice and support over the past two years of operations. During our meetings we have discussed on a number of occasions the issues he has raised and taken a number of actions to address the issues. We set out below how we propose to deal with the issues he has raised in this report.

### Protector issues - Directors

The Trust Board will discuss the need to increase the number of Directors and in doing so take account of the need to target individuals with particular knowledge, skills and experience, the need to ensure a gender and community balance and the desirability of having broad representation from different segments of the community, voluntary, statutory and private sectors. The intention of the Board is to make decisions around recruitment and appointment of additional Directors by the end of 2011.

### Protector issues - Image of the Trust

The Trust Board recognises the importance of developing the relationship with BIG beyond the boundaries of the formal quarterly reporting to and meeting with BIG which is carried out on behalf of the Trust by the Trust Administrator. The issue will be discussed by the Directors no later than the July 2011 Board meeting. Development of the relationship is taking place at an operational level through involvement of BIG staff in activities resourced by the Trust. Further consideration of the relationship development might be best discussed with senior BIG staff, members of the NI committee of BIG and the Trust Directors.

### Protector issues - Evaluation

The Directors' evaluation sub group in its work over the past 6 months has recognised this issue and identified that the remaining work to be done by Hall Aitken on evaluation should focus on the development of a monitoring and indicator framework for the awards programmes rather than duplicate the work of the evaluation commissioned by BIG and being carried out by FGS McClure Watters.

There has been full cooperation by the Trust representatives in respect of the BIG evaluation and appropriate discussion between FGS and BIG staff with Trust representatives.

The Directors propose that this issue be further discussed at a meeting with relevant BIG personnel.

### Protector issues - Conflicts of Interest

The Directors are aware of the need to be and to be seen to be fair and impartial when allocating and using funds. We will continue to maintain all necessary safeguards to identify, record and deal with conflicts of interests so as to maintain confidence in the functioning of the Trust.

### Protector issues - Governance

The Directors are content that this issue has been satisfactorily resolved

### Protector issues - Charity Bank

The Directors are content that this issue has been satisfactorily resolved and record their thanks for the expertise and advice brought to bear by the Protector

### Protector issues - Business and Strategic Plans

The Directors concur with the Protector; the Building Change Added Value Programme currently under delivery seeks to extract and share learning and also identify lessons to inform future Trust strategy development.

Whilst the Trust has set out a strategy and programmes for the 2010-2013 period, the process of strategy review and development beyond that has already started, hence for example engagement with stakeholders to consider the support needs of small organisations. The Directors propose to complete a formal strategy review and development process later in 2011/early 2012 to develop strategy and programmes for the future.

## Building Change Trust Evaluation

### Evaluation findings

The Trust is subject to three separate and ongoing evaluations

**1. The internal evaluation of the work of the 5 original bid partners and their Catalyst for Change initiative is being completed by Community Evaluation for Northern Ireland with resources provided by the Trust.**

The 2nd year report produced by CENI highlights that

*“The approach adopted through the partnership has been an experimental one, bringing together five regional infrastructural organisations in an attempt to synthesise their individual expertise and experience and develop innovative approaches to supporting transformation and change in the voluntary and community sector. This is being addressed through two key strands:*

- *The Catalyst for Change initiative, which is attempting to evolve a collaborative approach to produce integrated models of working in two priority areas - Upper Ards and Enniskillen; and*
- *Work carried out individually by each of the organisations on a regional and/or theme based basis.*

### The work of Catalyst for Change in the two priority areas

Key activities undertaken through Catalyst for Change have been as follows:

- *A profiling exercise was completed in Upper Ards and Enniskillen involving the voluntary and community, statutory and private sectors;*
- *Stakeholder meetings/consultations to identify needs and priorities have continued in both areas;*
- *A programme of activities - including training, workshops and events - has been developed for each area and is currently being rolled out;*
- *In Upper Ards, a tool for mapping community assets has been developed and piloted, to enable local people to explore potential development opportunities;*
- *In Enniskillen, work has continued on the development of a Business Leadership Network; there has also been ongoing engagement with stakeholders in relation to the potential development of a local community forum/network;*
- *Partners have also continued to target some aspects of their broader BCT-funded work to the two areas as appropriate to local need.*

There is consensus that, while there have been some achievements through this aspect of the work, these have been relatively small-scale and individualised, rather than having a coherent impact. The partners have experienced significant challenges in bringing Catalyst for Change forward, related to the following:

- *Challenges particular to each of the priority areas including issues around representativeness and consistency of engagement of local stakeholders, and difficulties in identifying ‘anchor’ or flagship projects to be taken forward through CFC;*
- *Broader contextual issues relating to some of the challenges currently facing the voluntary and community sector and other stakeholders within a changing political and economic environment, and the role and contribution of Catalyst for Change within this context;*
- *Structural issues relating to the nature of the initiative itself, including issues around leadership and co-ordination, organisational capacity and resources for CFC-related activity, and challenges associated with expectations ‘on the ground’ that it would be accompanied by financial investment at local level.*

### Partners’ individual activities

Partners have taken forward individual programmes of work as follows:

- *BITC has continued its work on mobilising the private sector to engage with and support the voluntary and community sector. This has included ongoing meetings with the Business Task Force and Prohelp Team, and delivery of a major Prohelp conference, ‘Supporting and Developing the Social Economy Sector’. Information and training has also been provided to facilitate the transfer of business skills to voluntary and community groups. One-to-one business mentor support has been offered to voluntary and community groups and social enterprises.*
- *CENI has focused on reviewing and assessing the sector’s needs in relation to evaluation, and on exploring appropriate approaches to address these. This has included completing and launching a research report, ‘Measuring Up: A Review of Evaluation Practice in the Voluntary and Community Sector’, followed up by delivery of two seminars on effective reporting and measuring change. There have also been presentations to, and engagement with, a range of funders on these themes, as well as discussions to explore practice issues with other evaluation practitioners.*
- *CFNI has continued to lead on the implementation of the Observatory, including taking forward an ongoing process of engagement and consultation with the voluntary and community and statutory sectors and delivery of a number of conference events and follow-up reports. There has also been a ‘Learning through Seeing’ visit to London and delivery of training in relation to change themes; this has included development work around issues of participatory budgeting and the ‘Big Society’, for example.*
- *RCN has continued to take forward work on community development and supporting the rural community infrastructure. This has involved activity in relation to the community development skills agenda, including redesign and development of a number of training modules. Progress has also been made on the development of a Strategic Framework for Community Development in Northern Ireland and on modernisation of the rural community development infrastructure.*
- *Volunteer Now has focused on transformation of the volunteering infrastructure, including completion of its new website which has seen an increase in organisation registrations and volunteer opportunities. Volunteering has been promoted through campaigns and events, while training and support has continued to be delivered, including the allocation of BCT-supported Investing in Volunteers bursaries.*

In general, work here is progressing as planned and, where challenges have been encountered, as a result of either internal or external factors, these have been addressed as appropriate by the individual organisation concerned.

BCT funding is perceived by partners as having contributed significantly to their ability to pursue and address strategic and practice issues relevant to their own particular areas of interest and expertise. It has also provided an opportunity for enhanced understanding amongst the five organisations about the focus, skills and support provided by each other.

However, across the initiative, there is a lack of clarity about the distinctiveness or ‘added value’ of some aspects of the activities being undertaken through BCT funding. There is also a need for a greater understanding of the extent to which the activity is contributing to the achievement of transformation within the sector.

### Collaboration and relationships

One of the core elements of the original bid for the Building Change Trust was the notion of an integrated approach to supporting change in the sector across the five partners.

*In practice, Catalyst for Change (i.e. the work in Upper Ards and Enniskillen) has been the key vehicle by which they have attempted to take this forward.*

*The partners have established a number of structures and processes in an effort to support collaborative working, particularly in relation to this aspect of the work. This has included appointment of one of the partners on a six-monthly rotational basis to provide a secretariat to the partnership, the development of terms of reference for this role, and selection of organisations to provide a lead and deputy lead function in each of the two priority areas. Building on this, there have been ongoing monthly partnership meetings, work on joint planning, and joint working in relation to specific tasks.*

*In terms of collaboration in relation to the broader work being taken forward by the five organisations, while partners have attended events and conferences organised by one another and connected with each other in relation to some specific aspects of activity, the focus has primarily been on an exchange of information about their respective activities. More generally, partners have engaged with a range of individuals and organisations from across the voluntary and community, statutory and private sectors within Northern Ireland and beyond.*

*While there have been some positive developments, collaboration within the partnership continues to be challenging. The difficulties in part reflect the fragmentation of the original partnership bid into five individual contracts which has necessitated ongoing negotiation about how to 'reassemble' in order to try to establish some collaborative focus. This has been time consuming and there has been no specific resource allocation within the partners' funding for the activities associated with effective collaboration. The challenges are also connected with the diversity of the organisations involved and the absence of a leadership or co-ordination function to support the development of a coherent agenda for change across the partnership. The result has been largely individualised activities, both within the two CFC-priority areas and more broadly in relation to other BCT-funded work.*

*There has been ongoing discussion about the relationship between the partnership and the wider Building Change Trust and the extent to which this is different from that between the Trust and other grant recipients. The discussion in part reflects the unusual genesis of the relationship which has presented challenges in terms of understanding of the role and function of the partnership within BCT overall. While there have been a number of points of engagement between the partners and the Trust Directors throughout the year, the mechanisms for and focus of communication continue to require review.*

### **Capturing change and replicating success**

*The partnership objective relating to 'capturing change and replicating success' is being addressed through:*

- *CENI's internal formative evaluation of the work of the partnership; and,*
- *Collation, analysis and presentation of learning undertaken by individual partners.*

*In terms of the former, the experimental nature of the partnership has required a formative approach which has evolved in tandem with development of the initiative. This has included developing a framework for structuring partnership activities around themes and ensuring that processes are in place for monitoring, reflecting and reporting on this. In relation to the latter, the partners have produced a range of diverse materials (including research and conference reports, for example) across a number of themes and issues relevant to their own particular areas of work.*

*This aspect of the work has been impacted by a number of issues related to the following:*

- *Challenges in clarifying the focus of the internal formative evaluation vis-à-vis the other evaluation processes currently in place across the Building Change Trust;*
- *Absence of an agreed framework of outcomes against which change can be measured;*
- *Lack of clarity about an agenda for learning - whose learning, by whom, for whom?*
- *Difficulties in identifying and effectively utilising mechanisms for sharing learning with a range of audiences, both internally and externally, and at practice and policy level.*

### **Moving forward**

*In Year Three, in relation to Catalyst for Change, partners plan the continued roll-out of the activity programmes in each area and the development of other work in response to local need. This will include work on specific projects which have evolved - namely, profiling community assets, development of the Business Leadership Network and the community network/forum. The individual work of the partners will continue as agreed in contractual funding arrangements with the Building Change Trust.*

*As the current period of funding comes to an end in December 2011, there will be a need to consider options for the future.*

*In terms of Catalyst for Change, these include:*

- *Exploring the potential for any further development of the initiative by the partners;*
- *Exploring the potential for individual partners to sustain aspects of their work in the two areas as part of their future core organisational work;*
- *Exploring the potential for local organisations within the two areas to take forward aspects of the work which has been initiated;*
- *Developing an exit strategy from the two areas, which includes consideration of issues around credibility of the partners and of the CFC initiative itself.*

*More broadly, the partners will need to consider the future of the partnership overall. This will require reflecting beyond the development and implementation of Catalyst for Change as a specific initiative, to consider the extent to which the partnership overall has operated effectively to achieve its original vision and goals. In this, there will be a need for reflection on what has been achieved in relation to transformation at both the micro and macro levels, and whether, as anticipated, the whole has been greater than the sum of the parts. There will also need to be consideration of the purpose and benefits of any future collaboration or partnership arrangements and, if appropriate, agreement on the most appropriate model or approach for taking this forward.*

*As part of this, it is important to remember that the approach which has been employed has been experimental, not only in relation specifically to Catalyst for Change, but more broadly across the partnership. The experience presents significant opportunities for learning to inform future practice and policy, either within the partnership, the Trust or more broadly. In this respect, it will be important to clarify and agree the means by which the learning can be extracted, shared and disseminated, both through the formative evaluation process and through other mechanisms.*

*It will also be essential that there is sufficient opportunity for the partners to engage with the Trustees about the future. Within the context of other demands and priorities, this will require agreement about the most efficient and effective way of taking this engagement forward."*

### **2. The Trust in line with requirements of BIG as detailed in the Letter of Offer, tendered an external independent evaluation of the Trust to cover the first three years of operation. Hall Aitken in partnership with Full Circle Solutions were appointed.**

The first annual report of the evaluation was agreed in April 2010.

Subsequent to that the evaluation contract with Hall Aitken has been amended to accommodate the need for the Trust to develop a logical framework and outcome indicators for its activity and especially the new awards programmes and in the context that similar evaluative material to that available from Hall Aitken is available from the evaluation of the Trust commissioned by BIG

The Executive Summary of the first annual report is reproduced below. This first annual report covered the period from establishment of the Trust in 2008 until 31 December 2009, subsequently the Trust has developed significantly in terms of structure, governance, engagement with stakeholders and programme development and implementation

*“The Building Change Trust commissioned Hall Aitken and Full Circle Management in November 2009 to undertake a formative evaluation of the Trust on its behalf. The Trust asked us to review the operations of the Trust over the first three years, verify its achievements and make recommendations for its development. This is our first annual report and it comes at a critical time for the Trust as it approaches the end of its initial phase of operations. We will continue to work with the Trust over the next two years as it moves toward the next phase of delivery.*

### **The Basis for Governance**

*In this section we outline the governance arrangements for the Building Change Trust and compare this with the Trust Deed. Establishing the Trust and its procedures has been a lengthy exercise and one which has taken original bid partners longer than anticipated. This has created some tensions within the Trust which has had to focus a significant amount of time on internal matters. The Trust Deed has introduced additional requirements to those set out in the original business plan which has created further delay and confusion. In particular the powerful role of the Protector is new to many organisations and it has taken time for the Trust to fully understand this role.*

*The proposed Charity Bank investment has been delayed as funds could not be guaranteed for investment in Northern Ireland. Since this report has been drafted, a decision has been taken to proceed, initially with a £1 million grant.*

### **Current Project Performance**

*This section examines the progress of the projects supported by the Trust. Significant activity has been completed on all projects and the development of the Observatory is a significant achievement. However internally and externally it is difficult to recognise the progress made. Our analysis has identified significant weaknesses in the current reporting structures that make measurement of progress difficult. Project plans are inadequate and lack basic requirements for effective programme management, including clear milestones and outcomes. Projects have initially been operating largely in isolation, as they focus on setting up, resourcing and marketing. However the partners recognise the importance of partnership working, which lies at the heart of the Trust’s ethos. The development of „Catalyst for Change“ will help realise closer working between the projects. The lack of robust reporting means that learning is not being shared and this is exacerbated by the failure to develop the Strategic Programme Panel, which would act as a hub for sharing experiences both within the Trust and externally with the sector and other stakeholders.*

### **Trust Progress - An Internal Perspective**

*Here we examine the progress made by the Trust from the point of view of bid partners and Directors. The key achievement of partners has been to establish the Building Change Trust. However this has taken longer than expected and meant that the focus has been on operational, rather than strategic issues. This has affected the ability of Directors to develop a shared vision. The weakness of reporting structures means that partners and the Board lack a real understanding of the progress that has been made by individual projects and at an organisational level. This has created some tensions between the partners and the Board and links between the two must be strengthened.*

### **Trust Progress - An External Perspective**

*There is significant interest in the Building Change Trust among the sector and high expectations. It is important that a clear message is developed that enables the Trust to manage expectations. This requires effective communication with external stakeholders. Currently external communications are weak and sporadic. This has led to confusion and some cynicism.*

*The development of the strategy for the second phase of operations of the Trust provides a real opportunity to reconnect with external stakeholders and to provide a platform to deliver the transformational change the sector needs.*

### **An Early Assessment of the Trust’s Effectiveness**

*In this section we compared the Trust performance against the Charity Commission’s guidance for an effective charity. We found that the Trust made good progress on a number of key issues, notably the need for independence and sustainability. There is a clear distinction between the activities of the Trust and that of the individual partners.*

*There is a need to consider the gender balance of the Board which is male dominated at present. This may reflect a need to consider the balance between the voluntary sector and community sector within the Trust.*

*The failure to establish the Strategic Programme Panel (and associated advisory circles) is affecting the effectiveness of the Trust. These structures would provide an opportunity for sharing learning within and outside of the Trust which is currently not available.*

### **Looking Ahead**

*In our final section, we provide a number of recommendations for consideration by the Trust. These include;*

- *The introduction of robust monitoring and reporting procedures*
- *Greater integration of the Observatory within Trust structures*
- *A new application and appraisal system to accompany the new programme*
- *Effective communications internally and externally*
- *Review of roles, relationships and responsibilities*
- *Revise the Business Plan.*

### **3. BIG have also commissioned an evaluation of the Trust. FGS McClure Watters have been appointed to complete this.**

This evaluation is the responsibility of BIG and the Trust do not have control or direction of it. However the Trust has provided any assistance required in conduct of the evaluation and will consider the findings in an open way with a view to learning from them to improve the work of the Trust

The first report of the FGS evaluation was supplied to BIG late in 2010 and subsequently supplied to the Trust. Both BIG and the Trust have published the full evaluation report on their respective websites. The key findings of the evaluation are reproduced below and highlight significant development and improvement since the Hall Aitken evaluation report

*“The BIG Lottery Fund (BIG) commissioned FGS McClure Watters to undertake a two-year formative evaluation of the Building Change Trust (The Trust) to assess: the set up and early delivery of the Trust; how effective this model has been in engaging with the Community and Voluntary (C and V) sector; and the impact of the Trust Fund model.*

## Set-up and Early Delivery of Trust

### Inception

- The Trust was established in November 2008 by BIG's grant of £10m following the acceptance of a business plan "**Building Capacity for a New Paradigm**". The business plan was developed by the following bid partners: Community Foundation for Northern Ireland (CFNI); Community Evaluation Northern Ireland (CENI); Rural Community Network (RCN); Volunteer Now; and Business in the Community (BITC). The focus of the Trust's work is: underpinning community development; promoting volunteering; supporting partnerships; skills development; and infrastructure support.
- Although the £10m investment represents less than 2% of the annual income of the C and V sector to be expended over a 10 year period, it is considered to be a substantial investment by BIG in the context of a – programme for change" model.
- Citi Quilter has been appointed as investment manager - a return of 3.5% has been achieved, against an initial target of 5%, which can be regarded as a success given the current context of an economic downturn.

### Governance

- The original bid partners transferred authority and responsibility for the management of the Trust to nominated Trustees in January 2009.
- A Service Level Agreement is in place between the Trust and CFNI in respect of administration services, which remains in force until 31st December 2019, subject to a 'Good Faith Review' during the fifth year.
- On 15th-16th January 2010, the Trust organised a strategy development event which represented a substantive move forward in the development of the Trust's mission, vision and aims. One of the outputs of this meeting was the augmentation of the original business plan's mission from "Tomorrow's Sector, Today" to „Investing in social change: working to make today's challenges tomorrow's opportunities".
- The Trust's Strategy 'Investing in Social Change' (2010-2013) was launched on 7th May 2010, highlighting the following distinct offerings of the Trust Model: More than grant making; Supporting Innovation; Learning and Sharing; and A Strategic Focus on Change.
- A Protector has been nominated by BIG, responsible for safeguarding public monies. The Protector has highlighted the following key issues relating to governance: the perception that the original 'bid partners' are not wholly independent of the Trustees; and appointments of the directors in breach of Article 82 of the Articles of Association which gives each of the bid partners the right to appoint one director —who shall not be an employee or officer of that body"
- The Trust recognised the need to create a stronger identity and to reinforce independence and have enhanced this through the development of a separate website for the Trust; communication through events, seminars and resources circulated to the sector; and by having e-mail and other contact addresses. Appointments of the directors in breach of Article 82 have been ratified by the members of the Corporate Trustee.

### Trust Activities - Progress

The various strands of support provided by the Trust and the progress to date are summarised below. Please refer to Section 3.3 for further details:

**Bid Partner Projects:** Five awards, totalling c£1.2million, have been allocated to the bid partners as part of the initial transformative awards programme proposed in the original business plan to cover the period 1st January 2009 until 31st December 2011. Each organisation will be concerned with supporting community development and enhancing the skills and capacity of the sector. The bid partners have also invested a lot of time and effort in the creation and development of the **Catalyst for Change initiative**, in response to the need to work collectively

rather than working in isolation on their respective projects. Based on resources available, two pilot sub-areas within the district council areas of Omagh and Fermanagh and North Down and Ards have been targeted for support. The selection of the two pilot areas was based on the analysis of CENI's Social Assets model. This model mapped the levels of 'Bonding', 'Bridging' and 'Linking Social Capital' across each district council area as well as the levels of community organisation and capability. By adopting this approach, the bid partners will identify what the community has to offer and then utilising this to take forward positive change. An internal evaluation has been drafted by CENI, on behalf of the bid partners, to capture key achievements, which will be finalised by December 2010 and published in January 2011.

**Award Programmes:** Following consultation with the C and V sector, the Trust launched two new awards programmes, Exploring Change and Deliver Change, on 7th May 2010. The Trust is interested in projects that are innovative and have the potential to explore/deliver change to enhance future sustainability to help influence the wider sector. Significant progress has been made in the development and launch of the award programmes. The first 23 awards were announced on 25th November 2010.

**Sector Support Programme:** A sector support programme has been tendered, in response to the needs articulated in the C and V consultations events to deal with the issue of collaboration, partnership and mergers. The contract has recently been awarded to Northern Ireland Council for Voluntary Action (NICVA) and the 'Chief Officers Third Sector ('CO3').

**Loan Fund:** The original business plan detailed the potential to establish a £2m permanent loan fund for the NI C and V sector through the Trust. The aim is to support organisations to adapt to changing environment from short-term funding and dependency on grants to longer-term sustainability focused on social investment and a focus on output/ impacts as a result of funding. It is envisaged that the permanent loan fund is to deliver a legacy impact from the Trust. On 26th March 2010, Trustees agreed to firstly allocate £1m with an additional £1m to be ring fenced for further social finance, subject to satisfactory performance. This project will be launched on 7th December 2010 and the Trust, in collaboration with Charity Bank, have organised a community assets seminar on 14th December 2010.

## Impact of the Trust Model

### The development of the Trust Model has facilitated increased capacity in the sector

- The establishment of the Trust has helped to increase capacity by drawing together a consortium of like-minded individuals who will collectively have a positive influence within the C and V sector. The extent of this influence will be increasingly evident upon further implementation and roll-out of interventions.
- Increased capacity among groups and organisations to date is limited as the Trust is in its inception stage where engagement has focused on dialogue with relevant stakeholders to establish community needs in the first instance. The Trust has now developed interventions to respond to these needs. The resulting programme of support will lead to increased capacity initially among grant recipients and subsequently the wider sector through shared learning events.

### Capacity has been utilised within the C and V Sector

- The capacity of the Trustees and bid partners has been utilised within the C and V sector through the development of the Trust and associated projects.
- Furthermore, capacity has been utilised by engaging the C and V sector in consultation events in order to inform the development of interventions.
- An Advisory Panel, which includes representatives from the wider sector, has also been established to support CFNI's Observatory project.
- Based on the level of interest from C and V organisations at consultation events and the interest in the award programmes, which were oversubscribed, awareness of the Trust is evident throughout the sector. Sharing and dissemination of good practice will be achieved at a later stage, upon the implementation and completion of programme interventions.

### Partnerships been developed and supported within the Trust and between sectors

- The development of the bid partners Catalyst for Change initiative provides evidence that collaborative links have proactively been developed.
- Partnerships with organisations in the private sector are also evident, For example, BITC are consulting with Business Leadership Networks across NI which aims to profile the quality of existing relationships between C and V sector and opportunities for future collaboration. A pilot Business Leadership Network has also been created in Enniskillen.
- Partnerships have also been created through CFNI's Observatory's Advisory Panel.
- Increased communication and collaboration between the Trustees and bid partners is needed to maintain and build on partnerships established through the development of the Trust.

### The Trust Model links to the priorities in the Review of Public Administration (RPA) and other relevant strategies

- The Trust aims to support the development of a sustainable infrastructure so that the sector will be capable of meeting future challenges within the context of reduced public finances. By working collaboratively across a range of organisations and sectors, the Trust can contribute to bringing greater efficiencies and coherence to the identification of local 'need' and resulting decisions on how best to address need.
- The Trust's programme of services offers the opportunity to contribute to BIG's outcome for the Trust that "People can actively participate in their communities to bring about change"; and the Coalition's vision for the 'Big Society'.
- It is too early to conclude on whether there are any emerging factors which will lead to changes in policy. It is important that learning emanating from projects funded by the Trust is captured and shared to the wider sector to help influence change.

### Impact of the Trust Model

- To date the Trust's operations for Year 1-2 have involved establishing and profiling community assets and needs. This will be followed by Year 2-3 of operations, which will focus on targeting and allocating resources for capacity/asset building. Investment into direct support, transformation and loan grants has only recently been made (end of Year 2).
- It is too early therefore to conclude on whether the funding provided through the Trust has had a transformational impact on the C and V sector and disadvantaged communities in NI. Conclusions regarding how effective and efficient the model is in terms of a support mechanism for the C and V sector cannot be provided at this stage. However, early indications suggest that there is a both need and a demand for the services being offered, evident by high attendance levels at events organised by the Trust and programmes being oversubscribed.

### Recommendations

The recommendations from the interim evaluation include:

#### Wider Policy Influence

- The Trust may wish to consider **further engagement** with key stakeholders within the **NI Executive** upon the completion and evaluation of the first phase of activities to share learning and to stimulate discussions to influence and drive future policy change.

### Implementation

- Although issues relating to governance arrangements have been resolved to a large extent, it is important for the Trustees and bid partners **continue to build on relationships** and focus on gaining momentum in the operational roll-out of activities. BIG representatives should be fully informed of any emerging issues by the Protector.
- **Clarity surrounding roles, responsibilities and linkages** should be provided with regard to the bid partners' status in comparison to other grant recipients.
- The role of the Protector has proven to be beneficial in helping to support the initial and on-going development of the Trust and in ensuring robust governance processes are in line with good practice and meet the requirements of the Trust Deed. BIG should **continue to support the role of the Protector**, as an independent watchdog, responsible for safeguarding public monies and ensuring the integrity of the administration of the Trust.
- As the Trust moves towards the roll-out and completion of activities, Trustees may wish to consider the **development of a Strategic Programme Panel and/or learning circles** (as per the original business plan) to help capture learning and to generate discussion on transformational change. BIG representatives should also consider their involvement in such a Panel to utilise their capacity as a body driving change initiatives.
- The Trust may want to consider the increased inclusion of **representatives from the private sector** in order to encourage networking on a cross-sectoral basis.
- The need for **increased communication** between the Trustees and bid partners is evident, based on feedback from consultees. Regular formal and informal communication should be encouraged through email, telephone and face-to-face contact. A formal six monthly meeting should be considered to facilitate the process of knowledge sharing, assessing progress and agreeing strategic direction.
- The level of work and input from the Trustees, in their voluntary capacity, should be monitored to **ensure** that the workload is not excessive and that the **role is sustainable**.
- The Trust should continue to focus on **consulting widely with the C and V sector**, in order to seek their views on the support required and to disseminate learning from interventions.
- To enhance the effectiveness of communication regarding the Trust and to ensure **consistent brand awareness**, it is important that the Trust's website and associated bid partner's website contain **relevant, up-to-date information** in a standard format utilising the combined BIG and Trust logo. It is important the Trust's aims and activities are clearly communicated.
- It is fundamental that the Trustees and bid partners **continue to develop monitoring and reporting systems** to ensure that learning is being adequately captured. Outcomes and impacts that will derive as a result of forthcoming programme activities will help to focus the Trust in their management and allocation/targeting of future support throughout the lifetime of the Trust, until 2018.

## Building Change Trust Limited and Building Change Trust

Summary financial information for the year ended 31 December 2010

The full set of accounts for both entities are available on the Trust website [www.buildingchangetrust.org](http://www.buildingchangetrust.org).

## Building Change Trust Limited

Directors and advisers

### Directors

W B Osborne  
J McVey  
M Meehan  
A M McGeeney  
M J McCarthy  
B Bigger  
W R Gamble  
M Monaghan

### Secretary

M Monaghan

### Auditors

KPMG  
Chartered Accountants  
Stokes House  
17-25 College Square East  
Belfast  
BT1 6DH

### Solicitors

Cleaver Fulton Rankin  
50 Bedford Street  
Belfast  
BT2 7FW

### Registered office

Community House  
City Link Business Park  
Albert Street  
Belfast  
BT12 4HQ

### Company registration number

NI 071182

## Building Change Trust Limited

### Profit and loss account for the year ended 31 December 2010

During the financial year and the preceding financial period the company did not trade and received no income and incurred no expenditure. Consequently during these periods the company made neither a profit nor a loss. The opening and closing balances on the cumulative profit and loss account accordingly remain at £nil. Additionally, the company had no other gains or losses, nor any cash flows, during these periods and accordingly no statement of total recognised gains and losses, reconciliation of movement in shareholders' funds or cash flow statement is presented.

## The Building Change Trust

### Balance sheet

As at 31 December 2010

	2010 £	2009 £
<b>Net assets</b>	-	-
<b>Capital and reserves</b>		
Called up and issued share capital	-	-
<b>Shareholders' funds</b>	-	-

## The Building Change Trust

### Reference and administrative information

Trustee	Building Change Trust Limited
Trustee Directors	W B Osborne J McVey M Meehan M J McCarthy A M McGeeney B Bigger W R Gamble M Monaghan
Protector	M Wilson
Address	Community House City Link Business Park Albert Street Belfast BT12 4HQ
Bankers	First Trust Bank 31 - 35 High Street Belfast BT1 2AL
Investment Managers	Quilter and Company Limited Montgomery House 29 - 33 Montgomery Street Belfast BT1 4NX
Solicitors	Cleaver Fulton Rankin 50 Bedford Street Belfast BT2 7FW
Auditors	KPMG Stokes House 17 - 25 College Square East Belfast BT1 6DH
HM Revenue and Customs Charity Number	XT11390

## The Building Change Trust

### Statement of financial activities

Year ended 31 December 2010

	Endowment funds 2010 £	Total funds 2010 £	Total funds 2009 £
<b>Incoming resources</b>			
<i>Incoming resources from generated funds</i>			
Endowment income	-	-	10,000,000
Investment income	408,351	408,351	240,520
<b>Total incoming resources</b>	408,351	408,351	10,240,520
<b>Resources expended</b>			
<i>Costs of generating funds</i>			
Investment management costs	(16,914)	(16,914)	(34,802)
<i>Charitable activities</i>			
Grants awarded	(1,593,155)	(1,593,155)	(1,192,738)
<i>Other resources expended</i>			
Administration and support costs	(143,448)	(143,448)	(133,305)
<b>Cost of grant making</b>	(1,753,517)	(1,753,517)	(1,360,845)
Governance cost	(37,782)	(37,782)	(34,747)
<b>Total resources expended</b>	(1,791,299)	(1,791,299)	(1,395,592)
<b>Net movement in funds</b>	(1,382,948)	(1,382,948)	8,844,928
<b>Net (outgoing)/incoming resources before other recognised gains and losses</b>	(1,382,948)	(1,382,948)	8,844,928
<i>Other recognised gains and losses</i>			
Realised and unrealised gains on investment assets	95,511	95,511	113,264
<b>Net movement in funds</b>	(1,287,437)	(1,287,437)	8,958,192
<b>Total funds brought forward</b>	8,958,192	8,958,192	-
<b>Total funds carried forward</b>	7,670,755	7,670,755	8,958,192

## The Building Change Trust

### Balance Sheet

As at 31 December 2010

	Endowment funds 2010 £	Total funds 2010 £	Total funds 2009 £
<b>Fixed assets</b>			
Investments	8,716,851	8,716,851	8,758,626
<b>Current assets</b>			
Debtors	226	226	3,412
Cash at bank and in hand	901,534	901,534	1,175,901
<b>Total current assets</b>	901,760	901,760	1,179,313
<b>Liabilities</b>			
Creditors: amounts falling due within one year	(91,319)	(91,319)	(5,750)
Grants payable within one year	(1,678,247)	(1,678,247)	(517,957)
<b>Total current liabilities</b>	(1,769,566)	(1,769,566)	(523,707)
<b>Net current (liabilities)/assets</b>	(867,806)	(867,806)	655,606
<b>Total assets less current liabilities</b>	7,849,045	7,849,045	9,414,232
Grants payable after more than one year	(178,290)	(178,290)	(456,040)
<b>Net assets</b>	7,670,755	7,670,755	8,958,192
<b>Funds of charity</b>			
Endowment funds	7,670,755	7,670,755	8,958,192
<b>Total funds</b>	7,670,755	7,670,755	8,958,192



The Building Change Trust is managed by a corporate Trustee, the Building Change Trust Limited.

The Building Change Trust is accepted as a charity by HM Revenue and Customs (XT11390).

The corporate Trustee, the Building Change Trust Limited is registered as a company limited by guarantee in Northern Ireland (NI071182).

For further information please contact us as follows:

The Building Change Trust  
Community House  
Citylink Business Park  
Albert Street  
Belfast  
BT12 4HQ

Telephone: 028 90 40 8726

Website: [www.buildingchangetrust.org](http://www.buildingchangetrust.org)

E-mail: [info@buildingchangetrust.org](mailto:info@buildingchangetrust.org)