



Thriving Somerset communities Our 2021-2025 strategy



A note from our Chief Executive

Over the last 18 years we have awarded more than **£15 million** in funding, through thousands of grants and loans, to a wide range of small, local charities. Today, as one of Somerset's largest funders, we have unparalleled knowledge of the challenges facing our communities and the needs of our local voluntary sector.

In late 2019 we started work in earnest on what was to be our 2020-25 strategy. Just a few months into this work, the coronavirus outbreak took hold, changing our lives and communities in ways none of us could have imagined.

We were privileged to play a leading role in our county's response to the pandemic, launching a local appeal that has raised more than £1.5m for Somerset and awarding – to date* – more than 300 grants to enable small, local charities to help our most vulnerable neighbours weather the significant financial challenges they faced.

This unique and unprecedented experience pushed us to re-imagine, overnight, the way we work. We moved rapidly, awarding grants in a matter of days as opposed to our usual several weeks, powered by the flexible funding we had been given by our donors and partners to use it where it was most needed.

Many of the learnings from this time chime with the feedback from the voluntary sector colleagues we consulted about our strategy, and both are ultimately reflected in our goals for the next four years.

The events of 2020 will undoubtedly have profound impacts on our communities for years to come, and particularly on the most disadvantaged.

We have a crucial role to play in helping Somerset to recover and build a brighter future.

This strategy sets out our ambitious plans to significantly grow the funding we award every year, strengthen our communities, and improve the lives of hundreds of thousands of people across our county.

Community is at the heart of everything we do, and our community of charities, partners and donors will be vital to achieving these goals. We hope you'll join us to help build a brighter future for Somerset.



Justin Sargent
Chief Executive

*correct as at January 2021



Our Vision:

Our vision for Somerset is a place with strong communities where everyone has the opportunity to thrive

Our Mission:

We help passionate people in Somerset change the world on their doorstep by funding local causes and inspiring local giving and philanthropy



Our vision for 2025

The support we provide will enable Somerset residents to build stronger, thriving communities. That means:

- more cohesive communities that work together to tackle disadvantage and drive change
- more informed communities that can access the resources, skills and training they need to change their lives and neighbourhoods, and
- better-connected communities that have a voice in the policies and decision-making that affects them.

Our programmes will be targeted to meet specific social needs identified through the insights we gain from our work as well as wider consultation. We will also provide the general funding support that many of our smallest organisations require. They will be more flexible and accessible, providing the mixture of project-based, core costs, small, large, annual and multi-year awards that our sector needs in order to serve their communities.

This will be supported by a stronger culture of local giving and philanthropy, where local professional advisers feel confident making connections between their clients and SCF to help them to fulfil their charitable giving aspirations. Where local businesses see us as a trusted partner for their community investment, and where local people see giving to SCF as a great way to make a big difference to the places and causes they care about most.

Our 2021-25 strategic goals

More targeted and effective funding for our communities with clear impact

In 2018, we created Hidden Somerset, a series of reports designed to shine a spotlight on key local issues often hidden from view. We will build on this work, using knowledge and data we gain from the charities we support to make sure our funding reaches those in greatest need and help us better evidence the difference we make.

We know charities need more flexible, long-term funding with fewer restrictions. We know that passionate people with bright ideas are likely to need more support, alongside funding, to get them off the ground. And, crucially, we want to make sure we're reaching, learning from and funding diverse places, people and communities.

We will:

- develop greater flexibility in our grant making, including the ability to offer more multi-year grants, core cost funding, and larger grants to complement our existing programmes of small grants for small charities and individuals
- explore opportunities to create dedicated funding programmes focused on particular social issues, informed by research
- design our funding programmes to strengthen the groups we fund and make it easier for groups we haven't supported before to access funding
- use key learnings from our data and insights to strengthen our funding programmes and make sure they are responsive to local need
- ensure people representing the diversity of our Somerset communities lead our decision making

How we'll know we've succeeded

- We will have doubled the value of our regular Foundation funding programmes, distributing £2m annually by 2025
- We will distribute 90% of our available funding every year
- We will have discretion on how 25% of the funding we manage is spent
- 70% of applications to SCF will be successful.



Use our knowledge and insight to influence social change

We know we can make a bigger difference through collaboration than we can alone. We are uniquely placed to bring together local funders, charities and the wider community. We will use our position to build stronger collaboration, improved sharing of knowledge and best practice, and join forces with other funders to support our communities in a more joined up way.

We will:

- deliver regular research and insight to raise widespread awareness of local issues to attract new funding into Somerset and influence key local decision makers and funders
- use our newly created Somerset Funders Forum as a space to share knowledge and increase the effectiveness of funding for our voluntary sector
- create regular opportunities to connect and convene local voluntary sector organisations to inform our funding programmes and encourage sharing of best practice.



How we'll know we've succeeded

- All major local funders will be members of the Somerset Funders Forum and we will have co-funding programmes and/or streamlined application processes to make life easier for local charities to tap into the funding they need
- We will publish regular research on key local issues that informs our grant-making and helps us to raise awareness of local need and secure more funding

Significantly grow funding for our communities

Our community of individual donors, local businesses, public sector partners and charitable trusts are pivotal to our ability to support stronger communities in Somerset. Today, demand for our funding far outstrips the funds we have available.

To support our ability to offer larger, more flexible grants and long-term funding, it is vital that we inspire more people to change the world on their doorstep through local giving and philanthropy.

We will:

- significantly grow our fundraising income to support more flexible and effective grant making
- build stronger relationships with local professional advisers to help us grow local giving and philanthropy
- encourage more endowment donations and legacies to support long-term, sustainable funding for our communities
- continue to offer high quality charitable giving services and an engaging and rewarding experience for our donors that builds a community of passionate advocates.



How we'll know we've succeeded

- We'll have secured £3m of new endowment funds by 2025
- We'll have grown our income in all areas to fund an extra £1m of grants annually by 2025
- 25% of private funds donated to SCF will be unrestricted by 2025, increasing our flexibility

Build an organisation that's fit for the future and reflects the communities we serve

From a tiny start-up charity in 2002 with just one member of staff, we have grown into a team of 13 managing more than £2m of funding and awarding around 400 grants every year.

Over the next five years we will look to invest in and improve our team, infrastructure, brand and governance. These improvements will be vital in supporting our future growth, helping us reach the people and communities who need our support, and ensuring we better reflect the communities we serve.

We will:

- invest in our team to build capacity and expertise whilst building financial sustainability for the future
- maintain robust investment performance for our endowment that supports sustainable, long-term funding for our communities
- ensure SCF is an inspiring and supportive place to work where staff are supported and encouraged to flourish and grow
- improve our organisational reporting, processes and systems
- refresh our brand, build a new SCF website and ensure our communications are clear, simple and compelling
- reduce our organisational environmental impact
- create and implement plans and good practice to ensure SCF's team, Trustees, and volunteer grants panels better reflect the communities and marginalised groups we serve.

How we'll know we've succeeded

- 85% of our operating costs will be covered by the contributions we receive for running our charitable funds
- Our investments will generate a 3-year rolling average total return of at least CPI + 4%.
- We'll maintain a healthy level of reserves that protects us against unexpected costs or losses in income
- Our employee surveys will show a happy, engaged and supported team
- We'll have greater diversity at all levels throughout the organisation.
- Our key audiences will tell us that our website is clear and easy to navigate

Working together to change the world on our doorstep

We can only achieve our goals with the support of our many supporters, funders, partners, the incredible local voluntary sector organisations we fund and the passionate people who run them.

One of the most powerful things you can do to help us achieve our 2021-25 strategic goals and support thriving Somerset communities is to help us spread the word about our work. You can do this by:

- letting local charities or voluntary groups you come across know about the support we have available. We always want to hear from groups we've never funded before and many of those we fund hear about us through word of mouth
- sharing research we publish to help us raise awareness of local need and the hidden issues that have a big impact on people's lives in Somerset
- being an ambassador – thinking about friends, neighbours or acquaintances who might want to give through SCF and connect them to our team. Your support to raise our profile and inspire more local giving could be truly *transformational* for our communities

Thank you for your support.