

Locality

Background information



Locality is a national organisation committed to a local approach. We support community organisations to be strong and successful, to meet local needs and to give people a purpose, good places to live and good health.

Building resilience in community organisations and creating lasting change is at the heart of what we do, fundamental to this is to support organisations to be sustainable, robust and able to meet the demands for their services.

We know from our day to day work that there are amazing ideas, skills, innovation, passion, local knowledge and long-term commitment within our neighbourhoods. By creating strong and successful community organisations, we can help to unlock this power and provide solutions to the big economic, social and environmental challenges community organisations face.

At Locality we have staff in every region of England enabling us to work in the heart of communities to help community organisations to be stronger and more robust. Effectively we represent the best of both worlds: having the influence and knowledge base which comes with being a national organisation, whilst prioritising the building of local relationships with community organisations. We have developed knowledge and experience of how to build resilience in a way that is practical and effective, addressing specific issues, and overcoming complex and technical problems. Our experienced staff will work alongside you, fulfilling the role of advisor, mentor, critical friend, and honest broker.

Above all we are friendly, approachable, and committed to strengthening the community sector.

Find out more at: www.locality.org.uk

Offer Under Enhance

Business Turnaround and Crisis Management

Stage 1

2 days: one day deep diagnostic, one day analyzing position, with report on way forward.

Stage 2

6 days to be reviewed following Stage 1 above.

If you're worried about your charity's future Locality's Business Turnaround Support service can help you.

We support charities experiencing serious financial difficulties, structural weaknesses and relationship problems.

As part of our support, you will receive expert advice and a strategy to help turn your situation around. Every situation is different, which is why this is a personalised service tailored to your charity's needs.

Charities and Community businesses face significant challenges that impact on stretched margins and viability: entrenched austerity, rising inequality, growing social isolation, increasing demand on services and shrinking public sector budgets.

Often charities operate in areas of market failure aiming to deliver social value and generate surpluses in areas with marginal economic gain.

For the past 12 years we have supported community organisations and charities to overcome the following challenges:

Governance, management, financial:

- Weak governance/ineffective Board, poor recruitment
- Lack of business planning/strategic review/ organisational strategy
- Lack of financial management systems/skills.
- Limited options for refinancing and capital
- Limited ability to build reserves from restricted funding
- Insufficient staffing/ overreliance on volunteers
- Increasing demand
- Increasing competition for reducing grant support
- Sector specific regulatory changes
- Challenging capital projects (overspends/cashflow/disputes)
- Constraints in management (i.e. leases, rental hikes, servicing borrowing)
- The contracting environment:
 - short term contracts
 - trends towards larger contracts, (esp. in public sector procurement)
 - contracts with very tight margins
 - increased competition from large suppliers
 - loss of contract

Our programme of support is designed to help charities to manage these, and more.

Our approach:

Manage Expectations and Empower

We aim to empower the community business. They must be involved in every aspect of the work and own the solutions.

We work with Boards and staff to:

- Agree our role,
- Agree confidentiality and any reporting requirements
- Identify all the issues and explore solutions
- Produce understandable financial information with detailed assumptions
- Share our initial and final reports.

Since 2016 we have provided intensive crisis intervention support to over 50 organisations.

When might the Partner be the most appropriate solution for the charity?

When might the Partner be the most appropriate solution for the charity? Locality supports community organisations to be strong and successful, to meet local needs, give people a purpose, good places to live and good health. We have over 700 members across England supporting 400,000 people, helping transform lives.

Building resilience in community organisations and creating lasting change is at the heart of what we do. Fundamental to this is supporting organisations to be sustainable and robust. By creating strong and successful community organisations, we can unlock ideas, skills, passion and innovation to empower local people to provide solutions to economic, social and environmental challenges.

We have a strong track record in providing crisis management and business turnaround services. We have supported over 250 organisations with light-touch and 50 with intensive support through our business turnaround service. We developed this service in response to growing numbers of community organisations facing significant threat to the continuation of their services. Organisations were at serious risk of closure resulting in loss of valuable services to communities. Just as the groups we support do in their communities, we step in where others look away.

Waving not Drowning, available on our website and here, outlines our learning from Lifeboat. Since 2016 we have:

- Provided intensive support to over 50 organisations preventing insolvency or managing closure in a minority of cases
- Protected funders' investment in key services
- Increased understanding and funders collaboration to address the key issues threatening community businesses.

Our Approach is flexible and solutions focused. We:

- Treat each case with respect
- Assess the situation & thinking, by exploring & listening;
- Facilitate the organisation to work through issues & find solutions;
- Develop effective plans for the way forward;

So if your charity is struggling and you are concerned about your ability to carry on delivering the vital services to your community please get in touch and we will be happy to talk to you about this confidential programme of support.

Input Needed from the charity

All that we ask is that you engage in the process. To really help a struggling charity we will need you to be honest and open with us.

When times are hard it is easy to bury your head in the sand, but to really help an charity in crisis you will need to commit to the support, supply us with financial information, and be available to meet with our team. We are here to help, and we will support you through the process to achieve the best outcome possible for your charity.