Adapting to a changing world
Insights from Barclays’ National Charities Day 2018
Adapting to a changing world
Insights from Barclays’ National Charities Day 2018

Adapting to a changing world
Advances in technology, a challenging funding environment and external influences such as global warming are clearly raising many issues for charities. Change was a recurring theme at our most recent National Charities Day, aimed at sharing knowledge and ideas on the hot topics across the sector. Indeed, 87% of delegates polled on the day feel that change is happening faster now than in the past.

This report looks at some of the thought-provoking subjects covered on National Charities Day 2018, from understanding your charitable purpose, to embracing the future and adapting to technological change. We also touch on the impact of growing awareness in environmental sustainability on the trustee agenda, the need for collaboration to achieve charitable goals and the importance of understanding data.

Rise of the robots?
The increasing pace of technological change is an intimidating phenomenon for many charities, but also creates opportunities to innovate more quickly and cheaply than ever before.

Applied futurist Tom Cheesewright, who helps organisations expect the unexpected, points to estimates that 47% of jobs could be automated by 2030, potentially replacing both back office and frontline staff across all types of organisations.

Tom argues that while people often don’t like change and will create barriers to slow it down, new technology will have huge social consequences that will impact on many of the issues that charities are tackling.

“It’s important for charities to look at how they can turn technology to their advantage,” he says. Examples in the pipeline include AI-powered vision for blind people and the development of virtual, lifelike humans, which could help tackle loneliness.

The Attenborough effect
The BBC’s Blue Planet II series has arguably had a fundamental impact in changing mindsets on the issue of plastic waste around the world. Although this is clearly an important and emotive issue, there are of course many critical threats facing our planet, particularly climate change.
Global warming is likely to affect the way we all live and do business. Every organisation, regardless of purpose, should be considering their response to the sustainability agenda. However, according to a straw poll of delegates at National Charities Day, only about a quarter (26%) said they currently measure, monitor and manage environmental targets.

Thinking about sustainability is a good way to run any organisation and makes good business sense, according to Nick Harris of the Carbon Trust. “Sustainability should be fundamentally embedded in the way everyone operates as this leads to more efficient operations, and an understanding of the risks and opportunities presented by climate change,” he says.

Nick suggests there are several simple measures that charities can take to reduce carbon emissions and which can also help lower costs, including looking at energy efficiency, how energy is bought and putting a carbon management plan in place. Initiatives such as the Green Business Fund, which is managed by the Carbon Trust can help set charities on the right path by providing remote and on-site energy efficiency assessments and implementation advice, and conducting cost-saving workshops around the country.

Sustainable investments?

In another poll on National Charities Day we asked our audience whether climate change has been factored into their investment portfolio. Just 15% said they have an ethical, negative screen on sectors contributing to climate change, while 11% said their investment strategy factors investment risks and opportunities around climate. But 39% said their investment policy does not explicitly include this, while 35% did not know.

Damian Payiatakis, Barclays’ Head of Impact Investing, urges charities to speak to their investment advisers and take a close look at their portfolios with these issues in mind. And to question whether there is any misalignment between your charity’s purpose and what your funds are invested in.

The funding conundrum

A challenging economic climate, austerity and changing donor behaviour over the past few years have affected many charities and caused them to rethink and adapt their fundraising models. Some of these issues are considered in the case studies in this report.

We look at how the Science Museum Group has reimagined its operating model and developed new income streams to help it become more financially sustainable. We consider what we can learn from Sue Ryder’s efforts to take a more business-minded approach to its care services. And we hear how Stop the Traffik is using advances in technology combined with local intelligence to tackle the global human trafficking crisis.

We would like to thank all of our contributors for their outstanding work and for sharing their thoughts with us.

If you would like further information on any of these issues, please contact us.

Nazreen Visram
Head of Charities, Barclays
Applying a business mindset: Sue Ryder

How the healthcare charity has stayed true to its focus while being determinedly business-minded

Sue Ryder provides palliative care, community nurses, neurological services and bereavement support across the UK.

CEO Heidi Travis says the landscape in which healthcare charities operate is constantly evolving. Heidi worked at Marks & Spencer for more than 20 years before joining Sue Ryder in 2010. Since becoming chief executive in 2013 she says one of the most important things she’s learned is that while charities should not be run as businesses, it’s critical they be business-minded.

“You need to be realistic about what you want to invest in to continue to deliver on your purpose in the future.”

However, unlike the corporate world she came from, she says that a lot of decisions her team makes are literally about life and death, so they have to continually balance their passion for the charity’s purpose with calm, business-minded decision-making.

Heidi Travis
CEO, Sue Ryder

Difficult decisions

“When I joined Sue Ryder the charity was so focused on its purpose it had forgotten about the business and wasn’t financially sustainable,” says Heidi. “In the third sector, it’s easy to believe that making money isn’t important, that if we do things for the right reasons, someone will provide – but that’s not always true.”

It took four years to move Sue Ryder from breakeven to financial sustainability. Heidi’s team had to make a lot of difficult decisions, including restructuring the charity and making redundancies. But they have grown income by 6% annually for the past three years, while remaining true to their purpose.

Heidi believes that a charity’s daily activities have to support its long-term aims. “You need to be realistic about what you want to invest in to continue to deliver on your purpose in the future. In an ever-changing world, being nimble and staying lean is critical.”

She says healthcare charities need to ensure their own house is in order and be really defined about who they are serving. “I work with fantastic people. We try to operate as a highly-governanced team, underpinned by great policies, strong compliance and robust risk processes.”

Looking ahead

Heidi believes one of their biggest future challenges will be spending money to support growth and development. Her team’s five-year plan is simple: more care for more people.

One way Sue Ryder is doing this is through extending its online services. Non-existent 18 months ago, its online community now supports 16,000 people, who might otherwise have nowhere else to turn. Heidi’s team is now expanding this by trialling online bereavement support.

Strong communication

“It’s important to be aware of digital developments and what they can offer, it’s imperative to have key people in your organisation supporting the plan,” warns Heidi.

“You can’t just build strategies that look good on paper – it’s critical to remain externally aware, keep consulting about unmet needs, continue talking to your colleagues on the frontline and carry on talking to those that need you.”

“Every charity should have trustees and executives who are skilled, informed, and ready to lead and make decisions about the charity’s purpose and plans.”
NATIONAL Charities DAY

RUTH DEARNLEY
CEO, STOP THE TRAFFIK

ARE WE MAKING
groSS PROGRESS?

WE NEED
to RESHAPE
growth

MONEY IS NOT EVERYTHING, IT'S ABOUT PEOPLE

SHAPE A FUTURE

THE ATTEM GorRROUcH Effect

DAMIAN DAYWARRE, BARCLAYS RACE REWARDS THE COMMUNITY
ALEX LEVIEN, DESIGNOTION

SUSTAINABILITY IS AS IMPORTANT AS FINANCIAL PROFIT

GREEN BUSINESS FUND

IT IS OUR DUTY TO ACT

WHEN IT BITES, BITES ITBACK

SOLVING WORLD PROBLEMS CAN BE A BUSINESS OPPORTUNITY

HEIDI TRAVIS
NON-EXECUTIVE, ANGRY BEE

WE ARE ABOUT NORMAL AND EXTRAORDINARY PEOPLE

OCTOPUS WHAT WE DO TOGETHER

WE NEED TO REIMAGINE THE PAST

THE FUTURE WILL NOT CHANGE THE WORLD

MONEY IS NOT EVERYTHING, IT'S ABOUT PEOPLE

Tom CHESEWRIGHT
FOUNDER, FUTURE FOCUS

STAY CLOSE TO THE DETAIL!

WE NEED TO REIMAGINE THE PAST

THE FUTURE WILL NOT CHANGE THE WORLD

HEIDI TRAVIS
NON-EXECUTIVE, ANGRY BEE

WE ARE ABOUT NORMAL AND EXTRAORDINARY PEOPLE

OCTOPUS WHAT WE DO TOGETHER

WE NEED TO REIMAGINE THE PAST

THE FUTURE WILL NOT CHANGE THE WORLD

MONEY IS NOT EVERYTHING, IT'S ABOUT PEOPLE

SHAPE A FUTURE

THE ATTEM GorRROUcH Effect

DAMIAN DAYWARRE, BARCLAYS RACE REWARDS THE COMMUNITY
ALEX LEVIEN, DESIGNOTION

SUSTAINABILITY IS AS IMPORTANT AS FINANCIAL PROFIT

GREEN BUSINESS FUND

IT IS OUR DUTY TO ACT

WHEN IT BITES, BITES ITBACK

SOLVING WORLD PROBLEMS CAN BE A BUSINESS OPPORTUNITY

ECONOMIC UPDATE

WILL ROBBINS, BARCLAYS

THERE COULD BE 250,000 job LOSSES

BREXIT COULD CAUSE A 12% INCREASE

THE TURMOIL CONTEXT CHANGES

HUMAN BEHAVIOUR IS IMPORTANT FOR BUSINESS

GOVERNMENT

TOM CHESEWRIGHT
FOUNDER, FUTURE FOCUS

STAY CLOSE TO THE DETAIL!

WE NEED TO REIMAGINE THE PAST

THE FUTURE WILL NOT CHANGE THE WORLD

MONEY IS NOT EVERYTHING, IT'S ABOUT PEOPLE

SHAPE A FUTURE

THE ATTEM GorRROUcH Effect

DAMIAN DAYWARRE, BARCLAYS RACE REWARDS THE COMMUNITY
ALEX LEVIEN, DESIGNOTION

SUSTAINABILITY IS AS IMPORTANT AS FINANCIAL PROFIT

GREEN BUSINESS FUND

IT IS OUR DUTY TO ACT

WHEN IT BITES, BITES ITBACK

SOLVING WORLD PROBLEMS CAN BE A BUSINESS OPPORTUNITY

RAI PattN
FOUNDER, MINDFUL MONEY INNOVATION

WHEN IT BITES, BITES ITBACK

SOLVING WORLD PROBLEMS CAN BE A BUSINESS OPPORTUNITY

ECONOMIC UPDATE

WILL ROBBINS, BARCLAYS

THERE COULD BE 250,000 job LOSSES

BREXIT COULD CAUSE A 12% INCREASE

THE TURMOIL CONTEXT CHANGES

HUMAN BEHAVIOUR IS IMPORTANT FOR BUSINESS

GOVERNMENT

TOM CHESEWRIGHT
FOUNDER, FUTURE FOCUS

STAY CLOSE TO THE DETAIL!

WE NEED TO REIMAGINE THE PAST

THE FUTURE WILL NOT CHANGE THE WORLD

MONEY IS NOT EVERYTHING, IT'S ABOUT PEOPLE

SHAPE A FUTURE

THE ATTEM GorRROUcH Effect

DAMIAN DAYWARRE, BARCLAYS RACE REWARDS THE COMMUNITY
ALEX LEVIEN, DESIGNOTION

SUSTAINABILITY IS AS IMPORTANT AS FINANCIAL PROFIT

GREEN BUSINESS FUND

IT IS OUR DUTY TO ACT

WHEN IT BITES, BITES ITBACK

SOLVING WORLD PROBLEMS CAN BE A BUSINESS OPPORTUNITY

BE BOLD AND TAKE RISKS

BARCLAYS

ACTIVE MUSEUM

GENERATIONS £3 BILLION ACROSS THE GROUP

RE-CONFIGURATION FRONTCORE & MUSEUMS

ENGAGEMENT ENGAGES WITH THE PUBLIC

THINK BIG
Collaborating to achieve purpose: Stop The Traffik

*How one charity is helping to build global networks and locally-led solutions to tackle human trafficking, the world’s fastest growing crime.*

Sharing intelligence and working collaboratively is vital if there is to be any hope of halting the escalating problem of human trafficking, according to Ruth Dearnley, CEO of Stop the Traffik.

Ruth came up with the idea for the charity in 2005 around the time of the 200th anniversary of the abolition of slavery.

“The issue of buying and selling people was on the rise, yet no one was talking about it,” says Ruth. “So I decided to make a noise. We delivered 1.5 million signatures to the UN to say the fight against trafficking needed to be a worldwide movement.”

“We can’t change the world unless we work together and share our data and knowledge.”

Ruth Dearnley
CEO, Stop the Traffik

An estimated 43 million people are trafficked or sold into modern slavery around the world every year. It can happen to anyone regardless of age, socio-economic background or location, so every case looks very different. This can include sexual and labour exploitation, domestic servitude, forced marriage, forced criminality and organ harvesting. The rise of the internet and technology have made it even easier for traffickers to recruit and exploit people.

“More money can be made through people trafficking than almost anything else, as you can use each person numerous times. The illicit trade in humans is estimated to be worth around $150 billion annually. Human trafficking and modern slavery are embedded in everything we eat and wear.

“We can’t prosecute our way out of this,” says Ruth. "And for every rescue there is a vacancy. So how do we fight it?"

**Intelligence-led prevention**

Given the complex and organised nature of these crimes, Stop the Traffik believes that the only solution is through global collaboration and prevention through the sharing of intelligence.
So it has built the Centre for Intelligence-Led Prevention, which is collecting data and stories from around the world to build a vivid picture of the trends, hotspots, routes and networks of human trafficking. Ruth says that by being armed with this intelligence, human trafficking and modern slavery can be targeted and disrupted at their source.

Local action, global reach
The charity develops global and local partnerships with a wide range of organisations such as IBM, Facebook, NGOs and faith networks, and shares the insights with stakeholders including law enforcement agencies, banks and businesses. The charity recently launched its STOP APP that anyone can download and use to report suspected trafficking.

The charity aims to help build resilient communities by turning them into places where it is harder for traffickers to hide their activities and their victims. “In order to have power, you need information. Our dream is to share a map showing where trafficking is going to happen to give communities the power to stop it.”

“Getting funding for all of this isn’t easy and progress is difficult to measure,” says Ruth. “We can’t change the world unless we work together and share our data and knowledge. We’re all intricately linked. As long as it’s developed for good, technology has the potential to bring people together and change the landscape and transform society.”

Responding to funding challenges: The Science Museum
The famous institution has had to rethink its business model and build new income streams to become more financially and commercially sustainable.

The Science Museum Group is the custodian of a diverse and internationally significant collection of 7.3 million items from science, technology, engineering, medicine, transport and media.

The group consists of five museums around the country: the Science Museum in London, the National Railway Museum in York, the National Science and Media Museum in Bradford, the Science and Industry Museum in Manchester and Locomotion in Shildon.

The group’s mission is ‘inspiring futures’ by bringing objects to life and showing the link between the past and the future. Some 5.3m people visited the museums in 2017. It operates as a non-departmental public body, operating within the public sector and directly funded by central government through the Department for Culture, Media and Sport.

Budget cuts
“Our operating model is very different to other types of visitor attractions,” explains Jane Ellis, Director of Corporate Services. The museum group has a statutory obligation to care for the collections, and as they operate in historic buildings there are high barriers and costs to making any changes.
“With free admission we have been almost entirely reliant on government grants, yet we have faced funding cuts of 30% in real terms since 2012. And we’re always trying to do more with less.”

Challenging the orthodoxy

At the Science Museum in London business-to-business activity such as conferences has been limited in the past as the venue could only be hired out in the evenings. But having secured funding to relocate some older galleries, this is all set to change through the conversion of the museum’s top two floors into a dedicated events space. This will launch in February 2019 and is expected to raise £750,000 a year.

As the museum is not allowed to charge for entry to exhibitions containing heritage objects Jane says it has had to think innovatively. In October 2016 Wonderlab, a new, ticketed interactive gallery with more than 50 original exhibits, opened at the London museum.

Here children can learn about forces on giant slides, take part in live experiments at the Chemistry Bar and experience what it’s like to travel through space. Schools can use it for free. So far it has had 750,000 visitors, and in 2018/19 Jane expects turnover of £1.4m. A Wonderlab in the Bradford museum has also opened, with no entrance free.

Another key change was the decision to take a more proactive approach to raising donations from visitors. Every visitor is now greeted at a new front desk, which is staffed by trained fundraisers who ask for contributions. Jane says this generates £3m a year, and has increased donations from an average of 5p per head to more than 50p per head.

Future-proofing

Further income-generating initiatives include a consultancy business advising other museums and there are plans to expand and differentiate the museum’s retail offering.

“Until recently we’d been overly reliant on government funding,” says Jane. “So we have had to think big. All of this has been ambitious and groundbreaking for us as we have to consider all these changes and decisions very carefully, such as how much to charge for ticketed exhibitions and whether to accept sponsorship from fossil fuel companies.

“We still have lots more to do to build financial resilience and continue on our journey of reimagining our business model.”

“Until recently we’d been overly reliant on government funding, so we have had to think big”

Jane Ellis
Director of Corporate Services
The Science Museum Group
To find out more about how Barclays can support your business, please call Nazreen Visram on 07766 364 820* or visit barclayscorporate.com

barclayscorporate.com

*Please note: this is a mobile phone number and calls will be charged in accordance with your usual tariff.

Barclays Bank PLC is registered in England (Company No. 1026167) with its registered office at 1 Churchill Place, London E14 5HP. Barclays Bank PLC is authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority (Financial Services Register No. 122702) and the Prudential Regulation Authority. Barclays is a trading name and trade mark of Barclays PLC and its subsidiaries.