

Out of adversity
comes opportunity and imagination...



Snapshot introduction to me

- Appointed as CEO of The Cheltenham Trust in April 2019
- Former Director of Communities and Communications, Wiltshire Council (from unitary inception 2009)
- Lead for communication following the nerve agent attacks in Salisbury (2018)
- Background in communications and marketing, communities and commercial
- Started career in retail (M & S and Jaeger)
- Joined trust on 1 year interim contract
- Brief to review business model
- Develop a 5 year plan based on delivering a financially sustainable model
- Set out the how this would be achieved



Snapshot introduction to The Cheltenham Trust

- Independent charity and the lead provider of Cheltenham's culture and leisure
- Manage the town's most iconic and contemporary venues, owned by Cheltenham Borough Council
 - The Pittville Pump Room and new Heritage Cafe
 - The Wilson Art Gallery and Museum and the collections
 - Cheltenham Town Hall and Garden Bar cafe
 - Leisure at Cheltenham and the Prince of Wales stadium
- Employ c100 staff
- Established in 2014 by CBC as arms length provider of culture and leisure
- Annual management fee pa (c£800k)
- Trust income - tickets, hires, events, memberships c£4.2m pa (pre-covid)
- 5 year business plan approved Feb 2020 - focused on growth and financial sustainability
- 2019/20 final accounts - surplus £56k (projected deficit £360k) - first surplus since inception

The impact of the pandemic...

“The secret of getting ahead is getting started”

Mark Twain



- All venues closed 17 March 2020 - income streams stopped
- Lost income c£4.2m+ (1 year)
- Top priority - remain solvent
- Cash flow impacted – no reserves and limited free cash (more than 50% pre-paid by customers)
- Cash position c£1m at point of closure – free cash c£420k
- Without action – insolvent in 6 weeks
- More than 100 staff placed in furlough – small team retained
- Repurposed business model immediately – focus on staying solvent and managing cash flow
- Launched community food hub to support CBC and GCC – provided c5,000 meals and parcels
- Retain presence and awareness in the community
- Launched community engagement campaigns - #let'smeetagain bunting project

Remobilisation and recovery - our approach...



- Remobilisation and recovery based on govt. guidance
- Applied for grants (local and national) secured £3.3m (plus furlough c£1m)
- Grasped new opportunities and repurposed to use outdoor space
- Introduced 2 new outdoor cafés at Pittville Pump Room and Garden Bar at Imperial Gardens
- No café at the pump room since 1930
- Introduced schedule of free Music in the Park and marquee throughout the summer and winter months and Christmas season
- Huge organic growth in both cafes
- More than 750,000 visitors and £1.3m + income in first year (including periods of lockdown)
- Became a lifeline for the community in dark times
- Both venues are now established visitor destinations

New model, new focus



- This year is a recovery budget (2021/22)
- Focus is on maximising income
- Trust business model shifted to place café culture at its heart
- Marquees and kiosks replaced with temporary orangeries
- Looking to implement permanent orangeries
- Target income for cafes pa pre-covid for this year - £50k
- Forecast c£1.6m
- Full programme of free community events
 - Music in the park and gardens
 - Christmas Lights switch on
 - Markets and choirs
- c85,000 cakes sold

Grasp opportunities



- PPR and GB now established visitor destinations
- Impact – high demand for venue space
- No Saturdays available in venues this year and next year
- Leisure at – implemented outdoor classes and under 5s soft play sessions in temporary structure – 100% take up
- Sport England funding secured enabled:
 - New café
 - New soft play facility
 - Refurbished health spa
 - New party room
 - New sports bar and events space
- Refurbishing The Wilson (c£500k investment) - new vibrant community arts café, community gallery and artist studios
- New 5 year business plan developed based on self-sufficiency

Resilience and growth comes from learning

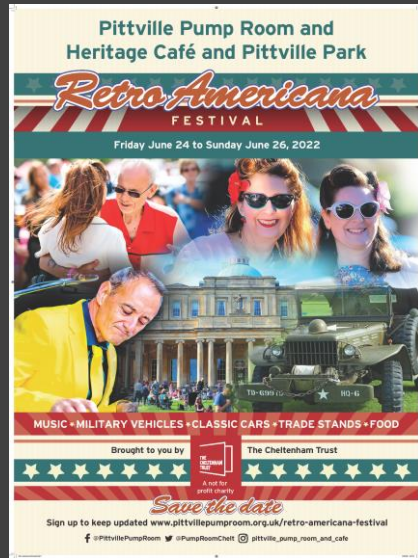
“Leadership and learning are indispensable to each other”

John F. Kennedy



- We've learnt so much...
- Adopted an agile, flexible, imaginative and pro-active approach in response to the pandemic and recovery
- Continue to recognise and grasp opportunities based on what we can do
- Ethos and values matter – how we are seen and what people say matters
- Social media reach has grown to more than 280k (10k pre-covid)
- Lead provider of culture and leisure supporting local community and economy
- Blending culture, community and commercial is delivering financial sustainability

Believe in the art of the possible...



- Take measured risks
- Continually test, review, listen and develop
- Don't underestimate culture and leisure in driving visitor economy and recovery and wellbeing
- Historic buildings need continual investment
- Footfall equals secondary spend potential
- Developing trust led events including Christmas at historic venues and new festivals:
 - American Retro event in July 2022
- Financial sustainability is attainable
- Covid year (2020/21) delivered c£70k surplus
- We will continue to provide great coffee and cake!

Thank you for listening

Being challenged in life is inevitable Being defeated is optional...

Delighted to win this prestigious award celebrating
the success of our popular outdoor cafés at the
Garden Bar Orangery and Pittville Pump Room

Brought to you by
The Cheltenham Trust
A not for profit charity

f @TCTinthecommunity t @CheltenhamTrust #CheltenhamTrust



WINNER
BUSINESS IN
THE FACE OF
ADVERSITY SPECIAL
AWARD

*The Cheltenham
Trust*



The Colchester approach:

Proactive
Persistence
Partnership



Karen Turnbull, Economic Development Officer, Colchester Borough Council

**Fostering Colchester's
Economic Recovery from C-19**

Proactive Persistence Partnership

8750 businesses
96.8% small/micro
Commuter town
Employment hub



Colchester Borough Council's Covid Recovery Plan – stronger, greener, more inclusive and resilient.

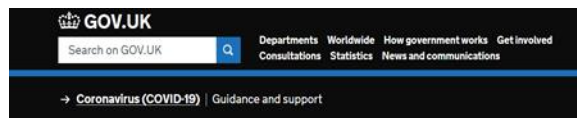
Proactive Persistence Partnership

- **Supply side – tackling business needs in crisis phase to support supply survival**
- **Demand side –projects to support consumer demand**
- **Sustain strategic investment projects**

Proactive Persistence Partnership

Communicative Listening Pragmatic Insight-driven

- £10m to 566 local businesses on 1 April 2020
- 1 form, completed once
- 526 businesses had 1:1 support
- 378 surveys returned
- Daily meetings



Home > Business and industry > Running a business > Business finance and support

Part of
[Support for businesses and self-employed people during coronavirus](#)

Transparency data

Coronavirus grant funding: local authority payments to small and medium businesses

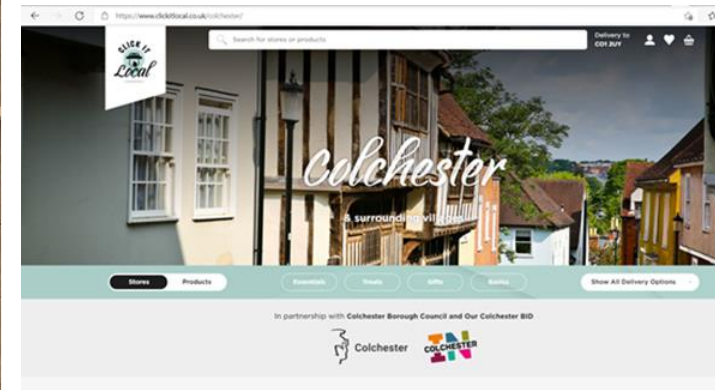
Local authorities have received and distributed funding to support small and medium businesses in England during coronavirus.



Proactive Persistence Partnership

Proactive
Creative
Imaginative
Distinctive

- Parklets in the High Street
- Street branding
- Click it Local online shopping



Proactive Persistence Partnership

**Fast
Supportive
Resilient
Delivered
Far-sighted**



The strength of our partnership enabled us to spend £10m out of a budget of £11.3m (88%) in the local economy with contractors and suppliers. Together we ensured that these companies remained viable through the worst of times over the past two years.

Steve Mannix, CEO, Mercury Theatre

Proactive **Persistence** Partnership

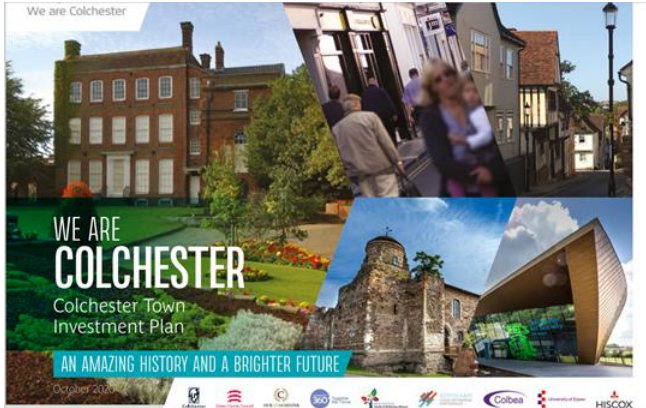
**Entrepreneurial
Resilience
Far-sighted
Future-focussed**

- £11m Mercury Theatre
- £29m Northern Gateway
- £12m VX Fiber – largest FDI in Colchester
- £19m Town Deal



Proactive Persistence Partnership

**People-centred
Collaborative
Mobilised
Honest
Real**





BUSINESS ADVICE 

“
*Utterly invaluable.
Sanity in insane
times.*”



Phil Warnock - Ginger Nut Training

 To book a Business Advice session call us on 01206 548833 or email us at enquiries@colbea.co.uk 

- Town Centre Task Force
- We Are Colchester
- COLBEA business support
- BID Covid Recovery
- CBC Covid Recovery



Proactive Persistence Partnership

- Collaborated
- Delivered
- Networked
- Committed
- Embraced the broad scope
- NOW
- Confidence – City status bid



Applying Business Theory in the Work Environment



Matthew Southern
Head of Commercial Improvement
Interim Director of Finance



Today's Insights

**Recognising and Responding to
Sudden and Long-Term Challenges**

**Responding to Conflicting Forces Across
the Business Environment**

Bringing the Financials to Life

Recognising and Responding to Sudden and Long-Term Challenges

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Recognising and Responding to Sudden and Long-Term Challenges

Proactive vs. Reactive

1. Build Resilience in Business Models and Operations

Traditional Business Environment



Modern Business Ecosystem

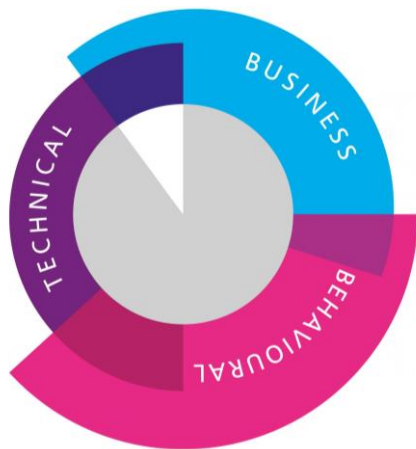


Recognising and Responding to Sudden and Long-Term Challenges

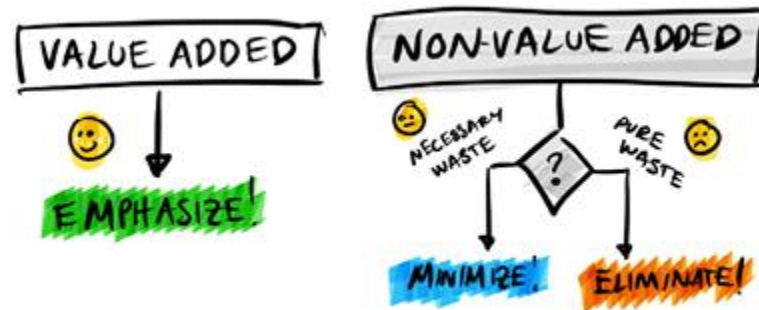
Proactive vs. Reactive

2. Manage & Spread Continuity Risk

Identify and focus on **Strategic** Competencies and Resources



Transfer/reduce focus on **Threshold** Competencies and Resources



Recognising and Responding to Sudden and Long-Term Challenges

Proactive vs. Reactive

3. Develop Opportunities Through Innovation

Stagnant Business Models



Disruptive Business Models:



Responding to Conflicting Forces Across the Business Environment

Responding to Conflicting Forces Across the Business Environment



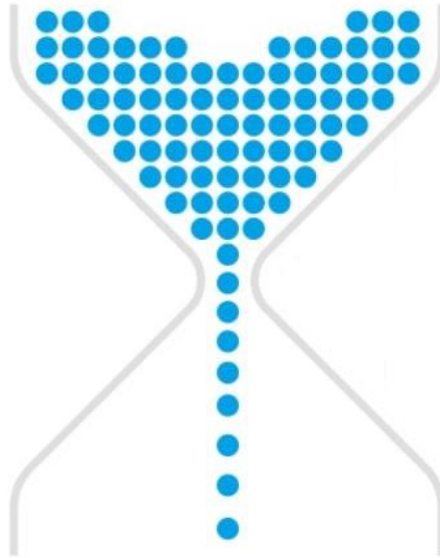
High Control & Influence

Medium Control &
Influence

Low Control & Influence

Responding to Conflicting Forces Across the Business Environment

1. Identify Business Objectives and Allocate Resources



"A fascinating and inspiring book."
Sebastian Coe, KBE

Ben Hunt-Davis & Harriet Beveridge

**WILL IT
MAKE THE
BOAT GO
FASTER?**

Olympic-Winning Strategies
for Everyday Success

Responding to Conflicting Forces Across the Business Environment

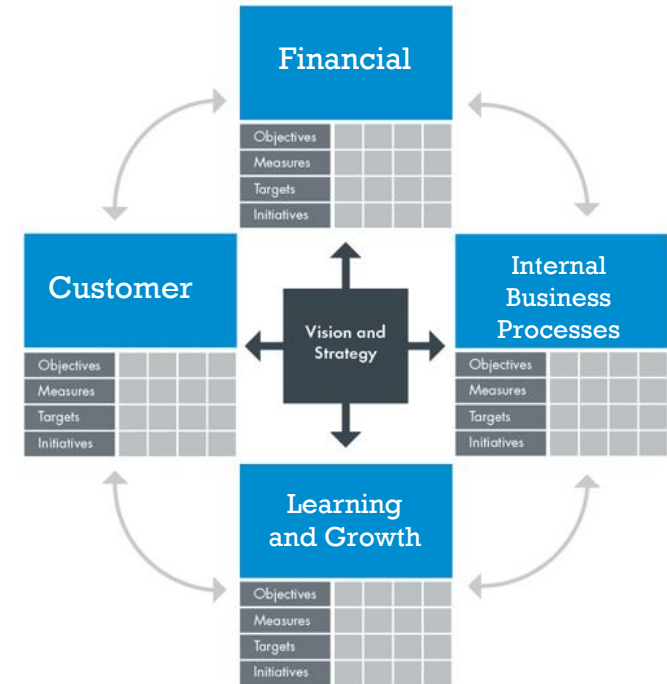
2. The Indicators of Success



Traceability
&
Controllability

Responding to Conflicting Forces Across the Business Environment

3. Performance Measures To Tell The Whole Story



Bringing the Financials to Life

Bringing the Financials to Life

1. Context is Key

An organisation's balance sheet tells us the value of a business?

TRUE

At the year-end a company's profit is either in the bank or in the accountant's drawer?

FALSE

If a company's share price rises, it has more money?

If I compare the results of two companies, the one with the most profits has done better.

Bringing the Financials to Life

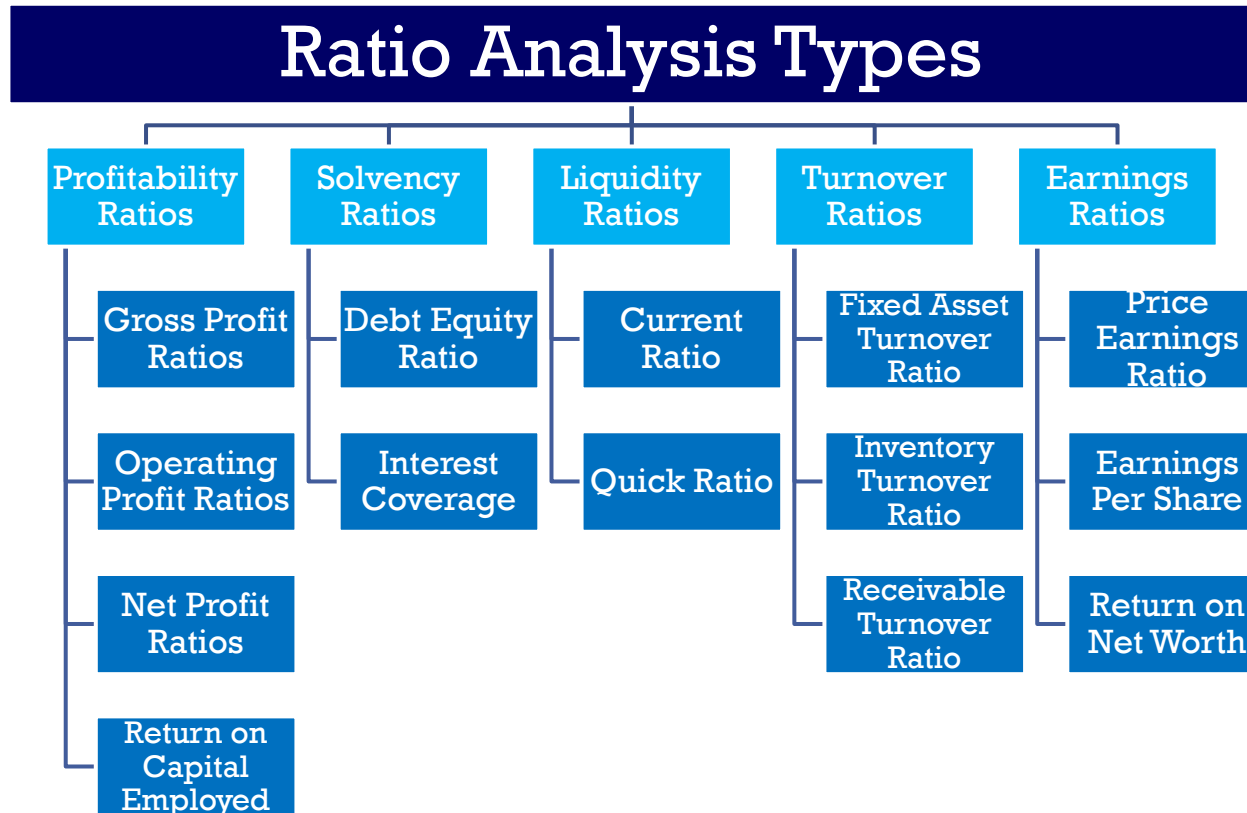


1. Context is Key

	Budget			Actual		
	<u>Volume</u>	<u>Sales Mix</u>	<u>Gross Profit</u>	<u>Volume</u>	<u>Sales Mix</u>	<u>Gross Profit</u>
Standard	4,000	40%	£20	3,300	30%	£21
Luxury	6,000	60%	£5	7,700	70%	£4
Total	10,000	100%		11,000	100%	
				Standard	Luxury	Total
Sales Qty Variance				(14,000)	8,500	(5,500)
Sales Mix Variance				(22,000)	5,500	(16,500)
Sales Price Variance				3,300	(7,700)	(4,400)
Total Variance				(32,700)	6,300	(26,400)

Bringing the Financials to Life

1. Context is Key



Bringing the Financials to Life

1. Context is Key

Financial Statements



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graph TD; A[Financial Statements] --> B[Profit & Loss Account]; A --> C[Balance Sheet]; A --> D[Cash Flow Statement]; B --> E[Details revenues, costs and expenses, and Profits or Losses]; C --> F[What the organisation owns, owes and how it is funded.]; D --> G[Cash (and equivalents) entering and leaving the organisation];
```

Profit & Loss Account

Details revenues, costs and expenses, and Profits or Losses

Balance Sheet

What the organisation owns, owes and how it is funded.

Cash Flow Statement

Cash (and equivalents) entering and leaving the organisation

Bringing the Financials to Life

1. Context is Key

E.g. 3 year insurance policy?

Total Cost = £30,000

	End of Year 1	End of Year 2	End of Year 3
Profit and Loss Account	£10,000 Expense	£10,000 Expense	£10,000 Expense
Balance Sheet	£20,000 Current Asset	£10,000 Current Asset	-
Cash Flow Statement	£30,000 Cash Outflow	-	-

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