

# FOCUS

FINANCE

The magazine for  
CFG members  
February 2022



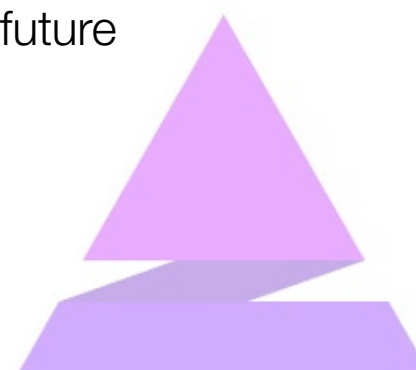
INSPIRING  
FINANCIAL  
LEADERSHIP

# TOMORROW'S WORLD

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finance leaders  
starts here



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big changes,  
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# How can we create tomorrow's world?

This month's theme – 'tomorrow's world' – has taken on a slightly more poignant meaning, with the war in Ukraine occupying all our thoughts. As we look for ways to make sense of the unfolding events, I think it's fair to say that it's natural to feel saddened and perturbed.

On page 3, you'll find a link to our latest blog post by Dr Clare Mills. Clare shares her initial thoughts on what the war means for the sector and the communities we work with. We'll be bringing updates on this for as long as we need to.

On page 5, Caron Bradshaw OBE asks, 'where have all the (good) leaders gone?' and considers how leadership has changed in the 21st century. And on pages 6 and 7, we set out the latest policy developments and the benefits of Brexit.

Tomorrow's world is the focus of our cover feature this month, inspired by this year's CFG Innovation Conference. On 2 February, four expert speakers explained how they are successfully leading innovation in their organisations. I hope our top take-aways on page 8 will help you in your mission to create a better future.

With this in mind, on page 10 we look at CFG's flagship development tool – The Finance Journey. We explain what it is and how it can be used, no matter what your organisation's size,

shape and purpose. If you're looking to nurture your team's transformational leadership, it might be time to start your journey.

'Change is inevitable; change is constant' so it's important to be prepared!

On page 11, Ed Symes from Lane Clark & Peacock LLP explains the new rules on pensions scheme funding and how they could affect your decision-making.

Leading change does not have to be a lonely journey. On page 12, Carol Rudge at HW Fisher reflects on why coaching is a privilege and on page 13, Zoe Bennett and Jessica Meddick celebrate the success of CFG's Mentoring Scheme.

On page 14, we chat with Dr Clare Mills in the second part of our 'getting to know you' interview. Clare shares her take on some of the sector's biggest issues and what the sector can do to ensure it is fit for the future.

And one final and important piece of news – tickets are now available for our 2022 Annual Conference: Purposeful and Empowering! It will be the first time in three years that we'll be holding the event in-person. There is no better chance to meet with like-minded finance professionals to swap stories and share best practice. See opposite for more information and to book your place today. We're really looking forward to meeting you there!

Take care,  
Emma Abbott  
Communications Manager

CFG

30 JUNE 2022

ANNUAL  
CONFERENCE

PURPOSEFUL  
AND EMPOWERING

The CFG Annual Conference 2022 is back and we are ready to welcome you in person on 30 June 2022 at the etc.venues' centre, 133 Houndsditch, London, EC3A 7BX.

Come and join us for the biggest CFG event of the year for charity finance professionals.

There will be five separate streams and more than 20 sessions and interactive workshops around this year's theme Purposeful and Empowering.

We will be joined by sector leading speakers, and more than 40 corporate exhibitors, bringing their expertise to support you and your charity with the challenges you face.

Some of the notable charities and corporate partners that you can hear from include:

- Shelter
- Royal Mencap Society
- Blind Veterans
- LIVES
- HSBC
- HW Fisher
- PWC

If you're looking for new ideas and inspiration, knowledge and opportunities, register now and share the news!

A limited number of Early Bird tickets are available at £266 until 31 March – a saving of £70 on the full members' price.

To make CFG's Annual Conference more accessible to our members, we are offering a limited number of tickets at £218 each to our charity members with turnover of under £1million, a saving of £118 on the full members' price.

Once these tickets have been sold, tickets will only be available at the standard members' price, so don't miss out – book your tickets now!

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# The Power of Partnerships

## CFG publishes Annual Report

**CFG has published its Trustees' Annual Report and Financial Statements for the year ending April 2021. *The Power of Partnerships* sets out how CFG continued to innovate and strengthen its offering to the charity finance community and amplify its voice, despite it being a difficult year.**

The financial statements reflect the challenging environment charities and membership organisations continue to operate in. For a consecutive year, the charity recorded a deficit (-£0.16m) and drew down on its reserves. Income and expenditure also decreased (26.2% drop in income, offset by a 25.9% drop in expenditure).

The prolonged effects of the Covid-19 pandemic and associated restrictions meant that income from CFG's events programme – which includes flagship events such as the CFG Annual Conference and the Annual Dinner – was impacted.

For the first time in CFG's history, direct fundraising was undertaken to boost income. The Government's Coronavirus Job Retention Scheme was also made use of and grants were secured to provide new membership bursaries and services.

Rui Domingues, Director of Finance and Operations, commented: "Our financial position reflects that of so many other charities, many of whom are our members. During the year, we pulled on most of the levers available to us and as a result of that

decisive action, the year's deficit was smaller than originally forecast.

"Cost reductions, generous grant-makers and an investment in new ways of working meant that we could seamlessly deliver our services and programmes to our members and partners. By quickly converting to digital delivery, those people who might not have traditionally been able to access all our programmes were able to.

"Despite continued pressure on finances we can look ahead to 2022 and beyond. We expect to experience further deficits as the current year ends this March, but we are working hard to ensure CFG's viability. The loosening of restrictions means we will return to a live events programme. And ongoing investment in our digital services will ensure that we can serve even more charities, large or small, anywhere in the UK. This gives us greater confidence in the future."

Gary Forster, Chair of the Board of Trustees, said: "It's an overused description, but it has been an unprecedented couple of years. The year challenged every aspect of our charity's operations and finances. However, through the power of our partnerships, we are in a more stable position in 2022.

"I am extremely proud of how the board, senior management team and staff navigated the very difficult course that was set out by the Covid-19 crisis, whilst they dealt with the personal challenges of the pandemic. Together, we reduced costs and losses far quicker than we first predicted, without making redundancies.

"We cannot avoid the continued pressures of the current economic and political



situation. Tax increases, inflation, new Covid strains and a turbulent political and social environment all present significant risks. But, despite these, we will continue to ensure CFG remains relevant and impactful, by supporting our members, responding to their needs and being a powerful voice for the sector.

"If this past year has taught us anything, it has taught us the importance of a charity sector that is financially confident, dynamic and trustworthy and how we can inspire that."

CFG's CEO, Caron Bradshaw OBE, added: "There are still tough times ahead, but it is because of the support of our community – our members, partners, volunteers, trustees, and staff – that we are on a more sustainable footing heading into 2022. I would like to sincerely thank them all from the bottom of my heart."

[View the 2021/22 Annual Report.](#)

## Caron Bradshaw receives OBE

On 2 February, The Princess Royal presented CFG's CEO, Caron Bradshaw OBE, with her medal. The investiture took place at Windsor Castle. Adeela Warley OBE, CEO, CharityComms and Jane Ide OBE, CEO, Creative and Culture Skills were among the other charity leaders who received their medals this year.

### Congratulations



## Russia-Ukraine

### Some initial thoughts

On 24 February, Russia invaded Ukraine after years of growing tension. It's a significant event in global geopolitics and the ripple effects are felt far and wide. Clare Mills, CFG's Director of Policy and Communications, has shared her initial thoughts on how the escalating conflict could impact charities. [Visit the CFG website to read more.](#)



## Investing responsibly for your charity's brighter future

As a responsible and sustainable investment manager with a charitable heritage, our specialist funds for charities are designed with you in mind. And, because of our rigorous screening process, you can be sure that your investments will align with your charitable values, whilst protecting your charity's reputation.

Be illuminated on how we can deliver profits with principles for your charity.

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# Welcome to our new members!

- [Brent Wandsworth and Westminster Mind](#)
- [Butterfly Conservation](#)
- [Devon Wildlife Trust](#)
- [Exeter Historic Buildings Trust](#)
- [GamCare](#)
- [Heart of England Forest](#)
- [Independent Age](#)
- [Leicestershire Action for Mental Health Project](#)
- [Quadrature Climate Foundation](#)
- [Welsh Centre for International Affairs](#)

## Small charity support: What keeps you up at night?

**Do you lead a small charity? Are you juggling lots of balls and wearing different hats? We get it! Over the past two years, we’ve all had to adapt our services at pace, invest in new ways of working and rethink how we can best support our communities.**

CFG continually reviews its support and services and recently asked small charity members what was keeping them awake at night. In response, CFG is now developing a stream of [new content](#) specifically aimed at small charity members.

Jessica Meddick, Senior Membership & Insight Officer at CFG, explains: “As we return to the ‘new normal’, we are reviewing the many positives that have come out of the pandemic. During this time, we’ve had the opportunity to take a fresh look at the support we offer and how we offer it. This has given us the chance to connect with many more smaller charities about their needs.

“We know that our members are short on time and are keen to make sure they stay up-to-date. It can be difficult to keep on top of changes or find sources of inspiration. To help with this, we’re tailoring new content to address these concerns and we’re looking again at the issues that keep small charity leaders awake at night.”

If you’re a small charity finance professional, CFG wants to hear from you! If you have questions about an aspect of charity finance, or would like to share best practice or a case study with the community, please get in touch.

Jessica adds: “We want to be led by our members and actively encourage feedback and connection. Please don’t hesitate to get in touch if you have ideas on how we can do that. We want to make 2022 the year we smooth the path for small charity finance professionals.”

[Email Jessica](#)

# Membership fees change

Ensuring even better support, wherever our members are based

To reflect changes in how CFG’s services and benefits are provided, CFG is making some necessary changes to its membership pricing structure from 1 April 2022. **These changes will only affect charity members outside of London and South East region.**

Jitesh Mistry, Head of Membership and Marketing at CFG, explains: “Throughout the pandemic, we have been supporting our members as passionately as ever, and we’ve been #NeverMoreNeeded. During this time, we’ve pivoted our member benefits and content to a fully digital service. Members across the country have told us they feel even more included and able to participate fully as a result.

“In 2022, we are continuing to develop our digital resources and ensure fair access for all our members. To support this work, as of 1 April we will start to

bring the fees for regional members into line with our London-based organisations.

“To support members with this change, a two-year transitional membership fee structure has been put in place. Those member charities that renew their existing membership on or before the deadline of 31 March 2022 will be able to benefit from this transitional arrangement.”

The table below illustrates the fees that will apply based on your charity’s income.

Jitesh continues: “We want to keep serving all our members, regardless of where they’re based. By taking this action now we will ensure that CFG’s future is on a more sustainable footing. I’d like to thank all our members for their understanding and continued support during this time – it means a great deal to us.”

**[Log into the CFG website and renew your membership online today!](#)**

CFG Charity Membership Fees 2022/23		
Charity Gross Income	Annual Transitional Fee before 1 April	Annual Flat Fee after 1 April
£100m+	£1,331	£1,558
£50m-£100m	£1,188	£1,406
£25m-£50m	£954	£1,094
£10m-£25m	£785	£904
£5m-£10m	£542	£617
£1m-£5m	£336	£391
£250k-£1m	£201	£226
< £250k	£84	£96

# New CFG discussion group gets off to a flying start

**‘No question is too small’ was just one of the conclusions from the first meeting of the newly formed Finance Leaders Discussion Group in February.**

The new group’s chair, Jon King, welcomed finance leaders from a wide range of member organisations.

The group hit the ground running by sharing advice and best practice, with topics ranging from operational issues to innovative approaches. The group also talked about how to make the most of connecting with peers online.

CFG’s Senior Insight and Membership Office, Zoe Bennett, has worked with Jon King to establish the group: “Last year, CFG’s membership team noticed that we had an influx of finance leaders who were new to CFG and had recently entered the sector. We also have a huge community of long-standing members with extensive experience of charity finance. Along with Jon, the group’s chair and ambassador, we felt this would be a perfect opportunity to create a space for charity finance leaders to come together and connect.

“This new group is comprised of representatives from a wide range of non-profit organisations, all with a common desire to learn from their peers and share their experiences and knowledge. Huge thanks go to Jon for driving this group forward and bringing this vision to life. We are both looking forward to how the group will evolve.”

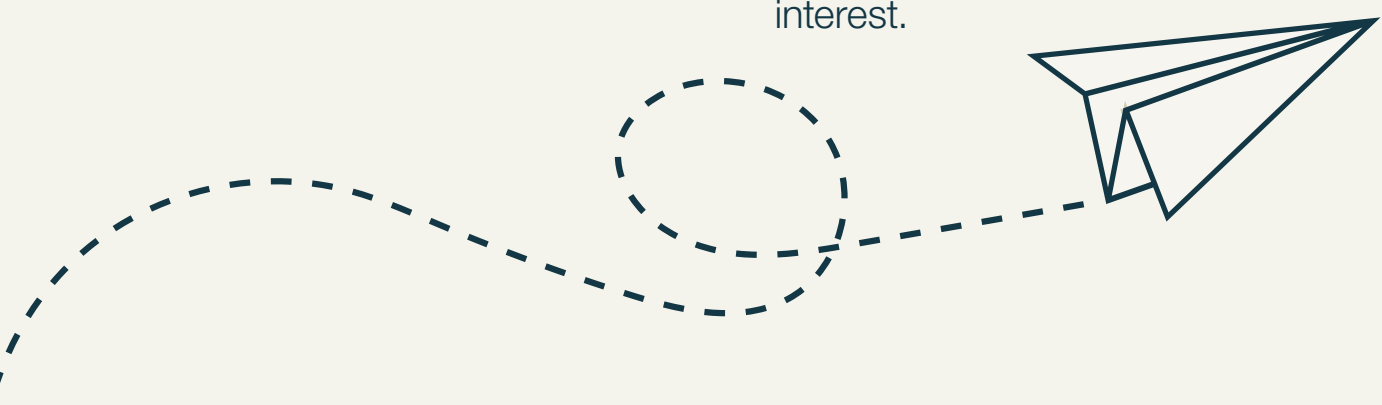
Commenting on founding the group, Jon said: “Whilst I am a Treasurer to a small local charity, I am brand new to working in the charity sector. **Being brand new to the charity sector, it’s very important to me** to feel supported, to be able to bounce ideas off colleagues who have perhaps experienced similar issues and in turn, to provide advice and support where I can.”

**Who is the group for?**

The new Finance Leaders Discussion Group is open to all CFG members and directed at finance leaders, including those who have recently entered the sector as well as those who would like to share their experiences. It is limited to one representative per organisation.

**How do I join?**

[Email Zoe Bennett](#) to express your interest.





# Where have all the (good) leaders gone?



**Caron Bradshaw OBE**  
CEO, Charity Finance Group

**You may be feeling the same as me at present – that what we need, at all levels and in all aspects of our lives, right now is leadership. I’d prefer great leadership of course but, frankly, I’d settle for good at this point!**

I have written many times on what I think good leadership is and I’ve also written on the ideology and absence of it, and how this impacts the ebbs and flows of policy development within government.

Whether it’s the crisis within the Met Police or the culture of Downing Street, the absence of positive, healthy leadership feels fundamental to what is going wrong. Leadership that sets and embodies values, that codifies and models the necessary associated behaviours are essential.

Without good leadership, policies are thin, vague and undeliverable. Without it, the lowest common denominator becomes the norm and, most critically, people suffer. And there is another ingredient essential in all of this – power.

This month, I was privileged to speak at an event held by the Dialogue Society, looking at inequality and how we address this in a post-Covid-19 world. Two words were repeated time and again – power and resource. Without both, change is impossible. Their importance is being demonstrated as I write, as we watch events unfolding in Ukraine and Russia. The protests in Russia hint at change – but do the protestors have the power and resource needed? Whatever the situation, without both, change is impossible.

**Influence and intentions**

I’ve also been prompted to ruminate on these issues recently by the raft of policy announcements, the most significant being the Levelling Up white paper. As Richard Sagar, CFG’s Head of Policy, notes over

the page, there is great potential in this work but only if the seeds – sown by our colleagues in the DCMS after much work to recognise the importance of social infrastructure – actually bear fruit.

“  
*Leadership that sets and embodies values, that codifies and models the necessary associated behaviours are essential.*

The early signs are promising. DCMS has expressed a desire to co-create solutions and there’s a desire to collaborate with, and across, the sector. This gives me hope for the future. There’s always a ‘but’ though, isn’t there? I remain cautious because past big ideas evaporated when the sector didn’t perform as the Government expected and desired. The Big Society flagship programme led by David Cameron a decade ago still haunts many of us.

**Shifting leadership and power**

The Big Society concept failed because it was just that – a concept, a slogan that evolved into a shopping list of things for the Government to do. Whilst its aims were no less admirable (radical, even) than those behind the Levelling Up policy, it didn’t draw the right people in at the right time. It didn’t hand others the tools to do radical things.

Outsourcing the risk to communities whilst failing to provide the power or resources necessary to make things work is not the right kind of shift. If you don’t devolve power then you exacerbate existing inequalities.

If you purport to give up power but fail to also grant access to resource, then your move is little more than an illusion. Being the author of your own destiny is difficult without the metaphoric pens and paper!

There is a growing sense that securing a deal which sounds good but compromises on the needs of those we serve isn’t leadership – it’s self-interest. If the influence I can have leads to continued disadvantaged for others, I’d rather not have it. The price is just too high.

There are some who would say the sector itself is suffering from an absence of leadership. I think it is more accurate to say that the shape of leadership has shifted and the form it’s starting to take now – albeit not at a pace that some would like – is different, more compassionate. It is a leadership style that genuinely seeks to shift power and resource to those who most need change, a form of leadership that I hope will deliver real lasting change.

This leadership style doesn’t operate via big announcements, grand plans, PR-worthy gestures and larger-than-life personalities which frequently amount to much less than the press releases promises. As I’ve said before, it can be *difficult and messy*, but small definite steps can and do *permanently* change the story.

Change is coming and we will do what we can to make it lasting, equal and inclusive.

“  
*Being the author of your own destiny is difficult without the metaphoric pens and paper!*





# Levelling Up and charities

## The good, the bad and the unknown



**Richard Sagar**  
Head of Policy, Charity Finance Group

“  
*The biggest criticism we have of the white paper is the lack of tangible investment.*”

**The beginning of February saw a flurry of announcements of direct relevance to the charity sector. The Government has offered their response to the Kruger Report on civil society, and the UK Shared Prosperity Fund: pre-launch guidance has also appeared. But perhaps of greatest importance is the launch of the much anticipated (and much delayed) Levelling Up white paper.**

As others have pointed out, the overall sense from the almost 400-pages long document is that the ambitions laid out are noble ones. The 12 Levelling up missions offer a renewed focus to address spatial economic disparities throughout the United Kingdom.

**A role for civil society**

The paper also signals a step change in that government recognises the

importance that social infrastructure has for our collective wellbeing. There is also a frequent acknowledgement that civil society has an important role to play working in partnership with public and private sectors to overcome the challenges outlined in the paper.

It is also positive that the Levelling Up Advisory Council has representation from Civil Society, with Sacha Romanovitch,

CEO of Fair4all Finance, providing advice on matters relating to the design and delivery of levelling up. Romanovitch will be a lone voice as civil society’s only representative, sitting alongside colleagues from the private and public sectors.

In addition, there will be a number of expert advisory sub-committees, but the membership of these is currently unclear, although their themes listed include ‘local communities and social infrastructure’ i.e. examining the role of neighbourhood policies and strategies for building community capacity in left behind areas. We would hope to see strong representation from the charity and voluntary sector on this sub-committee.

It is also hard to determine exactly how else the charity sector will be engaged directly in the delivery of this ambitious programme. As plans develop, we can expect to be engaged in representing the interests of service users and beneficiaries,

and working to have their voices heard.

The biggest criticism we have of the white paper is the lack of tangible investment. There are three pieces of funding that relate directly to the charity sector (aside from the Shared Prosperity Fund which we shall address later):

- £44m from dormant assets, of which £20m will go through the Youth Futures Foundation to help young people from disadvantaged backgrounds. It’s a multi-year programme, yet it doesn’t specify for precisely how long the funding will be for. But it will focus on young people progressing into work in their local area.
- £20m to Access (the Foundation for Social Investment) to provide finance to over 1,000 charities in the more deprived areas in England.
- £4m to Fair4all Finance to provide affordable consolidation loans for people in financially vulnerable circumstances.

While these additional pots of money are to be welcomed, they aren’t remotely sufficient to match the scale of the problem outlined in much of the white paper.

**Big concerns about the UKSPF**

Perhaps the most concerning announcement did not come directly from the Levelling Up white paper, but from the accompanying UK Shared Prosperity Fund: pre-launch guidance.

It confirmed what was announced at the Spending Review: that the amount provided (£2.6bn by March 2025) will not match the amount provided by the EU.

So far so bad, but there was also further bad news that funding for ‘people and skills’ will not begin until 2024-25. This is deeply disappointing as it would support those furthest from the labour market to develop skills and overcome labour market barriers. However, the guidance does state ‘we will maintain the flexibility to fund

voluntary sector organisations delivering locally important people and skills provision, where this is at risk due to the tail off of EU funds.’

There is at least a commitment to provide stop-gap funding for projects that are winding down in the interim. Although with ESiF funding running out, 2024-25 will be too late to support many projects and therefore could fall short on the Government’s mission to reduce economic inequality across the UK.

**Final thoughts**

There is much to commend in the Government taking a new approach to building social capital and prioritising wellbeing within the economy, but it is too soon to tell how much impact that this will have on overall government policy.

As Pro Bono Economics have **pointed out** much of the success of this programme of work will depend on how much buy-in occurs outside DCMS and DLUHC, particularly if there is buy-in within the Treasury. If additional money is not made available, then the **ambitious 12 missions** to level up the UK will not be delivered.

Aside from the scepticism and concerns about some of the specific policy announcements, there is much to embrace for civil society here. It is up to us to try to work with the Government, to push them further and ensure delivery of the funding which will make the levelling up ambition a reality.



# The benefits of Brexit

## What does it mean for our sector?

Clare Mills, Director of Policy and Communications, Charity Finance Group



With the publication of the 102 page report The Benefits of Brexit in the same week as the extensive Levelling Up white paper and the response to the Kruger Report, the Government has given the charity sector a lot to read lately.

So, what's in *The Benefits of Brexit*? First, the report goes through what has been achieved so far, before setting out how reform will bring in better regulation. Finally, the report sets out the Government's vision statements for the future of different policy areas. What struck me as I read was the opportunity that the current situation creates for a deepening of understanding between the Government and the charity sector – but also the massive effort that will be required to cultivate that understanding. It's often said that "the Government simply doesn't understand the charity sector" and that a better understanding of how charities work,

what they do and the impact they have would increase the Government's ability to accept charities as professional, a source of expertise, creative and innovative partners. Equally, how many of us in the charity sector can honestly say we understand the linkages between the component parts of the Government machinery? Do we know how ideas become policy which then informs spending decisions, and how to bid successfully for that funding? There are some other areas where we think there could be benefits for charities; as ever, this will depend on a combination of policy makers' understanding the sector, political will and what the detail looks like.

**Procurement**  
The Government has published its response to last year's consultation on the procurement green paper (more lengthy documents). It says this will enable 'the £300 billion spent on public procurement each year to generate social value and unleash opportunities for small businesses, charities and social enterprise to innovate in

“...how many of us in the charity sector can honestly say we understand the linkages between the component parts of the Government machinery?”

public service delivery.' The Government intends that tender evaluation will switch from Most Economically Advantageous Tender (MEAT) to Most Advantageous Tender (MAT). This is a helpful change and will encourage the inclusion of social value: when determining evaluation criteria, authorities can take a broader view of what can be included.

**VAT**  
Along with Charity Tax Group, we've previously called for the Government to introduce a new special charity VAT rate on purchases, to complement existing reduced and zero rates and the social exemptions. This would be the first part of a longer campaign to reduce the amount of irrecoverable VAT for the sector to zero.

**UK Shared Prosperity Fund**  
Part of the levelling up agenda, this is an opportunity to improve on past regeneration programmes which have invested in physical infrastructure but failed to support the social infrastructure to ensure it connects with the people who really need it. We are rapidly approaching the end of funding put in place during our EU membership and there is still a lack of clarity around how and when the SPF will come into full effect.

However, we do know that the amount provided (£2.6bn by March 2025) will not match the amount of funding previously provided under the EU. So, it will be even more important to make sure that funding is used to maximum effect and creates long-lasting positive change. Some of the SPF is aimed at improving skills and helping people into the labour market but we have learned this funding will not be available until 2024/25. The Government has said that flexibility to fund VCSE organisations will be available where people and skills provision is at risk when EU funds end.

**State Aid**  
With new rules on subsidy control and the announcement that the Government is now looking at how to reduce red tape, CFG is keeping a close eye on developments.

“The sector has significant insight which is valuable in the co-creation of regulations.”

The Subsidy Control Bill is currently making its way through the House of Lords; we are seeking explicit guidance that charity tax reliefs such as Business Rates Relief and Gift Aid are not classed as subsidies. The Government has said that one of the lasting benefits of Brexit is that we can make the most of regulatory freedom. “Better regulations, co-created with businesses” is good news – involving the

organisations that will be affected by regulation in the design process gives a much better understanding of potential unforeseen consequences, and can mitigate or remove problems at an early stage. Charities aren't businesses – but financial leadership in charities puts their operation on a much more business-like footing, and many organisations across the sector have trading companies or are set up as social enterprises and are operating in the commercial space. The sector has significant insight which is valuable in the co-creation of regulations. Alongside other sector infrastructure organisations, we'll be continuing to make the case with government ministers and officials that charity knowledge and experience enriches the development of regulation. Let me know what you think. [clare.mills@cfg.org.uk](mailto:clare.mills@cfg.org.uk) [More on Brexit](#)

Do you have a good story to tell?  
Are you an expert in your field  
with insights to share with other members?

*Finance Focus* goes to more than 2,000 named recipients each month, all of whom play an active role in charity finance and the wider sector. As part of the CFG membership community, you're invited to contribute news stories, technical articles and opinion pieces for publication in *Finance Focus*. If you would like to discuss your ideas, or submit an article or column proposal, [please get in touch](#). We'd love to hear from you!

Write for Finance Focus!



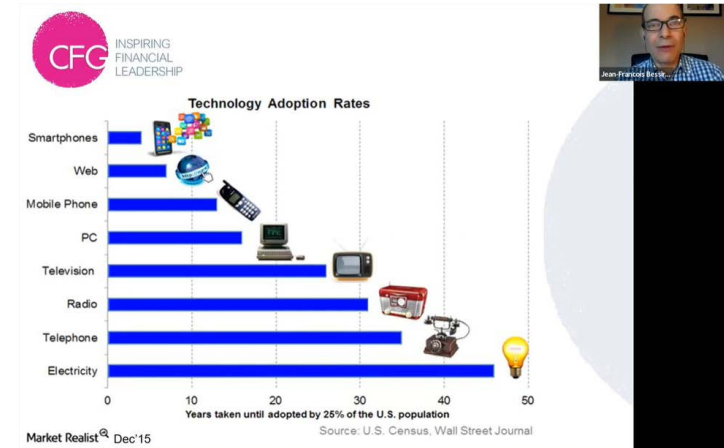


# CREATING TOMORROW’S WORLD

At this year’s Innovate for a Better Future Conference, in association with Crowe, CFG welcomed four speakers from diverse backgrounds to share their insights on innovation. Expertly chaired by Naziar Hashemi, here are ten things we learned:

1. Keep up, stay relevant or be doomed.

The speed of adoption of new technologies is increasing with every passing decade. There are no signs of this abating and if anything, it continues to accelerate. 2021 marked the fastest ever rise in technology adoption in the past decade. Charities need to keep up if they’re to remain relevant and meet their charitable objects.



Jean-Francois shows how technology adoption is speeding up.

2. Innovation means failure. And iteration.

“If you’re not failing then you’re not innovating”, says Jean-Francois Bessiron, International Vice President at Groupon and former Amazon executive. “It can be hard when you have limited resources, but the key is to learn fast and fail fast.” Jean-Francois shared examples of how painful and expensive failures evolved into huge successes, including Amazon’s Alexa which was borne out of the \$170m failure of Amazon’s Fire phone. “Innovation isn’t something that happens overnight. For example, the BBC’s homepage shows how seamlessly, over time, the homepage has been iterated. The changes over the years are imperceptible to the naked eye... There’s one thing that customers hate and that’s when things look completely different overnight. You’ve got to take them on that journey, so innovation isn’t always that big curtain lift.”

“  
*Uber, the world’s largest taxi company, owns no vehicles. Facebook, the world’s most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world’s largest accommodation provider, owns no real estate. Something interesting is happening.*  
Tom Goodwin, TechCrunch, 2015

Speakers

**Conference Chair: Naziar Hashemi**  
National Head of Social Purpose and Non Profits, Crowe

**Jean-Francois Bessiron**  
International Vice President at Groupon

**Jo Kerr**  
Director of Impact and Innovation, Turn2Us

**Daisy O'Reilly-Weinstock**  
Director of Big Bets

**Gareth Mulcahy**  
Head of Product: Events and Sports, Cancer Research UK

3. Begin at the end – write the press release!

If you don’t know your audiences and you can’t explain the problem you’re solving and why, in plain English, then it’s time to go back to the drawing board. Writing a press release before the process of innovation has begun will help the process flow in the right direction, with the right ideas and people.

This sense-checking technique was one among several that Amazon use. Jean-Francois explained: “Writing a press release really hones you in on the problems that you are trying to solve and gets to the root cause of what you’re trying to do. I would definitely encourage you to use this technique, to force you to think about exactly what you mean by innovation.”

Read on to find out more...



But why? Over to Daisy O'Reilly-Weinstock, Director at social impact innovation consultancy Big Bets!

4. Insight and foresights matter.

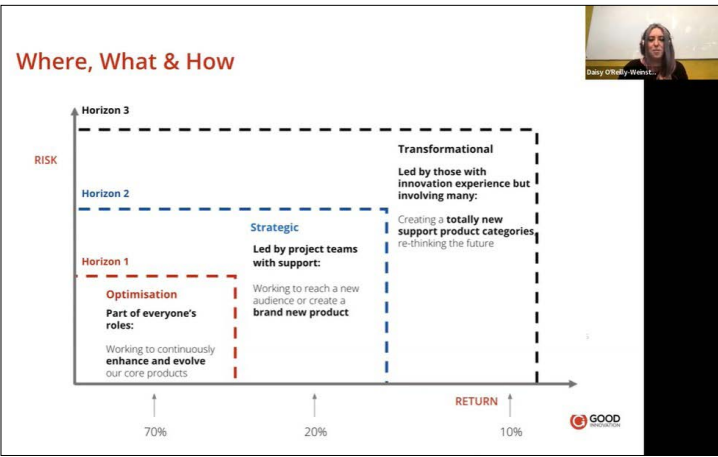
The pandemic has changed expectations, states Daisy. “We’ve moved [consumers] into this digital age and the people you’re working with now expect you to be where they are. And that’s why we have to keep innovating.”

Daisy continues: “Innovation is about insight, it’s about understanding the audience you’re trying to engage with, whether that’s about fundraising, service provision or recruitment. You try to understand where that audience is, what their needs are, what their problems are, what their challenges are.

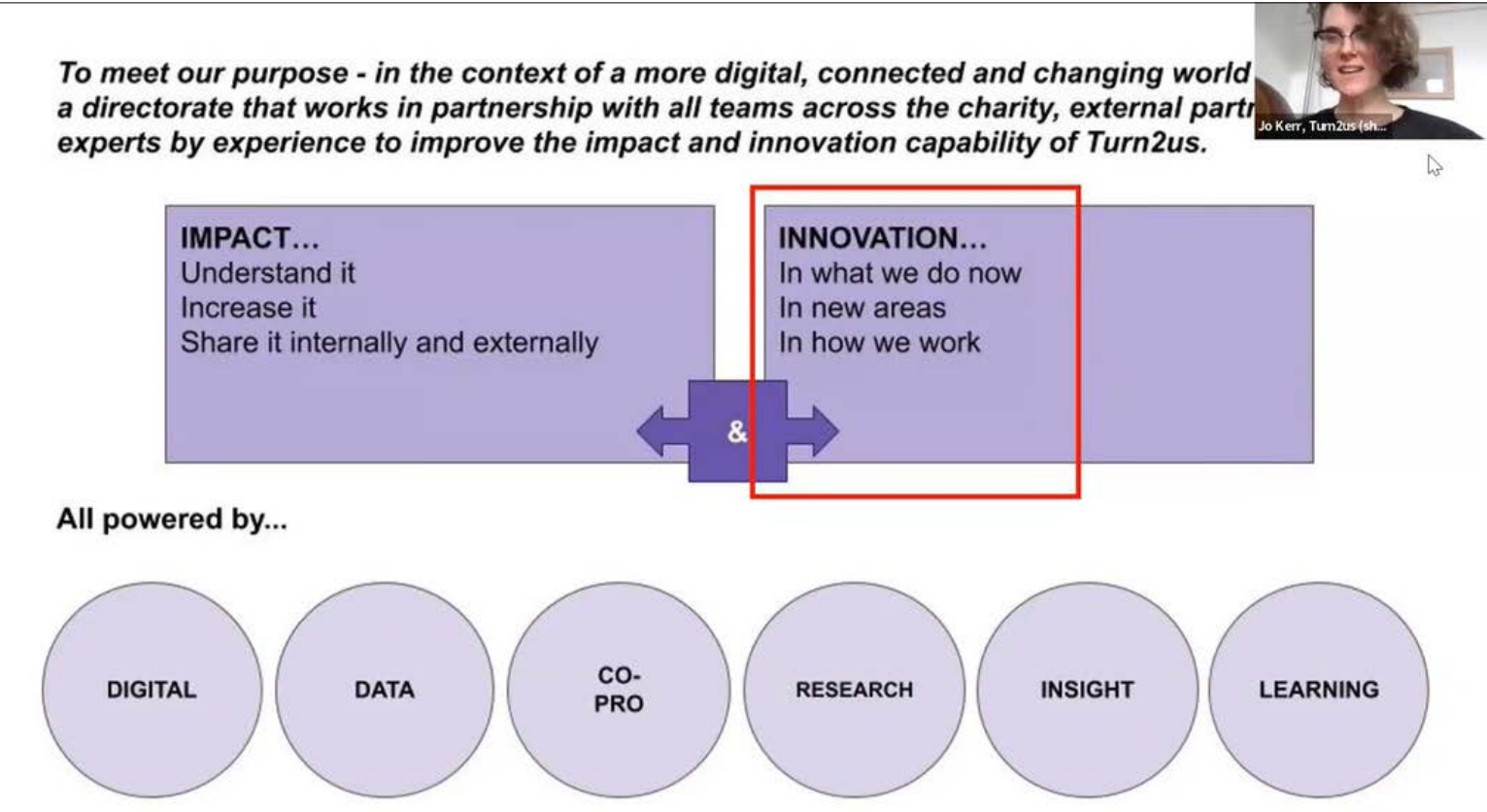
“And innovation is also about foresight – understanding how the world around them is changing and how those needs are going to be answered differently in the future... You’ve got to have your start points grounded in the real needs and the challenges of the those you’re trying to engage with.”

5. Horizons help us to see further and plan financially.

Innovation should be the DNA of every organisation, says Daisy. Charities were forced to innovate during the Covid-19 pandemic but how can this continue? How can it be affordable? Where best to focus efforts? This is where McKinsey’s three horizons model comes in. Daisy explains that the model breaks down



Daisy O'Reilly-Weinstock shares McKinsey’s three horizons model with delegates.



Jo Kerr explains to delegates how Turn2Us makes sense of innovation.

innovation into three horizons: 1. Optimisation 2. Strategic 3. Transformational/radical. Optimisation is about incremental improvements – remember the BBC’s homepage – and should be about 70% of innovation activity. Strategic is around 20% and is about spotting trends and opportunities, going where the gaps, markets and audiences are. Finally, the transformational or the radical: Jean-Francois’ big ‘curtain lift’. Only 10% should be radical innovation.

This model, explains Daisy, can help with budgeting and planning for innovation.

“It takes time to figure out what innovation is and how it happens in each organisation.”

6. Innovation needs a home.

Someone needs to own it! Without a home innovation doesn’t thrive. Daisy explains: “There are lots of different ways to deliver innovation in an organisation. You do not have to have a separate product team and it can be part of everyone’s business, but it needs a home – someone who is accountable, who is responsible, who is going to champion it and who is going to ensure that it is pushed through the organisation.”

For Jo Kerr who is Director of Impact and Innovation at Turn2Us, the team’s role is not ownership but facilitation.

Over to Jo...!

7. It takes time.

It takes time to figure out what innovation is and how it happens in each organisation. Defining what innovation looks like is the first step. For Turn2Us innovation is: ‘Implementing new and creative ideas to better the lives of the people for whom we exist and improve ways of working.’ This definition helped Jo and her team recognise what innovation was, as well as when and where it was needed. This led to a new finance system which, at first glance, may not have been considered as innovation.

8. Innovation needs investment.

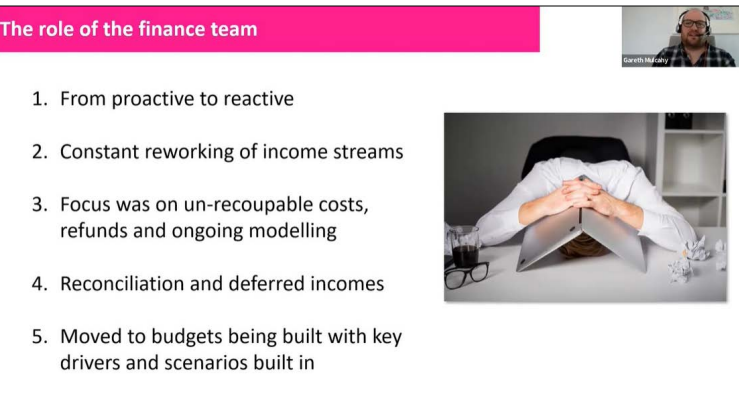
Funding innovation is crucial but it doesn’t have to start with big budgets. Jo advises setting aside a fixed portion of income to support new ideas. “Once you’ve got that proof of concept, you can add to the pot and continue to invest, but it’s important to ringfence funds so that you’re de-risking while you’re trying out your new ideas.”

Jo says that’s it’s important to understand the potential and true costs of scaling up good ideas and, again, it’s important to know when to move on, even from a good idea: “In the start-up world they assume that a good idea is going to continue to be invested in, but I see in a lot of charities that the ongoing funding isn’t there,” says Jo. “So have an agreement about the next step and how you’ll move forward from the seed funding. For example, it might be the 50k one-off grant that you’ve been able to get from a funder to develop the product.”

9. Assume nothing and hold you nerve!

Necessity is the mother of invention and there’s nothing like a crisis to kick-start new ideas. This isn’t lost on Gareth Mulcahy from Cancer Research UK who, during the Covid-19 pandemic, led the team that adapted the charity’s live mass participation events, including Race for Life.

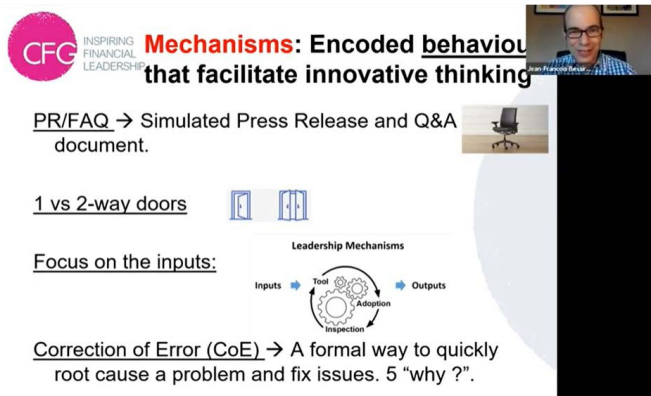
Agile working was key, as was testing assumptions about their supporters and audiences. Gareth says: “Test your assumptions. Don’t assume you know where your supporters are and what they want and need. Also, understand your right to play in certain fields; that’s something we think about a lot, asking ourselves ‘from a supporter’s



Gareth Mulcahy shares the role of the finance team in innovation.

perspective, does it make sense for us to be doing this?”

Holding your nerve was one of Gareth’s greatest lessons to come out of the pandemic and, as Daisy explained, the risk of innovation is managed if the right processes and people are in place: “Fear can paralyse us and means no risk is ever taken. What was fascinating about Covid-19 is that a lot of organisations have had to face some of that fear and try things differently.



Jean-Francois explains how innovation can be embedded in culture.

Speakers’ panel

Jean-Francois Bessiron, International Vice President at Groupon

Jean-Francois is a global leader with more than 20 years’ experience in Supply Chain/Commercial operations and Digital Marketing/Technology. He has held senior leadership positions with FTSE100 and NASDAQ quoted companies at Kingfisher, TechData, Amazon and most recently at Groupon.

Daisy O’Reilly-Weinstock, Director of Big Bets

Daisy is the Director of Big Bets at Good Innovation. Her career has spanned television news, edu-tech start-ups and charity strategy & innovation. With over 12 years’ experience innovation, Daisy now leads on foresight and trends through Good Futures.

Jo Kerr, Director of Impact and Innovation, Turn2Us

Jo has dedicated her career to the social sector, focusing on strategy,

“How do you manage that fear and how do you manage and mitigate those risks? It’s all about having a champion and it’s all about having appropriate key performance indicators. Innovation is everyone’s responsibility.”

10. It’s all about culture!

It’s not all about the dollars, says Jean-Francois. “First and foremost, the bedrock of innovation is about how you organise your company, how you bring techniques and processes. And probably the most important thing, how innovation sits within the culture of your organisation.”

Want to learn more about innovation, digital and how technology plays a part? Book onto next month’s IT & Digital Conference where more expert speakers will share their insights and experiences.

leadership and change through a digital lens. Jo joined Turn2us in January 2020 after two years as a freelance consultant and leadership coach. Jo is interested in innovating how we work as well as what we do, and is passionate about co-producing products and programmes with people with lived experience of poverty.

Gareth Mulcahy, Head of Product: Events and Sports, Cancer Research UK

Gareth is highly experienced in the charity sector and for over 25 years has focused on planning and delivering mass participation fundraising events to support Cancer Research UK’s life-saving research. From the sector-leading Race for Life series to the growing Shine Night Walk events, Gareth has organised, planned and developed strategies for numerous activities that has seen millions of people take part and raise money.



# Are you on The Finance Journey?

**Emma Abbott**  
Communications Manager, Charity Finance Group

**As we head into 2022 and reflect on how the past two years has forced us all to work in different ways, you might be thinking about the learning and development of your team, as well your own.**

What’s the best place to start? And how can we develop finance professionals at all levels to create a better future?

Last year, CFG launched a fully revised edition of The Finance Journey, dubbed by its authors *The Finance Journey 2.0*. It was originally the brainchild of charity CFO Simon Hopkins who saw the enormous potential for charity finance professionals and teams to transform their organisations and increase their impact.

Simon explains: “The finance professional is critical in making sure that we create sustainable social businesses. We do that not for reasons of technical purity, but because we understand the direct link between organisational health and genuine social change.

“If I had a magic wand, I would eradicate poverty, racism, gender and health

inequalities and so much more at a stroke. But we have to be prepared for the long game and we are absolutely central to that as a profession.”

**Where did The Finance Journey begin?**

It began with the notion that, with a dedicated development tool, finance professionals could connect more meaningfully with their organisation’s purpose and become empowering, transformational leaders.

Simon explains: “The Finance Journey is targeted at charity finance professionals and is designed to help them make the transition from the ‘back office’ stereotype into redefining finance as a platform for strategic organisational leadership.”

Context, as ever, is key. Simon’s original version of *The Finance Journey* was a

classic case of necessity being the mother of invention. In 2008, he was working in the public sector against a backdrop of the need for finance to be a more central element of strategy, organisational development and transformational change, and not just an administrative overhead.

When he moved into the charity sector, he brought this experience with him – as well as the potential solutions. Simon continues: “We’ve all seen the same demands in the charity sector in recent years, but we can’t just say to colleagues ‘reinvent yourselves as strategic leaders and not just administrators or technicians’.

“As long ago as 2012, Caron Bradshaw OBE and I recognised that we have to give people tools to embark on their own professional journey with confidence. That is why this model was deliberately entitled *The Finance Journey*.”

**What does the model look like?**

The model contains a set of techniques and approaches to help charity finance professionals operate at an ever more transformational level. It identifies seven levels of contribution that Finance can make to any organisation.

A central premise is that these levels are acquired or mastered cumulatively. Therefore, in order to be truly effective at those areas that provide strategic leadership or insight, the technical stuff needs to be mastered first. The model deliberately describes a progression – or journey – through several levels or stages of performance or activity.

Similarly, the model works only when finance continues to focus on the traditional responsibilities like control and reporting, as well as operating in the strategic and transformational space.

Opposite is the original model, although it can be graphically depicted in a variety of ways.

**The early adopters and adapters**

Since the launch of the first edition, *The Finance Journey* has been used by a diverse group of organisations. It has also become

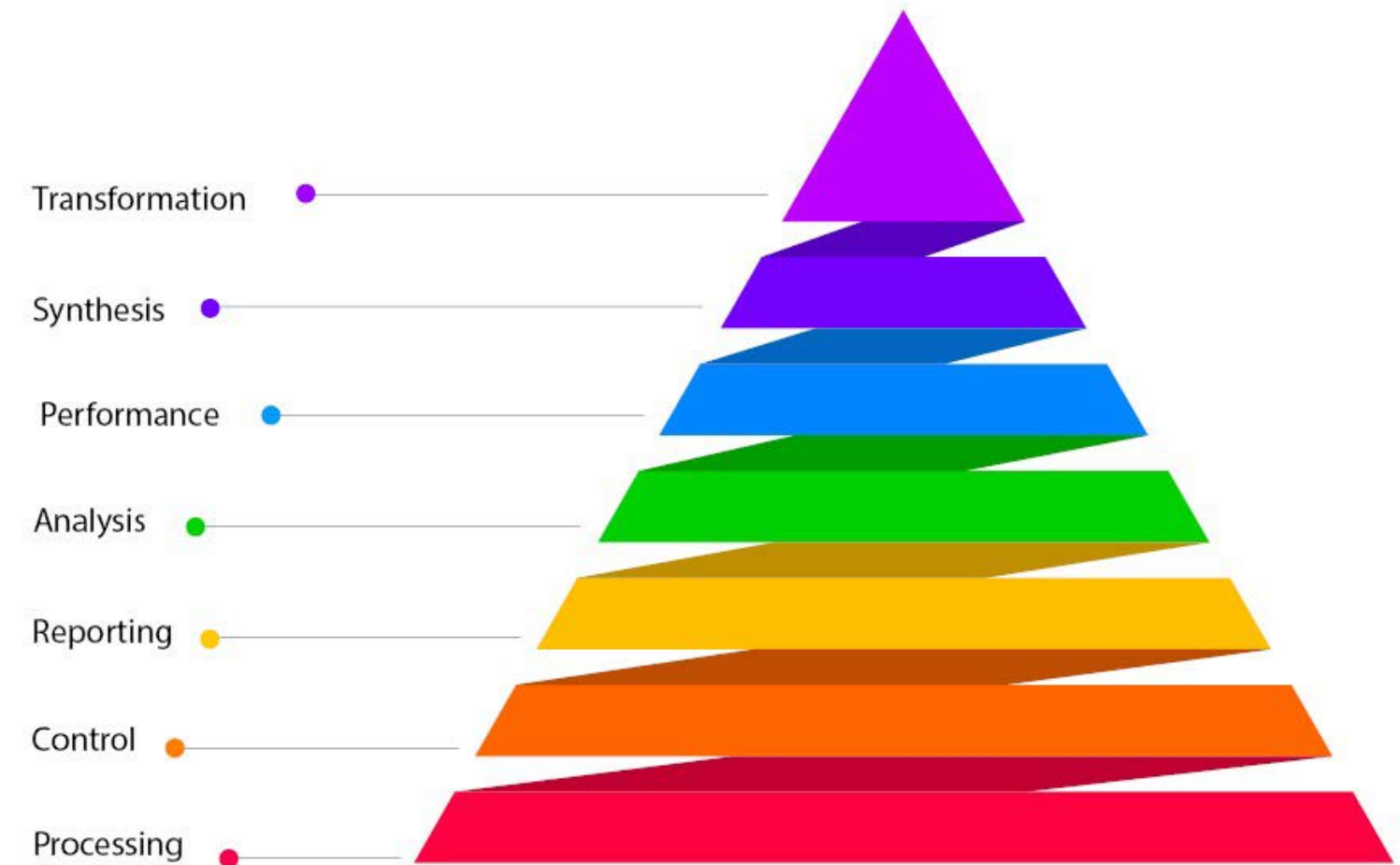
a consistent thread running through the Inspiring Financial Leadership programme. The feedback from many of these early adopters has since led to the development of the second edition.

Among other, the new edition has been co-authored by Judith Miller and Maggie Smith (co-founders of CFG’s Inspiring Financial Leadership course), Pete Knight, Finance Director of Mercy Ships UK, and Dan Haigh, Director of Finance & Information at St Richard’s Hospice.

Recalling the start of his personal Finance Journey, Pete says: “From the moment I encountered The Finance Journey on Module One of CFG’s excellent Inspiring Financial Leadership (IFL) course in October 2017, I was captivated by it.

“Here was a tool that could be simultaneously used to assess potential for organisations, create change programmes for finance functions, create personal development plans for individuals and, ultimately, facilitate leadership from finance rather than merely leadership of finance.”

Pete introduced the first edition of The Finance Journey to the Varkey Foundation, where he worked at the time, and it soon travelled to Argentina, Ghana and Uganda.



The finance teams in those countries ran with it and developed it further.

Dan Haigh from St Richard’s Hospice had a similar experience to Pete but applied *The Finance Journey* in a very different context. He was looking for a way to encourage his finance team to “change how they viewed their future from simply not making mistakes and maintaining the status quo to a future view that contained both organisation and personal development”.

Like Pete, Dan saw the potential of *The Finance Journey*. He explains: “It gave me a structured concept to enable me to coherently articulate what the future should look like.” Responding to Simon Hopkins’ invitation to smaller charities to feed back on their user-experience, Dan set out to thoroughly test the model.

Dan continues: “I started a Master’s programme with Bayes Business School and my dissertation attempted to answer the following question: ‘How good is The Finance Journey model in judging the strength of a hospice’s finance function in the view of key stakeholders?’

The conclusion? “The work done as part of my dissertation led me to conclude The Finance Journey model is valid for hospices,”

**Start your Journey today**

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[Download \*The Finance Journey 2.0\* via the CFG website.](#)

states Dan. “Once confirmed, this encouraged me to try and develop the model by creating a variation on *The Finance Journey* theme.”

It’s the model’s adaptability and universality that makes it such a powerful development tool for finance teams not only in the UK, but potentially right around the world.

Simon Hopkins concludes: “We’re delighted to have launched this second edition at a time when we know many charity finance leaders are looking at how they can hone their own skills whilst supporting their teams to become ever more transformational. Inspiring and supporting finance professionals at all levels is vital to our future impact and this can only benefit the communities we work for.

“As ever, we invite you to start your own Finance Journey and share with us how you get on. I hope that you will find it useful.”



# Pensions preparedness

## What you need to know



**Edward Symes FIA**  
Partner, Lane Clark & Peacock LLP

**Big changes are coming to the rules around pension scheme funding. Edward Symes from consultants Lane Clark & Peacock (LCP) explains what this could mean for your charity if you sponsor a defined benefit pension scheme.**

**What is changing about pension scheme funding?**

The current funding regime requires defined benefit (DB) pension schemes to have a valuation of assets and liabilities on a three-year cycle. If a valuation indicates a deficit, the trustees and employer need to agree a 'recovery plan', specific to the individual scheme. This can include a schedule of 'deficit repair contributions' and in some cases contingent funding, i.e. actions the employer will take if funding falls below certain levels. Under the current regime, the average recovery plan is longer for not-for-profits (nine years) than for-profits (six years).

The new funding regime for DB pension schemes has three key changes:

1. It is expected to offer a twin-track approach to valuations: Fast Track and Bespoke. To satisfy Fast Track, schemes will need to confirm that their funding and

investment approaches are within certain boundaries, and if they do, it is expected it will avoid further scrutiny from the Pensions Regulator (TPR). If a scheme wishes to take a Bespoke approach (i.e. one that does not satisfy the Fast Track requirements), it will need to evidence to TPR why a Bespoke approach is appropriate and can then expect greater regulatory scrutiny.

2. All schemes must agree and implement a plan to reach a low risk funding target in addition to the usual valuation discussions.

3. Less reliance should be placed on the employer, encouraging the reduction of risk in the scheme at a faster pace and shorter recovery plans.

**When might it change?**

In 2020, TPR carried out its first consultation on the principles of a new funding regime, taking into account investment strategy and employer covenant. A second consultation on the

“*The new funding regime is unlikely to be in place before the second half of 2023, but it will influence decision-making in the meantime.*”

detail of the new funding code will follow – this is now expected in late Summer 2022. The new funding regime is unlikely to be in place before the second half of 2023, but it will influence decision-making in the meantime.

**Why are things changing?**

Following high-profile insolvencies involving DB pension schemes, such as BHS and Carillion, the new regime aims to improve the protection of pension scheme member benefits. The failures of BHS and Carillion resulted in employees facing lower pensions and forced the government to step in and run the schemes.

**What did the consultation say about charities?**

In its first DB funding code consultation, TPR acknowledged that the proposals to date had given relatively little focus to the particular issues facing charities.

**What would the new rules mean for charities?**

Many charities may not fit the 'Fast Track' template resulting in potential costs and time of submitting and justifying the 'Bespoke' approach. There is also a risk that the existing flexibility towards not-for-profits (e.g. longer permitted recovery plans) could be lost in the new regime, resulting in

shorter recovery plans with increased contributions. These issues (and others) are covered in CFG's submission (with assistance from LCP) to TPR last year ahead of the second-round consultation.

**How can charities influence the final rules?**

There will be an opportunity to provide feedback on the second consultation by TPR once the draft code is published.

**Are there any other changes that charities need to be aware of?**

Alongside the funding consultations, the Pension Schemes Act increases TPR's powers to impose funding and investment approaches on pension schemes. It will be critical for charities to manage these new regulatory risks.

**How can I find out more?**

If you would like any assistance or further information, please contact LCP or your advisers.

**About the author**

Ed Symes is a partner at LCP and advises sponsors and Trustees of UK defined benefit pensions schemes on their funding and strategy. He advises a number of national charities and has a special interest in the impact that the forthcoming changes in the law for funding of UK defined benefit pension schemes will have on the sector. He has been working closely with CFG to make the sector's collective voice heard by the Pensions Regulator as well as with his clients to put in place a resilient pensions strategy.





# Why having a coach is a great privilege



By Carol Rudge  
Partner, HW Fisher

Following on from [Nicki Deeson's](#) article on how to coach your team to success in 2022. Carol Rudge talks to Will Maxwell-Hart, CFG's Senior Partnerships Office, about her experience of coaching and how it positively impacts every aspect of her life.

What is coaching and who is it for?

Coaching is about helping to maximise performance through a partnership between a coach and coachee. It helps individuals to achieve change through accredited coaching techniques with the ultimate aim of helping the coachee make progress in achieving their goals or overcome a problem they are struggling with; ultimately to be the person they want to be. A coach can help individuals at any stage of their working life, whether it is those in senior leadership positions or those who want to progress to the next stage, and need a bit of help in getting there.

Where did your coaching journey begin?

I was inspired to train as a coach through having a truly inspirational coach myself. I was lucky enough to work closely for many years with a truly inspirational leader, Sacha Romanovitch, and listened to her views on the importance of a coaching culture at organisations. It was clear that Sacha had really valued having a coach and that, as well as her passion for enabling others to realise their potential, led her to become a qualified coach.

I then started noticing other great leaders making reference to having a coach (you know how it is, once you hear about

something, you then particularly notice when people talk about it) and it was clear to me that many great leaders have coaches. I had previously thought that people only had coaches if they had 'issues' to resolve. I was mistaken!

What did you do next?

I found myself a coach – another inspirational leader, Simon Bevan – and having the time and space on a regular basis to sit down and talk to him about the goals I was grappling with gave me a safety valve; I knew there was somebody I could talk through issues with and that I would have the time and space in a busy week to do so.

Those sessions were sacrosanct in my diary; to coin a phrase, it was my 'me time' when I could focus on what would make me a better leader. My coach never strayed from the coaching path; he asked me questions, making me think but never giving me the answer.



*In the new hybrid world, command and control management and leadership is no longer tenable; in my view it was actually dead in the water a long time ago.*

Is that the approach for all coaching?

One of the greatest tenets in coaching is that all coachees have the answers within them and the coach needs to help them find those answers; if someone else gives you the solutions, you are far less likely to own them. So, the coach's role is to help the coachee find the answers, giving them the opportunity to do so.

How does that work in practice?

One thing I quickly found on my coaching journey was the power of silence and that it was fine to sit and think; this was both as a coach and coachee. As the coachee, saying you don't know and then quickly moving on won't get you to the answer, but taking the time to think, along with the coach asking questions will get you to an answer. As a coach, particularly if you are used to providing answers, learning that silence can indeed be golden is a good leadership lesson.

Who coaches the coach?

Coaches have coach supervisors; this is a bit like CPD. Having these supervision sessions are vital; it gives the coach opportunities to develop their coaching skills which enables you to become an even better coach and, if you have coaching supervision in groups of three or four coaches, you gain access to a much wider group of examples of what works in practice and how to tackle difficult situations. It also helps you become a better leader partly because you are constantly up-skilling.

What benefits does coaching bring to the workplace?

A strong coaching culture is often associated with high-performing entities as well as successes at making considerable strategic change; clearly a challenge for many charities right now. It involves spreading a coaching mindset and practices throughout the organisation so that coaching becomes a key part of the company's identity. It improves interactions

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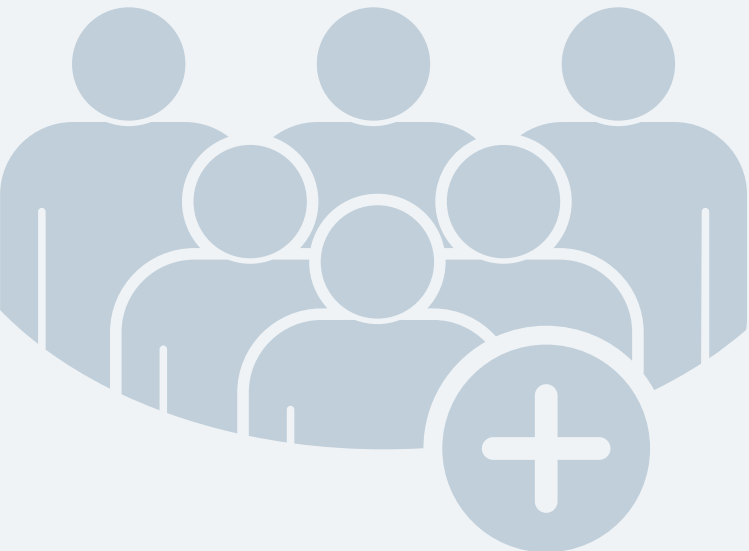
HW Fisher is generously sponsoring CFG's Annual Conference in 2022. Look out for more on the conference in next month's edition of *Finance Focus*.

both within the organisation and externally. In the new hybrid world, command and control management and leadership is no longer tenable; in my view it was actually dead in the water a long time ago.

As we all grapple with new ways of working, if you haven't thought about coaching before, perhaps now is an excellent time to think about it; both from an entire organisation perspective – so developing a coaching culture – or finding yourself a coach or training as a coach.

How else has coaching changed your life?

I said the other day that coaching is in my top three of the things I like doing best at work; my children though often say to me 'you have gone into coaching mode' so I guess that I do it at home too! However, what is equally good is being coached and as I said earlier, those hours spent with my coach are some of the most valuable I have ever spent.





# Mentoring our way to better leadership



**Zoe Bennett and Jessica Meddick**  
Senior Membership and Insight Officers, Charity Finance Group

**We’ve all heard about – and possibly experienced – the power of having a mentor, someone on hand who can help us to increase our self confidence and awareness, grow our network and give us that encouragement to go further in our lives. But have you ever thought about the benefits of being a mentor?**

It’s a myth that mentoring is a one-way street and we’ve been keen to debunk this notion through CFG’s Peer Mentoring Scheme. This month, our sixth cohort successfully completed the scheme and in total more than 100 new mentors and mentees have come through the initiative, taking back into the workplace new skills, fresh ideas and heaps of energy.

The scheme has given those charity finance professionals the chance to unlock the incredible skills, knowledge and experience they’ve built up throughout their careers, and share that to help others within their organisations and the wider sector. We think that’s worth celebrating!

**Feel the fear**

We’ve written before about our approach to mentoring and why we believe anyone could and should become a mentor. The first myths we aim to bust through the scheme are a) mentors must be senior in their roles and b) mentors must have all the answers.

One of the first things we ask of the scheme’s participants is to be brave and accept a challenge. As Nicki Deeson, business coach and scheme partner, often says during the mentoring sessions: ‘There is no learning in the comfort zone, and no comfort in the learning zone’. For me, this encapsulates the essence of the scheme.

We go further still. We challenge the perceived wisdom around what it means

“*One of the first things we ask of the scheme’s participants is to be brave and accept a challenge.*”

to be a successful leader. We strive to empower and inspire younger people in the sector. And we question hierarchical structures and drive better working relationships. Of course, this can be unsettling and we recognise this.

Before joining the scheme Lisa Dolor from charity Signposts said that she felt sceptical about what she would get out of it. “I was only interested in being

mentored and did not feel I had the ability to mentor, so I questioned whether I was investing my time into something that may not be fully beneficial,” she admits.

Cassandra Woolford from Open Knowledge Foundation shared similar doubts. She says: “Following on from CFG’s Inspiring Financial Leadership course, I opted in to join the Peer Mentoring Scheme. I was slightly apprehensive to join the scheme as it was a smaller group than the IFL course and I felt a bit inadequate at the thought of mentoring role play.”

**Feel the benefits!**

To overcome these feelings, we spend time showing mentors that every single person has the ability and skills to mentor. The focus is on how we can create a safe environment for mentees to explore their own thoughts. We cover good listening skills, the power of great questions and equip mentors with everything that’s need for their mentoring toolbox.

At the start of the first session we ask our mentors to explain how they are feeling and then again at the end of the

session. It’s always an amazing feeling when we hear how everyone’s confidence, excitement and enthusiasm has grown tenfold! Lisa comments: “By the end of the first session I had completely changed my view and was overwhelmed and excited by the impact the first session had on me.”

Cassandra’s concerns were also laid to rest. She says: “I had absolutely no reason to feel apprehensive, right from the beginning, the mentoring team – Zoe, Jessica and Nikki – were very welcoming and made everyone feel at ease.”

The benefits of mentoring are many and time and again mentors tell us what they get out of the experience. For Cassandra, it can develop fresh perspectives: “This regular session with my peer mentor is hugely beneficial for me. It gives me an opportunity to step back, look outside of all the work I am delivering to focus on what issues I have going on, what my blockers are and think about how and where I can improve.

“By talking issues through, it really helps me to be proactive about making

changes or finding areas for growth. The peer mentoring also gives a sense of giving back. It feels mutual. I believe that being a good listener is fundamental to being a good colleague, manager and leader because being heard is even more revolutionary. A skill that I need to keep practising!”

After the scheme, participants are fully supported along the peer mentoring journey and are invited to join CFG’s alumni network of mentors. We meet as a group throughout the year to share our experiences, hear from expert speakers in the field and refine and elevate our mentoring approaches. For us all, it’s about stepping into the learning zone, pushing the boundaries and, as Cassandra says, working towards becoming better leaders.

If you’d like to join us on our next Peer Mentoring Scheme or would like to find out more, please get in touch! We are now recruiting for our seventh cohort, and we’d love to see have you join us. Please email me, Zoe Bennett, in the first instance to express your interest.





# Getting to know you

## Dr Clare Mills

### PART TWO



In the second half of our interview with Dr Clare Mills, CFG’s new Director of Policy & Communications, we ask what the priorities and issues will be for CFG and the sector in 2022.

► What are the sector’s most pressing issues in 2022?

Where to start? There’s going to be continued pressure and change as a result of Covid-19, as we work through changes to the way we work, support people, campaign, deliver services, fundraise, and everything else that charities do.

We’ll need to be looking again at charity reserves and the pressures that have led to reserve depletion, as well as working out a way to plan ahead for those charities that don’t have reserves.

We’ll also be feeling the impact of widening inequality across the UK which will have an impact on charities in terms of increasing demand for services and support, a tougher climate for public and community fundraising,

and time pressures on people who want to volunteer.

There are also ongoing systemic barriers to volunteering, for both hands-on volunteers and those at board level, that still need to be addressed. I’m looking forward to seeing what the [Vision for Volunteering](#) collaboration develops. There’s still a huge amount of work to be done to address issues around equity, diversity and inclusion.

The economic impact of the pandemic has masked any impact arising from Brexit. We know that the new landscape makes it possible for the government to manage economic levers differently and that creates opportunities, as well as challenges.

The Transformation Bill is likely to be published later this year and that affects procurement of goods and, especially, services by the public sector. It will certainly have an impact on those charities involved in health and social care, as well as education and criminal justice.

We’re now waiting for the implementation guidance and timeline for the Charities Act, which gained Royal Assent on 24 February. But we’re still concerned about Police, Crime, Sentencing and Courts Bill, which contains draft legislation relating to campaigning and protest which could affect civil liberties and make it riskier to take part in legitimate protest.

Alongside all this is the **climate emergency**. CFG’s research in 2021 showed that the majority of charities haven’t developed their own net zero plans. The effects of the climate emergency are already being felt through extreme weather events. These events have the potential to bring more pressure on charities. And as well as operational challenges, there’s the more significant question of what the climate emergency means for strategic direction.

That’s a long list!

“CFG has a huge amount of knowledge, experience and resources which our members can draw on as they develop their financial leadership and plan for the future.”

► So how can CFG help members tackle these issues?

Well, there’s a lot to be done around net zero and, talking to the team, we already have some ideas on that. More widely, CFG has a huge amount of knowledge, experience and resources which our members can draw on as they develop their financial leadership and plan for the future.

One idea I’m keen to pursue is creating spaces for people to talk to each other – building networks where we can learn from each other, share our experience and provide that peer support which can make such a difference, especially for people who are the only finance person in their organisation!

I’d also like to explore wider networks because finance isn’t just about banking the cheques and processing the invoices! Financial leadership contributes massively to charities achieving their strategic objectives, creating lasting impact for beneficiaries and communities.

[Read on to find out more...](#)





► How else can we communicate more effectively?

In the world of communications, many of us have recited ‘data tells, a story sells’ to ourselves as we try to draft a press release about something really dry! People are interested in people, which is why the case study is such a valuable tool for charities trying to make their cause more visible.

Over the past few years, there have been a few stories I’ve been involved in – particularly from my time at Headway – the brain injury association – which really stick in my mind, especially the [story of George](#) [not his real name].

George acquired a brain injury when he was assaulted. He developed a gambling addiction (often linked to acquired brain injury) and lost hundreds of thousands of pounds.

His story captured the attention of MPs working on gambling-related harm. It was a privilege to go with George to the House of Commons so he could share his story in support of that work. And every charity will have stories to tell.

► What have you learned about the power of partnership during the pandemic?

Being a part of what is now the Civil Society Group of charity infrastructure bodies during the pandemic was a real inspiration. I found myself among a group of remarkable leaders, focusing not on competing demands of individual organisations and egos but working together.

Against a backdrop of fear for their families and friends, colleagues and wider society, this work was all done under immense pressure to make sure the government understood that the

charity sector would be a key part of the response to the pandemic crisis.

I remember some of the conversations from those early days where charity leaders were having to make difficult decisions: Do they throw the resources and reserves of their organisation at the pandemic, and hope they will still be there to continue their work in 12, six or even three months’ time? Or do they shut the doors, put the staff on furlough and sit out the crisis?

In many cases, those leaders took the risk because the crisis was NOW and their local community needed them NOW. The overall response to the pandemic involved people in a whole range of roles, from logistics to health and social care sacrificing their time with their families, risking their own health, and those across the charity sector did the same.

The charity sector fills the gaps that nothing and no one else will, and we saw this magnified during the pandemic. What worries me is that, despite massive

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*The charity sector fills the gaps that nothing and no one else will, and we saw this magnified during the pandemic.*

efforts, we still don’t have a government that fully understands the sector, its capacity, its ‘messiness’ and its organic nature.

At the same time, there’s a knowledge gap in parts of the charity sector about how the government works, how and with whom to build relationships, and how best to make the case for an organisation, a part of the sector or a cause.

I want to help repair those knowledge gaps on both sides and I’m looking for ways to do that through working at CFG and also with the Civil Society Group.

► Adapting to the effects of the pandemic

The stand-out change that I have seen across the VCSE sector has been the

accelerated shift to digital. It’s taken so many forms from putting remote working tools and technology in place to developing apps for volunteer recruitment – and not forgetting that two years ago not many of us had even heard of Zoom! I had already joined a fully remote organisation when the pandemic hit, so there was not such a culture shock for us when the ‘work from home’ directive came out. So we had an advantage. But like so many people I had to learn new skills quickly (Zoom again).

I don’t think this is specific to the VCSE sector; I think we’ve all had to learn new skills. The issue is that most of us have learned organically in response to immediate needs and demands, rather than having our digital skills develop in a planned and considered way!

So we now have a situation where everyone is assumed to know how different tools work. I think this is a good time to assess the digital skills across our organisations – this applies to trustees and volunteers as well as staff – and put some training in place to bring everyone up to a good baseline of digital knowledge.

Part of that work includes understanding people’s different learning styles and their self-confidence in being ‘more digital’. And the counterpart to that is that we need to value and retain non-digital skills too!

In communications, there’s also been a greater understanding of the challenge of engaging with a whole range of communities, including those which are seldom or less heard.

► If there’s one thing you would change for or about the sector, what would it be?

What frustrates me is that as a sector we’ve not been quick enough, or strong enough, to tackle issues within our organisations that cause real pain to our own staff and volunteers, drag down our reputation and, as a result, the impact we can have.

Despite the pandemic, there’s been masses of work over the last couple of years on tackling bullying, racism, homophobia and class advantage in the sector. Much of this has been done by individual organisations and infrastructure bodies, and through campaigns such as #CharitySoWhite, #NonGradsWelcome and #ShowTheSalary.

I don’t think we ever reach a stage of ‘tick, job done’. There’s still loads to do, and I want to be a part of that evolution.

If there’s one thing I want to embed, it’s that there’s no such thing as a ‘hard to reach’ community. ‘Hard to reach’ is a lazy way of redefining ineffective communication as a problem with the audience you are trying to engage.

I’ve been really impressed by some of the communications I’ve seen during the pandemic – big shout out here to CABAD for their [Behind the Mask](#) campaign and the [Distance Aware](#) resources developed by the Bevan Commission and particularly Dr Helen Iliff.

**Left:** Clare speaks about carbon monoxide and brain injury at an IGEN conference in November 2018.





# EVENTS

Almost all our events are taking place online, to maximise accessibility for our members across the country. Your joining instructions for our events will be sent to you once booking and payment has been completed.

If you have any questions about our programme contact [events@cfg.org.uk](mailto:events@cfg.org.uk).

## Free events!

### March Members' Meeting

Join the March Members' meeting to learn more about what key policy changes you need to look out for in 2022 and what impact will those policies have on your organisation.

#### When and where?

2.30-4pm

Online via Zoom. A link will be sent prior to the event.

#### Book Now



SAVE THE DATE!

## ANNUAL CONFERENCE 2022

**Date:** Thursday 30 June 2022

**Venue:** 133 Hounsdlitch, Liverpool Street, London EC3A 7BX

**Price:** Charity and Individual Member Early Bird Rate £266, Small Charity Rate £218, Charity and Individual Non-Members £480, CFG Corporate Member £456

The CFG Annual Conference is the biggest gathering of charity finance professionals in the UK, and is a unique opportunity to connect, learn and share. As we are returning to a physical format for 2022 Conference we look forward to welcoming you on Thursday 30 June at a new venue!

The theme for our 2022 conference is Purposeful and Empowering.

If the pandemic has shown us anything, it's that civil society is now never more needed. From small grassroots charities to large organisations in the UK and abroad, we all have a purpose: to empower our unique and diverse communities and maximise our impact.

But in this complex and often divisive world, how can we ensure we're connecting with our purpose? What role do we play in empowering our communities?

The CFG Annual Conference 2022 will equip finance teams and charity leaders with new knowledge and ideas, empowering them to serve their purpose and maximise their impact for the benefit of their communities.

#### Book Now.

Sponsored by HSBC and HW Fisher.



LAST CHANCE TO JOIN

## IT AND DIGITAL CONFERENCE 2022

**Date:** Wednesday 23 March 2022 **Online**

**Price:** Charity and Individual Member Rate £116, Charity and Individual Non-Members £176, CFG Corporate Member £230

Charities have shown a great capacity for innovation and adaptability during the pandemic. In the past two years digital has become a priority for majority of the organisation and many have been thrown forward in their digital inclusion by as much as 10 years. But is this shift here to stay? Have charities started to embed digital change for the long term?

This year's CFG IT & digital Conference will be provide you with a comprehensive programme, designed to fit the needs of finance directors and CEOs, with useful sessions on:

- Digitalising the finance function
- Hybrid working
- Cyber security
- Bridging the skills gap

View the full programme and **Book Now.**

Sponsored by Sage Intacct.



FREE MEMBER EVENT!

## LARGE CHARITIES BREAKFAST MEETING

**Date:** Thursday 17 March, 8.30am-10am **Online**

The pandemic and the past two years of slowed economic development have had a significant impact on charity sector's finances and brought financial challenges for many charities that may continue over the long term. However, the success of the on-going Covid-19 vaccination programme means the government is feeling more confident in making predictions about the state of the national economy.

In this first of 2022 Large Charities Meeting, we will cover the economic outlook and what it means for non for profit sector, and large charities in particular.

#### Book Now.



FREE MEMBER EVENT!

## OVERSEAS SPECIAL INTEREST GROUP MEETING

**Date:** Thursday 10 March, 10am-11.30am **Online**

This first 2022 Overseas Charities Special Interest Group meeting will cover essential, need to know information on reverse charges and overseas employment information. We will also be joined by a charity that has recently embarked on a journey of implementing new financial systems across their organisation.

This meeting will also provide you with an opportunity to network and share your own experiences with your peers in the network.

#### Book Now.

In Partnership with Oracle NetSuite.

## Get your CPD on track!



For our full programme, view **2022 training calendar**

#### Advanced Investment Training:

Tuesday 22 March 2022  
Sponsored by Sarasin & Partners

#### Foundation Investment Training:

Tuesday 29 March 2022  
Sponsored by Sarasin & Partners

#### Foundation Charity Finance:

Tuesday 15 March 2022  
In partnership with BDO

#### HR for Charities Training:

Thursday 24 March 2022  
In partnership with Mills & Reeve

#### Finance for Fundraisers:

Thursday 7 April 2022  
In Partnership with Crowe

#### Advanced Charity Finance:

Tuesday 26 April 2022  
In Partnership with Goodman Jones