

**BIRSE COMMUNITY TRUST**

**STRATEGIC PLAN  
2011 - 2012 - 2013**

**BIRSE COMMUNITY TRUST**

**The Old School, Finzean, Banchory AB31 6NY**

**Scottish Company Number SC188799 : Scottish Charity Number SC28220**

## INTRODUCTION

The purpose of this Plan is to help guide the management of Birse Community Trust (BCT) during the three years from 1<sup>st</sup> January 2011 to 31<sup>st</sup> December 2013.

BCT is a company with charitable status that exists “*to promote the common good of the inhabitants of Birse parish and deliver wider public benefits*”.

The company is owned and controlled by the local community in Birse, with everyone on the Electoral Registers for the parish responsible for electing five local residents as Trustees to run BCT on behalf of the community.

BCT's Trustees have produced this Plan to provide a framework for the operation and development of BCT over the next three years. The Plan is based on BCT's financial year which runs from 1<sup>st</sup> January to 31<sup>st</sup> December.

The Plan has seven sections. The first provides background information about BCT, the second sets out BCT's five Strategic Objectives for the period of the Plan and the remaining sections cover each of those objectives in turn.

1. Background
2. Strategic Objectives
3. Governance
4. Property Management
5. Other Activities
6. Administration
7. Finance

This is the fifth three year Strategic Plan that BCT has produced since it was incorporated as a company in 1998. This Strategic Plan, like the earlier Plans, is about direction rather than detail.

The Plan refers to the following documents which provide more detailed information about the implementation of the Plan:-

BCT's Schedule of Lands and Buildings 2011-13

BCT's Indicative Business Plan 2011-13

BCT's Annual Operating Plans 2011-13

## 1. BACKGROUND

1. BCT is a company limited by guarantee (*Scottish Company Number SC188799*) and a registered charity (*Scottish Charity Number SC28220*), with its objects, powers and duties set out in its Memorandum and Articles of Association.
2. The company is owned and controlled by the residents of Birse parish, with everyone on the Electoral Registers for the parish responsible for electing the five local residents as the 'Trustees' who run BCT on behalf of the community.
3. BCT currently has c.620 voting members living in c.290 households within Birse parish. The parish covers 125 square kilometres and has four main parts with the three scattered rural communities of Finzean, Birse and Ballogie and the largely uninhabited Forest of Birse.
4. BCT was set up by the community in 1998 to increase its ability to tackle local community issues and develop local opportunities. BCT's overall purpose is:  
*"to promote the common good of the inhabitants of Birse parish  
and deliver wider public benefits"*
5. BCT was formally incorporated as a company in August 1998 and has therefore been operating as a local community business for over twelve years. During that time, BCT has carried out a wide range of activities on behalf of the community.
6. BCT's main involvement since it started has been the management of land and buildings. BCT is directly involved in the management of twelve sites in the parish, because of the contribution that each makes to the local community's identity, well-being or future development.
7. BCT also undertakes projects to promote the parish's heritage and encourage local community development. BCT's third main type of activity is providing local goods and services.
8. BCT's Trustees are unpaid volunteers and they use contractors to carry out the work required for BCT's many different activities. In each year to date, c.75% of BCT's total expenditure (excluding property purchases) has been spent in the parish or immediate Mid Deeside area.
9. In its eleven financial years to 31<sup>st</sup> December 2009, BCT's average annual turn-over (excluding property purchases) has been over £85,000 with its turn-over falling between £70K - £90K in most years.
10. By the end of 2010, BCT will have spent a total of £1.5 million on carrying out its work on behalf of the community during its first twelve years. Approximately 30% of this income was capital grants and donations towards the costs of land and buildings that BCT has purchased, c.45% of the income was other project grants and c.25% income from other sources, including sales and donations.

## **2. STRATEGIC CONTEXT**

1. BCT's overall aim is *to promote the common good of the inhabitants of Birse parish and deliver wider public benefits.*
2. BCT has five main strategic objectives to fulfil that overall aim during the period of this Plan. These objectives are:-
  - (i) Governance  
*to fulfil all relevant statutory, legal and other regulatory requirements and standards in all of its operations and activities.*
  - (ii) Property Management  
*to safeguard, conserve and develop the lands, buildings and other property rights and interests that it manages on behalf of the local community.*
  - (iii) Other Activities  
*to undertake or be involved with a range of other activities and initiatives that deliver local social, environmental and economic benefits.*
  - (iv) Administration  
*to operate in ways that are efficient and effective and also meet high standards of openness and accountability to its local membership.*
  - (v) Finance  
*to secure sufficient resources each year to meet its expenditure commitments and maintain adequate reserves for its continued operation.*
2. The ways in which BCT will implement each of these five objectives are described in the following sections of this Plan.
3. Much of the implementation will involve the continued operation and development of BCT's well established pattern of activities. In addition, BCT has five particular aims that Trustees hope to have achieved by the end of the Plan in 2013 as part of BCT's overall development. These aims are that:-
  - (a) BCT will be implementing long term Forest Management Plans in each of the three forests that it manages.
  - (b) BCT will have developed and implemented a further major programme of restoration and other work at the Finzean Wood-Working Water Mills.
  - (c) BCT will have carried out repairs and improvements to the buildings at Finzean Old School, and further developed the Parish Archive there.
  - (d) BCT will have established greater local awareness that the properties managed by BCT are a single integrated estate of land, buildings and other property interests owned and managed by the community on its own behalf.
  - (e) BCT will have in place the management structures and financial plans necessary to provide a secure basis for BCT's next three year plan.

### 3. GOVERNANCE

1. BCT's first strategic objective is to fulfil all relevant statutory, legal and other regulatory requirements and standards in all of its operations and activities.
2. BCT has particular legal responsibilities as a company and a charity, as an owner and manager of land and buildings and more generally in its operations as a business.
3. BCT's Board of Trustees will ensure that BCT complies with all these requirements and as part of that, will continue to retain appropriate legal and accountancy firms to act as BCT's advisers on these and related matters.
4. Trustees will ensure that each new Trustee is given appropriate induction training and that the management support available to Trustees enables the role of Trustee to be taken on by a wide cross section of local members.
5. Trustees will consider using their power to co-opt up to two Trustees if necessary to ensure that the Board has a reasonable balance of geographic and gender representation.
6. Trustees will, at the first meeting of the new Board after BCT's AGM each year, ensure that BCT's Register of Interests is fully up to date and will review, amend if necessary and agree BCT's:-
  - Code of Conduct
  - Equal Opportunities Policy
  - Health and Safety Policy
  - Insurance Policy.
7. Trustees will hold eight or more Board Meetings each year as part of managing BCT to deliver this Plan's five strategic objectives.
8. Trustees will ensure that BCT's governance and operations maintain high standards of openness, accountability and involvement with the local community in Birse parish as BCT's membership.
9. Trustees will also maintain BCT's core local partnership with the parish's two Community Councils and three Community Associations, which represent the interests of different geographic sectors of BCT's membership in their respective areas and roles.
10. Trustees will aim to convene at least an annual meeting of the Birse Parish Liaison Group, as made up of representatives of BCT, Finzean Community Council, Birse & Ballogie Community Council, Finzean Community Association, Birse Area Community Association and Ballogie Community Association.

## 4. PROPERTY MANAGEMENT

1. BCT's second strategic objective is to safeguard, conserve and develop the lands, buildings and other property rights and interests that it manages on behalf of the local community.
2. BCT is directly involved at present in the management of twelve sites through a variety of legal arrangements (see attached map). BCT:-
  - (a) holds ancient rights over the Forest of Birse Community;
  - (b) owns eight properties: Birse Kirk, Birse Community Hall, Finzean Old School, Finzean Sawmill, the Bucket Mill, the Ballogie Soutar's Shop (building only), Balfour Forest and Slewdrum Forest;
  - (c) tenants three properties on long leases: Corsedardar, Finzean School Wood and Finzean Community Woodlands;
3. BCT became involved with each site because of community concern over its future. Nearly all were already issues before BCT was set up. BCT was involved with the management of nine sites by the end of its first year and the other three sites within two years.
4. The purchase of Balfour Wood by BCT in 2010 completed a pattern where BCT is managing a community forest in each of the parish's three communities. The forests also reflect the historical pattern of traditional shared forests in the parish.
5. The three forests cover c.1000 hectares. Half the area is native pinewood in the Forest of Birse and managed for conservation, while the management of Balfour and Slewdrum Forests has the potential to produce a net timber income to help meet some of BCT's operating costs to conserve its other un-economic sites.
6. BCT will continue to ensure that each site that it owns or manages is maintained and improved to high standards. BCT's current Schedule of Lands and Buildings indicates the main management aims and operations planned for each site during the period of this Plan.
7. BCT will also undertake activities to promote greater local awareness that the properties managed by BCT are a single integrated estate of land, buildings and other property interests owned and managed by the community on its own behalf
8. BCT will remain prepared to become involved with other sites in the parish where this addresses a community issue or promotes local opportunities, and if the Trustees judge it practical and prudent for BCT to become involved.
9. BCT's most important property other than land and buildings are, firstly, BCT's parish archive collections at Finzean Old School and in BCT's other historic properties and secondly, BCT's wholly own subsidiary company the Birse Trading Company. These are covered in sections 5 and 7 respectively.

## **5. OTHER ACTIVITIES**

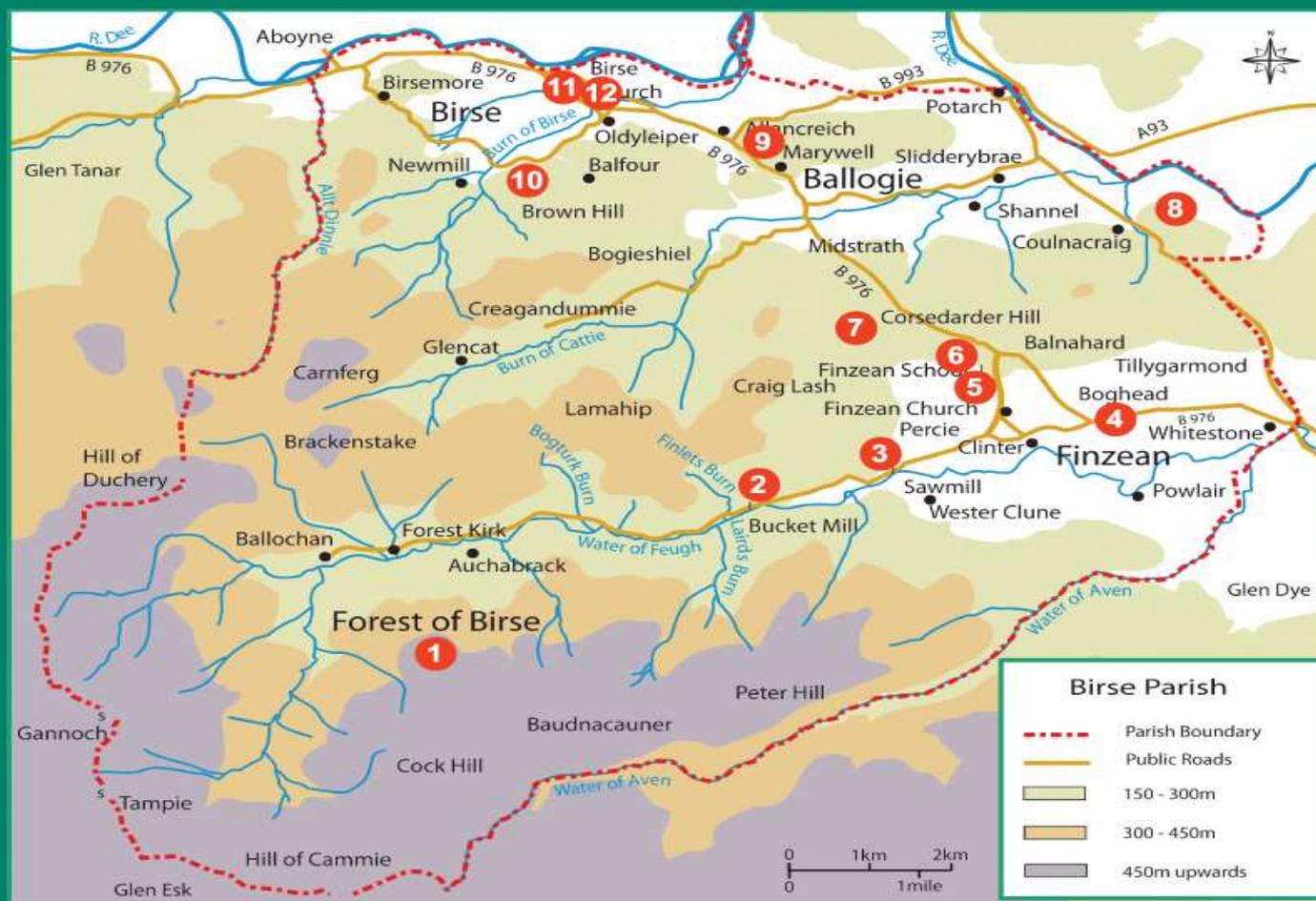
1. BCT's third strategic objective is to undertake or be involved with a range of other activities and initiatives that deliver local social, environmental and economic benefits.
2. BCT has two main activities other than managing land and buildings. These activities are, firstly, projects to promote the parish's heritage and local community development and, secondly, supplying local goods and services.
3. In the years 2011-13, BCT anticipates broadly maintaining the proportion of its work that has been spent on these two types of other activities. During BCT's first ten years (1999-2008), the share of expenditure was c.60% on land and buildings and c.40% on the other activities.
4. With heritage projects in the next three years, BCT will build on the significant amount of work that it has already done on the parish's cultural heritage. In particular, BCT will try to put in place a major project to develop BCT's Parish Archive, including investigating local history topics and further work on the archive collections and their use and enjoyment by local members and others.
5. During the period of this Plan, BCT will also continue an active involvement to promote the parish's natural heritage. BCT completed a further biodiversity project in 2010 and BCT will look for opportunities to carry out more projects on key local natural heritage topics. BCT will also continue to cooperate with local land owners and other interests in parish wide initiatives on key species, including capercaillie, raptors, deer, squirrels and mink.
6. Most of BCT's project work contributes directly or indirectly to local community development. However, BCT will look for more opportunities for specifically community development related projects and will work particularly closely with the parish's Community Councils and Associations in developing these types of projects.
7. BCT's 'other goods and services' heading covers a wide range of relatively small scale activities including servicing BCT's subscription paying associate membership, producing and selling publications and selling timber goods from the Finzean Mills and charging for some types of group visits to BCT.
8. BCT plans to invest more resources to improve and develop these types of activities in the next three years. A key development to support this and BCT's work more generally will be the re-development of BCT's website in 2011, including incorporating a mechanisms for making payments through the site.
9. BCT's other goods and services also include project work which BCT undertakes where BCT invoices for the work rather than claiming a grant. BCT prefers this approach to delivering projects and will seek more opportunities of this type.

## 6. ADMINISTRATION

1. BCT's fourth strategic objective is to operate in ways that are efficient and effective and also meet high standards of openness and accountability to its local membership.
2. BCT has been operating for twelve years and has an established pattern of administration based in BCT's offices at Finzean Old School. BCT will continue to seek ways to improve the working environment at the Old School, following its unsuccessful attempts to secure funding to install a woodchip heating system.
3. While BCT is grateful for voluntary help that it receives, BCT aims to pay for the work it requires to minimise competition for volunteers with other local groups. BCT will continue its approach of contracting out work to a range of local self-employed individuals and businesses and will look for further opportunities to increase the part time local employment that BCT provides.
4. BCT will also aim to maintain its existing track record for completing its property management and other projects on schedule to high standards and on budget.
5. To fulfil BCT's many responsibilities and deliver its diverse activities, Trustees will strengthen BCT's central management roles during this Plan and will aim to put in place a development project to start by the end of this Plan, to improve further BCT's management arrangements.
6. BCT will continue to work closely with the partners that it has at many of the sites which it manages, including the Birse Trading Company, Birse Area Community Association, Ecumenical Trust for Birse Kirk, the wood mill operators or millers, local estates, Finzean School and others. BCT will also maintain and develop its core local partnership with the parish's Community Councils and Associations.
7. BCT will continue to lease Slewdrum and Balfour Forests to the Birse Trading Company (BTCo) and look for further opportunities for BTCo to manage other BCT sites and activities.
8. BCT will also aim to maintain and increase the ways in which it involves members of the community in its work, including through mailings, meetings, events, consultations, site visits, part time employment or volunteer activities. Starting in 2011, BCT will combine its Spring Update with its Annual Report to produce an improved and expanded Annual Report.
9. As part of BCT's openness and accountability, BCT's members can arrange to attend Trustees meetings and to examine any of BCT's files and papers except any explicitly marked as confidential.
10. BCT will aim to plan and manage its AGMs so that they continue to be attended by c.50 or more local members each year.

## 7. FINANCE

1. BCT's fifth strategic objective is to secure sufficient resources each year to meet its expenditure commitments and maintain adequate reserves for its continued operation.
2. The pattern of BCT's annual income and expenditure for the eleven years to 2009 is shown on the following page. The figures for 2010 are expected to show expenditure up and income significantly down, but in the context of BCT acquiring a major asset during the year with its purchase of Balfour Forest.
3. Now, during the period of this Plan, BCT can anticipate for the first time a significant annual contribution towards its operating costs from the Birse Trading Company, as BCTCo starts a long term pattern of regular timber harvesting from Balfour and Slewdrum Forests.
4. This regular contribution from BCTCo will be managed to provide BCT with a more stable financial platform from which to try to secure the level of income that BCT needs each year. This income is required to meet BCT's operating overheads and to cover maintenance and repairs on the properties it manages, as well as to fund the development and implementation of other local projects.
5. BCT's overheads every year include legal and accountancy fees, insurance premiums and other items that are relatively consistent and independent of the level of BCT's turn-over. In the period of this Plan, BCT will continue to control its overheads tightly, while strengthening its office administration and concentrating on the development of both more grant assisted projects and the goods and services that BCT supplies.
6. BCT's anticipated annual income and expenditure in each year of this Plan is set out in its Indicative Business Plan for 2011–13. The main division in income is between grants and other sources and in expenditure, between lands & buildings, heritage & community projects, other goods & services and administration.
7. The need to locate sources of grant funding and make successful applications adds to the indicative nature of the business plan, as shown with BCT's unsuccessful application to the Big Lottery Fund during its 2008-10 Strategic Plan. This factor, together with the expected reduction in grants during the economic downturn, emphasises the need for BCT to develop its other sources of income.
8. In its first 12 years, BCT has operated on narrow margins with little financial flexibility and no scope to develop a level of reserves appropriate to its responsibilities. During this Plan, timber harvesting should enable some funds to be set aside towards core costs during the next Plan when there may be no harvesting, as well as potentially the start of an operating reserve fund.
9. BCT's ownership of the timber resources in Slewdrum and Balfour also mean that BCT has a 'bank' which could be used in an emergency.



- 1. Forest of Birse Commonty
- 2. Bucket Mill
- 3. Finzean Sawmill

- 4. Finzean Community Woods
- 5. Finzean School Wood
- 6. Finzean Old School

- 7. Corsedardar
- 8. Slewdrum Forest
- 9. Ballogie Soutar's Shop

- 10. Balfour Forest
- 11. Birse Community Hall
- 12. Birse Kirk

# BCT Income and Expenditure 1999-2009

(Excluding Capital Grants and Purchases)

