

## Release (Financial) Charitable Trust



### Main theme: Generating the idea deliberately / effective business planning

Release is based in South Normanton in Derbyshire and assists people to improve the quality of their lives by providing information and advice relating to debt and personal financial management. Traditional approaches to debt advice have focussed on getting people out of debt but often these individuals find themselves in the same situation over and over again. Release takes on a different approach and works on the underlying problem of financial capability so that their clients understand how to manage their money in the long-term.

More recently Release have turned their expertise into a revenue stream by running 'Financial Freedom Sessions'. These are paid for by organisations such as Housing Associations to educate their tenants in money management, so that they are more likely to pay their rent on time. Paul Stears from Release explains how they identified this trading opportunity...

*"First of all we recognised that by the very nature of the work we do it's never going to be completely sustainable to offer debt advice because it needs to be free at the point of delivery. If the individual client is in debt we don't want them to be paying for debt advice, because that is completely inappropriate. So then we thought about organisations who might find it beneficial to pay for someone in debt to receive money management training. For those organisations buying our services it would be a form of investment.*

*That's how the idea started; it was about identifying organisations that would allow us to reach people. Then I had to understand what an organisation wanted and try to give*

*them a selling point. So if they were a housing association and their tenants had rent arrears they could either spend £10,000 chasing up the debts or invest £10,000 with us and get £20,000 back because the tenants are better able to manage their money. It was that kind of message I was trying to get across to each client."*

From the outset of trading Release has a business plan and Paul believes they are a useful tool, but that the plan needs to be proportionate to the size of the organisation...

*"If you look at business plans you get one school of thought that says they're a complete and utter waste of time, you get another one where they are seen as utterly important. I think I come down the middle; a short, sharp business plan, which is a living document is very useful. Too many organisations write a business plan and then it sits on a shelf for four years. I heard a saying that; "people going nowhere normally get there". Now with a business plan you have an idea of what you're trying to achieve, how you're going to achieve it and why. Of course you will deviate from the plan but you can make adjustments – it needs to be a living document.*

*Yes – a business plan is needed but it has to be appropriate to the organisation. If you're a multi-million pound operation then the business plan should be a lot more comprehensive than for a two man band where you could almost do it on an A4 sheet! Our business plan is about three pages long and contains some simple questions and opportunities to answer those questions as we go. It's not a work of Shakespeare and some questions are longer than others, it's like an aide memoir to get us thinking about what some of the problems might be.*

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*I've seen so many organisations that think about it and write business plans but they can't actually delivery. When you're trying to change lives you have to actually go and do it and learn while you're doing it. This said you do need a plan before you start – so it's about getting the right balance."*

Paul believes that other organisations have similar opportunities to generate income...

*"I think a lot of third sector organisations just don't realise the potential they have to bring income in. so much of what we do we take for granted, but through our hard work and the knowledge we've built up there is huge potential. It's about taking some time out and reflecting on what we can do to realise some of that. I really think it's worth having someone that you can talk through it with who has an outside perspective. It's always easier for someone from outside an organisation to understand what you could actually do."*

*We started about 18 months ago but it was almost six months before we generated some real income because we started by running session almost as a loss leader to whet appetites – but that was all part of the plan. There are also things that we've dabbled in and they haven't worked but we've learned from them and used the lessons going forward. I've had a sales tactic that didn't quite come off so I ask ok – what is it they were looking for? How can we put it, so when we go and see a similar organisation it presses their buttons?*

I think we're always fearful of the unknown until we start exploring it. Even what might seem like really crazy ideas can turn into great outcomes if we work on them and take the right support. Don't be frightened to make mistakes – they say winners don't quit and quitters don't win; that you can either see something that doesn't work as a stumbling block or a stepping stone. Never dismiss an idea right away, just try and build

on it because I think every organisation can do something if they set their mind to it."

### Key lessons:

- Your knowledge and expertise may have commercial value to others
- The person who pays may not be the person who benefits directly
- A concise business plan can clarify what you are going to do and how you are going to do it
- Be prepared to face setbacks and learn from them on the way to achieving your goals

Legal structure: Charity  
Main activity: Money management training  
Number of employees: 5  
Turnover: £40,000  
Location: South Normanton, Derbyshire  
Date formed: April 2005  
Percentage of generated income: 10%  
Date written: February 2010  
Website:

[www.releaseonline.org.uk](http://www.releaseonline.org.uk)

**This case study is one of a series produced by the Capacity Builders funded 'Stepping Up To Enterprise' project in the East Midlands.**

**The case studies tell the stories of voluntary or community organisations and how they moved to developing trading. The case studies are available on the website [www.oneeastmidlands.org.uk/sute](http://www.oneeastmidlands.org.uk/sute).**