

THE BIRMINGHAM & MIDLAND INSTITUTE

Charity Registration No 522852



DRAFT STRATEGIC PLAN

May 2021

9 Margaret Street
Birmingham
B3 3BS

Draft Strategic Plan

May 2021

1. Background

The Institute is fundamental to the cultural life in Birmingham. For many years, the Institute had continued as it had done historically, not looking at any ways it could change and improve and had become increasingly isolated from the communities in central Birmingham, especially the business community with which it ultimately failed to network, choosing some kind of splendid isolation. The culmination of this approach was having a staff of 12 which it was unable to afford, resulting in two successive disastrous annual losses in 2018 of -£98,000 and 2019 of -£119,000. This caused a drastic response resulting in most staff being made redundant. There was a root and branch review of operations. This included an historical assessment of room hire, determining that two annexed properties, 93-95 Cornwall Street, added in 1972, were hardly utilised, being available for room hire and used as staff offices. As a result it was resolved to sell these buildings to release capital to pay for professional fees to put together a NHLF bid to re-order the Institute to make it fit for current and future needs, and to provide match funding for a bid. There had been very little capital investment in the building for many decades and it was now looking very tired.

We have had a budget refurbishment plan which is largely a “freshen up”, at £2.1 Million including professional costs and prelims, and our Architect Trustee estimates that we are now probably looking at a project cost of £4-£5 Million to overhaul the building to make it serviceable for future use, adding to our sustainability and keeping our heritage alive.

An important fact to remember, at all times, is that the building is Grade II* and requires detailed plans for changes that will not affect the historical fabric. It is evident that this legal requirement has been persistently ignored over the years and the proposed works give us an opportunity to redress that.

2. Key Points & Business Model for our Future

- a. We need a commercially successful Room Hire / Day Delegate product & hot desking product to make the rest of our offerings sustainable each and every year over a 50-year time frame.
- b. Whilst we are not seeking to teach specifically for academic advancement, we are seeking to inspire our community to engage intellectually, to further their interests, learn new things, and have fun doing it.
- c. We are planning to attract a considerable membership, in the thousands, by having a vibrant and various array of courses, classes and events. We will also offer space in our beautiful historic building to groups and societies (free of charge, subject to their becoming members). We expect to run events both inside the BMI and externally.

- d. We are planning to make the BMI library larger and more accessible by encouraging the local community to donate books (tens of thousands are incinerated or end up in landfill from the Birmingham area each year), and by creating a digital, searchable catalogue. We want to create a more extensive and comfortable environment for reading and studying. We may be able to introduce a gallery, which would add a wow factor, and provide extra security for our literary treasures. By continuing to receive donations of books, we are able to take in gems that may otherwise be lost, increasing our catalogue in a targeted manner, respecting our heritage, and increasing our sustainability. We want to create a children's library which will allow children to access books they may not find in public or school libraries, and have reading activities for all. We can also sell books that we don't require through our bookshop, bringing in a revenue stream. One of our USPs is that we have the only second-hand bookshop in Central Birmingham.
- e. We expect to run competitions throughout the year, on such things as: music, debating, poetry & writing, art, and drama. We expect to be able to fund a BMI scholarship programme from these. Some of them may be set up as festivals, running over several days, bringing people in from a wider area, assisting the local economy and promoting Birmingham as a culturally vibrant destination.
- f. We have had conversations in March, April and May 2021, leading up to the trustees workshop on 17th May, to achieve that "consensus ad idem" so that we all know where we're going.
- g. We are developing an in-house programme aimed at re-opening fully to the year end to re-engage with our community, whilst maintaining online content for those who will retain some reluctance to meet in 2021.
- h. We have a revised image / Baskerville typeface and will be utilising these for updating our website & future marketing. We have introduced Clara, the figure from the crest of our coat of arms, who represents science, music, art, and literature, all our keystones. We will use her in marketing and online as she is an innovative and eye-catching persona.
- i. We have a new President Sir David Cannadine, the 168th of the BMI, who has agreed to be President until January 2023.

3. Proposed Mature Business Model

Commercial Clients

The most well-known large professional companies in the UK are all present in Birmingham City Centre; with several USPs that other venues will struggle to match, the BMI will be like a magnet to them. Particularly when you also factor in the BMI's charitable aims and status, these corporations will feel they are fulfilling their Corporate Social Responsibility role by being involved. This we hope will also lead to some patronage income, with Directors/Senior Partners involved further still by raising money for us through their own events/activities.

We may hold a monthly Patrons luncheon and encourage them to bring a guest or two, as a benefit.

Charity Clients

We have had many over the last decade, despite the poor state of repair of the building, and we would expect these to return, particularly if we are charging a similar amount to their previous visit.

Individual “Start-ups”

We intend to help individuals who are trying to launch themselves into an Arts career, with a free event or exhibition. The BMI would promote this event through all available channels, including Members, on social media and local clients/patrons.

Walk-ins

We intend our Tea Room to be open to the public 7 days a week, for 70 hours or more. This is our “shop window” and will help us to recruit members and publicise events, courses, hot desking, the Library and book shop, etc, etc.

Members

Listed last, but by no means least. Our members are our most tangible and frequent supporters. They are part of the Institute (and the Board of Trustees are elected from its ranks). Our membership has been much higher and is currently around 200. Please refer to Appendix 2 – Spice as a successful membership-based organisation.

Proposed USPs and their potential cost:

Leading edge audio visual: £150,000

In all meeting rooms and the Lyttelton Theatre, in which we would aim to have cinema standard equipment, projection and surround sound and the ability to record.

Eight Hour seat comfort: £100,000

Having the ability to sit all day in comfort is a rare thing indeed. 200 seats in the Lyttelton and 300 further chairs for conference and dining at £200 each.

The fastest internet speed in Birmingham: £50,000 over 5 years

Installation of superfast Broadband and repeaters/hotspots throughout the building. Very important in the Tea Room and for broadcasting.

The Lyttelton Theatre ‘elegant’ refurbishment

The Lyttelton Theatre to be a desirable theatre that is able to host conferences, debates and film presentations in comfortable seats with first class projection, visual and audio facilities and the ability to broadcast.

The best/friendliest Library and only second-hand book shop in Birmingham.

Expansion into the John Lee with gallery.

Pop-Up Restaurants

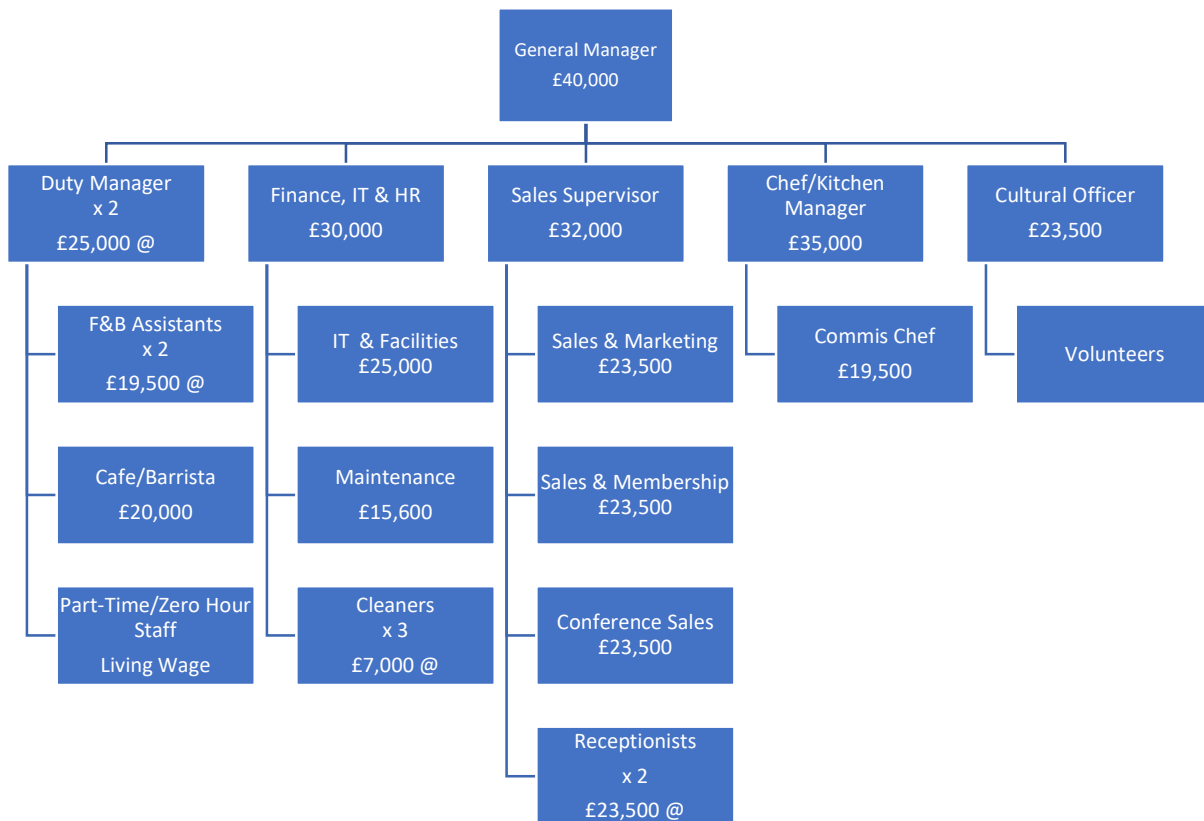
A pop-up restaurant is an eating establishment or event designed to showcase culinary talents at a temporary location. This includes everything from a one-off, exclusive event to a longer event open for a few days or weeks. They are typically at lunchtimes.

Bindery

The National Bookbinders' Association plan to set up a Bindery in the alcove of the Gallery Room. This is subject to their own separate HLF bid. The establishment of the Bindery here would mean that we would be one of only two Libraries nationally to have an attached Bindery. The other is Windsor Castle. The addition of the Bindery means that we could become a publishing house in the future.

Staff Structure Plan

(Target cost should be between 38% and 42% of total income)



All salaries have been put together using online recruitment and search engine [Glassdoor.co.uk](https://www.glassdoor.co.uk) and [payscale.com](https://www.payscale.com).

Mature Business Model Profit and Loss Statement for a full year (£ sterling)

Income	Room Hire	650,000
	Day Delegate Food and Bev	100,000
	Special Food	50,000
	Beverage	70,000
	Top Floor (former flat)	10,000
	Coffee Shop (food and beverage)	130,000
	Hot Desking	50,000
	Memberships (3000 @ £50)	150,000
	Event and on line ticket sales	50,000
	Income Total	1,260,000
Cost of sales	Food and beverage	170,000
	Special food	50,000
	Sales Total	230,000
Payroll	Payroll Total	475,000
Overheads and Expenses	General	200,000
	Scholarships	40,000
	Event costs, eg. Lecturers/speakers/Performers	150,000
	Expenses Total	390,000
Retained profit to go to reserves for future exceptional costs		165,000

4. Ideas for the refurbishment of the interior

The **Future of the Institute** document, drawn up by the Roadmap Steering Committee, was endorsed by the Board of Trustees at its March meeting. Please refer to that document.

5. Sustainability Plan

To ensure our Proposed Business Model, its assumptions, the refurb plan and proposed ecological upgrades are robust. Considerable work will be needed on this via Greenwoods.

6. Five-Year Cash Flow Projection

We will need to give Greenwoods an idea of all our expected levels of income and costs as if nothing were to happen. They can use this as a base to overlay the project funding and costs, so we lessen the possibility of running out of cash. They can determine whether it is worth us staying “partially open” or not during the work.

A Plan is awaited from the Honorary Treasurer/Finance Officer

7. Expert Opinions/Consultation

Tom Bailey: Ecological upgrades. Input awaited from Tom Bailey.

APPENDIX 1 – Room Hire Model

Dickens Room

£850 Room Hire / £44.95 Day Delegate £425:

	20 people	30 people	50 people	60 people	Room Hire Only
20 days	£17,980				
30 days		£40,455			
10 days			£22,475		
5 days				£13,485	
10 days					£8,500
Total	£102,895				

£425 Room Hire / £25 Day Delegate (Charities Rate):

	20 people	30 people	50 people	60 people	Room Hire Only
20 days	£10,000				
30 days		£22,500			
10 days			£12,500		
5 days				£7,500	
10 days					£4,520
Total	£57,020				

Working on an average of 251 working days per year

Total Occupancy for Dickens Room – 60%

John Peek Room

£590 room hire / £44.95 Day Delegate:

	10 people	15 people	20 people	Room Hire Only
20 days	£8,990			
20 days		£13,485		
20 days			£17,980	
15 days				£8,850
Total	£49,305			

John Peek - £295 room hire / £25 Day Delegate (Charities Rate)

	10 people	15 people	20 people	Room Hire Only
20 days	£5,000			
20 days		£7,500		
20 days			£10,000	
15 days				£4,425
Total	£26,925			

Working on an average of 251 working days per year

Total Occupancy for John Peek Room – 60%

Main Hall (Beauclerc Hall?)

£590 Room Hire / £44.95 Day Delegate:

	15 people	20 people	30 people	40 people	Room Hire Only
20 days	£13,485				
20 days		£17,980			
20 days			£26,970		
5 days				£8,990	
10 days					£5,900
Total	£73,325				

£295 room hire / £25 Day Delegate (Charities Rate):

	15 people	20 people	30 people	40 people	Room Hire Only
20 days	£7,500				
20 days		£10,000			
20 days			£22,500		
5 days				£5,000	
10 days					£2,950
Total	£47,950				

Working on an average of 251 working days per year

Total Occupancy for Main Hall – 60%

Ryland Room

£270 Room Hire / £44.95 Day Delegate:

	6 people	8 people	Room Hire Only
30 days	£8,091		
20 days		£7,192	
25 days			6750
Total	£22,033		

£135 room hire / £25 Day Delegate (Charities Rate)

	6 people	8 people	Room Hire Only
30 days	£4,500		
20 days		£4,000	
25 days			£3,375
Total	£11,875		

Working on an average of 251 working days per year – Occupancy = 30%

Total Occupancy for Ryland Room – 60%

Lyttelton Theatre

£1,500 room hire / £49.95 Day Delegate

	75 people	100 people	150 people	Room Hire Only
10 days	£37,462			
15 days		£74,925		
10 days			£74,925	
5 days				£7,500
Total	£194,812			

£750 Room Hire / £35 Day Delegate (Charities Rate)

	75 people	100 people	150 people	Room Hire Only
10 days	£26,250			
15 days		£52,500		
10 days			£52,500	
5 days				£3,750
Total	£135,000			

Working on an average of 251 working days per year –
Total Occupancy for Lyttelton Theatre – 32%

Total (Full paying Clients) - £442,370

Total (charities 50% off) - £278,770

Total - £721,140

The Green Room (*the fire damaged area.*)

75 days per year at £150 per day.

Total - £11,250

Working on an average of 251 working days per year – Occupancy = 30%

Hot Desking

Utilising what is currently the Café as shared space / hot desking area. Offering a monthly membership of £150 per person, this would be for the equivalent of 2 full days per week.

Total - £50,000

(This was researched using local buildings which already offer this, including 55 Colmore Row, Bruntwood Cornwall street, spaces Lewis's Building & The Kiln Worcester.)

Dedicated Office Space

Using the Woodward room on the Ground floor. This could be rented out for private use each day. £100 per day.

100 days at £100

Total - £10,000

Working on an average of 251 working days per year – Occupancy = 40%

This then leave rooms 30, 31 & 32 on the top floor and also the former flat to use how we see fit. The two main options would be to permanently lease these spaces to individual businesses or to use these as further office/shared space.

There is the option to move Midland Ancestors and/or Birmingham College into these spaces to keep their income coming in and keep their continued support.

Grand Total income – £757,390 per annum.

APPENDIX 2 – SPICE (Business Model)

Spice, an acronym for Special Programme of Initiative Challenge and Excitement, is a Multi-activity and adventure group.

The organisation which began forty years ago was the dream of the founder Dave Smith. He believed that as an adult, it was increasingly difficult to access exciting adventure events to challenge yourself with and meet likeminded people. Spice Manchester was the first group to be established as a membership organisation. The news of the group soon spread by word of mouth and media resulting in ten franchises in England, Scotland and Wales. The organisation peaked in membership around 2006 with around 8000 members nationally.

Believing that age was not a boundary within our events programme and more about ones attitude to life, Spice advertised and promoted the group to anyone between 18 and 80! With higher education and career paths ahead, the group appealed more to members from the mid-twenties with the majority of the members between 35 -60. We were however humbled to enjoy the wonderful company of a handful of octogenarians, including a D Day veteran who had more energy than all of us!

Today groups now open a world of opportunities for the members to learn new skills, socialise, make friends, and have fun both nationally and locally. Through the network of offices hundreds of events are organised every month as well as weekends away and holidays.

I became involved in 1994 as the Assistant Co-ordinator of Spice Birmingham group, now Spice West Midlands, whilst in its infancy with 150 members. The business ran from home.

Passionately believing in the Spice ethos we worked tirelessly for the next five years until we hit our goal of 1000 members when the franchise sold to the new owner. I then continued my Spice journey for twenty years with the group which peaked at 3500 members around 2006/2007, a very exciting time. We were the most successful group in the network. Not only as an event organiser, I also hosted events both locally and regionally travelling with groups throughout Europe and the World.

The franchise changed hands in 1998 when we reached a membership of 990 members. The following 20 years of my time at Spice saw us move into commercial premises in Streetly, Sutton Coldfield and increase the Spice team to five which included administrators and a book keeper.

The demographics of the membership for our group included West Midlands, Warwickshire, Staffordshire and Shropshire. West Midlands generated the greatest number of members followed by Warwickshire. Access to the events was very important to the members especially reassuring members who were using public transport in the city.

With a limited advertising budget we relied heavily on word of mouth and a weekly advert in the Birmingham "What's On" magazine where potential members were looking for an opportunity to enhance their social life. "What's On" was the first port of call. This was prior to the internet.

With being at the forefront of introducing new and exciting adventure activities to our members the media were often interested in our event programme which included television and radio. We also gained interest with some of our more unusual events 'Conquering our fear of Spiders', Ghost Hunting and importing the first double Zorb, a huge inflatable ball, into the UK from New Zealand!

Twice a month throughout the year, we organised Preview Nights for potential members to meet the Spice Team face to face. Offering reassurance as to who we were, there was also an opportunity to find out more about the organisation.

An invitation to the preview nights was included in the enquiry pack which was sent out on the day the enquiry was requested. This also included our monthly newsletter, as well as further information about the organisation. A preview evening offered financial incentives to join on the night such as a 3-month free trial, with the first direct debit payment being “delayed” from the joining date. Three vouchers towards attending specific ‘free’ events also benefitted new members. We recognised that if a new member attended their first event sooner than later they would remain with the group for a longer period of time.

With technology advancing day on day, Social Media and the Web Site allowed us to remain virtually visible and stay in constant contact with the membership. Once a week we produced a “Weekly Bulletin” which included a roundup of news from events that had happened and events to come. There were also interesting stories from the members.

The roots of Spice is all about meeting likeminded members face to face. New Members were often uncertain as to where to start with the group. Being a little overwhelmed as to which events to book first, we introduced a ‘Member Care’ programme. Every week we would set aside time to call the members to find out if they were satisfied with the group. Had the new member not yet booked an event we encouraged and suggested events that we believed would help the member to become involved with the group. In the early days of Spice we offered a Buddy system linking new members with established members that we knew. We recognised that if a New Member hadn’t booked an event within three months of joining they were likely to cancel their membership. Retention of membership was approximately 18 months. There were however members who had been with us from the early days of the group. After 5 years of membership we offered a discount on their annual membership renewal or froze the direct debit.

Originally an annual membership subscription was the only option to join. As time moved on we felt that this was an obstacle to people joining the group and renewing. The commitment was too great for a product that potential members were not familiar with, a financial risk. Direct Debit was the way forward to encourage potential members to “try” the group on a more flexible basis. This ran alongside the existing annual membership. We saw the membership flourish.

The Direct Debit originally was £12.00 a month and now £15.00. An annual membership £144.00 or now £180.

My key role was to plan the event programme appealing to the diversity of our membership. Developing quality relationships with our suppliers was very important to me, working hand in hand to mutual benefit. We negotiated ‘low peak rates’ with our suppliers as an important “in fill” business in the corporate world for venues, theatres and restaurants. This ensured that we were not passing on high costs to the members. The cost of the events ranged from a “free” Behind the Scenes visit to keep the members curious and engaged with the programme, as well as many of the events under £10.00 including, guest speakers, walks, dancing and sporting events. The day workshops included Crafts and Personal Development when lunch and refreshments were included.

As the group expanded the range of events increased. This included a comprehensive walking programme for all abilities, both in the countryside and towns. A Blue Badge Guide organised Birmingham City and suburban walks at a cost of £8.00 to the member for a two hour walk.

The programme of Behind the Scenes flourished as contacts were created. Bespoke visits to Birmingham Museum and Art Gallery, Multi Faith visits to the Synagogue, Mosque, Sikh Temple as well as visiting traditional Birmingham businesses including the Acme Whistle Company, Newmans Coffin Factory, Aston Hall, the Back to Back houses and Assay Office.

Our Guest speakers covered a vast range of subjects and were particularly popular from historical characters to inspirational men and women.

Socially dining at many restaurants throughout Birmingham, Wine-tasting, Theatre nights suited all budgets and were very popular, as well as themed parties. Spice loves a party!

The adventure activities ranged from Caving to Climbing, White Water Rafting to Flying Lessons varied in price. City breaks and holidays were naturally at a higher cost. We were always price sensitive without under valuing our product. Group rates allowed us to generate an income on the events buying the events at a group price and selling at the public price. We took the risk with hoping to achieve minimum numbers required to gain the group rate.

Friends, lifelong friends and even partners have flourished throughout Spice even when memberships have lapsed. Spice for me has been a privilege to have been a part of.

Maggie Jephcott

APPENDIX 3 – Document History

Date	Who	Description
05/05/2021	Stephen Hartland	Document Created
05/05/2021	Stephen Hartland	a) James Fletcher & Trisha Dando asked for Five-Year Cash Flow Projection b) Tom Bailey asked for Ecological input
09/05/2021	Samina Ansari	Added information about the Library (Section 2 Paragraph d)
10/05/2021	Mark Blake, Samina Ansari and Stephen Hartland	Document reviewed
11/05/2021	Stephen Hartland	Updated document to include Staff structure and Room rates
11/05/2021	Mark Blake	Added in “Pop-ups” for USPs and updates on structure and room hire costings. Additional info for Members.
12/05/2021	Samina Ansari	Added information about the Bindery (Section 2 Paragraph e)
12/05/2021	Stephen Hartland	Updated and reviewed. Sent to Mark Blake, James Fletcher and Samina Ansari for review before going to Trustees and Greenwoods
13/05/2021	Mark Blake	Reviewed with minor updates
13/05/2021	James Fletcher	Document reviewed
13/05/2021	Stephen Hartland	Sent to: Board of Trustees Greenwoods