



Pets change lives
We change theirs



Blue Cross Three-year Strategy

February 2021

Introduction

The start of 2021 sees the commencement of a new three-year strategy to carry Blue Cross through to the end of 2023.

It is ambitious in that over the next three years we want to increase accessibility to the Charity, make Blue Cross grow in a financially sustainable way, create a more distinct brand and integrate our cultures and services into 'One Blue Cross'.

The ultimate aim of the strategy is to help and support pet owners across the UK and to achieve our vision that every pet enjoys a healthy life in a happy home.

Following the successful introduction of the Blue Cross Impact Framework, the Executive Team (ET) and the Senior Leadership Team (SLT) spent the end of 2020 working together to take our existing plans and shape them into a more focused three-year strategy. We all recognise that with the events of 2020, this Strategy has had to evolve as the needs of our clients have altered while the economic climate remains uncertain.

Chris Burghes
Chief Executive



Objectives

The next three years will be an opportunity for Blue Cross to evolve and step forward as a leading UK pet charity.

To achieve that we have five clear objectives:

- 1 Increase** accessible, integrated, and differentiated services, across the UK, for customers and communities, a local presence with a national reach.
- 2 Enable** financially sustainable growth and scale, and balance the budget by 2022 and beyond, to enable us to invest in the Charity's core services.
- 3 Champion** a vision for a society where understanding of the value of pets is second nature. The charity will lead in advocating the highest pet welfare standards and supporting those who live with them.
- 4 Further Embed** a culture of One Blue Cross where all individuals can have accountable impact and deliver results for pets and their people in an environment where inclusivity, diversity and inclusion is paramount.
- 5 Develop** processes that allow technological agility to respond to the changing social environment and needs of those who share their lives with animals, and to support current and future pet owners and those in times of crisis.



VISION	Every pet will enjoy a healthy life in a happy home		
MISSION	To improve the welfare and quality of life for all pets		
IMPACT	Improved knowledge and understanding	Make pets a more valued part of society	Help pets and people in need



	CUSTOMER							FINANCIAL	PEOPLE	OPERATIONAL EXCELLENCE					
OBJECTIVES	Increase accessible, integrated and differentiated services across the UK							Champion a society more supportive of pets in our lives	Enable financially sustainable growth	Create a 'One Blue Cross' culture	Develop fit for the future systems and processes				
INITIATIVES	Develop accessible, assured, national rehoming	Develop affordable vet care	Optimise our operating models, service offerings and our locations to integrate our services and maximise impact and income	Develop commercial behaviour services	Develop easily accessible advice and education services	Develop impactful campaigns and support for pet welfare and wider societal issues	Deliver an integrated Brand Strategy	Maximise income through fundraising and retail sources	Review our cost base and suppliers to ensure value for money and environmental, social and governance (ESG) approach	Develop an inclusive and collaborative culture, where we think and act as One Blue Cross	Develop a fit for the future organisational operating model	Improve and centralise our contact handling	Deliver value from our data	Invest in technology solutions	

Priorities for 2021

Achieving these objectives and initiatives will challenge us. The 14 initiatives will not all start at once and will be phased in over the next three years.

The priorities for this year are to:

- **DEVELOP Affordable Vet Care**
Veterinary care should be accessible for all pets and owners who require it. We wish to explore and develop models which will make this a reality.
- **DEVELOP accessible and assured rehoming**
Realign it to the increasing demand to use digital platforms. Part of this will be to have Rehoming Advice and Behaviour Units (RABUs) across the UK supported by an increased use of foster carers and more use of Home Direct to look after pets before they are rehomed. We will research, design and develop new system(s) to enable Rehoming to efficiently manage its operations, including incoming and outgoing animals, husbandry and logistics.
- **DEVELOP an inclusive and collaborative culture where we think and act as One Blue Cross**
Blue Cross will ensure inclusivity, diversity and equality are core values of the charity and embedded in all services they deliver in being able to reach, communicate and support all of those in need.



Further detail

For each of the five objectives we will:

1 Increase accessible, integrated and differentiated services, across the UK, for customers and communities: local presence with a national reach.

- During 2021 we will continue to develop Affordable Vet Care (AVC) with the aim to help the seven out of eight pet owners in the UK on benefits who cannot access affordable pet care. To increase our resources, we will introduce on 4 May a 'Pay As You Go' (PAYG) scheme to our four hospitals for those on Benefits B categories. We commit to keeping free clinical treatments to those on Benefits A.
 - To maintain the principal of AVC, our fees for Benefits B category clients will still be typically 30% less than in local commercial veterinary clinics.
 - However, this does not address that most pet owners in the UK cannot access one of our hospitals because they are not in the right postcode. It is not financially viable for us to provide hospitals across the UK. So, our ambition is to engage private veterinary practices, explore where it might be feasible to co-locate clinics with our rehoming services, and look to fund this through a subscription model. We want that model to be affordable to those on benefits and will design a scope of service in line with that aim.
 - We also want to expand our rehoming presence and realign it to the increasing demand to use digital platforms. Our model will be to have RABUs across the UK supported by an increased use of foster carers and Home Direct to look after pets before they are rehomed.
 - By 2023 we want to expand our reach and open RABUs in the North West and North East of England, Scotland and Northern Ireland. They will be funded by expanding our philanthropy work and we will have a large-scale major donor campaign linked to our 125th Anniversary. Those new RABUs will be targeted at areas of deprivation where we do not have a presence.
- We will also:
 - Research, design and develop new systems to enable Rehoming to efficiently manage its operations, including incoming and outgoing animals, husbandry and space management/transfers/logistics.
 - Research, design and develop a national foster service which enables a scaled-up capacity of 'spaces'.
 - Open a rebuilt Herts Rehoming centre and upgrade facilities at some existing centres.
 - Over the next three years we want to invest in our advice services and use digital platforms to provide that advice. 650,000 people access the Blue Cross website every year for information and advice. We expect that number to increase annually by 20% due to a shift in people looking for online advice and our continuing development in this area.
 - We will also aim to have more integrated services that embrace rehoming, advice and clinical. We will bring services under the Chief Operating Officer so that there is a consistent approach to how we provide services, and to do that in an integrated manner.
 - During 2021 we will also start to invest in commercial services that allow us to differentiate from others. We want to lead on behavioural services to clients in all social-economic groups. We also want to start to build our research and education capabilities and become a 'thought leader'.
 - During 2021, we intend to make a minimum £1.5m capital investment in our services. We will also intend to invest in our digital capabilities as clients want to transact on these platforms; for example we will invest over £300,000 on upgrading our digital platforms that will bring services and fundraising together to provide a clear, joined up website.

Further detail continued

2 Enable financially and environmentally sustainable growth and balance the budget by 2022 and beyond, to enable us to invest in the Charity's core services.

- Like with most organisations, 2020 has been a difficult financial year as both fundraising and service income reduced through Covid. We have controlled our costs and saved £6m from the budget to help off-set the drop of £8m budgeted income during the year.
- 2021 will still be difficult. We expect to run a deficit in 2021 of £1.3m, as we don't believe we can bring the income back to a more 'normal' level during that period. It will take us until 2022 to balance the budget. To achieve that we will:
 - Start to increase income from Services with a PAYG scheme for our clinical hospitals for those clients in Benefits Band B.
 - We will move forward with plans for a monthly scheme for clients to help cover the cost of clinical care.
 - Expand our philanthropy campaign to fund the cost of four new RABUs, along with the running costs for the first three years.
 - Examine if we can expand our retail network into the new areas where we open RABUs.
 - Move more fundraising, particularly regular giving, to online platforms as the principal method of recruitment.
- In fundraising we will:
 - Support the development of a unified approach to deliver greater understanding of key audiences across the Charity and help communicate this to key stakeholders.
 - Develop new sponsorship product/s that build on our current, outdated, online offering.
 - Develop a calendar of products that allows us to promote on our digital channels.
 - Develop events to support our philanthropy campaign, and 125th anniversary year.
- Ensure that we have a number of virtual events (running, swimming and cycling) ready that allows us to be agile and pivot.
- While in retail we will:
 - Continue to expand and increase our income through sales online, via our eBay shop. This will involve finding a more fit for purpose online area. This is required so that we can continue to sell online during any lockdown periods but also because we can run this operation with less fixed costs than a physical shop.
 - Develop a flexible and cost-efficient way of taking advantage of reduced rent properties that means we can open and close a shop without having the set-up and exit costs of our standard fit out.
 - Investigate if we can open retail hubs around new RABUs as they are developed as part of the 125th Anniversary celebrations.
- We are proud of how much we do achieve with the income we have but we are determined to do more and so we will review our cost base to identify opportunities where we can reduce our expenditure and so achieve even more. Over the next three years we will aim to become more efficient, improve our procurement practices, partner with other organisations to reduce costs and focus the Charity on key priorities.
- During 2021 we also want to pay back part of the loans the Charity holds, as well as looking at the terms of the debt. We also intend to use the funds from any sales of assets in 2021 and 2022 to reduce our debt levels.
- As a Charity we are conscious of the impact we make on the environment. Our goal is to be carbon neutral by 2030. To achieve that, over the next three years we will start to transition to a more friendly vehicle fleet, increase recycling and move to renewable energy sources.

Further detail continued

3 **Champion a society more supportive of pets in our lives by being the principal voice championing pets and pet owners.**

- We want to make the Blue Cross brand more distinct. This will increase public understanding of what we do, how we help and what we stand for. Over the past few months, we have been working on where we position the brand, especially compared to other animal charities.
- Over the next 12 months we will start to shape this further. It will not mean that we change our logo, but we will start to have a more distinctive and prominent voice. We need to agree what we want to champion over the next three years and reposition our brand into one that supports pet owners and the benefits of pet ownership with its positive impact on mental health, loneliness, isolation and physical well-being.
- During 2021 we will:
 - Support the promotion and publicising of our Public Affairs work across earned and owned media.
 - Establish an evidence base to support the causes we want to champion. This will also allow us to partner and collaborate with other organisations and be clear about what we want out of those partnerships.
- During 2021 we will also start to invest in commercial services that allow us to differentiate from others. We want to lead on behavioural services to clients in all social-economic groups. We also want to start to build our Research & Education capabilities and become a 'thought leader'.

4 **Support the creation of a One Blue Cross Culture (e.g. values, inclusive, collaborative, empowered) with engaged and accountable people who can make an impact in their roles.**

- Our people are what makes us special and allow the Charity to help so many pet and pet owners. We have great staff and great volunteers. Over the past years we have increasingly focused on support for our staff and volunteers, which has increased during Covid.
- Over the next three years we want to build on those foundations. The ET and SLT are working on designing a future organisational structure for our charity that will involve having flatter management structures and empowering people further.
- Blue Cross will also prioritise inclusivity. This will not be confined to staff. We need to be more inclusive in how we communicate, how we provide services and to whom and how we recruit volunteers. We need to reflect society as a whole across the organisation.
- Our volunteers are critical to how we operate. In 2021 we will invest in our infrastructure to support our volunteers with a new database. We will also look to create new volunteering opportunities from different socio-demographic groups, in line with our expanded EDI focus.
- We will also:
 - Enhance the online recruitment and learning capability to ensure it is fit for purpose and in line with future organisational requirements.
 - Ensure that, following best practice, the Charity provides suitable development and returnships for women returning to work. The recommended approach will also consider if we need to broaden this to include other types of absence such as parental care and long-term sickness.

Further detail continued

- Launch of a new Management Development programme (Shine) which will be available in small bitesize chunks and open to all people at Blue Cross. This will include modules run by Learning & Development and also specific Directorate content such as Finance, HR sessions, Volunteering etc.
- Research and introduce new resources such as Internships and Industrial Placements; and increase the apprenticeship opportunities within Blue Cross.
- Position Blue Cross as the leading animal welfare charity for information security.
- Develop additional capabilities to support the development and testing of new front-line services.

5 Develop fit for the future systems and processes that allow us to be agile and efficient so we can respond to the changing environment we operate in.

- Improve and integrate our contact handling. Our teams deal with thousands of customers and supporters every year. We believe we can improve how we operate to deliver even better customer service while minimising costs.
- We rely on technology to offer our services, to collaborate and communicate, both internally and externally. But a number of the platforms we rely on need upgrading and in their current form will not help us realise our ambitions. To this end we will:
 - Define a technology roadmap which identifies which systems we need to replace when, and in what sequence.
 - Implement truly interconnected systems which support and enable seamless transactions.
 - Establish a “service excellence” culture within IS for the management of our key technology services.
 - Adopt a cloud-first approach with the upgrade and replacement of technical services.
- The potential value of data to help our aims is huge, be that in the form of continuous operational improvements or to support our campaigning work. We will develop a clear data strategy that will allow us to achieve a higher state of data maturity and extract value from data. To this end we will:
 - Undertake Data Strategy research, engagement and development to ensure Blue Cross has a defined position across all stages of the data lifecycle.
 - Review the existing catalogue of reports, how they are shared and consumed, and how decisions are made from them, with the intention of improving operational efficiency.
 - Design and develop enhanced data capture, transformation, warehousing, reporting and visualisation capabilities of both internally and externally generated datasets to enable more effective decision-making within Blue Cross. This will involve identifying, for different processes and different activities at Blue Cross, the level at which we wish to invest in Data Analytics.

Outcomes

Our Blue Cross Strategy 2021-23 has been carefully designed in order to achieve a number of key measures by the end of the Strategy period.

These are:

- 1** We will have a presence across all four countries of the UK with integrated centres, making us a truly national charity.
- 2** We will move increasingly to digital platforms. For example more of our rehoming work will be through Homes Direct by 2023.
- 3** We will focus on two new services to support our income; AVC and behaviour services. For example, growing behavioural interventions.
- 4** We will strengthen our voice in the sector, not just on animal welfare but also on the social benefits of pet ownership.
- 5** We will embrace diversity and make it a core value of our charity in how we operate and service the public.

