

Stronger together: Reflections on a charity merger

Ben Clarkson

Chief Operating Officer
Asthma + Lung UK



Who are Asthma + Lung UK?

- The nation's lung health charity fighting for everyone's right to breathe
- Formed from the merger of Asthma UK and the British Lung Foundation on 1 January 2020
- Re-launched as Asthma + Lung UK on 28 Feb 2022.
- What do we do?
Research + Campaigning + Support

Lung conditions are the
**3RD BIGGEST
KILLER**
in the UK

1 IN 5 PEOPLE
in the UK will experience a
lung condition

1 person
**EVERY
MINUTE**
is diagnosed with a lung
condition in the UK

1 person
**EVERY
5 MINUTES**
dies from a lung
condition in the UK

We have the
**WORST
DEATH**
rate for lung conditions
in western Europe

Asthma is the
**MOST
COMMON**
long-term condition
for children in the UK

There has been
**LITTLE
PROGRESS**
in lung health over the
last decade

Lung related deaths are
**7 TIMES
HIGHER**
in the poorest parts of
the country

Lung conditions cost the
UK more than
£11 BILLION
every year

Who's in the room?



Any merger

- Mergers
- Acquisitions
- TUPE
- Any sector



Charity merger

- Any merger or takeover between two or more charities



Merger of equals

- A strategic merger
- Not a rescue
- Neither party in distress

“Are you sitting down?”

A brief overview of our merger.

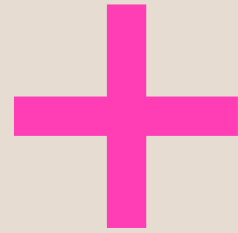
Asthma + Lung UK

How did we get here?



From the merger to the rebrand

The driving force behind the transformation of lung health



Why did we merge?

What were the drivers?

Why did we merge?

Financial drivers

- Saving money on support costs
- Financial resilience in the long term. A bigger boat in stormy seas.

Mission drivers

- To be a stronger, single voice for people with lung conditions.
- Righting the historical wrong?

How did we merge?

How did it work?

How did the merger work?



Merger of equals

- But legally a takeover.
- BLF absorbed AUK and changed its name – but two brands kept.
- No “newco” – takes too long.



Single vs Multi condition

- We didn’t align the objects before merger.
- This has implications, but the merger wouldn’t have happened at all if we had done so.



Trustees, Exec, and Legal

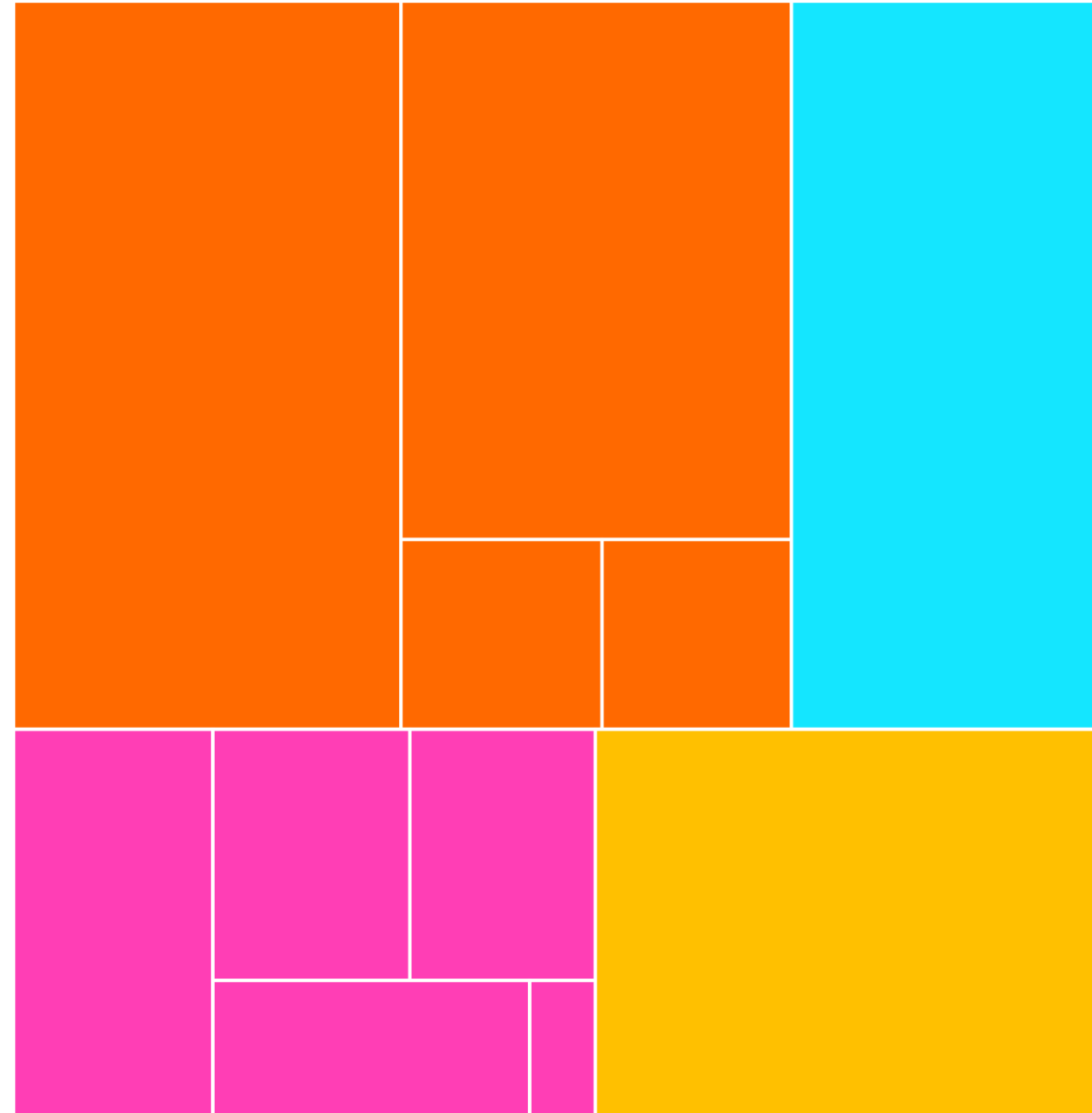
- Who forms the Exec and Trustee Boards?
- The legal process.
- The membership question.

Technical accounting implications

- We **created a restricted fund** for asthma at the point of the merger.
- We added **new donations** to that under the Asthma UK brand.
- We came up with a mechanism to **apportion common costs**.
- **Perceptions** – we needed to balance the need to act in accordance with donors wishes with the need to ensure we didn't portray asthma as separate internally.

How our reserves looked (30 June 2020)

■ Unrestricted ■ Asthma restricted ■ Restricted (other) ■ Endowment



How did it go?

How did it go?

Pretty well!

- **Merger integration:**
 - Mostly done inside 12-18 months
 - The big beasts (CRM and website) finished March '23.
 - Financial benefits being realised.
- Quickly felt like **one organisation**
- Our **staff engagement** scores are consistently high:
 - “I understand the purpose of the organisation” – **4.6/5**
 - “I feel positive about the future of our organisation” – **4.4/5**
 - “I would recommend A+LUK as a good place to work” – **4.2/5**

Why did it go well?



Pace

- Do it as quickly as possible
- Done is better than perfect



Culture

- Remove cultural signifiers that keep people apart
- Find common ground



Technology

- Consolidate and rationalise as quickly as possible
- Invest to save in the long run

Finance System

Telephony

Core Tech

Purchase 2 Pay

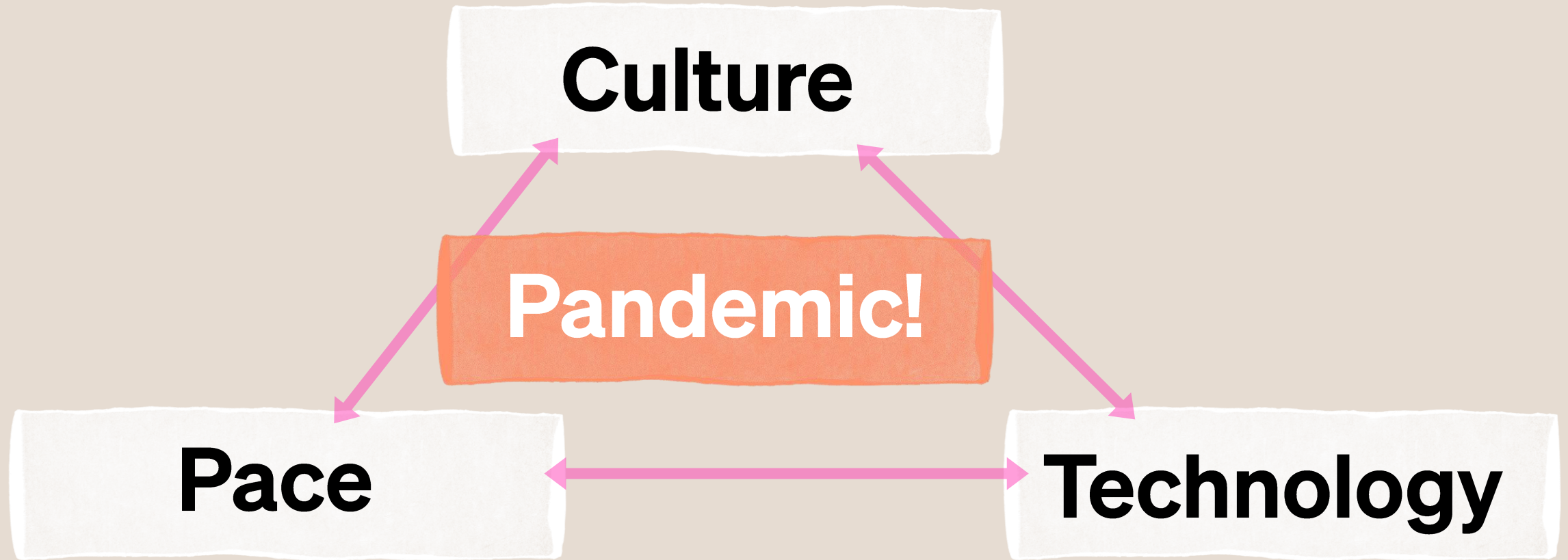
CRM

Suppliers

Website

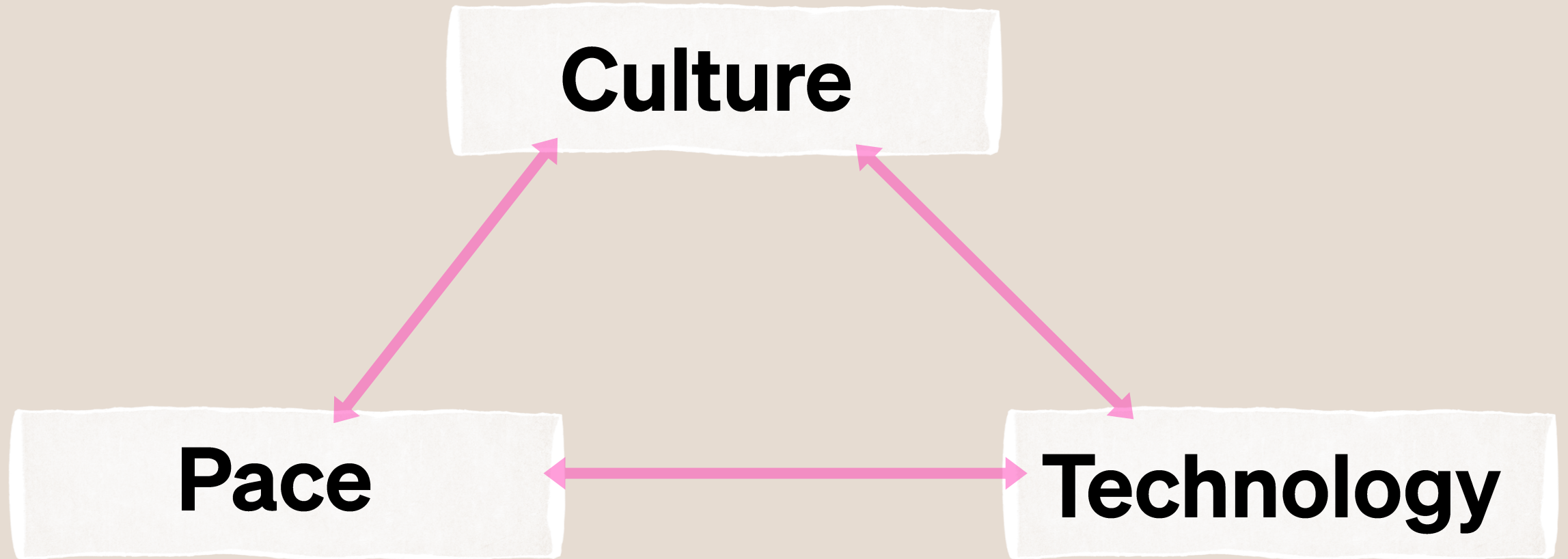
Offices

Why did it go well?



Final thoughts

Culture is everything. But quick tech enabled change helps.





GO TEAM
BREATHE!

ASTHMA+
LUNG UK

GO TEAM
BREATHE!

ASTHMA+
LUNG UK

The logo for Asthma+ Lung UK features a stylized cross shape composed of four overlapping rectangular blocks. The top and bottom blocks are a vibrant magenta, while the left and right blocks are a deep, textured blue. The text 'ASTHMA+' is positioned on the top magenta block, and 'LUNG UK' is on the bottom magenta block, both in a clean, white, sans-serif font.

ASTHMA+
LUNG UK

**ANY
QUESTIONS?**