

**MEETING: 28/11/2013**

**Ref: 11951**

**ASSESSMENT CATEGORY - Accessible London**

**Tower Hamlets Community Transport**

**Adv: Tim Wilson**

**Amount requested: £86,150**

**Base: Tower Hamlets**

**Benefit: Tower Hamlets  
and Newham**

**Amount recommended: £86,150**

**Purpose of grant request:** To fund a Business Development Manager to generate new business and develop new income streams in order to improve Tower Hamlets Community Transport's long-term sustainability.

**Background**

Tower Hamlets Community Transport (THCT) was established in 1982. Its Limehouse premises have sufficient space for garaging and fleet maintenance despite the high population density of the local area. The charity benefitted from a large capital grant in 2002 which allowed it to replace its entire fleet, and has enjoyed good relations with the local authority. Today, the charity runs 17 vehicles, works with over 100 charitable organisations and supports over 40,000 people each year.

In 2007 the charity was given notice that the local authority was likely to end grant-funding for community transport in favour of a commissioning model. This took effect from 2010 and proved quite challenging for THCT. The charity's income fell, as a result of which it made several staff redundancies.

**Funding History**

You have funded THCT four times to date, with awards in 2007, 2001, 1998 and 1996. Your most recent grant was for an accessible transport service for isolated elderly people. Monitoring reports, as for the other grants, were rated by your officers as 'good' and the files were made historic some time ago.

**Current Application**

The 2010 reduction in funding and the consequent round of redundancies left THCT with a small team of two full-time and two-part staff. Staff combine day-to-day administration with fleet maintenance, vehicle bookings and driver training. This leaves very little time for business development. Whilst the charity generates almost three quarters of its own income, it is keen to further reduce its grant dependency and believes the most effective way to do this would be to recruit a dedicated business development manager, the focus of the current application.

The Chief Executive has already identified a number of income development opportunities, and the application is based on the assumption that the post holder will be able to generate sufficient income to be entirely self-financing by the end of the third year of grant funding. In addition, the charity is looking to expand its services in Newham, currently without its own dedicated community transport facility, which it will do in partnership with a transport provider in Waltham Forest.

It is hoped that in the longer term, the additional income the business development manager generates will allow THCT to recruit a part-time volunteer manager who can re-start its volunteer driver scheme. Clients currently have to provide their own qualified driver, and this limits the number of prospective users. The charity also plans to explore options for leasing, rather than owning, its vehicles.

### **Financial Observations**

Independently examined accounts for the year ended 31 March 2013 show a deficit of £2,310 (0.7% of turnover), entirely on unrestricted funds.

The reserves policy states that the organisation aims to hold at least 3 months' worth of the annual budget, which equates to £72,237 based on budgeted expenditure for 2013-14. At 31 March 2013, the organisation held free unrestricted reserves of £274,542 equal to 11.4 months' worth of 2013/14 budgeted expenditure.

The charity expects to use £90,000 of its unrestricted reserves for the replacement of 3 vehicles in the current financial year, leaving a free undesignated reserve of £184,542 equivalent to 7.7 months' worth of expenditure. The charity plans to replace a further two vehicles in the first quarter of 2014/15 at an approximate cost of £60,000, which should reduce free unrestricted reserves further to £124,542, equating to 5.2 months' worth of expenditure.

The forecast for 2013/14 shows a surplus of £18,952 (6% of turnover), entirely on unrestricted funds. The forecast includes total income of £317,388 of which £106,035 (33.4%) had been secured as at 16 September 2013. This level of confirmed income may seem low at the mid-year point, however, 80% of the charity's income is derived from the sale of services throughout the year and the charity advises that the current position is not unusual and comparable to previous years.

### **Officer's Appraisal**

In common with many other community transport providers in Greater London, THCT has experienced a decline in grant income at a point where its vehicle fleet needs replacement, and has had to cut back on operating costs. This could result in a 'death spiral' where the charity steadily works

through its reserves to fund operations at their current level, before winding down in the near future. Instead, THCT proposes to use your grant funding to invest in a business development role which will generate valuable unrestricted income, and sustain an expansion into currently underserved sections of East London. This is likely to be of benefit not only to THCT, but also to the charitable organisations that rely on affordable transport to deliver their own services.

### **Recommendation**

**£86,150 over three years (£36,200; £33,300; £16,650) towards the salary and support costs of a full-time Business Development Manager.**



# The City Bridge Trust

Charity Registration Number: 1035628

## Working with Londoners: Application for a grant

Please read the guidance notes before completing this form

Reference:  
(office use only)

11951

Date Received:

05/07/2013

Programme  
Area:

01

### 1. About your organisation

|   |   |
|---|---|
| Name of organisation applying for grant:<br><b>Tower Hamlets Community Transport</b>  |   |
| If the organisation is part of a larger organisation, what is its name?<br><b>N/A</b>   |   |
| Address for correspondence:<br><b>25-27 Newell Street<br/>Limehouse<br/>London</b>  | <div style="border: 1px solid black; padding: 5px; text-align: center;">RECEIVED<br/>The City Bridge Trust<br/><br/>10 JUL 2013</div> |
| Postcode: <b>E14 7HP</b><br>Is this your home address? <b>No</b>  |   |
| Contact person:<br><b>Mr. Simon Rouse</b>   | Position:<br><b>Co-ordinator</b>  |
| Phone: <b>0207 987 6447</b>   | Fax: <b>0207 987 0804</b>   |
| E-mail: <b>simon.rouse@thct.org.uk</b>  |   |
| Website: <b>http://www.thct.org.uk</b>  |   |
| Legal status of organisation: <b>Registered Charity</b><br>If registered, please give charity number: <b>289827</b><br>Date organisation established: <b>01/10/1982</b> |   |

### 2. Request for funds

|  |
|--|
| Under which of the Trust's themes are you applying (see our website or brochure for further details)?<br><b>Accessible London - Accessible Transport</b>   |
| Purpose for which funds are requested: (25 words maximum)<br><b>To fund a Business Development Manager to generate new business and develop new income streams, to improve THCT's long-term sustainability. To maximise partnership working opportunities.</b> |
| How much funding is requested?<br><b>Year 1: £36,200 Year 2: £33,300 Year 3: £16,650 Total: £86,150</b>  |

### 3. Aims of your organisation

To be an efficient, effective, sustainable community transport service putting our customers and communities first. Working together with our partner agencies to improve the quality of life and well being of all communities in Tower Hamlets and its' surrounding areas by providing a customer focused transport service aimed at improving access to health, education, social and economic opportunities to all sectors of the community.

### 4. Main activities of your organisation

Inclusive transport provision for Tower Hamlets Third Sector organisations which provide social care services (e.g. Day Care Centres) for adults and children with physical and learning disabilities.

Group transport service supporting social and leisure activities by local community and voluntary organisations under a self drive basis

The provision of a vehicle brokerage scheme, enabling other voluntary organisations to share their resources with the wider community. The provision of an in-house garage facility ensuring Community Transport vehicles are legally managed and maintained to the highest safety standards.

In addition we offer a range of training programmes through our Community Driver Training Service including MIDAS training, Passenger Assistant training, D1 entitlement training and 5 Steps to Safety Training. We also provide information and advice on transport related issues to our members.

### 5. Number of staff

| Full-time | Part-time | Management committee members | Active volunteers |
|-----------|-----------|------------------------------|-------------------|
| 2         | 2         | 8                            | 8                 |

### 6. How do you support your volunteers?

In the context of reductions in our core funding we have insufficient resources to maintain our volunteer drivers pool. Therefore voluntary input is from our trustees who are provided with induction and ongoing support in terms of their role and the aims of the organisation.

### 7. Property occupied by your organisation

|   |   |
|---|---|
| Is the main property owned or leased/rented by your organisation? | If leased/rented, how long is the outstanding lease/rental agreement? |
| <b>Leased</b>   | <b>New lease being negotiated</b>                                     |

## 8. Finance

From your most recent audited or independently examined accounts, complete the following:

Financial year ended - **Month: March**

| <b>Income received from:</b>      | <b>£</b>       |
|-----------------------------------|----------------|
| Voluntary income                  | 63,181         |
| Activities for generating funds   | 250,167        |
| Investment income                 | 109            |
| Income from charitable activities | 0              |
| Other sources                     | 0              |
| <b>Total Income</b>               | <b>313,457</b> |

| <b>Asset position at year end:</b> | <b>£</b>       |
|------------------------------------|----------------|
| Fixed assets                       | 66,717         |
| Investments                        | 0              |
| Net current assets (liabilities)   | 274,542        |
| Long-term liabilities              | 0              |
| <b>*Total A:</b>                   | <b>341,259</b> |

**Year: 2013**

| <b>Expenditure:</b>                    | <b>£</b>       |
|--|----------------|
| Charitable activities                  | 313,170        |
| Governance costs                       | 2,597          |
| Cost of generating funds               | 0              |
| Other                                  | 0              |
| <b>Total Expenditure:</b>              | <b>315,767</b> |
| <b>(Deficit)/surplus for the year:</b> | <b>(2,310)</b> |

| <b>Reserves at year end:</b> | <b>£</b>       |
|------------------------------|----------------|
| Endowment funds              | 0              |
| Restricted funds             | 82,956         |
| Unrestricted funds           | 258,303        |
| <b>*Total B:</b>             | <b>341,259</b> |

\* Total A and Total B must be the same and should be taken from your balance sheet

## 9. Statutory funding

For the financial year above, what % of your income was from statutory sources?

**20%**

## 10. Material changes

Describe any material changes to the organisation's activities, structure or financial position since the date of the most recent accounts:

**There have been no material changes since the 31st of March 2013**

## 11. Previous applications to the Trust

| Have you applied to the Trust before? If so, please give details: |       |      |      |   |
|---|-------|------|------|---|
| Month/Year:   | 05/07 | Ref: | 7793 | Grant received: £80,000 OR application rejected? No |
| Month/Year:   | 05/01 | Ref: | 1052 | Grant received: £85,000 OR application rejected? No |
| Month/Year:   | 07/88 | Ref: | 9972 | Grant received: £20,000 OR application rejected? No |

## 12. Previous funding received

Funding received by your organisation from the following sources during the last **THREE** years:  
**(i)** City of London (other than the City Bridge Trust) **(ii)** London boroughs **(iii)** London Councils (formerly ALG)  
**(iv)** Health authorities **(v)** Central government departments **(vi)** Other statutory bodies (e.g. Housing Corporation, Arts Council) - List source, years and annual amounts:

|                                      | Year: 2010 | Year: 2011 | Year: 2012 |
|--------------------------------------|------------|------------|------------|
| (i)                                  |            |            |            |
| (ii) London Borough of Tower Hamlets | 104,000    | 42,250     | 40,000     |
| (iii)                                |            |            |            |
| (iv)                                 |            |            |            |
| (v) DFT Bus Service Operators Grant  | 98,000     | 20,654     | 11,446     |
| (vi)                                 |            |            |            |

## 13. Previous grants received

Grants received by your organisation from charitable trusts and foundations (other than the City Bridge Trust) during the last **TWO** years. List source, years and annual amounts:

|     | Year: 2011 | Year: 2012 |
|-----|------------|------------|
| N/A |            |            |
|     |            |            |
|     |            |            |
|     |            |            |
|     |            |            |

## 14. What steps is your organisation taking to reduce its carbon footprint?

Tower Hamlets Community Transport's fleet is fully compliant with the Euro III (3) Engine standards required by the London-wide Low Emission Zone regulations. We have a fully developed environmental policy and action plan and comply with regulations regarding disposal of waste products, we use energy saving devices within the office, seek to use and purchase goods from sustainable sources, and actively encourage recycling of our office paper and materials.

## 15. Purpose

Complete this section whatever the amount of grant requested. **In addition**, if the request is for £25,000 or more in total, a fuller proposal should be sent with this form. Also, if your application is for all or part of new or existing post(s), please enclose a copy of the relevant job description(s) including the salary level.

**In order to provide the right information, please refer to guidance note 15 before completing this section.**

To ensure sustainable growth and development of Tower Hamlets Community Transport (THCT), we are looking to appoint a Business Development Manager to explore and challenge the traditional community transport model, to develop a model of sustainability that meets the needs of voluntary groups in Tower Hamlets on a long term basis whilst retaining the integrity of community transport services in the local community and to provide strategic business support to the Project Director and Board of Trustees. This post will focus on four key outputs:

- 1) Develop a sound base from which THCT can continue to deliver sustainable services within Tower Hamlets;
- 2) Further develop partnerships and brokerage opportunities with key stakeholders;
- 3) Promote THCT as a vital part of the transport infrastructure within Tower Hamlets, building on the legacy of the 2012 Olympic and Paralympic Games;
- 4) Increase income generation through contracting.

In the short term (years 1-2) the appointment of a Business Development Manager will provide a robust and supportive framework of expertise, business planning and mutual support to reassure the Project Director and trustees in developing their social enterprise approach. This confidence will enable bids for contract opportunities and development of the project at a local level that are currently difficult to achieve. Working capital and any early income will finance not only the post but also allow for marketing development including market research and service promotion that will allow further opportunities and ensure operational viability in LB Tower Hamlets and further afield.

Years 2-3 will allow for any additional personnel to be brought aboard to ensure consolidation of processes to successfully support tendering and collection of data for costings and evidence of track record and to implement and run new contracts. Reflection on early experience, backed by further market research, should give clarity and assurance on future activities including possible diversification and/or tactical or strategic partnership development and the options for future growth.

The long term goal of this project will enable THCT to:

- 1) increase commercial performance to deliver 75% of operational income by 2015 by growing turnover
- 2) cover likely shortfalls from reductions in grant funding
- 3) embed a culture of social enterprise throughout the organisation
- 4) identify and achieve critical mass for further development
- 5) establish credibility in the market as "the supplier of choice"

Our strategic aim is to consolidate the business by expansion both in size and into areas that we do not currently operate. As opportunities arise we want to be in a position to secure and deliver them in a professional, timely manner.

In three to five years time the aim is to have varied sources of income so that should one source be less forthcoming we are in a position to look at other ways of achieving the goal of continuing to provide a first class transport service for the benefit of the community we serve.



**16. Explain how you will monitor and evaluate both your own outcomes and those of the programme under which you are applying.**

The outcomes from our current services (Usage of the Vehicle operation, training, brokerage, advice/information and garages services) are subject to quarterly monitoring by Tower Hamlets Council. This requires us to quantify: Number of vehicles operated, Number of vehicle bookings, Passengers carried, Client profile, Number of Community Vehicles repaired by our garage, The number and profile of trainees accessing our courses, The number of organisations being provided with advices and information. Monitoring and evaluation of outcomes from the Business Development Project will be quantified as follows:

- \*Number of smaller, hard to reach organisations accessing CT services
- \*Number of new projects supporting individuals with unmet needs implemented
- \*Progress in fully implementing the EAST community transport service
- \*Number of new contracts established with Third Sector Organisations
- \*Quantifiable expansion of training projects and trainee attendance
- \*Progress in achieving financial sustainability and adoption of Social Enterprise structure
- \*Trustees with wider skill base recruited

**17. Beneficiaries**

In line with our anti-fraud policies, we may, in exceptional circumstances, require you to provide contact details of your beneficiaries (see Guidance Notes).

|  |          |                                 |            |
|--|----------|---------------------------------|------------|
| How many people will benefit from the grant per year?<br><b>40,000</b>   |          |                                 |            |
| What age group will benefit? <b>All</b>  |          |                                 |            |
| In which local authority is your organisation based?<br><b>Tower Hamlets</b>   |          |                                 |            |
| Which borough(s) of Greater London will benefit from this grant?<br>(if more than one, please give % for each)<br><b>Tower Hamlets 75%; Newham 25%</b> |          |                                 |            |
| At what address will the activity be located?<br><b>Tower Hamlets and Newham</b>   |          |                                 |            |
| What will the ethnic grouping(s) of the beneficiaries be?  |          |                                 |            |
|  | <b>%</b> |                                 | <b>%</b>   |
| White - British  |          | Black - Caribbean               |            |
| White - Irish  |          | Black - African                 |            |
| White - Other (please describe)  |          | Black - Other (please describe) |            |
| Asian - Indian   |          | Black - British                 |            |
| Asian - Pakistani  |          | Chinese                         |            |
| Asian - Bangladeshi  |          |                                 |            |
| Asian - Other (please describe)  |          | Other (please describe)         |            |
| Open to everyone   |          |                                 | <b>100</b> |
| What proportion of the beneficiaries will be disabled people?<br><b>50%</b>  |          |                                 |            |

## 18. Funding required for the project

What is the total cost of the proposed activity/project?

(List main expenditure headings and amounts)

| Expenditure heading                           | Year 1<br>£   | Year 2<br>£   | Year 3<br>£   | Total<br>£     |
|---|---------------|---------------|---------------|----------------|
| Staff Costs (Business Development Manager)    | 32,000        | 32,100        | 32,150        | 96,250         |
| Recruitment Costs                             | 2,000         |               |               | 2,000          |
| Project Publicity (Start up)                  | 1,200         |               |               | 1,200          |
| Postage, print, communications and stationary | 1,200         | 1,200         | 1,200         | 3,600          |
| Capital (IT equipment)                        | 1,000         |               |               | 1,000          |
|   |               |               |               |                |
|   |               |               |               |                |
|   |               |               |               |                |
|   |               |               |               |                |
|   |               |               |               |                |
|   |               |               |               |                |
| <b>TOTAL</b>                                  | <b>37,400</b> | <b>33,300</b> | <b>33,350</b> | <b>104,050</b> |

What income has already been raised? (List amounts and main sources)

| Source                         | Year 1<br>£ | Year 2<br>£  | Year 3<br>£   | Total<br>£    |
|--------------------------------|-------------|--------------|---------------|---------------|
| Self Generated/Contract income | 0           | 4,700        | 16,700        | 21,400        |
|                                |             |              |               |               |
|                                |             |              |               |               |
| <b>TOTAL</b>                   | <b>0</b>    | <b>4,700</b> | <b>16,700</b> | <b>21,400</b> |

What other funders are currently considering the proposal?

| Funder   | £ |
|--|---|
| No Trust Funding has been received by THCT in the last two years |   |
|  |   |
| <b>TOTAL</b>   |   |

## 19. Funding requested from the Trust

How much is requested from the Trust? (List main expenditure headings and amounts)

| Expenditure heading                           | Year 1<br>£   | Year 2<br>£   | Year 3<br>£   | Total<br>£    |
|---|---------------|---------------|---------------|---------------|
| Staff Costs (Business Development Manager)    | 32,000        | 32,100        | 16,050        | 80,150        |
| Recruitment Costs                             | 800           |               |               | 800           |
| Project Publicity (Start up)                  | 1,200         |               |               | 1,200         |
| Postage, print, communications and stationary | 1,200         | 1,200         | 600           | 3,000         |
| Capital (IT equipment)                        | 1,000         |               |               | 1,000         |
|   |               |               |               |               |
|   |               |               |               |               |
|   |               |               |               |               |
|   |               |               |               |               |
|   |               |               |               |               |
| <b>TOTAL</b>                                  | <b>36,200</b> | <b>33,300</b> | <b>16,650</b> | <b>86,150</b> |

## 20. Funding requested from the Trust (continued)

When will the funding be required?

**01/10/2013**

Is the activity to continue beyond the period for which funding is requested?

If so, how will it be resourced?

**Purpose of the application is to ensure long term sustainability and create a strong, dynamic community transport project that can deliver transport to hard to reach communities in East London.**

If any planning or other statutory consents are required for the project to proceed, what stage have the applications reached?

**No consents are required for this project**

## 21. Referee

Please provide us with the contact details of a current or recent funder of your organisation who is willing to act as a referee.

### Referee

**Name:** Everett Haughton-Funding Manager

**Organisation:** Tower Hamlets Council

**Address:**

Town Hall-Mulberry Place  
5 Clove Crescent  
London E14 2BG

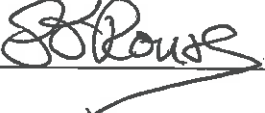
**Tel:** 0207 364 4639

**E-mail:** Everett.Haughton@towerhamlets.gov.uk

## Declaration on behalf of applicant organisation

I, SIMON JOHN ROUSE (your name)  
am an authorised representative of  
TOWER HAMLETS COMMUNITY TRANSPORT (your organisation)  
within which I am CO-ORDINATOR (your position)

**To the best of my knowledge, all the information that I have provided in this application form is correct. I fully understand that the City Bridge Trust has zero tolerance towards fraud and will seek to prosecute and recover funds in every instance.**

Signature  Date 05/07/13

### How your information will be used by the Trust

City Bridge Trust (which is administered as part of the Bridge House Estates by the City of London Corporation) processes personal data in compliance with the Data Protection Act 1998. The Trust obtains and uses information, including personal data, as part of the process of assessing grant applications and monitoring the use of grants. The information you provide on the application form may be made public as part of the assessment of this application. In addition, the Trust may share this information with third parties, including other funders, its external consultants and external auditors, police and regulatory bodies for the purpose of determining, preventing or detecting crime; or ensuring that no organisation is receiving duplicate funding; or the validation of contracts; or where this is otherwise required by law.

**By signing and submitting your application form you give your explicit consent for us to use data relating to your application as set out above.**

Our contact details for enquiries about how we process your information are:

The City Bridge Trust, City of London, PO Box 270, Guildhall, London EC2P 2EJ. Telephone: 020 7332 3710

### Concerns over fraud and corruption

Should you, at any time, have concerns of fraud and corruption within your organisation relating to the grant, then please raise your concerns with us using our Whistle Blowing facilities. You may use our Audit team's 24 hour answer phone number, 020 7332 3663, to report the details or email [raiseyourconcern@cityoflondon.gov.uk](mailto:raiseyourconcern@cityoflondon.gov.uk)

## Return the completed form to: The City Bridge Trust

City of London  
PO Box 270  
Guildhall  
London EC2P 2EJ

### Please

- **do not send this application by fax or e-mail** – unless applying online, applications must be posted to the Trust
- **do send the information in the checklist** – if items are missing, your application will be returned to you
- **do send only the information in the checklist** – if further information is required, we will contact you
- **do ensure you have signed and dated this form** – we cannot accept forms which have not been signed and dated
- **do use the correct postage** – the completed form and additional materials are likely to exceed 100g in weight