



Barnet Community Transport



Location	Barnet, North London
Founded	2002
Legal Structure	Registered charity and private limited company by guarantee without share capital use of 'Limited' exemption
Description of services	Provides affordable, safe, accessible and reliable transport in Barnet and its surrounding areas. Also has an objective of supporting young people
Key assets	12 minibuses and three specially adapted mobile youth service vehicles
Employees	Three full-time, 12 part-time
Volunteers	Five part-time
Most important skill set(s) to successfully running the business	Financial management skills
Biggest obstacle to success	Regulation restricting business activity
Relationships	<ul style="list-style-type: none"> – Local authority – Third sector funding provider – A sector body
Notes	<ul style="list-style-type: none"> – In response to the loss of key grant funding the business innovated its “Rolling Base®” youth programme – The business works closely with the local police, which led to joined-up community development work when delivering its youth programme – The business has a rigorous recruitment process, training drivers to deliver services personably and safely. It offers the Minibus Driver Awareness Scheme training, known as MiDAS, and uses daily safety logs

This case study report provides an overview of the Barnet Community Transport and describes the factors that are perceived to underpin its success. The findings are drawn from research commissioned by Power to Change and carried out by NatCen Social Research and WPI Economics. More information about the study and additional research reports can be found on the Power to Change website.

Overview of Barnet Community Transport

Barnet Community Transport (BCT) was registered as a charity in 2002 with the aim of helping people realise their potential by providing an affordable, safe, accessible and reliable community transport service to the London borough of Barnet and its surrounding areas. As the service developed and diversified (see below), it also added the objective of being a resource for young people (with varying abilities, up to the age of 30) to access support and assistance, as well as programmes of educational, physical and other activities.

Existing in an urban area with good transport links, BCT had to find a niche in the services it delivers: it offers an affordable, accessible and passenger-oriented alternative service to public transport, often in routes underserved by local transport links. Its customer base varies but includes individuals with a range of needs (e.g. older, disadvantaged and/or those with mobility issues and young people up to the age of 30) as well as passengers from not-for-profit community organisations.

Since 2006, BCT has experienced an expansion in its services: it now operates a fleet of 15 vehicles, (compared to three in 2006) including three specially adapted mobile youth facility vehicles. Services to the community have also diversified so that it now offers: (a) a traditional fleet of minibuses for paid use by individuals and groups; (b) 'Rolling Base[®]' mobile youth activities programme; and (c) sub-contract work to service local school runs and a pilot project for patient transport. It has a workforce of 15 paid staff (three of whom are full-time) and five part-time volunteers.

BCT's delivery model has four key features: (a) The charity, which is also a company limited by guarantee, is governed by a Management Committee of Trustees/Directors consisting of a Chair, Vice Chair, Treasurer and elected representatives drawn from among the membership to maximise grass-roots local

representation; (b) it has a predominantly paid workforce with volunteers supplementing the work done by paid staff; (c) its core service is providing affordable, safe, accessible and reliable minibus services to individuals and groups under Section 19 Permit of the Transport Act 1985; (d) it receives no direct revenue funding from Central or Local Government so it is reliant on grants from local and national charities, as well as self-generated revenue from passengers and community groups through its membership model (i.e. individuals and groups pay an annual fee to be able to access their range of services).

Success factors for Barnet Community Transport

This section summarises the key factors that are perceived to influence the success of BCT, based on interviews with those who are contributing to or using its services. Success factors are grouped according to whether they relate to the business, the people involved or the external environment.

Business

There are four business-related factors that underpin BCT's success: its adaptability; problem solving culture; approach to asset management; and its passenger-oriented service.

Adaptability

A key strength of BCT's growth model is its ability to adapt to the financial challenges of not receiving direct revenue funding from national or the local government. The diversification of services (and so revenue streams) was one important coping mechanism for BCT. For example, BCT faced a watershed moment in 2006 when a key source of grant funding was coming to an end which, in the absence of local authority funding, threatened its sustainability. In response, strong leadership guided BCT towards a model of innovating and diversifying

the services which, for example, led to its ‘Rolling Base®’ youth programme. ‘Rolling Base®’ uses specially adapted vehicles that bring activities to young people in deprived parts of the locality. The programme not only attracts grant funding from different sources (i.e. a charitable foundation and local Safer Neighbourhood Boards), it also broadens the remit of community buses as not just about “bringing people to places, but also activities to people”. However, diversifying funding streams involves a lot more time and effort to identify and complete funding applications and brings with it the challenge of planning for the future (i.e. beyond three to four years) within the context of short and medium-term grant funding. BCT believes that it can evolve sufficiently to survive without grant or subsidy in the future with a few changes to its business model, but cannot right now. Between 10%-20% of its annual income currently comes from grant funding or subsidy, which although a relatively small percentage, is nonetheless vital both in underpinning core costs and attracting matched funding.

Problem-solving culture

As a small organisation, BCT faces challenges arising from a lack of infrastructure and capacity. The biggest factors affecting demand for its services are a squeeze on public funding depressing demand and high business costs pushing up prices to a level that users cannot afford. A key part of BCT’s ability to adapt and innovate is its problem-solving culture, which enables it to be resilient to financial and other challenges. This approach stems from strong leadership and management and permeates the rest of the organisation. It is characterised by four key features: (a) a willingness to identify and embrace challenges (e.g. setbacks in funding); (b) a ‘can do’ attitude which enables it to identify opportunities within these challenges; (c) a strong belief in its social enterprise mission which underpins its determination to find solutions to challenges; and (d) an ability to reflect on its own service delivery and learn from mistakes. BCT note that in delivering this approach it is heavily reliant on a small number of “multi-skilled” people who are able to cover the business needs. It also reviews and updates its business plan on a regular basis; however the current

level of uncertainty makes projecting of finances more than three months ahead challenging.

Proactive and pragmatic approach to asset management

BCT has a proactive and pragmatic approach to its asset management that has contributed to its resilience. This approach is characterised by planning ahead for asset replacement as much as the organisation’s funding model allows, tailoring asset acquisitions to means (e.g. continuing to use buses for longer and/or purchasing second hand buses when faced with financial constraints), and ensuring the technology is installed in buses and in the office that maximises the utilisation of vehicles (e.g. installing tracking systems on buses and using effective booking software in its office). This said, BCT believes that one of the biggest obstacles to sustainable growth is not having access to the assets required to scale up operations to meet the increasing needs of an ageing population.

Passenger-oriented service

This is an integral part of both its social mission and what distinguishes it from local public transport, giving it a niche in the local market. Its services are geared towards passengers in a number of ways, including: being tailored to specific passenger needs (e.g. offering transport for both individuals and community groups and its buses being equipped to meet the needs of passengers with mobility issues, as well as young people in its Rolling Base® programme); flexibility (e.g. offering a door-to-door service), reliability (e.g. collecting passengers when promised and notifying them of any delays), and being supportive (e.g. drivers and developing a relationship with passengers and helping them on and off the bus).

People

There are two important success factors related to people. These include: strong leadership and good staff who provide a high standard of customer service.

Strong leadership

An important part of BCT's success story is the strength of its leadership, which provides both a vision for its future direction and the skills and momentum needed to deliver on this vision. This demands certain qualities from its Chief Executive Officer (CEO), including: being able to work with the board to help develop a vision (e.g. in 2007, the CEO worked with the board to modify the aims and objectives of BCT to take account of the youth work it was doing); having the drive to carry this vision forward on a daily basis; an attention to detail to ensure high quality service delivery (e.g. instilling a culture of passenger and vehicle safety by, for example, ensuring seatbelts are in a high visibility colour at the design/procurement stage); being able to network with funders and potential clients to raise the profile and business case for BCT; being resourceful in sourcing and applying for funding; and being approachable to staff, volunteers and passengers so that issues can be identified and the needs of passengers can become key factors in influencing decisions. These leadership qualities rely on the willingness of the board to engage with and support the CEO in delivering on an agreed vision for BCT.

As mentioned, BCT is largely delivered by paid staff with some volunteer input. This reflects the challenges BCT faces in recruiting volunteers from the local community which, although it has improved over time, partly reflects some of the regulatory barriers governing community transport organisations (e.g. young people needing to take an additional test to drive a minibus if they have passed their driving test after 1997). Indeed, BCT lists regulation as the biggest obstacle to the overall success of the business, due to the complexities of legislation over definitions of 'hire and reward'.

High standard of customer service

A part of BCT's success is ensuring that employees are able to deliver the service to the required high quality. BCT does this through its rigorous recruitment process, training drivers to deliver services personably and safely (e.g. through offering the Minibus Driver Awareness Scheme training, known as MiDAS) and instilling a culture of 'safety first' through, for example, the daily safety logs that need to be completed for each vehicle.

BCT state that insufficient time of staff and volunteers is the biggest obstacle to growing the business. The three most important skill sets to grow the business are given as "sector specific skills", "trade skills" and "knowledge of how to navigate regulations". It is worthy of note that "financial management skills" is not included in this list, but ranks as the most important skill set for the successful running of the business. This apparent contradiction is due to growth no longer being seen to be the benchmark of success in the light of reduction in public sector spending, which has meant that business survival has superseded this objective.

Community and external environment

Identified a niche market

As mentioned, BCT exists in an urban context where there are strong public transport links and so has done well to, firstly, identify a niche market and, secondly, to convince funders and other partners of the need for community transport through effective networking (e.g. attendance at key local authority meetings). This has helped BCT to, for example, receive support in the past from the borough council to use free parking spaces and an office at their local fleet workshop and depot.

Strong partnerships are instrumental to growth

BCT has also developed close partnerships with other organisations from the statutory and voluntary sectors that have been instrumental to its growth, sustainability and meeting its social enterprise objectives. For example, BCT has a strong working relationship with a local NHS trust. This led to the commissioning of local patient transport work, which relieves pressures on a local A&E Department. Similarly, with funding from a local Safer Neighbourhoods Board, BCT works closely with the local police, which led to joined-up community development work between both organisations when delivering BCT's 'Rolling Base®' youth programme. This means, for example, the police would use BCT's visit to local estates as an opportunity to informally engage with local young people, thereby building new communication pathways to the benefit and wellbeing of the entire community.

Financial information

The following table provides an overview of the Barnet Community Transport's income, expenditure and assets for the period 01/04/2015 to 31/03/2016.

These figures are in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) therefore reflect a change in the way depreciation is calculated which accounts for over 80% of the deficit shown.

Income	
Charitable activities	£295,146
Donations and legacies	£13,598
Investment Income	£38
Other incoming	£701
Total	£309,483
Expenditure	£376,034
Difference between income and expenditure	(£66,551)
Annual income from grant or subsidy	10%-20%
Fixed Assets	£72,492
Current Assets	
Debtors	£23,766
Cash	£51,918
Total	£75,694
Net Assets	£89,446

Source: Barnet Community Transport 2015/2016 Accounts, Charities Commission.