

wmsnt
Annual Report
2008/09

wmsnt accessible mobility for all

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West Midlands Special Needs Transport Limited

**REPORT AND FINANCIAL STATEMENTS
2008/09**

COMPANY INFORMATION AND PROFESSIONAL ADVISERS

Charity number 700370

Company registration number 2263123

HEAD OFFICE

218/220 Windsor Street
Nechells
Birmingham
B7 4NE

REGISTERED OFFICE

218/220 Windsor Street
Nechells
Birmingham
B7 4NE

BANKERS

Unity Trust Bank Plc
Nine Brindleyplace
Birmingham
B1 2HB

SOLICITORS

Clarke Willmott,
138 Edmund Street,
Birmingham
B3 2ES

AUDITORS

RSM Bentley Jennison
Charterhouse
Legge Street
Birmingham
B4 7EU

DIRECTORS/TRUSTEES AND EXECUTIVE STAFF

Directors (Charity Trustees) in appointment - 1st April 2008 to 31st March 2009

Honorary Alderman S C Stacey—(Chair)
Honorary Alderman Mrs RH Spector MBE, BSc(Econ) - (Vice Chair)
Councillor RL Horton
Mr PW Beecham MCIT
Mr RJ Brooks BSc, MSc, C Eng, MICE, MCIT
Mr I Pearson JP
Mr AR Winser Dip Est Man, Dip TP, ARICS, MRTPI (Retired September 2008)
Mr R Laskey
Mr B Shawdale
Mr D Gutteridge JP BA(Hons) FCMA
Ms J Robinson
Lady C Zissman
Councillor M A Hughes (Appointed September 2008)
Councillor GE Richards OBE (Appointed September 2008)
Councillor G Wilkes (Appointed September 2008)

All Directors/Trustees are non-executive.

EXECUTIVE STAFF CURRENTLY IN POST

Chief Executive	Mr PJT Maggs CBE MloD
Company Secretary	Mr D J Frater ACMA
Operations Manager	Mr D Rogers FCIT
Finance Manager	Mr D J Frater ACMA
Personnel Manager	Mrs S McKevitt Chartered MCIPD
Training & Development Manager	Mrs S Duncombe

DEPOT MANAGERS

East Birmingham	Mr K Drew
North Birmingham	Mr P Lakin
South Birmingham	Mrs J Webb
Coventry	Mr M Franklin
Wednesbury	Mr M Rolinson
Walsall	Mrs S Cozens
Wolverhampton	Mr M Mew
Contracts	Mr G Tolley

1. INTRODUCTION - OBJECTIVES AND ACTIVITIES

The Trustees, who are also directors of the Company, present their annual report and the audited financial statements for the year ended 31 March 2009, and confirm they comply with the requirements of the Charities Act 1993, as amended by the Charities Act 2006, and the Charities SORP 2005.

The Ring and Ride Service was instigated in 1983, and **West Midlands Special Needs Transport (wmsnt)** was incorporated in 1988. The Trustees reviewed the aims, objectives and future activities of the Charity in 2008, having had regard to the Charity Commission's guidance on public benefit. As a result, the Board revised the Vision, Mission and Strategy statements, which are also defined on the Charity's website (www.wmsnt.org), as follows:

- **Vision for wmsnt.** *Accessible mobility for all.*
- **Mission for wmsnt.** *To increase the social well-being of all the people of the West Midlands who find it difficult or impossible to use conventional public transport through being recognised by our stakeholders as the provider of first choice in meeting their accessible transport needs.*
- **Strategic Statement for wmsnt.** *To increase the availability of high quality and fully accessible transport in the West Midlands through advocacy for the improvement of support to people with mobility issues, and by forming and maintaining partnering arrangements with Centro/WMITA, local authorities, health bodies, and other appropriate organisations and passenger groups.*

wmsnt delivers the following public benefits:

- A **Ring and Ride** service, the purpose of which is to improve the quality of life of people of all ages living in the West Midlands who find it difficult or impossible to use conventional public transport, by providing an effective and efficient door-to-door, fully accessible bus service;
- The provision of accessible transport services with local authorities and NHS trusts through **wmsnt Contracts**;
- Assistance to external bodies requiring specialist training to enable them to support people with disabilities through **wmsnt Training**.

2. LEGAL STRUCTURE, GENERAL BACKGROUND AND PRINCIPAL ACTIVITY

The Company is limited by guarantee and therefore does not have share capital. The liability of members is limited and details of their guarantee are shown in the notes to the accounts.

The Charity is governed by its Memorandum and Articles of Association dated 13 September 2000.

The principal activity of the company is to provide accessible transport services for people in the West Midlands who experience some mobility impairment. This is achieved primarily through door-to-door minibus services such as '*Ring and Ride*' and through specific operations under contract to Local Authorities, the NHS and other charities.

During the period April 2008 to March 2009, transport operations were run from depots across the metropolitan West Midlands, there being seven '*Ring and Ride*' depots, one '*Ring and Ride*' outstation and three Contract Services depots. At each '*Ring and Ride*' depot there is a management and administrative structure as well as a Booking Office to enable users to book travel both within their local areas and to points further afield on the 'Cross-Boundary' service. Three Contract depots were managed by a single Contracts Manager, each depot respectively providing 'home to school' accessible transport for children with special needs for an individual school under contract for Birmingham City Council. The Charity also operates Contract Services on behalf of other Local Authorities and Health Authorities. These were mainly run from the three Contract depots but some services are also run from *Ring and Ride* depots.

The Charity has a Head Office at Nechells, Birmingham where Departmental Heads are located together with the Finance and Training Departments.

3. TRUSTEES AND THEIR RESPONSIBILITIES

a. TRUSTEES

The Board of Trustees comprises a range of individuals recruited from various backgrounds, including several who are themselves Users of the Charity's services. They meet at approximately two monthly intervals to review progress and discuss and agree policy, which the executive officers of the Charity then implement. Trustees are appointed at the Company's Annual General Meeting, and this year three new members were appointed, having been nominated by the West Midlands Integrated Transport Authority, in accordance with Article 32A of the Charity's Articles of Association. All Trustees give their time voluntarily and gain no benefit from the Charity.

The trustees who held office during the year are set out on page 3.

b. TRUSTEES' RESPONSIBILITIES

Laws applicable to charitable companies in England and Wales require the trustees and directors to prepare financial statements for each financial year, which give a true and fair view of the Charity's financial activities during the year, and of its financial position at the end of the year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements;
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In order to enable Trustees to perform their duties effectively, the Charity has undertaken a review of its structure and formed separate and distinct Corporate Governance and Audit committees. The Trustees have also re-assessed the corporate and strategic risks facing the Charity, reviewed the vision, mission and strategy of the Charity, and confirmed a strategic partnership with the West Midlands Integrated Transport Authority through the appointment of three members of the Authority to the Charity's Board.

4. HOW THE CHARITY COMPARES

wmsnt is the largest provider of door-to-door transport services in the United Kingdom based on activity level, and is understood to be the largest non-statutory provider of such services in the world. The service is available to any individual, of any age, domiciled in the metropolitan West Midlands, who suffers a permanent or temporary disability, which makes it difficult or impossible for them to use conventional public transport.

In the UK, all of the metropolitan areas provide some form of dial-a-ride service for their populations, but these vary considerably in scale. Outside the metropolitan counties such as the West Midlands, London and Greater Manchester, the size of the dial-a-ride operations is very much smaller.

5. THE CHARITY DURING 2008/09

a. Organisation and Structure of the Charity

Overall responsibility for the Company's activities is vested in the Board, whose members also serve as the Charity's Trustees. The Trustees are non-executive and hold their posts for three years before having to present themselves for re-election, apart from those nominated by WMITA, who are currently appointed for one year only.

The Senior Management of the Charity is based at its Head Office in Nechells, Birmingham. The Head Office also provides support services such as Fleet Management, Risk Management, IT Support, Finance, Human Resources and Training Services, the Charity's Training Department being located on the site.

The policies and operating practices of the Charity are ultimately the responsibility of its Trustees and Management, but in order that it best services its beneficiaries, a number of systems exist to enable Users to provide feedback and to discuss the Charity's policies and practices. These include:

i. District Advisory Groups. Each operating area has its own group which meets every 3 months and is open to any registered User to attend, transport to the venue being provided. At these meetings, local Charity Management provide Users with information on operational performance, discussions take place on questions and issues raised by Users, and news and information about the Charity is provided to supplement the contents of the six-monthly User Newsletter. Council members of the respective local authorities are invited to attend, as are other interest groups who promote support to people with disabilities.

ii. Telephone and Postal Surveys. An ongoing programme of telephone sampling takes place in all operating areas. Charity staff telephone Users who have recently used the Charity's services and obtain feedback on various aspects including staff attitudes, vehicle comfort and cleanliness, and booking system efficiency. In addition, more detailed postal surveys are sent out with the six-monthly Newsletters.

iii. Presentations. Charity staff routinely make presentations and hold meetings with a variety of interest groups, in order to inform a wider body of the population, and to publicise the services that the Charity provides.

b. The Charity's involvement with other organisations and authorities

wmsnt endeavours to assist an element of the community which potentially forms 10-12% of the population (those with mobility problems) and therefore it

interacts with many other community organisations, as well as statutory bodies.

Much of the Charity's funding (approximately 71%) comes in the form of a Grant from the West Midlands Integrated Transport Authority (WMITA), the statutory body responsible for transport planning in the region, whose Members are drawn from local metropolitan Borough Councils. The Grant is provided under the terms of an annual Service Level Agreement (SLA) which identifies key performance indicators, standards and the information that the Charity is required to provide to WMITA via its Executive Body, 'Centro'.

Most of the Charity's services are enabled to operate under the terms of Section 19 of the 1985 Transport Act (as amended), which necessitates the registration of Users and the advance booking of journeys. A small proportion of the Charity's non-*Ring and Ride* activities are run as registered Local Bus Services (eg. 'Taxibus' through Meriden) with vehicles and staff subject to Passenger Carrying Vehicle (PCV) rules and standards; as a result, the Charity has an Operators' Licence to enable it to run such services.

Some years ago, the Charity broadened its activities beyond running the *Ring and Ride* service, and operates a number of contracts for Local Authorities, predominantly for Special Needs Schools. This has provided the Charity with additional vehicles and staff with which, between school runs, it is able to further increase the availability of transport for *Ring and Ride* Passengers.

In addition to the formal/contractual relationships that the Charity has with other agencies and authorities, it maintains ongoing contacts with many other bodies and charities. **wmsnt** is a member of the Community Transport Association and Birmingham Council for Voluntary Action. The Charity is represented at all meetings of the West Midlands' Transport Users Forums for Birmingham, Coventry, Wolverhampton, Dudley, Sandwell, Solihull and Walsall.

Because of the importance the Charity places upon the quality of its staff training, **wmsnt** is also an active member of 'GoSkills', the Passenger Transport Industry Sector Skills Council.

c. Operational Review of Activities during 2008/09

The Charity's activities can be summarised in terms of:

- *Ring and Ride* Operations;
- Contract and Local Bus Services;
- Training Services.

i. *Ring and Ride* Operations

In the United Kingdom, there are no existing standards of mobility for the population as a whole against which to judge the mobility levels enjoyed by disabled people as compared to the rest of the population.

Since its inception, the Charity has sought to expand its operations in order to provide greater mobility to all the people of the West Midlands who find it difficult or impossible to use conventional transport. The Charity has attempted to keep pace with the expanding numbers of people with mobility problems, brought about by population ageing, and to increasing journey opportunities.

As *Ring and Ride* is the activity which forms the core of the Charity's efforts, and is aimed at improving the quality of life for the mobility-impaired people in the West Midlands, efforts to increase the availability of trips for registered Users and their Companions receive a high priority. Due to population ageing, there was a continued expansion in the number of registered Users, which went up by 8% to 74,095 at the end of the year.

In order to run the *Ring and Ride* service, the Charity aims to put 130 fully accessible minibuses on the road throughout the West Midlands metropolitan area every day from 8am to 11pm (apart from Christmas day when a more limited service operates). As part of its ongoing policy of providing a quality service, the vehicle replacement programme ensures that vehicles are operated for no longer than five years for the *Ring and Ride* service, although contracts' vehicles will be employed for seven years, subject to the conditions of respective contracts, given their relatively light mileage. This year the Charity has continued to diversify its fleet, and purchased a number of Ford Jumbo minibuses as well as VW Crafter minibuses as replacement vehicles.

The *Ring and Ride* Service performance for 2008/09 was as follows:

- **Total Registered Users** **74,095**
- **Total Trips Completed** **1,841,956**
- **Daily Vehicle Resources** **130 minibuses**
- **Total Distance Travelled** **7,688,113 kilometres**

ii. Contract and Local Bus Services

Throughout 2008/09, in addition to the *Ring and Ride* Service, the Charity operated a further 135 minibuses in support of a number of special needs schools through contracts with several Local Authorities. These vehicles, together with their drivers, provided additional resources for the Charity between the morning and afternoon school trips to supplement the *Ring and Ride* fleet. This enabled the Charity to provide extra *Ring and Ride* trips in those respective Local Authority areas. Additionally, that Charity provided transport services under contract for other statutory bodies including social and health care.

The Charity continued to provide the 'Taxibus' daily Local Bus Service in the rural area of Meriden under contract from Centro (and financed by Rural Bus Grant).

iii. Training Services.

The Charity has continued to run internal training, ranging from induction courses for all newly appointed staff, refresher training for all driving staff which is carried out at three yearly intervals, to first aid and fire marshal training. This year customer awareness training was provided for all office based staff, including all of the scheduling staff. In addition, the Training Department provided a significant amount of training support to Local Authorities, including disability awareness and handling training for taxi drivers, PCV training to schools and community transport organisations, as well as training the guides for the Birmingham City Council's schools contracts.

iv. Purchase of New Depot.

In 2008, the Charity took advantage of the depressed property market to purchase a large property to house both its North Birmingham *Ring and Ride* operation, and the vehicles that support elements of its 'home to school' and other contracts. After a certain amount of refurbishment, the depot became operational in February 2009, and has enabled the Charity to reduce its reliance on leased properties. In early 2010, it is planned that the Head Office and the Training Department will relocate to the new depot premises, once appropriate accommodation has been provided.

v. Computerised Scheduling Project.

The computerised scheduling project has progressed to the point where the Charity has started 'User Testing' of preliminary software and interactive mapping at one of its depots. The plan remains for implementation of the new system at the first depot in 2009.

d. Financial Policies and Review:

wmsnt's primary purpose is the *provision* of accessible transport for people who find it difficult or impossible to use conventional public transport. Whilst it actively co-operates with other organisations and service providers in pursuit of that aim, it is not engaged in making grants to third parties, indeed there are restrictions on its prime source of income (the WMITA Grant) which would make such payments inappropriate.

As an 'operational' charity engaged in the provision of road passenger transport, **wmsnt** shares many of the financial constraints and limitations which commercial organisations experience, with the key exception that it does not make provision for the payment of dividends or other forms of remuneration to investors or shareholders. It does, however, need to ensure

that it maintains its finances in such a way as to maintain working capital and to provide an adequate cash flow.

A non-contractual, three year rolling funding arrangement has been negotiated with West Midlands Integrated Transport Authority's executive, Centro, during this financial year, and this provides greater financial certainty and has significantly reduced the financial risk that the previous annual funding regime imposed. This change in funding process has allowed the Charity to relax its requirement to hold a significant level of reserves in easily liquefiable assets, and enabled it to use part of its reserves to invest in a new property which will provide a significant improvement to its operations based in North Birmingham. This, in turn, will allow a leased property to be released from the Charity's requirements.

i. Reserves Policy: The change in funding regime has enabled the Charity to reduce its requirement to hold reserves to that required for the purposes of working capital, to fund the cost of replacing operating assets (principally the fleet of vehicles), and maintaining its premises and equipment.

ii. Investment Policy: The Charity's Investment Policy is related to its Reserves Policy in that the Board has determined the form in which reserves should be held. Some reserves are needed in the form of liquid assets in order to provide working capital and to maintain cash flow. The balance of reserves needs to be available to enable the Charity to continue to function in the event of unforeseen circumstances. In recognition of this the Board has determined that sufficient funds are kept in current accounts to meet the first obligations whilst the balance can be invested in investment accounts which generate capital growth and interest (preferably accounts where the funds can be reasonably accessible). The main investment vehicles used by the Charity are 'Common Investment Funds' which are approved schemes designed to meet the requirements of charitable bodies.

The Charity does not actively seek to fundraise other than in return for services provided. As a result donations form a minor part of **wmsnt's** income—just £3,562 in the year (0.02% of income). Neither charitable nor political contributions were made by the Charity.

iii. Risk Management: The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

iv. Review: During the year, the Charity applied the above policies to its operational development. As a result, care was taken to provide for asset replacement and to secure agreements which make the Charity's financial position safe. An analysis of costs and revenues attributable

to the Charity's main activities is shown in the notes to the Financial Statements.

e. wmsnt's Planning Process:

The Charity had prepared a five year plan in concert with its main funder, West Midlands Integrated Transport Authority's (WMITA) executive, Centro, for the period from 2008/09. However, as the effect of the National economic situation on WMITA became apparent in the Autumn of 2008, it was identified by Centro that a three year agreement was the maximum that was feasible in the circumstances. A three year plan was thereafter negotiated, with a firm financial commitment being made by Centro for 2009/10 and for a minimum increase in the grant year on year for years two and three thereafter respectively. An undertaking has been made by both parties to negotiate each year the following year's actual grant, and the minimum increase in grant for the following two years. This will provide a great deal more certainty for the Charity, and enable it to make firm plans for rolling three year periods.

Plans for future periods. A number of contracts in support of Local Authority Education Departments for the provision of transport for children to special needs schools are due to be put to the market during the next financial year, and the Charity is fully committed to re-tendering for the contracts which it currently operates, and will look to be sufficiently competitive to win additional contracts for home to schools transport for children with special needs.

f. Employees:

The Charity employs just over 640 paid employees on either full or part time contracts. No volunteers are used due to the need for all employees to undergo full (and costly) training – it is felt that volunteers would also need to undergo such training but could not be accountable if they failed to make themselves available for scheduled work.

Employees by Grade (as at the end of March 2009)

(The figures shown are the establishment at Head Office, 8 Depots and 1 outstation)

Management	16
Supervisory	42
Administration	24
Schedulers	50
Trainers	4
Drivers & Escorts	504

wmsnt has a union recognition agreement with UNITE, and monthly liaison meetings are held with elected shop stewards from the various operating centres. This body is responsible for negotiating conditions of employment including agreed Disciplinary and Grievance procedures.

The Charity maintains an Equal Opportunities Policy and because of the increasing numbers of disabled people from ethnic minority communities

registering with it, values the contribution of employees with similar backgrounds.

wmsnt has reviewed its access arrangements in order to ensure compliance with the provisions of the Disability Discrimination Act and where appropriate has made reasonable adjustment to facilitate the employment of people with disabilities.

Because much of the work of the Charity involves contact with ‘vulnerable’ groups including children, all new employees undergo enhanced CRB checks. The Charity also acts as an umbrella body and undertakes CRB checks for external companies.

All new employees receive extensive induction training covering issues such as customer care and disability awareness, and programmes of refresher training are also in place. Following the induction training, all drivers are invited to undertake a RoSPA Driving Assessment; around 50% of all *Ring and Ride* Drivers have successfully completed the course to date. The importance and quality of the training provided is such that the Charity has been able to offer its training services to external bodies such as local authorities and other voluntary sector bodies, and participates fully with GoSkills—the Sector Skills Council for the Passenger Transport Industry .

g. Funds held as Custodian Trustee on behalf of others

No such funds are held.

h. Auditors

A resolution for the appointment of auditors of the ensuing year will be proposed at the Annual General Meeting.

Approved by the Board on 30th September 2009 and signed on its behalf by:

PJT Maggs
Chief Executive

Hon Ald SC Stacey
Chairman