impact report 2013

growing enterprise, growing impact

www.hctgroup.org
Welcome to our Impact Report 2013

Dear Colleague,

We live in a society that is increasingly organised for the benefit of the few, not the many. As a social enterprise, HCT Group is part of a movement that stands in direct opposition to this trend. We work for the benefit of our communities – not for shareholders or the owners of capital.

At HCT Group, our opposition is through our actions; our social impact. This report sets out the difference we seek to make, generating wealth and wellbeing for our communities and providing services for the most marginalised in the places we serve.

We have been widely recognised for our proven impact, winning the Evidence of Impact award at the 2012 Social Enterprise Awards. This year has seen our social impact grow further still, with passenger trips for disadvantaged individuals, trips for community groups and qualifications for people who are unemployed all at record levels.

But is this enough? I believe that for real change to happen, we must model the world we want through what we do. We must show that another way is possible.

This means our thinking on social impact must go further than the needful accounting of passenger journeys.

If we are truly for the many, and not just the few, our impact must reflect a simple truth – that our work affects everyone it touches. In addition to our metrics and measures, a driver’s welcome smile to a customer is our impact, as is the board member advocating social investment, the passenger assistant’s rapport with a disabled child, the depot manager choosing local suppliers in areas of deprivation – our every choice by each of us in our day to day endeavours.

We’re at the start of a journey to understand our impact in those terms, but set out in the following pages, you will find out how far we’ve got in our ambition over the last year.

Best wishes

Dai Powell OBE
Chief executive
HCT Group

HCT Group is a social enterprise in the transport industry. Our founding commitment is to the role that transport can play in ensuring that the most vulnerable and marginalised in our society can access jobs, education, services – or even the simple freedom of being able to get out and about.

We earn our revenues from transport contracts won in the marketplace, delivering them to a high standard. Profits are then re-invested into high social impact transport services or projects in the communities we serve, and into providing training opportunities for people who are long term unemployed – making a real difference to people’s lives.

This model has allowed us to grow from strength to strength. Our track record spans a wide range of services – from London red buses to social care transport, from school transport to Park and Ride, from community transport to training for skills and employment. We now have twelve depots spread across London, Yorkshire, Humberside, the southwest and the Channel Islands, a fleet of 500 vehicles, 790 employees and deliver well over 17 million passenger trips on our buses every year.
performing as an enterprise

As a social enterprise, performing in our markets is the key to our social impact. Whilst the rest of this report will concentrate on what our commercial performance enables – the delivery of our social mission – this section sets out our year in business.

The 2012/13 financial year has seen a decisive return to growth at HCT Group. We have increased turnover by 32% to £37.6m – one of our strongest performances in recent times. However, it has proved to be a challenging year for HCT Group financially, with a trading loss of £1.4m for the year.

Our business environment and performance in 2012/13 have been characterised by four key factors:

**new contracts**
In a landmark for the organisation, HCT Group started major contracts to run the bus networks in both Jersey and Guernsey during 2012/13. Together with additional work in the Bristol area, these new endeavours have led to significant turnover growth.

**starting-up**
Significant resources were required to get the service and team mobilised for the first year in both Jersey and Guernsey, which has contributed to our trading loss. However, the investment in new vehicles, routes and timetables in Jersey and investment in vehicle condition and network development in Guernsey are already starting to pay dividends in 2013/14.

**operational headwinds**
The London bus market was challenging, with on-road performance not as good as in previous years. To address this, we have completely restructured the management and operations teams during the year. This was expensive and was a major factor in the year’s trading loss, but it was necessary if we are to continue to improve performance to reach our expectations.

**going out on a high**
Our major, high-profile contract to provide transport for the building of Olympic Park – with Ealing Community Transport as our joint venture partner – concluded during the year after four years of work. We were also the main provider by volume of accessible transport for both the Olympics and Paralympics, with our staff coming from across the country to work on the project and enjoy being part of a great success story.

HCT Group is obviously disappointed to have made a loss during the year, but the growth that this has helped to secure – along with a host of other initiatives across the Group to improve performance – should see a stronger HCT Group in 2013/14 and years to come.
At HCT Group, we believe in a world where people with mobility difficulties face no barriers to leading their lives – accessing essential services, having careers, participating in their community and enjoying the simple freedom to get out and about. Yet we live in a world where making the journey is often the single greatest barrier to access and inclusion. Our role at HCT Group is to take down those barriers, providing a range of safe and accessible transport services for people with mobility difficulties. Our services are designed together with our service users to achieve their goals – enabling access, increasing independence, reducing isolation – or just meeting up with friends for a cup of tea. Our user-led philosophy of choice and access has made us a natural partner for many local authorities as they address the transport implications of the personalisation agenda – particularly at a time of significant budget pressure.

We monitor our impact and performance through user fora and individual feedback surveys. These not only provide us with information on how we are doing, but also directly shape the direction of current and future services.

**what we do**

**Community Bus services**
Community-led and community-designed, Community Buses are the services for people who can’t use mainstream buses, helping them to lead full and independent lives.

**Route 812** Focussing on the needs of older and disabled people – but open to all – this ‘hail and ride’ route in the London Borough of Islington connects people with the key services, shops, doctors surgeries and day centres that they identify as important. Described as a lifeline by its service users, Route 812 is funded by the London Borough of Islington, TfL and by profit reinvestment from our commercial contracts.

**Bristol Community Bus** Bristol Community Transport provides a series of community bus services, helping older and disabled people reach a variety of essential local services. The routes are flexible, collecting service users from their door and varying where the service drops people off – really meeting individual needs.

**Dial-a-Ride**
We also provide a wide variety of Dial-a-Ride services supported by local authorities and other agencies – making use of everything we have learned about accessible transport to meet the needs of more people in our communities. These operate in Hull and London, plus the Access Bus service in Leeds – a demand-responsive service similar to Dial-a-Ride.
Ann and Bella’s story

Ann Kohler from Hull and Bella, her guide dog, use West Hull Community Transport (WHCT) to get out and about.

Ann, who has Retinitis Pigmentosa, said: ‘I used to be very independent and had my own car, unfortunately due to my deteriorating eyesight I had to give up driving and had to rely on friends for lifts to and from appointments, shopping etc. However once I heard about WHCT, I feel I have a lot of my independence back.’

‘I use the service a minimum of four times per week, occasionally more, to go to and from college. The service is invaluable as college is not easily accessible by public transport. If it wasn’t for the WHCT service I wouldn’t be able to get there at all in bad weather.’

‘I’m a people person who loves to get out and about, meeting people and socialising, so I feel this is an essential service for me. Taxis are too expensive to use on a regular basis and are not always reliable. The staff and drivers of West Hull Community Transport are all very helpful and friendly, they have all welcomed Bella. They assist me from and to my door and make sure that I am seated safely and securely before setting off, and that Bella is settled.’
Karen’s story

Karen Mosby from Leeds in West Yorkshire uses YourCar from Leeds Alternative Travel to get to work and back. Karen is a wheelchair user, and previously had to use private hire taxis for her commute.

‘I would not be able to do anything, or get anywhere without YourCar, it’s had a massive effect on my life,’ explains Karen. ‘I rely on YourCar to get me to work on time, and would otherwise not be able to get through everything I need to do.’

‘The best thing about the service is friendliness and personal approach from staff to clients. There is a real understanding shared throughout the organisation about my needs as a disabled person.’

travel training
For many disabled people, a lifetime dependent on specialist transport hampers access to everything needed to lead a full and independent life. Travel training equips disabled people with the skills and confidence to travel independently on public transport, providing a step change in independence.

the Leeds Travel Buddies programme Working in close partnership with Leeds City Council, Leeds Alternative Travel delivers a Travel Buddies scheme, helping young people with a broad range of disabilities to travel independently on public transport. The innovative programme design, shaped by the clients themselves, provides travel training followed by a ‘safety net’ phase where the Travel Buddy is present as an observer/supporter during journeys – until the client is ready to travel alone.

Community Car services
Community Car services provide door-to-door transport for people with disabilities or mobility difficulties. Often delivered by volunteers, they make a real difference to people’s lives and are a mainstay of community transport provision.

YourCar An accessible community car service in Hackney, Haringey, Lambeth, Leeds and Southwark. Delivered partly by volunteers, YourCar is subsidised directly by the profits of commercial services.

Bristol Car Club hire service Bristol Community Transport provides a car club service ensuring wheelchair users and their families can get out and about.

other services
We find innovative ways to meet community needs, working in partnership with local authorities to support service users: it doesn’t always have to be a bus, and if it is a bus, it doesn’t always have to transport people.

health buses Working in partnership with Southwark Clinical Commissioning Group and NHS Lambeth, we deliver the transport for a mobile service that takes healthcare into hard-to-reach localities. Designed to help people who are substance misusers, it provides a needle exchange, health check-ups, advice and counselling.

ScootAbility Mobility scooters and powerchairs provide users with greater independence, improving their quality of life – but they are expensive and often impractical to store at home. ScootAbility, developed in partnership with the London Boroughs of Camden and Islington, enables members to borrow scooters or powerchairs for free – and we deliver and collect the scooters directly to service users’ homes.

Capital Call Developed in partnership with Transport for London, Capital Call connects people with mobility difficulties to quality assured minicabs in those parts of London where regular black taxis are scarce – supplementing the London-wide Taxicard scheme.
Short Breaks Transport Scheme

Bristol Community Transport (BCT) is running a pilot programme with Bristol Parent Carers to help families who have children with disabilities, special needs or life-limiting conditions to get out and about. Often, a lack of access to appropriate transport means that these families suffer from social isolation. The project provides accessible vehicles driven by volunteers, enabling families to go on short breaks or take part in activities.

Shaun’s story

‘While I’m currently seeking full time employment, I enjoy volunteering for BCT – getting out and about in Bristol and the surrounding areas. I like to think that I am doing my bit for the community.

‘I’m always made to feel part of the team and I was provided with MiDAS driver training – which may help with my search for work in the future.’

Lou’s story

‘I have had the opportunity to have some fantastic day’s away from the city with my son Euan. BCT volunteer drivers really helped make the trips special – all were extremely capable and instinctively understood Euan’s needs, making the trips enjoyable and fun.

‘Our trip to Westonbirt arboretum was amazing as it gave us the opportunity to experience the countryside, which would not have been possible for us any other way as we do not have transport and public transport does not meet our needs. Without this wonderful service provided we would have been isolated during the holidays with nothing to look forward to.’

Euan’s story

‘I loved going to the forest at Westonbirt arboretum out in the wild, which is somewhere I have not seen before. All the drivers were very kind to me and made me smile, I even had a tour of Bristol Community Transport bus depot. I really enjoyed myself, had a lot of fun and have made some new friends too!’

‘I really enjoyed myself, had a lot of fun and have made some new friends too’
a year in numbers

Key performance indicators for individual transport in year ending 31 March 2013 show that we have sustained the level achieved after last year’s 41% expansion in impact and have added further growth of 5%. This is encouraging considering the financial headwinds the Group has experienced during the year.

YourCar passenger numbers are lower than last year, as it has not been possible to maintain the previous service level financially. Progress has been made in recruiting volunteers to act as YourCar drivers, but we will need to keep a watching brief on the sustainability of the service.

Our community bus services have seen very strong growth (107%). This is in part due to the first full year of Bristol Community Transport figures after the merger last year. However, there has been substantial growth in passenger numbers for Route 812 (43%), which is very heartening.

<table>
<thead>
<tr>
<th>YourCar: passenger journeys</th>
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<th>2012/13</th>
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<th>Capital Call: passenger journeys</th>
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<th>2012/13</th>
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<td>28,857</td>
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<th>other door-to-door services: passenger journeys</th>
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<th>2011/12</th>
<th>2012/13</th>
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<tr>
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<td>82,754</td>
<td>144,017</td>
<td>124,560</td>
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<table>
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<th>total passenger trips provided to individuals</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
</tr>
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<tbody>
<tr>
<td>passenger trips from all individual accessible travel services</td>
<td>241,397</td>
<td>107%</td>
<td>71</td>
</tr>
<tr>
<td>passenger trips on our Community Bus services have more than doubled since last year</td>
<td>241,397</td>
<td>107%</td>
<td>71</td>
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<tr>
<td>young disabled people are now travelling independently on public transport after taking part in the Leeds Travel Buddies programme, marking a step-change in their quality of life and life chances</td>
<td>241,397</td>
<td>107%</td>
<td>71</td>
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providing choice and access
Anna’s story

Anna has been working with Travel Buddy Mandy Brown to build the skills and confidence to travel independently on public transport as a part of the Leeds Travel Buddies programme.

“The impact of the training can be summed up, more or less, in two words – confident and independent!” explains Charles, Anna’s father. “Naturally, as parents, we were apprehensive about Anna commuting on her own, but it has worked fantastically. It has been planned very well and given her confidence in stages. Anna is exceptionally proud of herself, which in turn continues to build her confidence. These traits will transfer over into other areas of her life, and make her a more well rounded and happier young adult.

‘Mandy, the travel trainer has indeed been a “buddy” which makes Anna feel comfortable in learning these skills, not like a person with a disability trying to learn something the rest of us often take for granted. She has helped Anna learn these life skills in a trusting, respectful, and adult fashion. ‘It gives us happiness as a family to see Anna gain greater independence, and it also gives us the confidence that she is safe and has the skills to address the challenges she will face when travelling on her own.

‘Since she has done this training, she has started helping to walk the dog on her own again, which helps out at home. She has also walked almost a mile over to her grandparents on her own … she would not have done this before.

‘Additionally, she is now confident enough to go out at college with friends and also go to restaurants and movies with friends on her own. The independence for Anna is like a path to adulthood, and she is well into her journey now…”
making a difference

The communities where we work are amazing. Community groups that connect older people, disabled people, younger people – or simply people with common interests and enthusiasms – are the threads that bind us together into a genuine sense of place.

We support a wonderfully diverse range of community groups by providing Group Transport – the subsidised, accessible minibuses we have operated since our inception in 1982 – providing transport that allows community group members to travel together for their common purposes.

The social impact of community groups is extraordinary and each has a story to tell. By providing transport we are a part of that story, acting as a critical enabler for the social impact of others. Most of the groups we serve have little or no other means of getting their members out and about.

Groups also tell us that the journey there is a part of what brings people together. We provide accessible transport so that everyone in a community group can travel as one, regardless of whether a group member may have a disability or mobility difficulty.

what we do

Our Group Transport service provides accessible, low-cost minibuses to a wide range of local community groups – from under 5’s groups to over 60’s clubs, faith groups, sports clubs, disabled groups, and many more. This enables people to access various social, cultural, faith-based, and healthy-living activities in Leeds, Hackney, Islington, Haringey, Lambeth, Southwark, Hull and Bristol.

After joining as a member of one of our Group Transport programmes, community groups can book one of our fleet of accessible minibuses at a subsidised rate. We also provide low-cost minibus driver (MiDAS) training so that they can drive the minibuses themselves should they wish to. Group Transport is financially supported by profits from HCT Group’s commercial activities and by Hackney Council, Haringey Council and Bristol City Council in their localities – increasing the positive difference we can make.

To identify our impact, Group Transport teams across the organisation host annual local user fora where service users can voice their compliments or concerns with the service and provide invaluable insights into emerging needs that will help us to develop new services. These fora are supplemented by annual membership feedback surveys which assess our continued impact as well as our operational performance.

connecting community groups
The London Centre for Children with Cerebral Palsy is London’s only school that specialises in supporting children with cerebral palsy and similar conditions. It provides education and support from early years through to Key Stage 2, plus a wide range of other services. The centre uses a pioneering approach called conductive education – a holistic ‘whole person’ approach to teaching and learning, that helps people with permanent disabilities gain greater independence by improving their physical, cognitive and problem solving abilities. The idea is for learners to develop greater autonomy, control of their physical abilities and independence in their lives – making a real difference.

‘We’ve been using the group transport service from Community Transport Haringey for several years,’ explains Catherine Cadman, administrator at the centre. ‘We have no vehicles ourselves and if it wasn’t for the transport service, we wouldn’t be able to go on our school trips as part of the National Curriculum. ‘We’ve used the service for two school trips a term – into town, to the London Aquarium and next week, we’re going to the theatre to see one of our pupils who is in a play. ‘The service is unique. It is fully accessible, with more than one wheelchair space per vehicle – which means more of us can travel together. It’s also affordable, which for a charity like ours is really important. The alternatives are non-existent.’

‘the alternatives are non-existent’
a year in numbers

Our key performance indicators for Group Transport in year ending 31 March 2012 show a solid performance, with passenger trips increasing after a disappointing 2011/12. It is too early to tell whether this marks a turning point for community groups where we work, many of whom have been facing challenges in their funding environment.

One area that is particularly heartening is the increase (99%) in the number of community group members trained to drive minibuses (MiDAS). As MiDAS training includes tuition in driving in an environmentally friendly manner, this not only means that community groups can save money by driving their own buses, it also means that the environmental burden of fossil fuel use is reduced.

1 This calculation is based on an average Group Transport occupancy rate of eight passengers per vehicle, and thus eight individual journeys. Considering average car occupancy of two passengers, a saving of six individual trips has been made, or three car journeys, per Group Transport trip.

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<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
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<tbody>
<tr>
<td>passenger journeys provided to community groups</td>
<td>66,616</td>
<td></td>
<td>123,040</td>
</tr>
<tr>
<td>individuals trained as minibus (MiDAS) drivers</td>
<td>374</td>
<td>569</td>
<td>1130</td>
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<tr>
<td>car journeys saved</td>
<td>35,136</td>
<td>24,981</td>
<td>46,140</td>
</tr>
<tr>
<td>the total number of passenger trips provided to community groups in 2012/13</td>
<td>123,040</td>
<td></td>
<td></td>
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<tr>
<td>the increase in the number of community group members trained as minibus drivers (MiDAS)</td>
<td>+99%</td>
<td></td>
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<tr>
<td>overall, the net increase in passenger trips to disadvantaged individuals (see Providing choice and access on page 6) or members of community groups across all Group activities – increasing the good that we do</td>
<td>+23%</td>
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TLC Stroke Project

The Stroke Project is part of a registered charity – TLC Care Services – and provides community based support and prevention services to people affected by or at high risk of strokes. This includes running six different support groups for stroke survivors, their carers and families, raising awareness of the issue through workshops and delivering NHS health checks and blood pressure checks.

Each of the support groups is tailored to address different needs and the Supported Group – for those stroke survivors who can’t get out and about without support – uses our Group Transport minibuses for their activities.

‘The group meets in the community for two hours every week, except bank holidays,’ explains Laura Prikken, project worker at the Stroke Project.

‘Health and wellbeing are at the heart of the Group’s purpose. There is a range of activities from social activities to exercise – including chair-based yoga – with each activity focussed on stimulating an area affected by stroke. It also provides the opportunity for us to note any further issues that may need support.

‘It’s also a group of people who support each other – the social interaction is really important, because it means that stroke survivors can share their experiences and understand that they are not alone.

‘This is why the Group Transport service is so vital – many of our members would not be able to attend the group if we did not have assisted transport.’

‘it’s also a group of people who support each other – the social interaction is really important’
Our Learning Centre’s primary goal is to support people who are unemployed in building the skills and confidence to move into sustainable employment, creating a step change in their life chances.

We understand that, for many of our learners, long periods of unemployment or other personal circumstances have sapped their confidence and self-esteem, eroded the skills and qualities needed to succeed at work and placed real barriers to accessing the labour market.

Our range of courses and programmes not only help learners to achieve qualifications, but also embed the day-to-day skills needed to thrive in employment – by mentoring for confidence, by providing information advice and guidance to highlight choices and options, and by on-going job search support.

not just transport
The Learning Centre’s programmes are based on the employment and skills needs of the communities where we work; covering a wide range of subjects – in fact we now do more non-transport related programmes than transport related ones: from health and social care, to training for teaching assistants, to customer service.

increasing our reach
Over the past year, the Learning Centre has expanded its coverage, offering its programmes across 13 London boroughs – Hackney, Tower Hamlets, Haringey, Greenwich, Bexley, Southwark, Lambeth, Wandsworth, Waltham Forest, Newham, Redbridge, Brent and Barking & Dagenham. To widen participation further, we have developed satellite delivery sites in east, south, northwest and southeast London.

a focus on quality
Working with some of the hardest to reach groups in education, 90% of the Learning Centre’s learners completed their courses, with 87% attaining a qualification – reflecting our high standards of teaching and learning.

building on expertise
Although transport-related programmes are now in the minority, our expertise in this area is still used to the full. 2012/13 saw the Learning Centre expand its offer in commercial training – particularly in the field of Certificate of Professional Competence training – the continuing professional development needed by all bus drivers.

Figures for full academic year 2012/13
(not financial year)
what we do

Our Learning Centre works with a wide variety of agencies, partners and funders to deliver courses in a rolling programme that seeks to meet the needs of our communities. We deliver accredited courses to people who are unemployed or classified as economically inactive that are designed explicitly to support them to achieve employment outcomes.

We also deliver commercial training in the field of road passenger transport and, where appropriate, support the skills development of the Group as a whole.

Our programmes include:
- Customer Service
- Health and Social Care
- Supporting Teaching and Learning in Schools
- Passenger Assistant Training
- Minibus Driver Awareness Scheme (MiDAS)
- Road Passenger Vehicle Driving
- Certificate of Professional Competence (CPC) for Drivers:
  - Road Safety and Regulations
  - Disability Awareness and Equality
  - Customer Care Awareness
  - Emergency 1st Aid
  - Eco Safe Driving

a year in numbers

After a challenging year in 2011/12 due to changes in the structure of funding, the Learning Centre has seen great effort rewarded in 2012/3 with a five-fold increase in qualifications for learners who were previously unemployed. This perhaps understates the Learning Centre’s achievement, as the figures do not include the results for the complete academic year (August 2012/July 2013), which show total qualifications gained by previously unemployed people at 709.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Unemployed People Who Gained Qualifications</th>
<th>Number of Employed People Who Gained Qualifications</th>
<th>Number of Unemployed People Who Gained Employment</th>
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<tbody>
<tr>
<td>2010/11</td>
<td>392</td>
<td>60</td>
<td>74</td>
</tr>
<tr>
<td>2011/12</td>
<td>99</td>
<td>81</td>
<td>76</td>
</tr>
<tr>
<td>2012/13</td>
<td>483</td>
<td>31</td>
<td>41</td>
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The employment environment for Learning Centre graduates is still very challenging. Work is on-going on the course mix to prioritise those programmes with better employment outcomes.
Alicia’s story

Alicia Stewart is now a learner support assistant at the HCT Group Learning Centre after she achieved an NVQ level 2 in Customer Service.

‘I had been a full-time carer for my mother for ten years. When she passed away, I knew that life had changed and that new skills were needed for me to get back into work.

‘I came across the HCT Group Learning Centre on the internet, and with the support of the Job Centre I enrolled on an eight-week Customer Service course, achieving my NVQ level 2. I felt that I still needed work experience, so I approached the Learning Centre as a volunteer. After just a few months I had been offered a permanent position.

‘I work as a learner support assistant – enrolling new learners, helping to coordinate courses and providing information advice and guidance. Everyday is different. It’s great seeing learners achieve their outcomes – particularly if they didn’t think they could achieve at the beginning.’
At HCT Group, we aim to take every opportunity we can to maximise our social impact – including how we conduct our day to day business in our commercial operations.

We recognise that our work affects everyone it touches and that our actions as an economic entity can make a real difference – particularly as we have a depot or operations in 7 of England’s 15 most deprived boroughs. This means thinking about who our suppliers are, how we go about recruitment and what else we can do to have a social impact.

choosing our suppliers

Wherever practical, we aim to direct our expenditure to suppliers that are local to our operations or are in areas of high economic deprivation – these are often the same. We have built on our work of previous years to increase the social impact of our spend.

Following a successful pilot in 2011/12, we have extended our fair trade procurement project across the whole Group, ensuring that staff consumables are fair trade where possible.

To support the aim of also procuring from social enterprises and co-operatives wherever possible, we have extended our pilot projects to identify and select suppliers that share our values. This has involved selecting co-op suppliers for our mobile phones, web design and staff uniforms.

We have also sourced a wind-powered solution for our web hosting. We will be continuing our search for cost effective, high quality suppliers that share our values over the year ahead.

sharing our knowledge

Our journey began as Hackney Community Transport, a small community transport charity. As we have grown to become a social enterprise of increasingly national scale, we have learned a great deal about how to grow, how to succeed in new marketplaces and how to operationally deliver on our promises.

We believe that we have a responsibility to support our peers in the social enterprise movement, doing what we can to raise its profile, contributing to the debate and sharing what we know. In 2012/3 this involved:

- Dai Powell, our Chief Executive, speaking at 11 events and conferences, plus participating on the boards of Big Society Capital, Social Enterprise UK and chairing DPTAC, the Disabled Person Travel Advisory Committee
- briefing visiting senior-level delegations from overseas governments on social enterprise including Thailand, Vietnam, China and South Korea
- hosting a group of aspiring social entrepreneurs as part of the introductory tour of Sense Camp UK

Index of Multiple Deprivation 2010 by rank of average rank
We measure our performance on a variety of economic measures including job creation, whether our spend on wages is going to areas of economic disadvantage and how we are targeting spend to suppliers in areas of disadvantage.

The figures show that the Group is playing a strong role in the economic life of some of England’s most deprived communities, with 62% of our wages spend going to areas of economic disadvantage. This is not as great a proportion as 2011/12 and has changed due to the start of major contracts in Jersey and Guernsey.

17% of our spend with suppliers went to areas of economic disadvantage, however, there are some types of spending that present real challenges for a public transport provider to procure locally. When we exclude items where local procurement is not practical – vehicle leasing, fuel and insurance – the impact of our local approach becomes clearer – with 34% being made to suppliers in those areas.

---

**new jobs created**

- **2010/11**: 40
- **2011/12**: 5
- **2012/13**: 156

**proportion of remuneration to employees in areas of disadvantage**

- **2010/11**: 73%
- **2011/12**: 67%
- **2012/13**: 62%

---

**total payments made to suppliers or subcontractors**

- **£17.68m**
- **17%**

**proportion of total payments made to suppliers or subcontractors in areas of disadvantage**

- **£9.05m**
- **34%**

---

4 Most deprived quartile by Index of Multiple Deprivation 2010

5 Vehicle leasing, fuel and insurance
what we do

At HCT Group, our caring for the environment programme is a key part of our approach to maximising our community benefit as a social enterprise.

The programme began in 2009/10 and has continued into 2012/13. It comprises of three distinct, but complementary strands of work that enable us to reduce the impact we make on the environment.

measuring our environmental impact

We operate a fleet of over 500 buses, minibuses and community cars across our 12 depots. This makes understanding the impact we have on the environment very important, as it enables us to work on actively reducing it.

We measure the organisation’s annual carbon footprint, allowing us to work out our CO2e emitted per kilometre driven and our CO2e emitted per passenger journey. These benchmarks will allow us to take action on reducing our footprint and identify whether we have succeeded.

We have continued working towards the Green Mark, carrying out environmental audits in key depots and developing the building blocks for an environmental management system for the Group in line with the objectives of ISO 14001.

maximising our positive impact

As a public transport provider, we support an environmentally friendly choice for individuals and groups alike. One of the key activities we deliver as a social enterprise is Group Transport – accessible minibuses for a wide range of community groups – a service that is financially supported by our broader transport services.

We deliver community transport in five London boroughs, plus Leeds, Hull and Bristol. We have worked hard to support community groups to travel together, saving 46,140 car journeys with a consequent environmental benefit.

Our community transport operations also provide MiDAS training – which includes driving in an environmentally friendly manner. During the course of 2012/13, 1130 community drivers received this training.

Caring for the Environment
making change happen

Despite the positive choice represented by public transport and groups travelling together, our vehicles still burn fossil fuels. We have put in place a wide variety of projects to reduce the environmental impact of running a bus company. This has included purchasing fuel efficient vehicles, using ultra low sulphur fuels, a recycling project that avoids waste going to landfill, a maintenance schedule that maximises fuel efficiency and a policy of keeping our fleet age well below the industry average.

2012/13 has also seen HCT Group obtain its first diesel electric hybrid vehicle. The vehicle acts a pilot project, helping us to develop the skills and knowledge needed to operate and maintain hybrid vehicles in the future. The bus is also part of a partnership with University College London, as the bus is fitted with sensors to test the impact of bus movement on passengers’ comfort and safety.

We have continued to roll out our exciting telematics project across the Group, helping to reduce fuel use. Telematics provides a real-time display for the driver, showing them the environmental impact of their driving. Their performance on harsh braking or accelerating, over-revving and so on is shown using an easy-to-follow traffic light system so they can see in practice what is happening. The data is also available to managers; drivers with strong performances can be praised, and drivers with work still to do can be supported to improve through further professional development.

a year in numbers

Key performance indicators for our environmental impact in year ending 31 March 2013 show that our carbon footprint has increased – as the number of services we provide has grown. Positively, our carbon intensity has not increased in line with our growth – with CO2e per passenger journey stable and our CO2e per kilometre driven materially reduced.

<table>
<thead>
<tr>
<th>metric</th>
<th>2011/12</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>average age of fleet years</td>
<td>6.0</td>
<td>6.4</td>
</tr>
<tr>
<td>CO2 emissions per km driven kg</td>
<td>0.944</td>
<td>0.778</td>
</tr>
<tr>
<td>CO2 emissions per passenger journey kg</td>
<td>0.566</td>
<td>0.624</td>
</tr>
<tr>
<td>carbon footprint tonnes CO2 equivalent</td>
<td>7.584.3</td>
<td>10.967.0</td>
</tr>
</tbody>
</table>
what we do

The safety of our staff, passengers, service users and the public at large is a clear priority for HCT Group. We ensure that health and safety practices at work are consistent and rigorously monitored. Health and safety forms a part of each staff member’s induction, and regular briefings are undertaken to ensure that staff understand their responsibility to minimise risk in all areas of their work.

Instructions on safe working practices are included within our health and safety policy, which all operations staff are provided with and must sign as a term of employment. Staff supervisors are responsible for ensuring that all of their team members have read and fully understood all relevant health and safety policies and procedures. This policy is reviewed annually, or on significant changes to our business and modified to ensure its effectiveness.

During 2012/13 we have undertaken a variety of projects to improve our safety. We have maintained our externally accredited SAFEcontractor status – an important step as we develop a fully integrated Group-wide health and safety management system.

We have also introduced extensive reform of how engineering stock is managed, reducing hazards in our pit area – along with staff development with our engineers to embed and cement a greater safety culture.

In addition, we have been piloting the use of external health and safety audits, gaining further insights into how we can improve our performance in this area.

HCT Group does whatever it can to maintain a safe environment. This includes carrying out risk assessments and reviewing them when necessary; providing adequate resources to maintain and improve standards of health and safety; providing and maintaining systems of work which are safe and without risk to health; ensuring all machinery, plant and equipment is maintained in a safe condition, among many other measures.
a year in numbers

Data from 2012/13 shows an increase in our on-road accident statistics. This can be attributed in part to changes in where we operate – we now operate buses on the narrow country lanes of the Channel Islands. However, we clearly need to do more to improve our performance in this regard. As a consequence, every collision involving an HCT Group vehicle is investigated with a view putting further measures in place to reduce on road collisions.

accidents per million miles

<table>
<thead>
<tr>
<th>Year</th>
<th>Accidents per Million Miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011/12</td>
<td>78.4</td>
</tr>
<tr>
<td>2012/13</td>
<td>108.6</td>
</tr>
</tbody>
</table>
what we do

As a social enterprise, it is imperative that we deliver on our mission effectively, with a view to making the greatest possible long-term impact. This means it is critical to remain accountable to our stakeholders: our beneficiaries, our service users, our employees and others – engaging with them at every opportunity. HCT Group has put in place a scalable approach to accountability that keeps both the social mission and the financial and operational excellence of the organisation heading in an ambitious and achievable direction.

Board of Trustees

As HCT Group has grown, our governance needs have changed and developed. We have put in place an experienced Board with a very broad range of sector-specific skills. The board meets regularly and has a maximum of eleven members, each on a three year rolling cycle of membership.

Regional Advisory Committees

In order to keep the social mission at the forefront of our business decisions, we have creating four Regional Advisory Committees (RACs) comprised of beneficiaries, stakeholders and service users. RACs are up and running in Yorkshire, Bristol, and northeast London. RACs meet independently twice a year to develop and make recommendations on appropriate allocation of HCT Group’s social investment, highlight any regional-specific opportunities to increase our impact and advise on the current operation of services in their regions.

Social Enterprise Champions

Effective two-way engagement with staff about our mission is critical if we are to achieve our potential as a social enterprise. During 2012/13 the second intake of frontline staff from across the Group participated in our Champions programme, learning all about social enterprise, our own social impact and why it’s a good idea. They join the first intake of Champions, who have been getting the message about our social mission across to colleagues, helping with inductions, providing tours to visitors and writing promotional material. With a new intake of Champions planned for later on in 2013/14 we are on the way to building a critical mass of staff who can support their colleagues to understand what social enterprise really means.

external accountability

As well as remaining accountable to ourselves, our employees and our service users, we must also remain accountable to our funders: social investors, commercial customers and grant-makers. Regular performance measurement for both operational activity and social impact has been built into our systems to monitor our progress in delivering our mission, to better inform our management decisions and to provide information for our partners.
As a part of our social impact measurement and reporting, we have collected data around certain key performance indicators that we identified as critical to the impact and service we deliver. This summary, developed by Bridges Ventures and adapted to meet the needs of HCT Group, displays our previous and current performance, as well as our plans and targets for the future.

### Economic impact

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>The future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial performance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total incoming resources (turnover)</td>
<td>£28.6m</td>
<td>£37.6m</td>
<td>Our target is to turn over £45m by 2015</td>
</tr>
<tr>
<td><strong>Social investment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit reinvested back into activities for community benefit</td>
<td>£0.2m</td>
<td>£0.2m</td>
<td>By 2015 we aim to have reinvested at total of £2.5m</td>
</tr>
<tr>
<td>% of prior year’s profit</td>
<td>38%</td>
<td>—</td>
<td>We aim to reinvest 30% of the previous year’s profit</td>
</tr>
<tr>
<td><strong>Additional investment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>External investment attracted into areas of disadvantage</td>
<td>£0.9m</td>
<td>£0.6m</td>
<td>We aim to grow this figure by 5% each year</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees</td>
<td>630</td>
<td>791</td>
<td>We aim to grow this figure by 10% each year</td>
</tr>
<tr>
<td>Remuneration to employees</td>
<td>£14.7m</td>
<td>£19.6m</td>
<td></td>
</tr>
<tr>
<td>% of wage bill to employees in areas of disadvantage</td>
<td>67%</td>
<td>62%</td>
<td></td>
</tr>
<tr>
<td><strong>Job creation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTE jobs created at HCT Group</td>
<td>5</td>
<td>156</td>
<td>We aim to grow this figure by 10% each year</td>
</tr>
<tr>
<td>% of those were created in areas of disadvantage</td>
<td>—</td>
<td>39%</td>
<td>We aim to create at least 89% of our jobs in areas of disadvantage</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments made to suppliers or subcontractors</td>
<td>£13.68m</td>
<td>£17.7m</td>
<td></td>
</tr>
<tr>
<td>% of total spend in areas of disadvantage</td>
<td>21%</td>
<td>17%</td>
<td></td>
</tr>
</tbody>
</table>

### Social impact

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>The future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community transport</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passenger journeys provided to community groups</td>
<td>66,016</td>
<td>123,040</td>
<td>We aim to grow this figure by 10% each year</td>
</tr>
<tr>
<td>Passenger journeys provided to disadvantaged individuals</td>
<td>230,213</td>
<td>241,397</td>
<td></td>
</tr>
<tr>
<td><strong>Education/training</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individuals not working for HCT Group who gained qualifications as a result of training/support by HCT Group</td>
<td>180</td>
<td>514</td>
<td>We aim to grow this figure by 10% each year</td>
</tr>
<tr>
<td>Those who were previously unemployed</td>
<td>99</td>
<td>483</td>
<td></td>
</tr>
<tr>
<td>Those who were previously employed</td>
<td>81</td>
<td>31</td>
<td></td>
</tr>
<tr>
<td><strong>External job creation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployed people who obtained jobs outside HCT Group as a result of training and support provided by HCT Group</td>
<td>76</td>
<td>41</td>
<td>We aim to grow this figure by 10% each year</td>
</tr>
</tbody>
</table>

### Environmental impact

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>The future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Car journeys saved through the use of community group transport</td>
<td>24,981</td>
<td>46,140</td>
<td>We aim to have saved 167,000 passenger journeys by 2015</td>
</tr>
<tr>
<td>Individuals trained to drive in an environmentally friendly manner</td>
<td>569</td>
<td>1130</td>
<td>We aim to have trained 2,780 individuals by 2015</td>
</tr>
<tr>
<td>Average age of fleet (years)</td>
<td>6.0</td>
<td>6.4</td>
<td>We aim to maintain an average fleet age of less than 7 years</td>
</tr>
<tr>
<td><strong>Emissions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG emissions (tonnes of CO2e)</td>
<td>7,584.3</td>
<td>10,967.0</td>
<td></td>
</tr>
<tr>
<td>CO2 emissions per passenger journey (kg)</td>
<td>0.566</td>
<td>0.624</td>
<td></td>
</tr>
<tr>
<td>CO2 emissions per km driven (kg)</td>
<td>0.944</td>
<td>0.778</td>
<td></td>
</tr>
</tbody>
</table>

### Diversity monitoring

<table>
<thead>
<tr>
<th></th>
<th>2011/12</th>
<th>2012/13</th>
<th>The future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Management diversity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion female</td>
<td>36%</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Proportion ethnic minority (non-white)</td>
<td>11%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td><strong>Employee diversity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion female</td>
<td>24%</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>
about HCT Group

HCT Group is a social enterprise in the transport industry, safely providing well over 17 million passenger trips on our buses every year. We deliver a range of transport services – from London red buses to social services transport, from school transport to Park and Ride, from community transport to education and training.

We reinvest the profits from our commercial work into high social impact transport services or projects in the communities we serve, and into providing training opportunities for people who are long term unemployed – making a real difference to people’s lives.

For more information see www.hctgroup.org

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