



Business Plan

2016 - 2021

BUSINESS PLAN

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1. Executive Summary

Reason

Many public services across the country are at a crossroads, needing to find alternative ways to fund themselves and to develop different delivery models in a changing world. An important option to consider in this context is moving this service to an independent organisation, a route that Thurrock youth related services is proposing, with the support of Thurrock Council ('the Parent Body'). The current business plan aims to unlock a new way of operating, placing young people at the centre of the four core services whilst increasing their ownership of the organisation. It also allows for expansion such as providing non-statutory services for young people which are currently restricted by its current position as a service within a local authority and providing a cohesive and integrated network of services with the flexibility to engage stakeholders.

Thurrock's Senior Leadership have been very supportive of this approach. It recognises the need to ensure that Thurrock's Young People can access the regeneration opportunities that will be available over the next 20 years. The proposal focuses on the importance of community value and enables the committed staff to further enhance and develop opportunities.

2. Aims & Objectives

The current economic climate has necessitated a move to a more targeted approach to funding services and this will result in less funding for some activities traditionally provided by Local Authorities. To achieve the planned reductions in public spending, statutory bodies will be required to manage public resources and assets more effectively and to explore alternative delivery models.

Thurrock Council is, therefore, considering how to provide services at reduced cost while maximising the community benefit derived from its diverse asset portfolio. This report will consider the potential for the Local Authority to transfer assets and services into a separate legal entity that will be given ownership and management of such services to staff based upon established good practice. It will enable staff

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to be more involved in the organisation and develop and target resources quickly where a need is identified. This would secure efficiencies in both costs and the long term interests of the community.

Thurrock is ideally placed to develop its offering to young people. Thurrock has many regeneration opportunities which need to be developed with young people in mind.

One of the key drivers is to support local businesses to recruit highly skilled young people – we are looking to spin out a range of youth related services. It is recognised that with the current financial reductions within Local Government and the desire for Thurrock Council to become a commissioning authority that ‘doing nothing’ was not an option.

To ensure that young people can access the jobs that will be available in Thurrock staff have been working on the potential to take services out of Local Authority control and set up a charitable trust – this will enable work to both continue and give the opportunity to access funding from a range of external sources that are currently not available to Local Authorities.

3. Proposal

The proposal is to transfer the current services provided by Thurrock council which form part of its youth related activities. The new organisation will deliver a range of activities including information advice & guidance, employability & skills support and youth work for children and young people across Thurrock.

The proposal is that Thurrock Council support and develop an organisation that involves staff in developing and delivering a sustainable model of youth related activities across Thurrock. This will offer a genuinely universal and targeted approach which is flexible and scalable.

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The specific areas in the proposed transfer are:

- Employability and Skills
- Thurrock Careers
- Targeted Access
- Youth Offer

The aim of the transfer is to achieve the following benefits:

- Cost savings to Thurrock Council as the proposed services will be less expensive than the current in-house provision.
- Provide ownership and leadership from young people and communities.
- Locally accountable, highly responsible to local needs through membership.
- More responsive to local community needs enabling the Local Authority to commission services.
- Establishing new relationship between professionals and young people
- Increased staff participation with staff developing a sense of ownership in service delivery.
- Offering a genuinely universal approach, flexible and scalable.
- Enabling room to innovate, free of bureaucratic constraints.
- Re investment of profit into local projects.
- Wider stakeholder involvement, commissioners and investors; voluntary community; partner service (NHS, Police, Schools etc); community organisations and representatives.
- Attracting additional external investment from a range of sources

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4. Overview of Services to be Transferred

It is proposed that the following services are transferred to a new entity. The core aim of these services is to fulfil Thurrock's strategic priorities with a particularly emphasis on Priorities 1 and 2:

- 1: Create a great place for learning and opportunity
- 2: Encourage and promote job creation and economic prosperity

Thurrock Careers

Thurrock Careers (TC), part of Thurrock Council, provides information, advice and guidance (IAG) for young people aged 13 to 19 years old, or 25 where there is an identified special need.

Employability & Skills

Thurrock Council's Employability & Skills Team is made up of a range of staff whose work enables Thurrock residents to access learning opportunities to lead to employment. The key focus is providing access routes into apprenticeships / employment with training opportunities and progression to higher level frameworks.

Targeted Access

Targeted Access provides a range of interventions working closely with vulnerable groups, this includes The Prince's Trust TEAM programme which works with young people 16-24 who need additional support to access education employment & training, it also supports the Duke of Edinburgh Awards Programme and access to a range of music studios across the Authority.

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Youth Offer

Thurrock's Youth Offer provides young people aged 11 to 19, and up to 25 where there is an identified special, the opportunity to engage in a range of social and personal development programmes including positive activities.

5. Expected Benefits

A SWOT and PESTLE analysis was carried out. The full results of these can be found in Appendix 1 (page 20).

A summary of the key benefits are:

Cost Savings

Medium & long term potential cost savings. The main areas for cost savings to the Local Authority derive from the ability of the new organisation to access new sources of funding. The new organisation will have a flexible approach and be able to make reductions to overheads as required.

Funding

The new organisation will potentially have access to other forms of funding such as donations and grant funding from charitable trusts which are not available to the Local Authority. There is also the opportunity to access funding from the Local Enterprise Partnership. Thurrock has recently been allocated funds via the Youth Employment Initiative to support 20-24 year olds into employment.

Taxation

The trust will be able to take advantage of many tax benefits. Apart from the tax relief on donations it will not pay tax on its investment income. It will not pay corporation tax and will benefit from business rate concessions. Also the trust will not have to register for VAT, unless it is supplying a significant amount of products or services that are subject to VAT.

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Partnerships

The organisation would have the potential to enhance and develop a range of partnerships with local business and other community organisations to support the longer term development of community services.

An example is the 11-19 strategy group which includes all secondary head teachers and college principals along with representatives from business. This group have developed a strong relationship with the business community to address the needs of young people.

Community

The trust can become embedded in the local community and provide both paid and volunteering opportunities as it develops. The governance of the organisation will include both local community representatives and young people. Currently the Youth Cabinet, an elected group comprised of representatives from schools and clubs is involved in the support and development of the youth services. It is anticipated that this involvement will be continued and further developed.

Decision Making

The new organisation will be able to have a more flexible approach with close involvement of staff resulting in quicker and more effective decision-making.

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6. Summary of Key Risks

Risk	Impact	Likelihood	Mitigation
Governance			
<p>Trustees The new organisation will require trustees with relevant skills to develop and direct the new organisation. There is a risk that trustees with the requisite skills will be difficult to locate and may not wish to support the organisation without payment</p>	High	Medium	<p>An analysis of the skill sets required from potential trustees should be carried out and potential trustees identified that meet these defined skills sets.</p> <p>These Potential trustees should be approached in the near future to ensure that the preferred candidates and skills are available.</p>
<p>Legal Structure The proposal is to operate as a charity. There is a risk that employees and the wider community do not get sufficiently engaged with the charity (a key requirement for spinning out of public sector services).</p>	Medium	Medium	<p>Ensure that the identification of potential trustees reflects the requirement for employee and community involvement.</p>

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Operational			
Risk	Impact	Likelihood	Mitigation
<p>Lack of Experience & Skills The staff would become responsible for the operation of a new independent organisation which would require additional management skills</p>	High	Medium	Carry out skills audit and put in place training or recruit new staff with required skills
<p>Retention of Staff The set-up of a new organisation whilst providing a sense of excitement and opportunities for greater involvement by existing staff may be perceived as being high risk as staff will be leaving public sector employment which can be considered to be more secure.</p>	High	Medium	Develop clear strategy for consultation with staff to mitigate any concerns about employment.
<p>Fundraising Fundraising will be an important function of the new organisation and may require additional personnel or training of existing staff.</p>	High	High	A detailed fundraising strategy to be developed prior to transfer and assessment whether additional staff will be required.
<p>Organisational Policies Failure to put in place relevant operational policies, such as Health & Safety, HR, Control over access to personal data, before the new organisation goes operational may lead to compliance failures with relevant legislation</p>	Medium	Medium	Drafts of all relevant operating policies should be produced prior to going live. These should then be formally agreed by the new board once the new organisation commences formal trading.

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Financial			
Risk	Impact	Likelihood	Mitigation
<p>Future Funding Reductions in the funding from Thurrock Council is likely however there is a risk that reductions could be made more quickly than anticipated</p>	High	Medium	Put in place legal contract between Thurrock Council and the new organisation to agree medium term funding
<p>Working Capital The new organisation will require working capital to enable it to carry out its operations</p>	High	High	Agreement with Thurrock required to either pay in advance for services or to provide a loan
<p>Fundraising It is essential that current activities that are chargeable or create funding are extended</p>	High	High	Develop plans for expansion of current revenue streams prior to the start of operation.
<p>Fundraising Performance If fundraising does not achieve the expected levels there is a risk that the organisation cannot continue all current and planned activities</p>	High	High	Develop a plan to reduce costs and services should the forecast future fundraising not be achieved
<p>Internal control environment The move to a new organisational structure will require a new financial control environment to be constructed. A failure to do so on going live will risk poor control of finances and the provision of poor quality financial information to the board and executive team.</p>	High	Medium	A draft Financial Policy should be developed before going live.

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Risk	Impact	Likelihood	Mitigation
<p>Lack of Free Reserves A lack of built up reserves will mean that the new charity is vulnerable to any unexpected falls in income or increase in costs as it will have no financial buffer</p>	High	Medium	<p>A policy for building up reserves should be agreed. Income and expenditure contracts set up need to be calibrated such that a surplus is generated with which to build reserves. It has been assumed that other income will be retained within the organisation over the plan period to enable to accumulation of reserves.</p>
<p>Pension and Redundancies Staff transferring from Thurrock Council will have redundancy terms and pension obligations above the statutory minimum which may result in significant additional costs to the organisation</p>	High	Medium	<p>Clarity on pension and redundancy obligations should be reached with the Council as early as possible.</p>
External Risks			
<p>Competition Following a spin out of the services from the Local Authority there is an increased risk that more competitors will enter the market for some of the services resulting in more competition which may affect both the provision and pricing of the services offered.</p>	Medium	Medium	<p>The new organisation should ensure that it regularly scans the local market for potential threats. A yearly PESTLE as part of the operating / business plan could be helpful.</p>
Legal Risks			

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7. Financial Model

Assumptions:

The financial forecasts have been based on the current Local Authority Budgets adjusted for known savings and additional costs for operating a new separate entity.

Local Authority Finding is planned to be at the current levels adjusted for inflation for the first 2 years of operation and thereafter reducing by 5% per year for the remaining 3 years of the plan period.

The plan includes a required increase in other income sources rising from the current £185K to £342K in 2021/21. The new organisation will need to develop a plan to grow existing income streams and also implement new streams. This is necessary for the organisation to become sustainable.

The increase in other revenue also needs to provide for the development of “free reserves” so that the organisation is not vulnerable to unexpected external events. A typical amount of free reserves would equate to between 3 and 6 months expenditure. The plan assume the accumulation of 5 months of reserves over the 5 year period with reserves totalling £702K at the end of 2020/21.

The main financial and organisational assumptions are:

- **Local Authority Funding**

Local authority funding for commissioned services is based on the current cost. An increase of 2% has been made for 2016/17 and 2017/18 resulting in a first year funding requirement of £1589K. In the subsequent years Local Authority Funding has been decreased by 5% per year with the funding being £1389K in 2020/21. This equates to a £200K per annum reduction in the LA Funding.

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- **Other Income**

There are other opportunities for income generation. A detailed plan and assessment of the growth opportunities for existing and future income streams needs to be completed.

The current income streams have been included at the current forecast level adjusted for inflation of 2% for the first 2 years of independent operation these are detailed in section 7.1 on page 15. In subsequent years (from 2018/19) the other income has been increased by £50K per annum. This requires an increase in other income of £154K per annum or 83% over the plan period.

- **Staffing**

The staff included in the plan are all current staff and adjusted for known savings (staff included in budget but not recruited) and additional staff to be responsible for increased administrative work.

- **Salaries**

Salaries of current staff have been included at current rates as per the 2015/16 budget and adjusted for 2% salary inflation each year

- **Pension**

Current employees of Thurrock Council will continue to be members of the Local Government Pension Scheme with the employer contribution remaining the same. New employees will become members of a defined contribution scheme to be set up by the new organisation. The employer contribution of the new pension scheme will be 5% of gross salary.

- **Inflation**

All operating costs have been increased by an inflation estimate of 2% per annum

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- **Premises**

All activities of the new organisation will be centralised in the Youth Hub. It is assumed that it will be rented or leased from Thurrock Council at an amount of £18,000 per annum. It has been assumed that the lease will be non-repairing and therefore no costs have been included for maintenance of the building.

- **Administration including Finance, HR, IT**

The new organisation will take responsibility for its own administration. It will be necessary to have one additional member of staff to be responsible for the increased administration. Additional costs are included for the provision of IT support, audit fees, insurance, bookkeeping and accounts support. These services will be outsourced to a relevant provider.

- **Cash Flow**

The cash flow assumptions are as follows:

- Local Authority Funding. At launch the Local Authority will pay the funding four months in advance to allow for some working capital to be available to the new organisation.
- Salaries will be paid in the month they are incurred with tax and social security costs being paid in the following month
- All suppliers invoices are to be paid a month after they are incurred
- Income from services will all be invoiced and received 50% in the month following invoice and 50% 2 months after invoice.

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The financial model is attached as an appendix and is summarised here:

	2016/17	2017/18	2018/19	2019/20	2020/21
	£	£	£	£	£
Income					
Local Authority	1,588,699	1,620,473	1,539,449	1,462,477	1,389,353
Other Income	188,700	192,474	242,474	292,474	342,474
	1,777,399	1,812,947	1,781,923	1,754,951	1,731,827
Expenditure					
Staff	1,196,911	1,220,849	1,245,266	1,270,171	1,295,574
Premises	94,399	96,287	98,213	100,177	102,180
Administration	276,182	281,706	287,340	293,087	298,948
Total Expenditure	1,567,492	1,598,841	1,630,818	1,663,435	1,696,703
Net Incoming Resources	209,908	214,106	151,105	91,516	35,124

7.1. Income and Growth

The current plan includes current known income streams adjusted for inflation for the first 2 years. The basis of the forecast are the following income streams:

College Adult Learning	50,000	Funds from the Adult College to support adult learners to increase skills
Careers	75,000	Traded Offer for information advice and guidance to schools, this supports statutory guidance around offering young people impartial career advice
Princes Trust	33,000	Partnership with Thurrock Adult Community College to support the Prince's Trust Team Programme
Thurrock's next Top Boss	17,000	Funds allocated from Chief Executive Delivery Unit
D of E Awards	10,000	Traded offer for schools for the work in the development of Duke of Edinburg Awards Programme
Total	185,000	

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After the first 2 years of operation the plan includes an increase of £50K per annum in other income sources. There are opportunities for additional income streams. In the first year of independent operation the organisation will build its identity and marketing strategy.

It is anticipated that there are a number of ways of growing income in future:

- Current activities will be extended. E.g. the careers services will be extended to include schools outside the Local authority area and to Primary schools.
- Grant Funding from Charitable Trusts
- Grant funding from Government and European Funds.

Sensitivity

It is assumed that the forecast increase in other income sources is achievable however it should be noted that if the other income target is not met, and LA funding reductions are implemented, the organisation will have a deficit of £103K in the final year of the plan (2020/21) reducing reserves to the equivalent of 3 months expenditure.

The organisation would need to formulate a plan to reduce costs and therefore its activities to deal with the shortfall.

8. Structure & Governance

Structure

A range of options have been explored by Thurrock Council in relation to the development of the new entity to support the youth activities outlined within the business plan. The research identified 2 potential options for the legal structure of the new entity these being a Community Interest Company (CIC) or a charity.

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An assessment of the 2 different legal structures has been carried out and both provide benefits to the proposed organisation. However a charity is the preferred legal structure for a number of reasons including:

A charity benefits from tax advantages which the CIC is not entitled to.

As a charity fundraising from charitable trusts and other grant giving organisation will be enhanced.

A CIC has the ability to distribute some of its profits. It is believed that this will deter some donors from providing funds.

There are some disadvantages in the operating as a charity which includes the fact that the board will be made up of trustees who will not be paid. This may result in difficulty attracting the skills needed to manage the organisation.

Governance

The governance of the new organisation will be comprised of a number of trustees with relevant skills. The Board will include staff representation from a Staff Advisory Board and youth representation from the Youth advisory board.

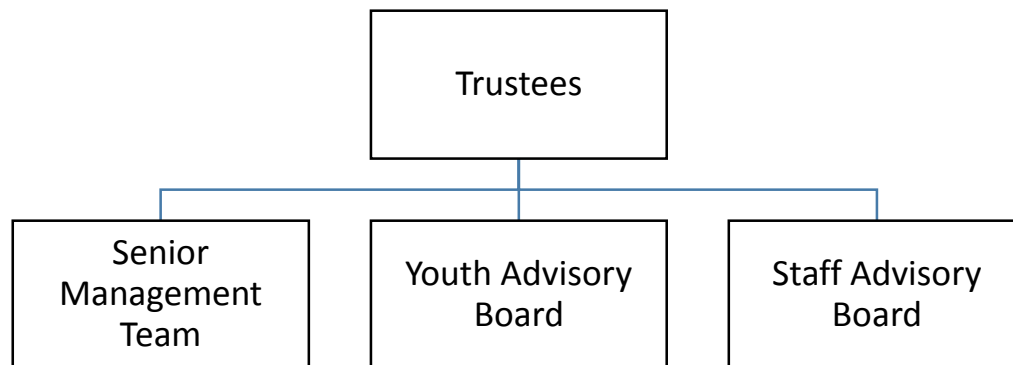
The Senior Management team will manage the organisation on a daily basis.

The recognition of staff being the most valuable asset in an organisation is well researched, in supporting this we are looking to introduce a Collaborative governance structure which supports the development of staff empowerment and ownership. Trustees will seek the views of staff on the development of the organisation with particular reference to recognising that the staff team have the expertise around the client group and the projects that are likely to enable the client group to make transitions into education, employment or training. Collaborative governance has been used in the health sector and they have seen an increase in staff engagement around the development of services to meet patient care.

The sense in which staff feel ownership of the company will be measured by completing yearly surveys which will enable the Board of Trustees to gain a greater sense of how the work around collaborative governance is being embedded into the organisation.

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To ensure that there is full involvement of both employees and young people it is planned that representatives from the Staff Advisory Board (in addition to members of the Senior Management Team) and the Youth Advisory Board will attend meetings to provide updates on the interventions and progress of the organisation.



9. Contract Management

The agreed contract with the Local Authority will include Key Performance Indicators which will be reviewed regularly by the senior Management and Trustees and reported to the Local Authority.

10. Timescale

If approval is given by Thurrock it is envisaged that the new organisation will be operational as from 1st April 2016.

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11. Dependencies

The following table shows a list of items that require agreement or development prior to the establishment of a new organisation.

Area	
Staff Terms & Conditions (Existing)	Existing staff terms & conditions will be subject to TUPE, staff consultation and documentation required
Staff Terms & Condition (New)	New terms & conditions to be prepared for new staff
Pension & Redundancy	An arrangement with the Local Authority regarding the responsibility for pension and redundancy terms under the existing terms to be agreed
Pension Scheme	A new pension scheme to be set up by new organisation
LA Funding	Agreement with LA for a medium term funding plan to be agreed along with payment terms
Income Growth Plan	A plan for growing existing and new income streams needs to be developed
Marketing	A marketing strategy to be prepared
Property	An agreement for the terms of leasing the property to be agreed. The term needs to match with the medium funding plan
Set up charity	The formalities of setting up a new charity need to be completed
Governance Structure	The governance structure needs to be agreed and documented

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Appendix 1 SWOT & PESTLE Analysis

SWOT analysis

<u>Strengths</u>	<u>Weaknesses</u>
<ul style="list-style-type: none"> • High quality team • Strong knowledge of service user base • Strong relationships with stakeholders i.e. schools + businesses • Experience of attracting external funding • Strong vision • Track record of defining targets • Robust MI system • Adaptable and innovative 	<ul style="list-style-type: none"> • Limited commercial experience • Contract management • Funding changes • Identification of expertise (i.e. HR, finance) • Change of political government and policies • Limited marketing/sales and promotional experience
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Diversification of client base • Increasing IAG/youth activity offer to other CA's • Opportunities to increase YPs ownership around engaging with local communities • Work across LEP via ESF funding for skills development 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Commercial drive to provide services below cost • Keeping staff on board with vision • External providers offering lower cost services (especially national) • Retailing drive for charge whilst continuing day to day job • Parent company needs to retain core funding model over 3 years

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P.E.S.T.L.E – Thurrock Youth Trust

Political	Economic	Social	Tech	Legal	Environmental
<p><i>Opp:</i> Senior support from parent company.</p> <p>Previous models including leisure & learning disabilities.</p>	<p>Medium & long term potential cost savings.</p> <p><i>Opp:</i> to apply for a range of funding not available to LA's.</p> <p>L.E.P – key link around skills & IAG</p> <p>Reduced restrictions around social media/marketing opportunities – low cost</p>	<p>Ability to respond quickly to market demand</p> <p>Local staff supporting & developing community resistance</p> <p>Volunteer programmes to build community resistance leading to less dependency on LA.</p> <p>Large infrastructure projects & regeneration leading to an increase in the local population.</p>	<p>Ability to update devices in a timely manner and to meet with latest social media trends.</p>		<p>Can utilise more areas in the community to reduce mileage needs.</p> <p>Tap into Low Carbon / TIGER.</p>
<p><i>Threats:</i> Change of central administration</p> <p>Senior leadership change in the LA</p>	<p>Competitors who have a range of similar services.</p> <p>Current staff's TUPE arrangements</p> <p>Parent companies reluctance for 5 yr commissioning period</p>	<p>Staff not wishing to transfer</p>	<p>Need expertise in creating websites, social media sites for promotion.</p> <p>Need to buy in/create systems to capture and monitor data i.e. profile.</p>	<p>Change in procurement legislation in UK/EU</p> <p>Employment law re: staff transferring into new organisation</p> <p>Existing pensions</p>	<p>Relocate to viable premises.</p> <p>Existing workload</p>

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Appendix 2 Financial Forecasts

Total

FORECAST INSPIRE 2016/17

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
Income													
LA Funding	132,392	132,392	132,391	132,392	132,392	132,391	132,392	132,392	132,391	132,392	132,392	132,391	1,588,699
4500 - Other Income	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	188,700
	148,117	148,117	148,116	148,117	148,117	148,116	148,117	148,117	148,116	148,117	148,117	148,116	1,777,399
Expenditure													
0001 - Salary	82,709	82,709	82,709	82,709	82,709	82,709	82,709	82,709	82,709	82,709	82,709	82,709	992,514
0060 - National Insurance	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120	6,120	73,439
0065 - Superannuation	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	130,958
0380 - Employee Training	634	634	634	634	634	634	634	634	634	634	634	634	7,607
0510 - Health and Safety	306	306	306	306	306	306	306	306	306	306	306	306	3,672
0511 - Security Measures	199	199	199	199	199	199	199	199	199	199	199	199	2,387
0530 - Building Maintenance Day To Day	680	680	680	680	680	680	680	680	680	680	680	680	8,160
0531 - Building Maintenance Special	351	351	351	351	351	351	351	351	351	351	351	351	4,212
0592 - Electricity	728	728	728	728	728	728	728	728	728	728	728	728	8,737
0593 - Gas	490	490	490	490	490	490	490	490	490	490	490	490	5,881
0630 - Rent Payable	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	18,360
0660 - Business Rates	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	1,786	21,430
0680 - Water Charges	230	230	230	230	230	230	230	230	230	230	230	230	2,763
0770 - Cleaning Materials	128	128	128	128	128	128	128	128	128	128	128	128	1,530
0775 - Contract Cleaning	988	988	988	988	988	988	988	988	988	988	988	988	11,856
0776 - Removal of Rubbish	237	237	237	237	237	237	237	237	237	237	237	237	2,850
0900 - Insurance Builds Plant Equip	213	213	213	213	213	213	213	213	213	213	213	213	2,560
1000 - Pooled Vehicle Recharge	2,847	2,847	2,847	2,847	2,847	2,847	2,847	2,847	2,847	2,847	2,847	2,847	34,165
1250 - Reimbursement Of Fares	54	54	54	54	54	54	54	54	54	54	54	54	643
1300 - Car Allowances	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	17,034
1400 - Equipment Purchase	383	383	383	383	383	383	383	383	383	383	383	383	4,590
1420 - IT Equipment	43	43	43	43	43	43	43	43	43	43	43	43	510
1500 - Provisions Food	128	128	128	128	128	128	128	128	128	128	128	128	1,530
1501 - Provisions Drink	38	38	38	38	38	38	38	38	38	38	38	38	459
1681 - Stationery	500	500	500	500	500	500	500	500	500	500	500	500	6,005
1682 - Books and Publications	43	43	43	43	43	43	43	43	43	43	43	43	510
1683 - Photocopying	661	661	661	661	661	661	661	661	661	661	661	661	7,926
1750 - Professional Fees	847	847	847	847	847	847	847	847	847	847	847	847	10,164
1850 - Postage	64	64	64	64	64	64	64	64	64	64	64	64	765
1870 - Telephones Call Charges	490	490	490	490	490	490	490	490	490	490	490	490	5,874
1871 - Telephones Line Rental	142	142	142	142	142	142	142	142	142	142	142	142	1,705
1875 - Data Line Charges	85	85	85	85	85	85	85	85	85	85	85	85	1,020
1950 - Subsistence Allowance Staff	102	102	102	102	102	102	102	102	102	102	102	102	1,224
2083 - Licenses	3,311	3,311	3,311	3,311	3,311	3,311	3,311	3,311	3,311	3,311	3,311	3,311	39,732
2190 - SERCO Change Control Expenditure	2,249	2,249	2,249	2,249	2,249	2,249	2,249	2,249	2,249	2,249	2,249	2,249	26,987
2104 - Project Work	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015	72,174
Payroll	209	209	209	209	209	209	209	209	209	209	209	209	2,509
Insurance	510	510	510	510	510	510	510	510	510	510	510	510	6,120
IT	357	357	357	357	357	357	357	357	357	357	357	357	4,284
Accounts	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	1,377	16,524
Audit	510	510	510	510	510	510	510	510	510	510	510	510	6,120
Total Expenses	130,624	130,624	130,624	130,624	130,624	130,624	130,624	130,624	130,624	130,624	130,624	130,624	1,567,492
Net Income / Expenditure	17,493	17,493	17,492	17,493	17,493	17,492	17,493	17,493	17,492	17,493	17,493	17,492	209,908

Staff Numbers

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BUSINESS PLAN

Total

FORECAST INSPIRE 2017/18

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
Income													
LA Funding	135,039	135,039	135,039	135,039	135,039	135,039	135,039	135,039	135,039	135,039	135,039	135,039	1,620,473
Other Income	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	192,474
	151,079	151,079	151,079	151,079	151,079	151,079	151,079	151,079	151,079	151,079	151,079	151,079	1,812,947
Expenditure													
0001 - Salary	84,364	84,364	84,364	84,364	84,364	84,364	84,364	84,364	84,364	84,364	84,364	84,364	1,012,364
0060 - National Insurance	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	74,908
0065 - Superannuation	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	133,577
0380 - Employee Training	647	647	647	647	647	647	647	647	647	647	647	647	7,759
0510 - Health and Safety	312	312	312	312	312	312	312	312	312	312	312	312	3,745
0511 - Security Measures	203	203	203	203	203	203	203	203	203	203	203	203	2,435
0530 - Building Maintenance Day To Day	694	694	694	694	694	694	694	694	694	694	694	694	8,323
0531 - Building Maintenance Special	358	358	358	358	358	358	358	358	358	358	358	358	4,296
0592 - Electricity	743	743	743	743	743	743	743	743	743	743	743	743	8,912
0593 - Gas	500	500	500	500	500	500	500	500	500	500	500	500	5,999
0630 - Rent Payable	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	1,561	18,727
0660 - Business Rates	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,822	21,859
0680 - Water Charges	235	235	235	235	235	235	235	235	235	235	235	235	2,818
0770 - Cleaning Materials	130	130	130	130	130	130	130	130	130	130	130	130	1,561
0775 - Contract Cleaning	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	1,008	12,094
0776 - Removal of Rubbish	242	242	242	242	242	242	242	242	242	242	242	242	2,907
0900 - Insurance Builds Plant Equip	218	218	218	218	218	218	218	218	218	218	218	218	2,611
1000 - Pooled Vehicle Recharge	2,904	2,904	2,904	2,904	2,904	2,904	2,904	2,904	2,904	2,904	2,904	2,904	34,848
1250 - Reimbursement Of Fares	55	55	55	55	55	55	55	55	55	55	55	55	655
1300 - Car Allowances	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	17,375
1400 - Equipment Purchase	390	390	390	390	390	390	390	390	390	390	390	390	4,682
1420 - IT Equipment	43	43	43	43	43	43	43	43	43	43	43	43	520
1500 - Provisions Food	130	130	130	130	130	130	130	130	130	130	130	130	1,561
1501 - Provisions Drink	39	39	39	39	39	39	39	39	39	39	39	39	468
1681 - Stationery	510	510	510	510	510	510	510	510	510	510	510	510	6,125
1682 - Books and Publications	43	43	43	43	43	43	43	43	43	43	43	43	520
1683 - Photocopying	674	674	674	674	674	674	674	674	674	674	674	674	8,085
1750 - Professional Fees	864	864	864	864	864	864	864	864	864	864	864	864	10,368
1850 - Postage	65	65	65	65	65	65	65	65	65	65	65	65	780
1870 - Telephones Call Charges	499	499	499	499	499	499	499	499	499	499	499	499	5,992
1871 - Telephones Line Rental	145	145	145	145	145	145	145	145	145	145	145	145	1,740
1875 - Data Line Charges	87	87	87	87	87	87	87	87	87	87	87	87	1,040
1876 - Data Line Charges	104	104	104	104	104	104	104	104	104	104	104	104	1,248
2083 - Licenses	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	40,527
2190 - SERCO Change Control Expenditure	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	27,527
2104 - Project Work	6,135	6,135	6,135	6,135	6,135	6,135	6,135	6,135	6,135	6,135	6,135	6,135	73,618
Payroll	213	213	213	213	213	213	213	213	213	213	213	213	2,559
Insurance	520	520	520	520	520	520	520	520	520	520	520	520	6,242
IT	364	364	364	364	364	364	364	364	364	364	364	364	4,370
Accounts	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	16,854
Audit	520	520	520	520	520	520	520	520	520	520	520	520	6,242
Total Expenses	133,237	133,237	133,237	133,237	133,237	133,237	133,237	133,237	133,237	133,237	133,237	133,237	1,598,841
Net Income / Expenditure	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	214,106

BUSINESS PLAN

Cash Flow and Balance Sheet Forecast

CASH FLOW

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
Receipts												
Local Authority Funding	635,480	158,870	158,869	158,870	158,870	158,869	158,870	158,870	158,869	162,047	162,047	162,047
Other income		7,863	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725	15,725
Total Receipts	635,480	166,733	174,594	174,595	174,595	174,594	174,595	174,595	174,594	177,772	177,772	177,772
Payments												
Salaries	53,761	53,761	53,761	53,761	53,761	53,761	53,761	53,761	53,761	53,761	53,761	53,761
Tax & NI	-	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068
VAT	-	-	-	140,341	-	-	60,906	-	-	60,906	-	-
Pension		10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913
Other Expenses	-	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058
Total payments	53,761	136,801	136,801	277,142	136,801	136,801	197,707	136,801	136,801	197,707	136,801	136,801
Net Cash Flow	581,719	29,932	37,793	(102,546)	37,795	37,793	(23,111)	37,795	37,793	(19,934)	40,972	40,972
Balance brought Forward	0	581,719	611,651	649,445	546,898	584,693	622,486	599,375	637,170	674,963	655,029	696,001
Balance Carried forward	581,719	611,651	649,445	546,898	584,693	622,486	599,375	637,170	674,963	655,029	696,001	736,972

Balance Sheet

Non Current Assets

Current Assets

Debtors	15,725	23,588	23,588	23,588	23,588	23,588	23,588	23,588	23,588	23,588	23,588	23,588
Cash at Bank	581,719	611,651	649,445	546,898	584,693	622,486	599,375	637,170	674,963	655,029	696,001	736,972
Total Current Assets	597,444	635,239	673,032	570,486	608,281	646,074	622,963	660,757	698,551	678,617	719,588	760,560
Current Liabilities												
Suppliers	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058	37,058
Social Security Costs	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068	35,068
VAT	99,737	120,039	140,341	20,302	40,604	60,906	20,302	40,604	60,906	20,832	41,663	62,495
Pension Liability	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913	10,913
Provision (Income in Advance)	397,175	397,175	397,175	397,175	397,175	397,175	397,175	397,175	397,175	399,822	402,470	405,118
Bank	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Liabilities	579,951	600,253	620,555	500,516	520,818	541,120	500,516	520,818	541,120	503,693	527,172	550,652
Total Net Assets	17,493	34,985	52,477	69,970	87,462	104,954	122,446	139,939	157,431	174,923	192,416	209,908

Reserves

Brought Forward	0	17,493	34,985	52,477	69,970	87,462	104,954	122,446	139,939	157,431	174,923	192,416
Net Resources Expended for Period	17,493	17,493	17,492	17,493	17,493	17,492	17,493	17,493	17,492	17,493	17,493	17,492
Carried Forward	17,493	34,985	52,477	69,970	87,462	104,954	122,446	139,939	157,431	174,923	192,416	209,908

BUSINESS PLAN

CASH FLOW

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Receipts												
Local Authority Funding	162,047	162,047	162,047	162,047	162,047	162,047	162,047	162,047	162,047	165,288	165,288	165,288
Other income	15,882	15,882	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040	16,040
Total Receipts	177,930	177,930	178,087	178,087	178,087	178,087	178,087	178,087	178,087	181,328	181,328	181,328
Payments												
Salaries	54,836	54,836	54,836	54,836	54,836	54,836	54,836	54,836	54,836	54,836	54,836	54,836
Tax & NI	35,068	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770
VAT	-	-	-	124,619	-	-	62,124	-	-	62,124	-	-
Pension	10,913	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131
Other Expenses	37,058	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799
Total payments	137,876	139,537	139,537	264,155	139,537	139,537	201,661	139,537	139,537	201,661	139,537	139,537
Net Cash Flow	40,054	38,393	38,550	(86,068)	38,550	38,550	(23,574)	38,550	38,550	(20,333)	41,791	41,791
Balance brought Forward	736,972	777,026	815,419	853,969	767,901	806,451	845,001	821,427	859,977	898,527	878,195	919,986
Balance Carried forward	777,026	815,419	853,969	767,901	806,451	845,001	821,427	859,977	898,527	878,195	919,986	961,777

Balance Sheet

Non Current Assets

Current Assets

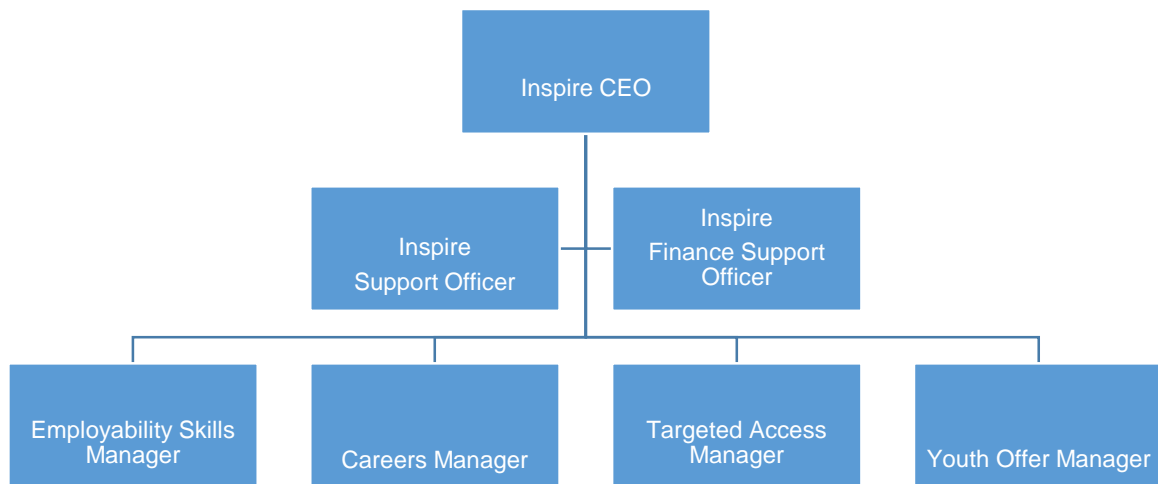
Debtors	23,745	23,902	23,902	23,902	23,902	23,902	23,902	23,902	23,902	23,902	23,902	23,902
Cash at Bank	777,026	815,419	853,969	767,901	806,451	845,001	821,427	859,977	898,527	878,195	919,986	961,777
Current Liabilities	800,771	839,321	877,871	791,803	830,353	868,903	845,329	883,879	922,429	902,097	943,888	985,679
Suppliers	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799	37,799
Social Security Costs	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770	35,770
VAT	83,203	103,911	124,619	20,708	41,416	62,124	20,708	41,416	62,124	21,248	42,496	63,744
Pension Liability	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131	11,131
Provision (Income in Advance)	405,118	405,118	405,118	405,118	405,118	405,118	405,118	405,118	405,118	407,819	410,520	413,221
Bank	0	0	0	0	0	0	0	0	0	0	0	0
Total Net Assets	227,750	245,592	263,434	281,276	299,118	316,960	334,803	352,645	370,487	388,329	406,171	424,013

Reserves

Brought Forward	209,908	227,750	245,592	263,434	281,276	299,118	316,960	334,803	352,645	370,487	388,329	406,171
Net Resources Expended for Period	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842	17,842
Carried Forward	227,750	245,592	263,434	281,276	299,118	316,960	334,803	352,645	370,487	388,329	406,171	424,013

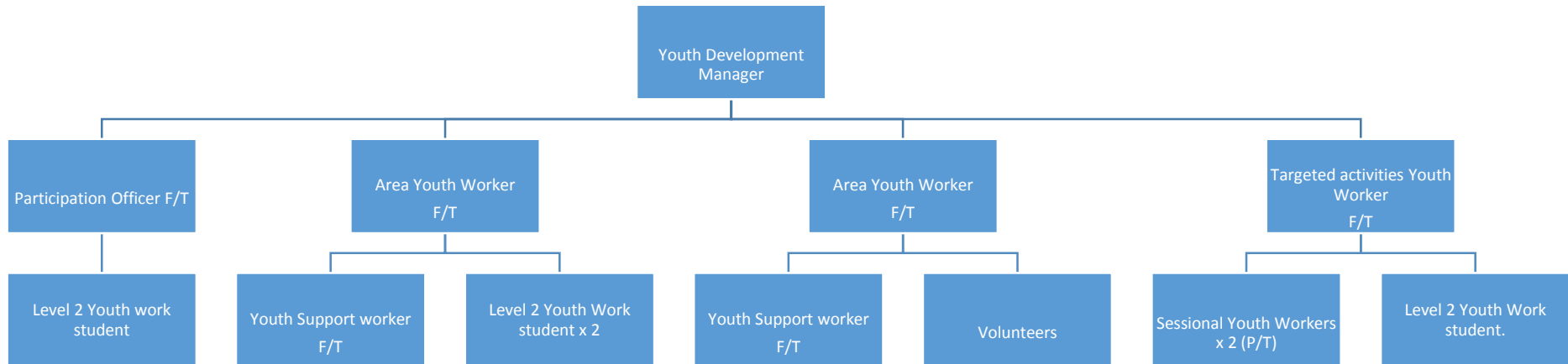
BUSINESS PLAN

Appendix 3 – Organisational Structure
Overall Structure



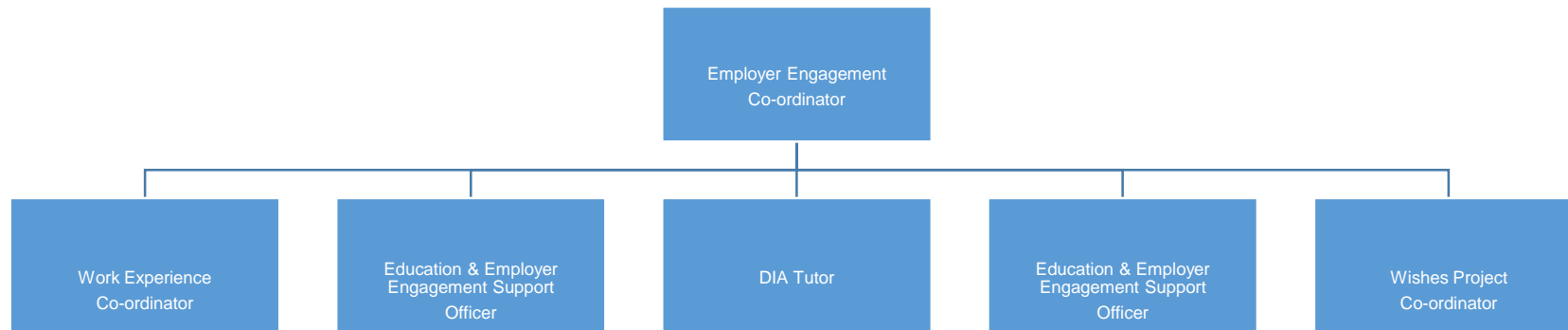
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Youth Development Team



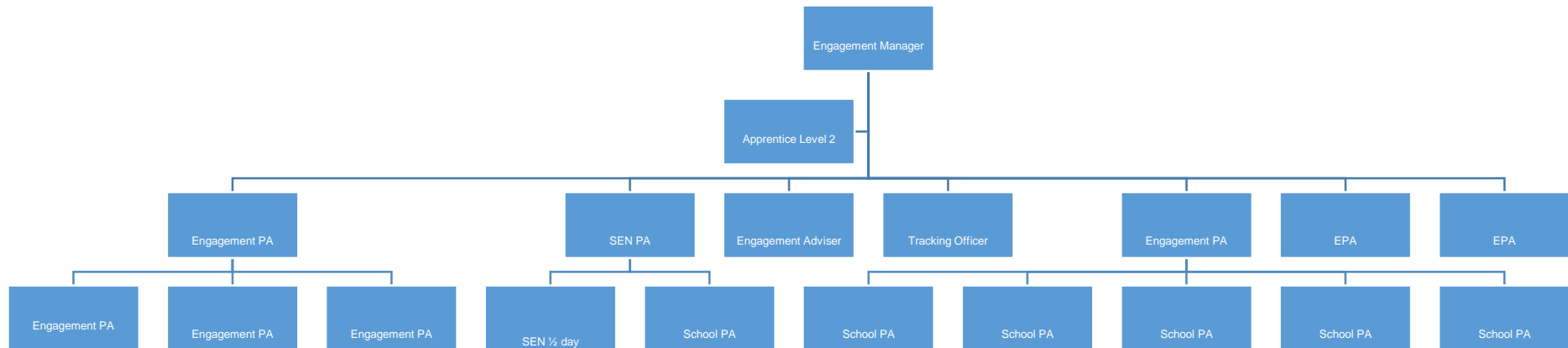
BUSINESS PLAN

Employability and Skills Team



BUSINESS PLAN

Careers Team



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Targeted Access Team

