

Tower Hamlets Community Transport

City Bridge Trust Stepping Stones Case Study

First Interview – September 2015

“I like getting involved in community action and social change in a practical way, and what’s more practical than driving a bus?” Whilst he doesn’t usually drive the buses himself, Dave Ahlquist, Business Development Manager at Tower Hamlets Community Transport (THCT), gets to core of what community transport does.

It may neither be glamorous nor often attract the attention of the wider public but THCT creates the kind of social outcomes that everyone can get behind: “what we deliver for our users is social inclusion and well-being” says Dave. Operating as a membership organisation for communities, charities and individuals throughout Tower Hamlets, THCT provides a fleet of accessible vehicles that ensure that those with limited mobility are not limited *by* mobility.

Dave cites two examples of the role they play in the community. The leader of an elderly ladies group describes TCHT as “our lifeline - vital for getting the ladies out of the house and having contact with others”, and the parent of a disabled child told him about “that feeling of excitement on my son’s face who cannot wait to get on board of the bus.” Yet these still underplay the breadth of what they do, representing just a few of the near 50,000 individual journeys TCHT provide each year.

Having been first set up over 30 years ago, THCT has undergone a series of structural changes, moving from a worker’s co-operative to its current membership model. However a decline in grant funding has meant that another change is needed. For THCT this means exploring into social investment.

“We’d been exploring the possibilities and implications of social investment for a while, before we heard about City Bridge Trust’s Stepping Stones fund” Dave said, “but when I read through the grant material, a lot of what it said resonated with me. It was about testing new ideas, collaboration, and new ways of measuring social impact. These were the things I’d been wanting the opportunity to do”.

New ways of doing things is at the centre of what THCT plan to do with their Stepping Stones grant. They know that social investment is not a replacement for a loss in grant income; it will involve a re-shaping of how they operate. In particular THCT applied for the ‘Pilot Finance’ strand of the Stepping Stones fund in order to expand an area of their operation that has the potential to bring in a profit:

“We want to create and test an online platform for the community transport sector that can connect two of our stakeholders: those who need support to get around, and those able to provide vehicle capacity to do so. It’s about facilitating collaboration for social benefit.”

However any venture like this involves some risk, and this is the opportunity that Stepping Stones Fund provides. Dave describes the opportunity like this: “like any enterprise venture there is risk involved. What is the market for this offer? Are there enough customers for this? Are they willing to pay to generate sufficient revenue? Stepping Stones gives us the space to do our market research, and create a product that is viable.”

Importantly however THCT are rooting this venture firmly in their social mission. The goal is not to become a commercial organisation, but to expand one area of their work that can generate an income through social investment in order to free up much needed resources for those other areas whose impact is purely socially minded.

“It’s about the social/enterprise balance” Dave explains, “social investment in income-generating services will form one part of our fundraising strategy, but it won’t let it reduce our social purpose and the impact we are having on the people in Tower Hamlets.”

This will be the test for THCT as they explore and test out the potential for social investment: can they balance a successful enterprise operation with a high level of social impact? They may have three decades of success transporting their local community from one place to another, but THCT’s own social investment journey has just begun.

Final Interview – November 2016

It’s been a year since the last meeting with Dave Ahlquist, Business Development Manager at Tower Hamlets Community Transport (THCT), an organisation with the aim of creating positive outcomes for social inclusion and well-being through transport for the elderly.

THCT’s Stepping Stones project has helped continue the restructuring of the organisation and allowed them to progress with their goals of upscaling “We’ve been pretty much on target with the fund, the main core of what we’ve been able to do is ‘we’ve developed a website for the new venture which is to be called ‘Transport Together’ and also been able to develop promotional leaflets and business cards, so we’re on target and it’s been rather successful’

One of the things which initially attracted Dave and THCT to social investment was the potential for collaboration and measuring social impact, factors integral to the organisation’s mission, one of the ways the funding has allowed this is through their new partnership with ‘Bethnal Green Ventures accelerate’ “They provide a 12 week program of support through workshops and linking up with mentors and people who have already run startups in this sector and also crucially what they do as part of that package is they offer social investment into the new venture.”

THCT are aided by the infrastructure already in place for sustainable income allowing them to be in the position of progress they find themselves in, it hasn’t been completely plain-sailing however, as Dave describes, “The big picture here is that the resources are going down, due to government cuts and the demand is always likely sure to go up and

yet we think and are actually demonstrating through our research that there is spare capacity in the market, so we can do an online market placer of the likes of Airbnb or comparethemarket.com and apply it to this sector.”

The intention was always to connect THCT’s stakeholders of providers and users through an online platform, a step they’re closer to achieving through the advent of ‘Transport Together’, Dave acknowledges it’s led THCT being more commercially-oriented than initially wanted but given the factors like the aforementioned cuts as well as what Dave describes as a need “to have a basic role in business model which enables us to be sustainable” it appears somewhat of an inevitability, “What we’ve done is created effectively, a commercial company to take forward the new idea and enable us to attract social investment, but at the same time what we hope that platform will be able to do is enable us to put back the community in community transport.”

The opportunity provided by the Stepping Stones fund has allowed space for THCT to firmly explore their market in a way which wasn’t possible before, Dave knows their continued upscaling requires a pragmatic approach in order to successfully stay rooted to their social mission, “we’ve done quite a lot of market research so that’s really the big piece of work, It is about reinventing, repackaging, looking at new ways of reaching your customers, that takes quite a long time, so the challenge is really in terms of learning yourself and bringing staff, volunteers and trustees on board with what works.”

Dave explains the next stage of their journey will be working with other organisations who own or operate vehicles for THCT’s typical demographic, “we’re concentrating with our own company in one borough in London at the moment so the idea would be to go wider, geographically and that means partnering potentially with people in other areas and then we need to build the team, we’ve got the core of the company setup, we decided to do it as a separate venture and that will attract further investment”.

TCHT’s social investment journey looks promising. Striking the balance between enterprise operation and social impact hasn’t always been easy but importantly they’ve been able to grow and ultimately benefit as an organisation from the Stepping Stones project as Dave acknowledges, “If you’re going into social investment, it is an unfamiliar territory for a lot of boards, it does mean that you are probably going to have to adopt a different model, you can’t necessarily fund your different activities delivered in the same way, so we have to look at doing things quite differently”.