

# UAACO COMMUNITY GARAGE PROJECT

Business Plan 2007 – 2013



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## 1. HISTORY & BACKGROUND

The Union of African & African Caribbean Organisation (UAACO) was formed in July 2001, becoming a registered charity and company limited by guarantee in July 2003.

The organisation aims to promote the involvement of member organisations in the regeneration of the City of Stoke on Trent and North Staffordshire, particularly in the areas of **health and social care issues, education, training, business and employment**. One of the key objectives is to combat the peculiar poverty and social exclusion that members of the African and African Caribbean communities encounter.

The proposal of a garage based community enterprise project is identified in the UAACO Business Plan following Chairs/Leaders of UAACO organisations acting as the conduit between the organisation and the community.

The feedback suggested that the greatest need for young people was the provision of sufficient technical skills that they could set up their own businesses and/or secure full time employment. It was suggested that mechanical skills would be most appropriate, particularly as many of the vehicles being driven in the area were poorly maintained and existing garages were either too expensive, or inept.

This was supported by anecdotal evidence from a Board member, who manages a small local garage indicating unrelenting demand from black African and African Caribbean males for garage based placements to support college based courses. It has become apparent such young people are either reluctant to approach existing garages due to a lack of understanding of their cultural needs, or the businesses are reluctant to employ and train black young people.

It also became apparent that BME young people are reluctant to join accredited training courses at Stoke on Trent College, despite evidence that there is interest from BME young people in garage based occupations (which require such qualifications for entry).

It therefore became clear that a case had been made for a commercial garage which will cater for the needs of BME young people (and wider community members) looking for a long term career in the industry.

UAACO has submitted an expression of interest application to secure two years part funding from the Staffordshire Objective 2 Priority Action Plan Programme.

The application stated that, working with Stoke on Trent College, the project would meet the following aims and objectives:

1. To enhance skills and create jobs for the deprived communities of North Staffordshire;
2. To refurbish an existing premises and set up a community owned garage facility with new equipment to provide technical training such as body work, electrical, mechanical and tyre services;

3. To provide accredited technical skills to 16 young people at NVQ level 1/2;
4. To provide accredited management skills to 8 adults at NVQ level 1/2;
5. To get 8 CED residents into employment;
6. To create a viable community enterprise.

Understanding the need for documentary evidence for, and viability of such a project to meet the educational and economic needs of the community of interest, UAACO commissioned an independent feasibility study carried out by Stoke on Trent based **Wider Impact Consultancy**, which aimed to explore demand for the project and the most appropriate delivery mechanisms.

The work has been far ranging, in terms of multi-agency and community participation and consultation, and has explored the feasibility of:

1. The business/economic case for launching a garage in Stoke on Trent;
2. The social case;
3. The community case.

The feasibility study has concluded there is a strong case for a viable 'Community Garage' in Stoke on Trent. Managed as a 'stand alone' company, **THE UAACO COMMUNITY GARAGE**, will be delivered by an experienced Board/Trustees and managed by a Garage/ Project Manager.

## **2. AIMS OBJECTIVES & OUTPUTS**

We aim to achieve the following aims and objectives:

### **Aims**

1. To set up a new Social Enterprise company – **THE UAACO COMMUNITY GARAGE**;
2. To enable formation of an experienced and diverse Board/Trustees, to support development and delivery of the company;
3. To set up a commercially viable 'Community Garage' to ensure employment for local people (including disadvantaged BME young people from CED neighbourhoods) benefit from employment and training opportunities facilitated by the project;
4. To promote networking (sharing experience and knowledge) between the voluntary, community, public and private partners to ensure an integrated project is delivered, meeting both social and economic needs of the area;
5. To raise the profile of the garage industry and 'trade' sector, within BME groups as an attractive long-term career option for young people, with a good salary, whilst also addressing benefits associated with vocational accredited training opportunities.

## Objectives

1. To launch a Stoke on Trent based Social Enterprise Community Garage Company - **THE UAACO COMMUNITY GARAGE**, as a commercially successful business, delivering 'social good' to the local community in terms of employment, training and development opportunities for local BME young people (and wider community members), affordable and reliable garage based services to the wider community and community investment grants (subject to profitability);
2. To establish a facility which will provide 'role models' for local disadvantaged BME young people and a place where business representatives and wider community members can meet and understand the potential of BME young people;
3. To establish a partnership with Stoke on Trent College, which will support the business in terms of apprentice based training and expertise.
4. To initially recruit **7.5** staff members, who will be directly employed by the project: a Garage/Project Manager, part time administrator, **3** trained mechanics and **3** Apprentices. These staff will be openly recruited according to UAACO's recruitment and selection procedures, but advertising will be increased in CED areas to encourage applicants from the area. The positions will be permanent and supported by **THE UAACO COMMUNITY GARAGE** Board;
5. To employ **3** further Apprentices during Year 4 of the project;
6. Supporting **3** qualified Apprentices into full-time paid employment within the Stoke on Trent Garage industry;
7. In addition to being employed by the project, the Apprentices will benefit from accredited training at Stoke on Trent College, leading to NVQ 2 and NVQ 3 qualifications;
8. Whilst a long-term objective, it is planned that Apprentices and other staff members will be encouraged to develop their own enterprises, which will lead to increased employment for local young (BME) people and wider community members;
9. The development of existing voluntary and community organisations such as UAACO will result in a strengthened community sector. The strengthening of the sector will lead to an increase in the local social capital. Experience, best practice and knowledge will be shared across the sector and with partner agency members;
10. The project will help increase the capacity of the voluntary and community sector to develop similar enterprises, which link employment, training and services to local community members who are currently suffering social and economic exclusion;
11. The project will support wider social integration by demonstrating the will and ability of local BME groups and wider multi-agency partnerships to develop and deliver collaborative approaches towards social and economic inclusion.

**Outputs**

Outputs for 5 years	Description/ Assumptions
1 Capacity building initiative	Support for the development and operation of a community based organisation (UAACO)
1 Research project undertaken	Development of the project will be closely monitored in relation to social and economic regeneration and how 'best practice' can be rolled out across the area
1 Social Enterprise company created	This is the main output of the project, to be achieved Summer 2007
Refurbished premises provided	The project will be located within premises that require refurbishment
7.5 new jobs will be created by the project during the first 3 years of trading	1 Garage/Project Manager, 1 part-time administrator, 3 trained mechanics, 3Apprentices
3 CED residents (young people) into employment as Apprentices during Year 1	Estimated that all Apprentices will be employed from the CED area
2 volunteer Mentors recruited/trained	In addition to supporting the Apprentices, it is planned such posts will be valuable personal development opportunities for the individuals
3 CED residents (young people) into employment as Apprentices during Year 4	Whilst 3 Apprentices will initially be employed by the project, it is envisaged that 3 further Apprentices will be employed during year 4
3 Apprentices accessing full-time employment within the Stoke on Trent Garage industry as qualified mechanics during Year 4	It is anticipated that once qualified, existing Apprentices with either fill natural wastage within the Company, or will be employed as 'qualified mechanics' by other employers in the area. Research indicates there is a high demand for such staff

**3. NEED & DEMAND**

**BUSINESS CASE**

Whilst the feasibility study does not identify a compelling business case to launch a new garage based company in the Stoke on Trent area, there appears no reason why such a venture cannot work (particularly in view of future opportunities to be created by **RENEW North Staffordshire**, to build new homes (i.e. vehicle owners) in the area), providing the business delivers:

- Consistently high quality, reliable service
- A clean and tidy premises
- A friendly rapport with each customer
- Competitive pricing
- Social good

It became clear at a breakfast briefing attended by public and private sector representatives that a unique selling point (USP) for the 'business' is its ability to support local companies/commissioners deliver corporate social responsibility objectives by for example, arranging for company and employee vehicles to be serviced by the Community Garage, which employs local, disadvantaged BME young people.

It is apparent that the business should 'start small' and cater for niche markets, which includes:

- Service for the second hand market;
- Small repairs for vehicles over three years not covered by 'Main Agent' warranty;
- MOT repairs.

## SOCIAL CASE

Stoke on Trent is ranked the 18<sup>th</sup> most deprived local authority area in the Country. Around 63,000 people in the City live in areas that are in the 10% most deprived wards in England.

The independent feasibility study involved a variety of data collection methods, forums, workshops and informal consultations, resulting in a wealth of qualitative and quantitative information about the needs and expectations of young people, their families, wider community members and multi-agency partnerships.

Key issues identified by the feasibility study include:

- Extremely high levels of worklessness (employment rate 70% - 74.2% nationally);
- Low levels of skills (42.7% of the population aged 16 – 74 have no qualifications);
- Low levels of enterprise (the City has one of the lowest business start up rates in England);
- Low levels of incomes (79.25% of the English average);
- High levels of BME young people classed as NEET (not in education, employment or training);
- BME communities are mainly concentrated in the most deprived neighbourhoods;
- Low levels of economic activity amongst BME communities;
- Low levels of academic achievement among BME communities;
- Potential shown by BME communities being untapped;
- Preference amongst BME young people for vocational work based training will be offered by the project;
- A will by BME young people and their parents/ carers to enter the garage industry;
- Barriers in place preventing BME young people entering the garage industry.

In terms of community economic activity:

- 50.7% BME are economically active, compared with 61.7% white;
- 49.5% BME are economically inactive, compared with 38.3% white.

In terms of qualifications:

- 13.05% BME are qualified to Level 1, compared with 16.23% white;
- 14.36% BME are qualified to Level 2, compared with 17.5% white.

In terms of youth offending:

- 8.3% of offenders are from BME groups, compared with BME communities only representing 6.4% of Stoke on Trent community members

### **BME Potential**

Information obtained from an inter-agency workshop arranged by the Local Strategic Partnership (LSP) in 2005 concluded '... there is general agreement within Stoke on Trent that the potential shown by BME communities is untapped. In terms of qualifications at higher levels the BME communities are doing well, but still face barriers in terms of gaining employment in the mainstream, which forces them into low skilled markets.

It must be a concern that young people from BME communities suffer from low educational attainment and high unemployment in Stoke on Trent. The Pakistani and Bangladeshi pupils are particularly underachieving at Key Stage 3, which is subject to Local Public Services Agreement (LSPA). Anecdotal evidence suggests BME young people are increasingly involved with drug abuse, which is one of the real concerns within the community and the situation is further exacerbated by the cultural stigma attached, which leads to the community suffering in silence.

Women from the BME communities have their own particular needs and are faced with barriers to participate socially and economically. Some of the most common reasons cited for this are cultural and religious requirements, which are not understood and therefore not catered for in the mainstream public and private organisations.

It is noticeable that Stoke on Trent BME communities display a propensity to enter into business at twice the rate of their white counterparts. The businesses they start are more often in response to a market need, which they are satisfying, than because they have no other viable employment option. Subsequently they can fail to make good use of 'traditional' business support services and do not achieve organic growth ....'

As highlighted at the LSP workshop, key challenges include tackling poor BME educational attainment, connecting people into work, integrated skills and employment systems, health and social care and inequalities, whilst tackling discrimination and ensuring better ethnicity monitoring.

### **Community Consultation**

Recent workshops (August 2006), attended by mainly BME young people and their parents/carers have been revealing in terms of need and demand for the project and most significantly barriers that are in place preventing young BME youth entering the garage trade.



When asked why a career in the garage industry appealed, young people's responses included:

- *Interest in cars X 2*
- *Knowledge of cars*
- *A good trade X3*
- *Good money X2*
- *To achieve a grade*
- *More communication skills*
- *A flexible trade*
- *Gets you off the streets*
- *You will become skilled in a valuable trade*
- *A lot of youths are on JSA (Job Seekers Allowance) and can't find right career path*
- *To be seen as a professional*
- *Skills*
- *Regular wage*
- *Dad's job*
- *Maybe open own garage*
- *Keep busy*
- *Gets you off the streets*
- *Sense of pride*

Parents/carers responses to the question, 'Why would you support your children entering the garage industry' included:

- *Secure income*
- *Good wages*
- *Full time job*
- *Skilled job*
- *High quality training*
- *Good prospects*
- *Working in a safe place*
- *Self respect*
- *Role model for the young*
- *Working towards a high standard of profession*

Most concerning are responses regarding why young people are prevented from entering the garage industry:

### Young People

- *Lack of placements*
- *Not enough finance in garages*
- *No skilled tutors to motivate BME workers*
- *No BME employers*
- *No guaranteed pass, or job after*
- *Too long to earn a qualification*
- *Not enough funding for people to be trained*
- *Are there enough trainers to give me the essential skills I need?*
- *Only one type of study*
- *Not enough information given to people about courses and how to gain skills*
- *Usual stereo types*
- *Under representation*
- *Lack of unity*
- *Image!*
- *Not seen as young professionals*
- *Public seeing us as robbing mechanics*
- *Motivation*
- *Fear of failure*
- *Put down negative influence*
- *Lack of empowerment*
- *Lack of confidence*
- *Under representation*
- *Discrimination*
- *Climate*
- *Unfair dismissal*

### Parents/Carers

- *Most garages are family businesses*
- *Finances*
- *Lack of placement opportunities*
- *No time to train students*
- *Lack of understanding of young black males*
- *Discrimination*
- *Lack of confidence*
- *Fear*
- *Not able to sell themselves*
- *Faces don't fit*

## COMMUNITY CASE

Meetings with key agencies such as the Racial Equality Council (REC), the Minority Business Association (MBA), Stoke on Trent City Council and most significantly young BME people, highlight the importance of the Community Garage project being inclusive for all young people and wider community members.

### Stoke on Trent Today

Stoke on Trent came into being in 1910 when the six pottery towns of Tunstall, Burslem, Hanley, Stoke upon Trent, Fenton and Longton were united under a single authority.

The City has considerable challenges to overcome. The disappearance of local coal and steel production and increased outsourcing of ceramic manufacture to Third World countries, point to a need for integrated long term strategies to stabilise the local economy and drive it forward.

The City's population lives in around 108,000 households. 15,439 (6.4%) of the population are from non white ethnic minorities.

### Key Issues:

- A declining population due to decreasing birth rate, an aging population and people moving out of the City;
- Poor quality older terraced housing with a limited range of different types of properties;
- A declining employment base with the need to attract quality inward investment;
- Health inequalities e.g. those with the poorest health have the least access to services;
- Under achievement in education, a narrow skills base and a lack of access to services;
- Widespread multiple deprivation (poverty, poor housing, unemployment, low skills etc.) with hotspots in certain areas;
- Poor quality environment, widespread dereliction, poor infrastructure and transport systems;
- Poor image and lack of pride in the City.

The feasibility study took time to obtain the views of young people on the impact the Community Garage will have on the lives of BME and wider community members. As will be noted, there is a case for the garage to be inclusive for the wider community, in terms of access to jobs and garage services on offer.

The young people were asked, *'What is on your 'wish list' in terms of your lives as members of Stoke on Trent communities?'*

- |   |                                   |  |
|---|-----------------------------------|--|
| • <i>Fulfil my goals and dreams</i>                             | • <i>Do work/dream job</i>        | • <i>With permanent work, I can buy a car and own my own house</i> |
| • <i>To do something where I'll have a sense of achievement</i> | • <i>Being your own boss</i>      | • <i>Purpose and meaning</i>                                       |
| • <i>Help people in society</i>                                 | • <i>My own business</i>          | • <i>Achievement</i>   |
| • <i>Work with people in need</i>                               | • <i>Guaranteed employment X2</i> | • <i>Gain equality</i>   |
| • <i>To guide future generations</i>                            | • <i>Decent rate of pay</i>       |  |

- *To become tutors*
- *Train people in the community*
- *Respect and equal rights for each culture*
- *Being able to provide for my family*
- *Respect*
- *Regular income*
- *Financial independence*
- *To make a secure future for my children*
- *My opinion to be heard*
- *Freedom for my voice to be heard in society*
- *Going to University*
- *Finish University*
- *Power*

The following are responses from the group when asked, *'What will be the advantages if a UAACO managed Community Garage is opened in Stoke on Trent?'*

- *Positive role model for black people in the community X2*
- *A chance to create positive BME role models X2*
- *Give young BME a focus*
- *Taking advantage of diverse skills*
- *To build cohesion in the community*
- *Make the community aware that young people are aiming to improve their community*
- *Gives youngsters a positive role in the community*
- *The garage will also be a kind of community centre, as long as it is open to everyone*
- *Everyone is equal and free and empowered and also a sense of achievement*
- *Good for the community*
- *The garage is beneficial for the people in the community, no matter what race, nationality or colour*
- *Equal opportunities for everyone*
- *Demand in the community for training*
- *Communication*
- *Able to understand each other with language*
- *Trainers to understand BME people*
- *A face in the community where people don't feel threatened or intimidated to gain qualifications*
- *Generate jobs in the community*
- *Positive contribution to the community*
- *Improves deprivation*
- *Deters young BME males from crime*
- *Creating opportunities*
- *Sense of belonging for BME students*
- *BME will learn economic well being*
- *For people to gain skills they do not have at present*
- *BME is a life style and not just colour so a BME employer can understand a white person who lives a BME life*
- *A black garage can make the community understand they have potential to achieve something*
- *To turn BME students into tutors and trainers*
- *Serving black community*
- *BME employer will understand BME issues*
- *Freedom to accessing the garage for black people*
- *Sense of ownership*
- *If it is the professional and the black community will support the project*
- *A black owned garage where no matter what nationality can go and be treated fairly*

The study noted general multi-agency acceptance of the concept of a **'Community Garage'**, which would benefit the wider community, whilst targeting the specific needs of local BME young people.

Local agencies also supported the concept of a UAACO based social enterprise, with potential outcomes that include:

- Local employment for local young people;
- 'Niche' garage based training opportunities;
- Affordable garage based services for local people;
- 'Profits' reinvested for the benefit of local disadvantaged communities;
- BME role models;
- Opportunities for self employment and new business start ups;
- Social cohesion.

#### 4. EXTERNAL INFLUENCES

This project has important links to the wider regeneration agenda within Staffordshire/North Staffordshire. These include:

**Staffordshire Community Capacity Building Priority 3 Action Plan (P3 AP) Programme**, linked to four specific Measures:

- Developing social capital and enabling communities;
- Developing employment opportunities;
- Building sustainable and connected neighbourhoods;
- Upskilling communities.

The **North Staffordshire Integrated Economic Development Strategy**, key partners being the City of Stoke on Trent, Newcastle under Lyme Borough Council, RENEW North Staffordshire and the North Staffordshire Regeneration Zone. Plans include creating 5,000 new jobs over the next 5 years and a total of 25,000 jobs in the long term, to halt the population loss and see the population grow by 2021. Programme Aims:

- Provide the workforce with the skills modern employers need;
- Enable existing businesses to offer better, higher paid jobs;
- Attract new types of employment in offices, tourism and laboratories;
- Encourage people to start up their own businesses.

The project is also inextricably linked to the programme of the **North Staffordshire Regeneration Zone (NSRZ)** and **Advantage West Midlands (AWM)**, which recognise the area is significantly behind other parts of the region in terms of growth in development, activity and productivity. This project responds to AWM's objectives to work with partners to address social exclusion and under performing economies.

The project also contributes towards NSRZ strategic objectives in the following ways:

- Retention of wealth within North Staffordshire through increased economic activity by training local people in garage trades, retaining earnings wealth in the local economy;
- Provision of skilled jobs for local people by equipping local people with a range of garage based skills. The social enterprise that the Community Garage becomes will provide long term employment for local disadvantaged BME (and wider community) young people;
- Linking opportunity to need and breaking down barriers for our communities – enabling BME young people to gain meaningful work and training opportunities, demonstrating to BME and wider community members that multi-agency 'partnership' approaches, involving voluntary and community organisations, have a role to play in the social and economic regeneration of local communities;

The project is also directly contributing to the **RENEW North Staffordshire** programme as it implicitly relates to RENEW aims by assisting with retaining and attracting population to the conurbation. The renewal of the housing market is inextricably linked to the revitalisation of the local economy and the raising of employment levels and income to be in line with the rest of the region. As the traditional industries of the potteries have declined and are continuing to decline, training local people in the skills of the garage industry will enable them to benefit educationally and financially from the regeneration taking place.

By providing training and employment opportunities locally, it is likely that the beneficiaries will remain in the area rather than being forced to pursue employment opportunities outside the locality, as many others have had to do. The project will also focus on closing the skills gap between North Staffordshire and the rest of the region.

A further contribution that is more explicitly relevant is promoting social cohesion and meeting social needs. Embedded within this aim is the operational objective of directly supporting initiatives to increase training opportunities to access employment, which includes opportunities for a garage based enterprise arising from the **RENEW** programme, to increase the local (car owning) population. The project will encourage and demonstrate that training is a viable route to personal and economic success for individuals and for small to medium sized businesses.

The project will support **Learning & Skills Council** (LSC) targets to deliver outputs up to NVQ Level 2 with commitment from the **Government** to fully fund the cost of brokers and the training of individuals and employees undertaking basic skills and first full Level 2 qualification.

The project will also support **Local Strategic Partnership** (LSP) floor targets, by assisting directly and indirectly in delivery of block areas of activity:

- Safer & stronger communities by enabling local 'at risk' BME young people into work and training and providing role models for wider community members. Improving the quality of life for local people in the most disadvantaged neighbourhoods, ensuring providers such as UAACO are more responsive to neighbourhood needs and improve delivery;
- Economic development & enterprise, by playing a direct role in raising levels of employment, training, economic activity and household earnings to the national average;
- Sustainable development and growth of a local BME enterprise.

The project also supports **Government** policy to encourage roll out of locally based social enterprises, which are: 'Businesses with primary social objectives, whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners'.

## 5. PROFILE OF SERVICE DELIVERY

As the source of the idea to create a Community Garage project, UAACO has the objective to set up and deliver the project, which will be an **autonomous social enterprise** in a CED neighbourhood. The project will take the form of a commercial garage, repairing and maintaining motor vehicles on behalf of local businesses and local community members.

As addressed in the feasibility study, the business will 'start small' and cater for niche markets, which will include:

- Service for the second hand market;
- Small repairs for vehicles over three years not covered by 'Main Agent' warranty;
- MOT repairs.

Whilst prices will be competitive in order to compete with other garages, standards of delivery will be high.

## 6. ORGANISATIONAL STRUCTURE & PERSONNEL

The new Board will include representatives of the UAACO Board, its Chief Executive Officer, community representatives and local 'business minded' individuals/company representatives, with expertise in associated areas such as small business start up; fundraising for small businesses; the garage industry, risk management, recruitment, training, customer service, legal issues, sales, monitoring and evaluation and marketing. It is planned that the **Chair of the Board** will possess high levels of business acumen and will be well regarded throughout the local area.

In order to build capacity and become profitable, 7.5 staff will initially be employed by the project: a Garage/Project Manager, 3 experienced Mechanics and 3 Apprentices. These staff will be openly recruited according to UAACO's recruitment and selection procedure, but advertising will be increased in CED neighbourhoods to encourage applicants from these areas.

The **Garage/ Project Manager experienced Mechanic** will manage the day to day business of the project. The post holder will be directly involved in the recruitment of key staff, market and manage the garage on behalf of Board, as a profit making enterprise. He/she will report directly to the Chair of the Board.

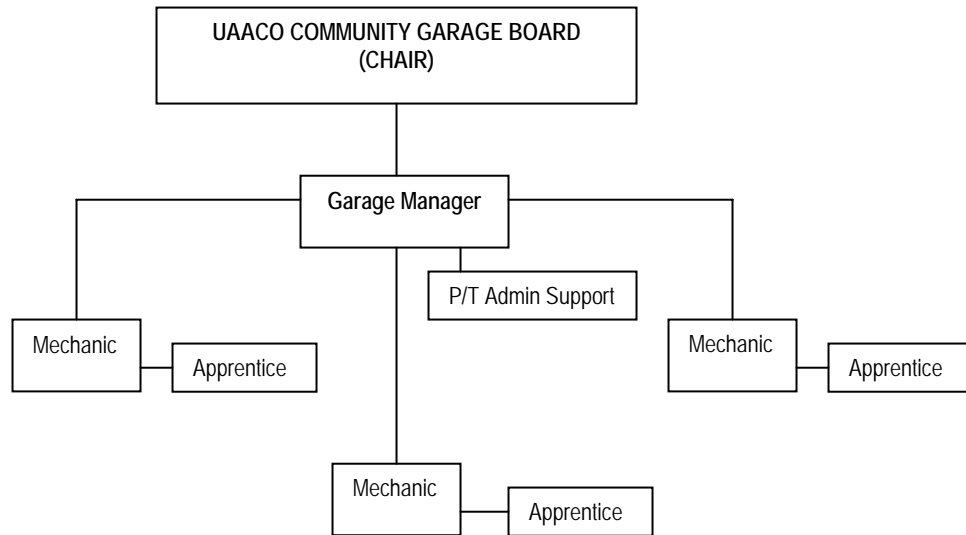
The **experienced Mechanics** will support the Garage Manager in attracting business and delivering high quality services to the general public. It is planned that the post holders will also be trained as 'mentors' to support future BME (and wider community members) employees.

The **Apprentices** will be paid employees and will be required to commence appropriate 3-year vocational courses at Stoke on Trent College.

A part time **Administrator** will be employed from within the CED neighbourhood/local community.

The planned Project Organisational Structure as at **Year 1** is outlined within figure 1 below:

Figure 1



It is also planned to recruit and train at least **2 mentors** from within CED, BME communities, to provide day to day support to the Apprentices (many of whom will be disaffected), as they come to terms with responsibilities connected to full-time employment and attendance on College based vocational training courses.

Dependent on business growth, opportunity will be taken during Year 4 of the project, to recruit **3** further Apprentices, who will replace the original Apprentices, whom it is anticipated, will have found full-time employment as qualified mechanics within the Stoke on Trent garage industry.

It will be the responsibility of the Garage/Project Manager to test and develop trading opportunities with local businesses and local community members. The project will develop a reputation as deliverer of high quality garage services and high quality training to disadvantaged people.

The Community Garage will aim to support the most disadvantaged people (predominantly from CED neighbourhoods), which will include those who may have been made redundant, who are coming out of the criminal justice system, as well as particularly encouraging women and people from BME communities, to work in the garage sector.

It is anticipated that a number of the Apprentices may be attracted to other garages in the Stoke on Trent area following first year initial training. This borne out by the experience of a senior garage based training manager within Stoke on Trent College, who constantly receives requests for 'part trained' young people from local garages.

This will be encouraged, providing the Apprentices continue their training at the College, as it will increase through-put (outcomes) through the Community Garage, opening up opportunities for other disadvantaged BME (and wider community) young people and help facilitate BME (and wider community) young people into work places, which are currently almost impossible to access by BME young people.

## **Apprentices Development**

**Year 1** – general maintenance, collect parts from stores, change tyres;

**Year 2** – NVQ Level 2 awarded, carry out full service, repair clutch/ timing belts;

**Year 3** – NVQ Level 3 awarded, carry out diagnostic checks, qualify to apply for MOT qualification, long-term employment prospects/earning potential significantly increased.

The project will ensure ALL young staff who commence work/mentoring with the project are tracked for a period of 5 years, to enable monitoring and evaluation of successes and lessons learned.

## **7. PROJECT PARTNERS**

Consultation will continue with key local partners, which include, Stoke on Trent City Council, North Staffordshire Regeneration Zone, Local Strategic Partnership (LSP), RENEW North Staffordshire, North Staffordshire Chamber of Commerce and Industry, Business Brokers, Racial Equality Council (REC), Minority Business Association (MBA), Stoke on Trent College, Groundwork Stoke on Trent, Private Sector Expertise, Housing Association(s), Member(s) of Parliament, Elected Member(s), community representatives and the young people themselves.

## **8. PHYSICAL RESOURCES**

It is planned that the project will be delivered from a rented unit within the Groundwork Stoke on Trent Enterprise Centre at the former Albany Works, Moorland Road, Burslem. An area of the new premises (approximately 153.72 m<sup>2</sup>) has been identified for the Community Garage project. A forecourt area at the front of the Garage premises has been allocated for vehicle parking/storage.

This will avoid the expense of purchasing new premises and will provide an opportunity to take advantage of related facilities at the Centre, which include capacity building training, catering and opportunities for all staff to mix with counter parts from similar 'start up' small enterprises.

The premises will be situated adjacent to workshop style training facilities for Groundwork projects, linked to the Trust's Intermediate Labour Market and Building Futures project.

A 'Lifelong Learning Centre' is being created on the site by Groundwork Stoke on Trent, providing a facility for the delivery of new and existing training programmes, which staff from the Community Garage can access. The development of the former Albany Works site has enabled several new training programmes to be developed by Groundwork, such as Education for Sustainable Development (ESD), together with a library of information and advice resources for ESD and literacy and numeracy support.



The site is also ideal in terms of its proximity to the Stoke on Trent College (Burslem) campus, where the Apprentices will receive vocational training and day to day support from college staff.

In the event of the Groundwork Stoke on Trent premises not being available, the feasibility study has identified other premises in the CED area, which will be suitable for purpose (Source: Instaffs (UK) Ltd).

A '3-D' image and plans of the proposed Garage layout are outlined at **Appendix 1**.

Estimated costs of the majority of the equipment and tools required to launch the Garage are outlined at **Appendix 2**. It will be noted within the cash flow analysis that, on advice from Stoke on Trent College, additional funding is anticipated for tools and sundry capital equipment (total £50,000).

## **9. MARKETING & PUBLICITY**

The project has already received extensive coverage in local media outlets, which includes a full page news report in a local paper, regarding a multi-agency meeting to discuss development of the project. The project and sponsor involvement will continue to be publicised through the following mechanisms:

- Press releases and photo opportunities at key stages of the project;
- High profile signs on the garage premises;
- Logos on all correspondence, paperwork, invoices and letterheads (including recruitment advertisements & application packs);
- Logos on beneficiary personal protective equipment;
- Acknowledgements in presentations about the project and UAACO;
- In UAACO, partner agency and sponsors newsletters and project reports.

UAACO's existing publicity mechanisms will be used together with those of the members of the Multi-Agency Steering Group, as appropriate, to ensure value for money.

## **10. FINANCE**

### **Income & expenditure**

For Income and expenditure from 2007-2013, see **Cash Flow Forecast** at Appendix 3.

It will be noted the Garage begins to 'stand alone' at the end of **Year 2** and is in profit, with reasonable reserves for company development/community investment at the end of **Year 3**.

**11. DEVELOPMENT PLAN - PROJECT MONITORING & CONTROL**

The following project milestones will be monitored by UAACO, the new Board and the Garage/ Project Manager:

Activities	Date to be achieved
<ul style="list-style-type: none"> <li>• THE UAACO COMMUNITY GARAGE (Shadow) Board/Chair Recruited</li> <li>• Premises Identified (Subject to Funding)</li> <li>• Funding Opportunities Identified &amp; Applications Submitted</li> </ul>	Quarter 4 2006
<ul style="list-style-type: none"> <li>• Funding Secured</li> <li>• New company formally created - <b>THE UAACO COMMUNITY GARAGE</b></li> <li>• Premises Secured</li> <li>• Premises Adapted</li> <li>• Garage/Project Manager Appointed</li> <li>• Experienced Mechanics (2) Appointed</li> <li>• Part time Administrator Appointed</li> <li>• Induction/Initial Training for Garage/Project Manager (UAACO/ SOT College)</li> <li>• Garage Equipped</li> <li>• Equipment Tested &amp; Approved for Use (SOT College)</li> </ul>	Quarter 2 2007
<ul style="list-style-type: none"> <li>• Experienced Mechanic (1) Appointed</li> <li>• Induction/Mentoring Training for Garage/Project Manager (UAACO/ SOT College)</li> <li>• Mentors Recruited/Trained</li> <li>• Public Launch and Promotion of Community Garage</li> <li>• Garage Commences Trading</li> </ul>	Quarter 3 2007
<ul style="list-style-type: none"> <li>• Apprentices (3) Recruited and Commence Training</li> </ul>	Quarter 4 2007
<ul style="list-style-type: none"> <li>• First Year Evaluation Report Published</li> </ul>	Quarter 1 2008
<ul style="list-style-type: none"> <li>• Third Year Evaluation Published</li> </ul>	Quarter 1 2010
<ul style="list-style-type: none"> <li>• Apprentices (3) Recruited</li> </ul>	Quarter 3 2010
<ul style="list-style-type: none"> <li>• Five Year 'Tracking' / Evaluation</li> </ul>	Reports Annually to the Board/ Sponsors

**12. RISK ANALYSIS AND CONTINGENCY PLANS**

Risk analysis is outlined at Appendix 4.

### 13. SUSTAINABILITY

It is an aim of the project to create a commercially viable 'Community Garage', which in addition to enabling training and employment for local disadvantaged BME young people and wider community members, the garage will deliver long-term value for money garage based services to local community members and companies.

Whilst the enterprise will require 'kick start' grant funding input, the Cash Flow Forecast indicates the company will begin to 'stand alone' during the end of **Year 2**, and will be profitable, with reasonable reserves at the end of **Year 3**.

Growth beyond Year 3 will be inhibited by the size of the current premises, which will restrict the number of mechanics who can earn income/sales.

It therefore apparent, based on performance; decisions regarding growth will need to be taken during Year 3.

Options will include:

- No change - continuing with the current team/outputs (restricting growth);
- Utilising reserves to move and purchase/rent larger premises; and/ or
- Utilising reserves to open another outlet(s) in another area(s) of Stoke on Trent.

### 14. CONCLUSION

The independent feasibility study commissioned by UAACO has made a **business, social and community** case for developing and delivering a sustainable and commercial Garage based social enterprise in Stoke on Trent – **THE UAACO COMMUNITY GARAGE**.

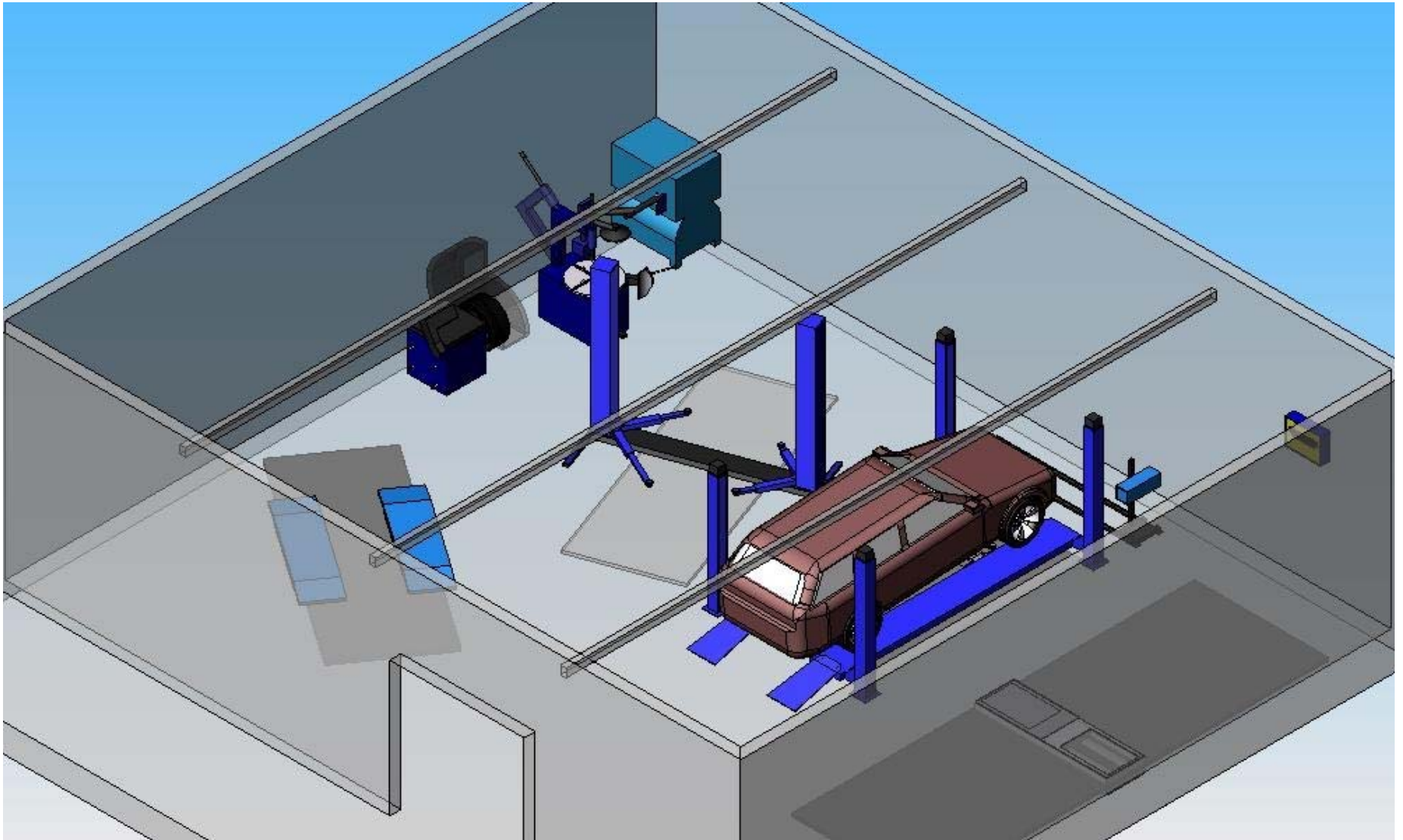
The research and Cash Flow Forecast highlights that the business has the potential to run as a successful 'stand alone' company, with opportunity to grow and/ or support wider community/social investment.

The Company will 'start small', catering for niche markets and will initially employ **7.5** staff. Dependent on growth of the business and profitability, opportunity will be provided for further BME (and wider community members) young people to be employed and trained by Stoke on Trent College as Apprentices i.e. **3** Apprentices during Year 4.

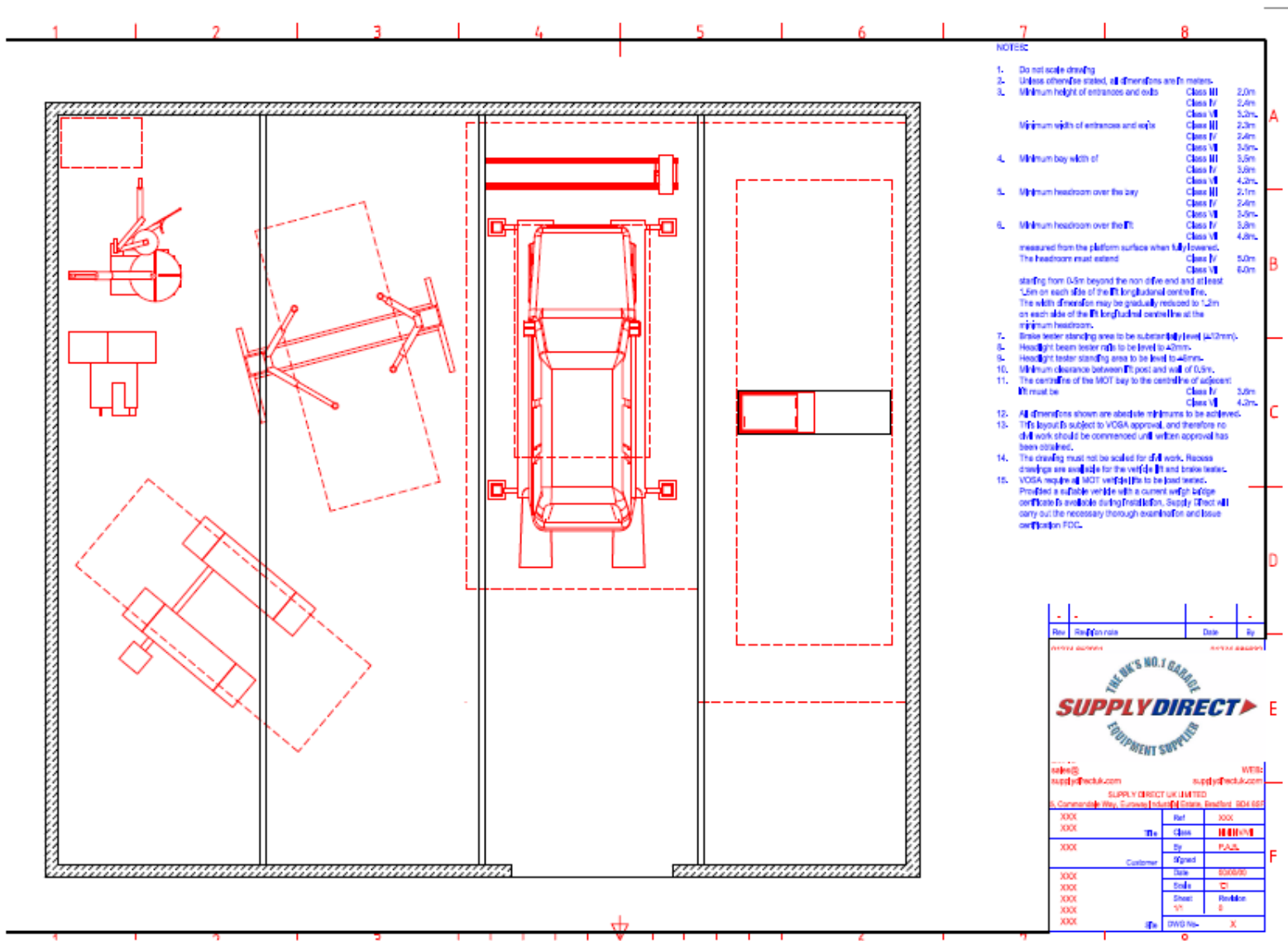
Project objectives also include young BME people, local employers and wider community members benefiting in terms of the creation of 'role models' and opportunities to realise the potential of BME young people and how the area can help to develop partnership working and community cohesion.

**UAACO COMMUNITY GARAGE - LAYOUT & PLAN**

UAACO COMMUNITY GARAGE BUSINESS PLAN



# UAACO COMMUNITY GARAGE BUSINESS PLAN



**UAACO COMMUNITY GARAGE - CAPITAL COSTINGS**



**Class 4 MOT Bay.**

Comprising;

***SD522A3P***                      ***3.5 Tonne 4 Post MOT Lift 3 phase.***

Inclusive of installation, Level Testing, Load Testing (Test load to be supplied by site) and all certification

***SD684***                              ***Rail Mounted Headlight Tester.***

Inclusive of installation, Level testing, Calibration and all certification.

***SD4***                                      ***Class 4 Digital Roller Brake Tester.***

Inclusive of installation, commissioning, Calibration and certification.

***SDRP-SMBARI*** ***Turning plates, (surface mounted roller bearing type)***

***SD542***                              ***2 Tonne Manual Jacking Beam.***

***SDCOMBI***                      ***Opus combined Gas and Smoke analyser.***

Inclusive of commissioning and calibration.

***SDCAP***                      ***Complete MOT ancillary Pack (See attached list)***

***Recess construction.***

Excavating and construction of recess for Brake tester, with steel frame. To include chasing out floor to wall for interconnection cables. Backfill of chase and making good.

Also included in the price are all drawings for including in with VT1 application and construction drawings.

***Total Package price for the above***                                      ***£16995.00 plus Vat***

**Air Compressor installation**

***Screw Compressor***                      ***5.5HP Mounted on 270 Litre Receiver***

Plus;

Installation of workshop pipe work to include 3 drops with twin PCL couplings

***Total Price***                                      ***£4095.00 plus vat***

**Supply Direct, No.5 Comondale Way, Euroway Industrial Estate, Bradford, BD4 6SF.**

**Sales Tel: 01274-652001    Service Tel: 01274-652000    Fax: 01274-685632**

**Web: www.supplydirectuk.com    Email: info@supplydirectuk.com**





**Tyre Shop**

*Tyre shop Pack Combo2 Option2* Comprising;

*Crusader Automatic Tyre Changer*

*Hercules Assist Arm*

*Tornado Semi Automatic Wheel Balancer*

*Package Price* *£2695.00 plus Vat*

**Additional Lifts**

*SDOMA 511C 2 Post 3.2 Tonne Electro-hydraulic lift. 3 phase.*

*Lynx Scissor Lift 3 Tonne 3 phase.*

*Total price* *£4990.00 plus Vat*

**Wheel Alignment**

*Eurotech 4 Wheel Laser aligner*

*Price* *£2195.00 plus vat*

**Diagnostic**

*Socio Hand Held diagnostic Scan tool.*

*Price* *£2995.00 plus vat*

**Exhaust Extraction**

To supply and install 2 off Extraction reels and Fan

*Price* *£2995.00 plus vat*



**Other Equipment**

2 off	2 Tonne trolley jacks	£100.00
4 off	2 Tonne Axle Stands	£50.00
SD590	1000Kg Engine Crane	£425.00
SD660	15 Tonne Press	£495.00
SD604	500Kg Transmission Jack	£210.00
	Battery Charger (Surestart 410)	£295.00
	Parts Washer (SM20)	£195.00
	Puller Kit	£195.00
	Brake pipe Kit	£250.00
	Roll cab tool Box & Tools	£1200.00
	Cooling system Tester	£250.00
	Miscellaneous Special tools	£500.00
<b>Total</b>		<b>£4165.00 plus vat</b>

**PRICING SUMMARY**

MOT BAY	£16995.00
AIR INSTALLATION	£4095.00
TYRE SHOP	£2695.00
ADDITIONAL LIFTS 2 OFF	£4990.00
WHEEL ALIGNMENT	£2195.00
DIAGNOSTIC	£2995.00
EXHAUST EXTRACTION	£2995.00
OTHER EQUIPMENT	£4165.00

**TOTAL                    £41,125.00 PLUS VAT**

**APPENDIX 3**

**UAACO COMMUNITY GARAGE - CASH FLOW FORECAST**

UAACO COMMUNITY GARAGE BUSINESS PLAN

	Jun-07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08	Mar 08	Apl 08	May 08	Year One
<b>Income</b>													
Surplus forward													0
Sales	2220	4440	11520	11520	11520	11520	13080	13080	13080	13080	13080	13080	131220
Grants	185000												185000
Partner contributions													0
<b>Total</b>	<b>187220</b>	<b>4440</b>	<b>11520</b>	<b>11520</b>	<b>11520</b>	<b>11520</b>	<b>13080</b>	<b>13080</b>	<b>13080</b>	<b>13080</b>	<b>13080</b>	<b>13080</b>	<b>316220</b>
<b>Expenditure</b>													
Capital	30000	10000	10000										50000
Consultancy Fees	35000												35000
Rent	655	655	655	655	655	655	655	655	655	655	655	655	7860
Business Rates	345	345	150	150	150	150	150	150	150	150	150	150	2190
Water	50			50			50			50			200
Manager salary	2917	2917	2917	2917	2917	2917	2917	2917	2917	2917	2917	2917	35004
Mechanic Salary (2/3)	3330	3330	5330	5330	5330	5330	5330	5330	5330	5330	5330	5330	59960
Apprentice (3) salaries						2920	2920	2920	2920	2920	2920	2920	20440
Part Time Admin Supp	625	625	625	625	625	625	625	625	625	625	625	625	7500
Staff On costs - 12%	825	825	1065	1065	1065	1415	1415	1415	1415	1415	1415	1415	14750
Staff Training	2000					1500							3500
Staff Recruitment Costs	2000				1000								3000
Travel	50	50	50	50	75	75	75	75	75	75	100	100	850
Gas			250			400			500			500	1650
Electricity			200			250			300			400	1150
Telephone			100			150			250			300	800
Consumables	250	250	250	250	250	250	250	250	250	250	250	250	3000
Insurances	500	500	500	500	500	500	500	500	500	500	500	500	6000
Marketing	2500	500	500	500	500	500	500	500	500	500	500	500	8000
Stationery	50	50	50	100	100	100	100	100	100	100	100	100	1050
Sundries	250	250	250	250	250	250	250	250	250	250	250	250	3000
Contingency	10000												10000
<b>Total</b>	<b>91347</b>	<b>20297</b>	<b>22892</b>	<b>12442</b>	<b>13417</b>	<b>17987</b>	<b>15737</b>	<b>15687</b>	<b>16737</b>	<b>15737</b>	<b>15712</b>	<b>16912</b>	<b>274904</b>
<b>Month</b>	<b>95873</b>	<b>-15857</b>	<b>-11372</b>	<b>-922</b>	<b>-1897</b>	<b>-6467</b>	<b>-2657</b>	<b>-2607</b>	<b>-3657</b>	<b>-2657</b>	<b>-2632</b>	<b>-3832</b>	<b>41316</b>
<b>Cumulative</b>	<b>95873</b>	<b>80016</b>	<b>68644</b>	<b>67722</b>	<b>65825</b>	<b>59358</b>	<b>56701</b>	<b>54094</b>	<b>50437</b>	<b>47780</b>	<b>45148</b>	<b>41316</b>	
<b>Operating Costs - Year End Profit (Loss) - Excluding Grant</b>													<b>-143684</b>

UAACO COMMUNITY GARAGE BUSINESS PLAN

	Jun-08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apl 09	May 09	Year Two
<b><u>Income</u></b>													
Surplus forward	41316												41316
Sales	16280	16280	16280	16280	16280	16280	16280	16280	16280	16280	16280	16280	195360
Grants	50000												50000
Partner contributions													0
<b>Total</b>	<b>107596</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>16280</b>	<b>286676</b>
<b><u>Expenditure</u></b>													
Capital	5000												5000
Consultancy Fees	0												0
Rent	750	750	750	750	750	750	750	750	750	750	750	750	9000
Business Rates	150	150	150	150	150	150	150	150	150	150	150	150	1800
Water	50			50			50			50			200
Manager salary	3005	3005	3005	3005	3005	3005	3005	3005	3005	3005	3005	3005	36060
Mechanic Salary (3)	4450	4450	4450	4450	4450	4450	4450	4450	4450	4450	4450	4450	53400
Apprentice (3 )salaries	2920	2920	2920	2920	2920	2920	3000	3000	3000	3000	3000	3000	35520
Part Time Admin Supp	645	645	645	645	645	645	645	645	645	645	645	645	7740
Staff On costs - 12%	1325	1325	1325	1325	1325	1325	1335	1335	1335	1335	1335	1335	15960
Staff Training	2500												2500
Staff Recruitment Costs	0												0
Travel	100	100	100	100	100	100	100	100	100	100	100	100	1200
Gas			550			600			600			575	2325
Electricity			400			450			450			425	1725
Telephone			300			300			325			325	1250
Consumables	260	260	260	260	260	260	260	260	260	260	260	260	3120
Insurances	525	525	525	525	525	525	525	525	525	525	525	525	6300
Marketing	500	500	500	500	500	500	500	500	500	500	500	500	6000
Stationery	100	100	100	100	100	100	100	100	100	100	100	100	1200
Sundries	250	250	250	250	250	250	250	250	250	250	250	250	3000
Contingency	0												0
<b>Total</b>	<b>22530</b>	<b>14980</b>	<b>16230</b>	<b>15030</b>	<b>14980</b>	<b>16330</b>	<b>15120</b>	<b>15070</b>	<b>16445</b>	<b>15120</b>	<b>15070</b>	<b>16395</b>	<b>193300</b>
<b>Month</b>	<b>85066</b>	<b>1300</b>	<b>50</b>	<b>1250</b>	<b>1300</b>	<b>-50</b>	<b>1160</b>	<b>1210</b>	<b>-165</b>	<b>1160</b>	<b>1210</b>	<b>-115</b>	<b>93376</b>
<b>Cumulative</b>	<b>85066</b>	<b>86366</b>	<b>86416</b>	<b>87666</b>	<b>88966</b>	<b>88916</b>	<b>90076</b>	<b>91286</b>	<b>91121</b>	<b>92281</b>	<b>93491</b>	<b>93376</b>	
<b>Operating Costs - Year End Profit (Loss) - Excluding Grant</b>													<b>2060</b>

	Jun-09	Jul 09	Aug 09	Sep 09	Oct 09	Nov 09	Dec 09	Jan 10	Feb 10	Mar 10	Apl 10	May 10	Year Three
<b>Income</b>													
Surplus forward	93376												93376
Sales	17882	17882	17882	17882	17882	17882	17882	17882	17882	17882	17882	17882	214584
Grants													0
Partner contributions													0
<b>Total</b>	<b>111258</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>17882</b>	<b>307960</b>
<b>Expenditure</b>													
Capital	5000												5000
Consultancy Fees	0												0
Rent	825	825	825	825	825	825	825	825	825	825	825	825	9900
Business Rates	165	165	165	165	165	165	165	165	165	165	165	165	1980
Water	50			50			50			50			200
Manager salary	3095	3095	3095	3095	3095	3095	3095	3095	3095	3095	3095	3095	37140
Mechanic Salary (3)	4555	4555	4555	4555	4555	4555	4555	4555	4555	4555	4555	4555	54660
Apprentice (3) salaries	2920	2920	2920	2920	2920	2920	3285	3285	3285	3285	3285	3285	37230
Part Time Admin Supp	665	665	665	665	665	665	665	665	665	665	665	665	7980
Staff On costs - 12%	1350	1350	1350	1350	1350	1350	1395	1395	1395	1395	1395	1395	16470
Staff Training	2500												2500
Staff Recruitment Costs	0												0
Travel	125	125	125	125	125	125	125	125	125	125	125	125	1500
Gas			600			600			650			650	2500
Electricity			425			450			500			450	1825
Telephone			325			325			330			340	1320
Consumables	270	270	270	270	270	270	270	270	270	270	270	270	3240
Insurances	550	550	550	550	550	550	550	550	550	550	550	550	6600
Marketing	500	500	500	500	500	500	500	500	500	500	500	500	6000
Stationery	125	125	125	125	125	125	125	125	125	125	125	125	1500
Sundries	300	300	300	300	300	300	300	300	300	300	300	300	3600
Contingency	0												0
<b>Total</b>	<b>22995</b>	<b>15445</b>	<b>16795</b>	<b>15495</b>	<b>15445</b>	<b>16820</b>	<b>15905</b>	<b>15855</b>	<b>17335</b>	<b>15905</b>	<b>15855</b>	<b>17295</b>	<b>201145</b>
<b>Month</b>	<b>88263</b>	<b>2437</b>	<b>1087</b>	<b>2387</b>	<b>2437</b>	<b>1062</b>	<b>1977</b>	<b>2027</b>	<b>547</b>	<b>1977</b>	<b>2027</b>	<b>587</b>	<b>106815</b>
<b>Cumulative</b>	<b>88263</b>	<b>90700</b>	<b>91787</b>	<b>94174</b>	<b>96611</b>	<b>97673</b>	<b>99650</b>	<b>101677</b>	<b>102224</b>	<b>104201</b>	<b>106228</b>	<b>106815</b>	
<b>Operating Costs - Year End Profit (Loss) - Excluding Grant</b>													<b>13439</b>

UAACO COMMUNITY GARAGE BUSINESS PLAN

	Jun-10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apl 11	May 11	Year Four
<b>Income</b>													
Surplus forward	106815												106815
Sales	20209	20209	20209	20209	20209	20209	18433	18433	18433	18433	18433	18433	231852
Grants													0
Partner contributions													0
<b>Total</b>	<b>127024</b>	<b>20209</b>	<b>20209</b>	<b>20209</b>	<b>20209</b>	<b>20209</b>	<b>18433</b>	<b>18433</b>	<b>18433</b>	<b>18433</b>	<b>18433</b>	<b>18433</b>	<b>338667</b>
<b>Expenditure</b>													
Capital	5000												5000
Consultancy Fees	0												0
Rent	850	850	850	850	850	850	850	850	850	850	850	850	10200
Business Rates	170	170	170	170	170	170	170	170	170	170	170	170	2040
Water	52			52			52			52			208
Manager salary	3190	3190	3190	3190	3190	3190	3190	3190	3190	3190	3190	3190	38280
Mechanic Salary (3)	4690	4690	4690	4690	4690	4690	4690	4690	4690	4690	4690	4690	56280
Apprentice (3) salaries	3385	3385	3385	3385	3385	3385	3150	3150	3150	3150	3150	3150	39210
Part Time Admin Supp	685	685	685	685	685	685	685	685	685	685	685	685	8220
Staff On costs - 12%	1435	1435	1435	1435	1435	1435	1405	1405	1405	1405	1405	1405	17040
Staff Training	2500												2500
Staff Recruitment Costs	0												0
Travel	125	125	125	125	125	125	125	125	125	125	125	125	1500
Gas			650			670			670			650	2640
Electricity			440			500			500			440	1880
Telephone			335			345			345			335	1360
Consumables	280	280	280	280	280	280	280	280	280	280	280	280	3360
Insurances	565	565	565	565	565	565	565	565	565	565	565	565	6780
Marketing	500	500	500	500	500	500	500	500	500	500	500	500	6000
Stationery	150	150	150	150	150	150	150	150	150	150	150	150	1800
Sundries	325	325	325	325	325	325	325	325	325	325	325	325	3900
Contingency	0												0
<b>Total</b>	<b>23902</b>	<b>16350</b>	<b>17775</b>	<b>16402</b>	<b>16350</b>	<b>17865</b>	<b>16137</b>	<b>16085</b>	<b>17600</b>	<b>16137</b>	<b>16085</b>	<b>17510</b>	<b>208198</b>
<b>Month</b>	<b>103122</b>	<b>3859</b>	<b>2434</b>	<b>3807</b>	<b>3859</b>	<b>2344</b>	<b>2296</b>	<b>2348</b>	<b>833</b>	<b>2296</b>	<b>2348</b>	<b>923</b>	<b>130469</b>
<b>Cumulative</b>	<b>103122</b>	<b>106981</b>	<b>109415</b>	<b>113222</b>	<b>117081</b>	<b>119425</b>	<b>121721</b>	<b>124069</b>	<b>124902</b>	<b>127198</b>	<b>129546</b>	<b>130469</b>	
<b>Operating Costs - Year End Profit (Loss) - Excluding Grant</b>													<b>23654</b>

UAACO COMMUNITY GARAGE BUSINESS PLAN

	Jun-11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apl 12	May 12	Year Five
<b>Income</b>													
Surplus forward	130469												130469
Sales	20277	20277	20277	20277	20277	20277	20765	20765	20765	20765	20765	20765	246252
Grants													0
Partner contributions													0
<b>Total</b>	<b>150746</b>	<b>20277</b>	<b>20277</b>	<b>20277</b>	<b>20277</b>	<b>20277</b>	<b>20765</b>	<b>20765</b>	<b>20765</b>	<b>20765</b>	<b>20765</b>	<b>20765</b>	<b>376721</b>
<b>Expenditure</b>													
Capital	5000												5000
Consultancy Fees	0												0
Rent	875	875	875	875	875	875	875	875	875	875	875	875	10500
Business Rates	175	175	175	175	175	175	175	175	175	175	175	175	2100
Water	55			55			55			55			220
Manager salary	3285	3285	3285	3285	3285	3285	3285	3285	3285	3285	3285	3285	39420
Mechanic Salary (3)	4830	4830	4830	4830	4830	4830	4830	4830	4830	4830	4830	4830	57960
Apprentice (3) salaries	3245	3245	3245	3245	3245	3245	3245	3245	3245	3245	3245	3245	38940
Part Time Admin Supp	705	705	705	705	705	705	705	705	705	705	705	705	8460
Staff On costs - 12%	1450	1450	1450	1450	1450	1450	1450	1450	1450	1450	1450	1450	17400
Staff Training	2500												2500
Staff Recruitment Costs	0												0
Travel	125	125	125	125	125	125	125	125	125	125	125	125	1500
Gas			670			690			690			670	2720
Electricity			455			515			515			455	1940
Telephone			345			345			355			355	1400
Consumables	290	290	290	290	290	290	290	290	290	290	290	290	3480
Insurances	580	580	580	580	580	580	580	580	580	580	580	580	6960
Marketing	500	500	500	500	500	500	500	500	500	500	500	500	6000
Stationery	175	175	175	175	175	175	175	175	175	175	175	175	2100
Sundries	350	350	350	350	350	350	350	350	350	350	350	350	4200
Contingency	0												0
<b>Total</b>	<b>24140</b>	<b>16585</b>	<b>18055</b>	<b>16640</b>	<b>16585</b>	<b>18135</b>	<b>16640</b>	<b>16585</b>	<b>18145</b>	<b>16640</b>	<b>16585</b>	<b>18065</b>	<b>212800</b>
<b>Month</b>	<b>126606</b>	<b>3692</b>	<b>2222</b>	<b>3637</b>	<b>3692</b>	<b>2142</b>	<b>4125</b>	<b>4180</b>	<b>2620</b>	<b>4125</b>	<b>4180</b>	<b>2700</b>	<b>163921</b>
<b>Cumulative</b>	<b>126606</b>	<b>130298</b>	<b>132520</b>	<b>136157</b>	<b>139849</b>	<b>141991</b>	<b>146116</b>	<b>150296</b>	<b>152916</b>	<b>157041</b>	<b>161221</b>	<b>163921</b>	
<b>Operating Costs - Year End Profit (Loss) - Excluding Grant</b>													<b>33452</b>



Assumptions in Project Cash Flow Forecasting - Five Year Plan

On Costs assumed at 12% of basic salaries

Annual salary increase taken at 3%

Business Rates assumed at 46% of rental value until charitable status attained in month 3 - taken at 20% thereafter

Grant of £235,000 for first 18 months to support Capital and Revenue, thereafter Project stands alone

Based on Cash Flow Forecasting Assumptions - Garage Project 'stands alone' at end of Year Two

Consultancy Fees include - £15,000 Monitor and Evaluation (3 Years) - £5,000 Legal Fees - £10,000 Management Fees UAACO (One off payment)

Year One Assumptions

Manager is employed within first month of project.

Two Experienced Mechanics employed within first month of project; third Mechanic employed at six months.

Three Apprentices employed at the six month stage of the project.

Manager is productive for 18 hours per week after six months of opening at £30 per hour

Mechanics are productive for 32 hours per week at £30 per hour

Apprentice Salary is costed at £11,679 per annum

Apprentices are not efficient in Year One

Sales - Hourly Rate of £30.00

Year Two Assumptions

Apprentice Salary is costed at £12,409 per annum

Manager is productive for 18 hours per week after six months of opening at £30.9 per hour

Mechanics are productive for 33.9 hours per week at £30.9 per hour

Apprentices are productive for 18.5 hours per week at £7.21 per hour

On Costs increase by 3% Inflation

Sales - Hourly Rate increases by 3% Inflation

Year Three Assumptions

Apprentice Salary is costed at £13,140 per annum

Manager is productive for 18 hours per week after six months of opening at £34 per hour

Mechanics are productive for 33.9 hours per week at £34 per hour

Apprentices are productive for 18.5 hours per week at £7.42 per hour

On Costs increase by 3% Inflation

Sales - Hourly Rate increases to £34 (10%)

Year Four Assumptions

Apprentice Salary is costed at £12,730 per annum

Manager is productive for 18 hours per week after six months of opening at £38.50 per hour

Mechanics are productive for 33.9 hours per week at £38.50 per hour

Apprentices not productive from November, when new intake recruited. (£8 per hour assumed).

On Costs increase by 3% Inflation

Sales - Hourly Rate increases to £38.5 (10%)

Year Five Assumptions

Apprentice Salary is costed at £13,112 per annum

Manager is productive for 18 hours per week after six months of opening at £42.35 per hour

Mechanics are productive for 33.9 hours per week at £42.35 per hour

Apprentices are productive for 18.5 hours per week at £8.80 per hour (second half of year only)

On Costs increase by 3% Inflation

Sales - Hourly Rate increases to £42.5 (10%)

**UAACO COMMUNITY GARAGE – RISK ANALYSIS**

**Community Garage Risk Assessment**

Risk Type	Description	Probability 1= VL 2= L 3= M 4= H 5= VH	Impact 1= VL 2= L 3= M 4= H 5= VH	Result	Suitable Responses	Comment
Human	Lack of 'need' for project – Social, Community case	1	5	5	Ensure project continues to support social and community need in Stoke on Trent i.e. clear 'terms of reference'	Feasibility study has identified strong social and community 'need' for project
Financial	Lack of 'need' for project – 'Business case'	3	5	15	Ensure 'business' is able to compete i.e. deliver high quality, professional services and reasonable rates to customers.	Likely to delay period when project becomes self sufficient. Need to promote social case to companies keen to promote corporate social responsibility
Organisational	Lack of opportunity for Social Enterprise	2	5	10	Developing interest in social enterprise nationally, regionally and locally	Grant giving organisations and loan providers keen to support social enterprise development
Human	BME Young People rejecting employment and training opportunities	3	5	15	Unsure young people are listened to and are made aware of opportunities available. Employ the services of mentor(s), who can broker trust between BME young people and service providers	Research indicates BME young people are interested in entering 'trades', but are put off by employers/ training providers not understanding their needs/ cultural issues. Mentors to be trained to support young people
Financial	Lack of Funding to Develop Project	2	5	10	Ensure strong evidence of project meeting local 'needs' and target appropriate funding agencies	Feasibility study demonstrates strong evidence of project meeting aims of numerous funding providers
Organisational	Lack of governance/ skills/ experience to develop project	2	5	10	A new company THE UAACO COMMUNITY GARAGE is formed, supported by an experienced Board and Garage Manager	High calibre Board members and Garage Manager to be recruited to support development and delivery of the project. Ongoing risk assessment
Organisational	Lack of multi agency support for project	2	5	10	Ensure open and two way dialogue with key agencies. Ensure involvement with project delivery	Important to maintain balance, with clear line accountability to funders and line management structures
Organisational	Sustainability of project – dependence on scarce grants funding	3	5	15	Ensure project is launched as a 'business', with aims that include sustainability	Essential rigorous and realistic business plan in place. Monitoring systems required to be in place
Health & Safety	Injury to staff or customers	2	5	10	Health & Safety, linked to high quality a project a priority	Ongoing support from SOT College and H&S Executive will be obtained