



BS3 Community Development



Location

Greater Bedminster, Bristol

Founded

1990

Legal structure

Registered Charity and Company Limited by Guarantee

Description of activity

The Southville Centre is operated by BS3 Community Development, and offers room hire, early years nurseries, a parent and toddler group, children’s breakfast club, after school club, holiday play schemes, and older people’s clubs. It also runs a café and uses its wall space as an art gallery, selling local artist’s art.

Key assets

The Southville Centre is an asset transfer from the local authority.

Employees

26 Full-time equivalent

Volunteers

Ten

Biggest obstacle to success

Not knowing what they do not know; sourcing funding for an affluent area and carrying out market research.

Overview of the BS3 Community Development

In 1990, a group of local residents in Greater Bedminster, Bristol, wanted to restore a derelict local secondary school building, which was closed in the 1980s, into a community resource. As such, the residents set up the Southville Community Development Association (now known as BS3 Community Development) and took control of the building via an asset transfer from the local authority on a 999-year lease. This was the beginning of the Southville Centre. Initially, the organisation provided a café, nursery, rooms for hire to the local community, an older people’s club and an after school group.

BS3 Community Development (BS3CD) operates as a registered charity as well as a company limited by guarantee. It also holds the social enterprise mark, which means that its activities provide social and environmental benefit as well as financial returns on investment. An elected board of trustees from the local community provide the governance to BS3CD, which in turn aims to serve the community by developing its social capital, improving the local environment and helping to ensure the area is a pleasant place to live and work in order to improve the health and wellbeing of local residents. It now provides early years nursery education, room hire for businesses or groups running classes, parent and toddler groups, primary school aged children’s breakfast clubs, after school clubs and holiday play schemes. It also hosts older people’s groups that aim to reduce social isolation and loneliness in the area. For example, the organisation collaborates with Alive! Activities, which runs a drop in dementia service for people living with dementia and their carers; BS3CD secures funding for these activities and commissions Alive! Activities to facilitate them. Likewise, BS3CD has partnered with the national Sporting Memories charity who run a sporting memories group aimed at reducing isolation in older men. BS3CD also work in partnership with foot health practitioners twice a week, who offer treatment to older people with mobility issues. In addition, the Southville Centre holds a wedding licence and hosts around ten weddings a year. The organisation currently has around 55 paid staff, equating to 26 full-time equivalents, and approximately ten volunteers. At present, the number of volunteers is rising slowly, particularly around the work the organisation provides for older people.

Approximately seven years ago, BS3CD made the decision to increase the scale of its nursery provision due to high demand from the local community. BS3CD have since purchased an additional space that was formally a Boys' Brigade centre. After gaining planning permission, the existing building was demolished and a new centre, similar to the Southville Centre, was developed. The Chessel Centre opened in December 2017 and will focus primarily on expanding nursery provision in the area. However, it will also provide additional community space, where existing space has been lost due to new housing developments.

The BS3 Community Development's journey to success

This section summarises the key factors that BS3CD attributes to the success of the business and the challenges it has faced along the way.

Focusing on the specific needs of the community and enhancing the locality

One of the factors that BS3CD considers central to its success is keeping the community at the core of all it does. Having a sustainable income is vital, but income at a level where BS3CD can work with and improve the community is a more important factor for the organisation. Approximately 30 years ago, Greater Bedminster lost all of its industry and was a deprived area. When the community took over the former secondary school and formed the Southville Centre, they started to look at how the community could help themselves. To improve the feeling of safety in the area, BS3CD sent groups of local community residents out into the area to engage with other residents and start to build up a sense of community ownership. At the same time, due to the high density of housing in the area and limited green space, BS3CD formed local groups to maintain and improve green spaces such as parks and brownfield areas where land had been left over from new building developments, and which were full of weeds. The purpose of these groups would be to improve the attractiveness of these areas. Subsequently, BS3CD supported the Greater Bedminster Good Garden Awards. In order to motivate people to look after their front gardens, any local resident who maintains their garden is presented an award. As such, local gardens in the area are no longer full of rubbish, which improves the environment for all residents.

BS3CD highlights how Greater Bedminster now attracts many young families to live there, contributing heavily to the demand for nursery provision. However, although the nursery at the organisation is very successful and provides the majority of income from trading, BS3CD wants to ensure it continues to diversify its services to meet the needs of the local community. This includes running wraparound services for young families including breakfast clubs, after school clubs, and holiday play schemes to allow both parents to be economically active if they wish, which in turn brings more money into the local

economy. As nursery provision is in such high demand, the organisation currently restricts these wraparound services to the immediate local community.

BS3CD also provides respite care for older people. Older people who are cared for by local residents can take part in various sessions that the Southville Centre provides. This enables their carers to reduce the time they spend caring and instead spend that time working if they want or need to.

BS3CD sees potential in scaling these services up, and it is currently focusing on the community's older population and reducing social isolation and loneliness. However, it recognises that there are other areas of community support that could be developed. It has therefore recently introduced a community development manager to identify gaps in provision and gain a better understanding of the community needs, so as to develop the business.

Becoming financially self-sustaining

When the Southville Centre first opened, it was predominantly grant funded or subsidised by the local authority, however much of the organisation's operations are now financially sustainable in their own right. Over the previous 20 years, there has been substantial investment to improve the physical space at the Southville Centre so that it is able to offer a wide range of quality services for the community, whilst generating significant income.

In a typical year, the majority of the organisation's income comes from trading activity, with turnover in 2015/16 being just over £1 million, with approximately 90% of this derived from trading. A large proportion of trading income is generated through the provision of nursery education; however, the organisation also makes money from a number of other sources. For example, BS3CD hires out the centre's rooms and spaces for business meetings, conferences, parties, and a variety of different classes ranging from health and fitness to music and acting. It also provides exhibition space for local artists to sell their art, which BS3CD takes 10-15% commission. BS3CD also generates income through leasing the space for the café to a local caterer, and part of the building to another charity called MusicSpace.

Although serving the needs of the local community is at the core of BS3CD's provision, some of its services attract people from further afield. For instance, BS3CD hire out space for taekwondo classes, which are typically run in the evenings, and appeal to a wider audience from across Bristol. Likewise, some of the older people's groups can attract people from outside of the locality, due to the lack of provision elsewhere. BS3CD highlights how this can increase the footfall of customers in the evening, which has a positive impact on other trading income such as the café. It also raises the profile of the organisation and the various services it provides.



However, over 2016/17 the organisation has significantly increased income from non-trading sources such as banks loans, grants, and social finance to fund the development of the new Chessel Centre. BS3CD secured a £175,000 bank loan to buy the building in addition to receiving a £300,000 grant from Power to Change and a £144,000 capital grant from Bristol City Council. BS3CD also launched a charity bond and raised £280,000 from selling bonds to the local community and other individuals. Big Society Capital matched the amount of money raised, which meant BS3CD acquired a total of £560,000 towards the new build.

Although the organisation has had much success with generating income through a variety of different sources, there are challenges to securing this. Now that the local area is a more desirable place to live, it is no longer considered deprived, and as many grant schemes focus on deprived areas it has become increasingly difficult for BS3CD to secure funding of this type. Likewise, both Bristol City Council and the Bristol Clinical Commissioning Group also focus funding for areas of deprivation within the city, which limits the number of schemes for which the organisation is eligible.

Furthermore, much of the income generated through the nursery comes from free early education entitlements. BS3CD highlights that if national policies on these entitlements were to change this could have a large impact on the organisation's income. Moreover, if there was a shift in the demographics of the area, for example away from young families to professionals, this too would have an impact on the organisation's income. Consequently, BS3CD underlines the importance of diversifying its services, and keeping up-to-date with community needs. Having a high proportion of its employees living locally enables the organisation to gain insight into how the community is changing, and its requirements.

Despite this insight, BS3CD emphasises that the biggest challenge is finding capacity to carry out market research. For example, BS3CD comments on the difficulty of understanding demand for older people's services and the methods for monetising them. This lack of information makes it challenging to highlight the charitable benefit to potential funders to ensure these services continue to develop. Indeed, BS3CD has previously secured such funding with various foundations, only for it to be withdrawn. BS3CD has observed that foundations and charitable funding organisations tend to work informally, and compared to other grant funders who tend to ensure that grant agreements apply over pre-set timescales, charitable funder's or benefactor's agreements can be in place for a number of years and then suddenly be withdrawn. However, with the development of the new site for nursery provision, the organisation envisages a substantial increase in trading income, which in turn should increase a surplus that can be invested in older people's support.

Developing key partnerships

Key to the success of BS3CD are the numerous partnerships developed over the lifetime of the organisation. Not only do these partnerships enhance and diversify the services that the organisation is able to offer, they are essential to the continual operation of the organisation and its financial sustainability.

BS3CD works with and aligns itself with other key charities and organisations across the city. It maintains that although its primary focus is to provide the local community with services tailored to its specific needs, there are often other organisations with much more experience of providing specialised services that BS3CD can learn from. BS3CD currently has two partnerships, both of which focus on social prescribing. The first is with Southmead Development Trust who have employed a 'Navigator' who works on Community Webs, a social prescribing service in 3 GP surgeries. This partnership was due to end in December 2017, however due to the success of this project they have secured additional funding moving forward. The second partnership is with Bristol Community Health, which is a community interest company that spun out of the NHS. BS3CD are working with them on delivering social prescribing in the community, specifically focusing on those aged 50+, who are isolated, lonely and have multiple conditions. Through the networks BS3CD has developed in Greater Bedminster, they have been able to reach far into the community, identifying those who are most isolated. Nevertheless, BS3CD highlights how developing new partnerships and building trust between organisations or individuals takes time and investment, which is challenging when existing capacity is limited.

One of the key success factors in terms of developing partnerships for BS3CD is determination and open-mindedness. The organisation is willing to explore new areas, but acknowledges it cannot do everything and not everything is going to work. They also recognise that it is very good at doing some things, but there are areas where they do not have the skills or experience. In these cases, the organisation aims to collaborate with other organisations or individuals who have the relevant knowledge and expertise.

Having the necessary skillsets

Although BS3CD is a registered charity, one of the most important factors to the success of the organisation has been ensuring it has the relevant business skills. In particular, strong leadership, effective management, and being able to understand business and financial planning. Moreover, the ability to evaluate risk is essential, as not all opportunities are suitable or appropriate. Therefore, one of the key enabling factors, which has led to the success of the business, is the staff that it employs. Having a consistent management team over the last nine years has enabled staff to build a wealth of knowledge, experience and understanding about the organisation and its future goals. BS3CD also highlights



that it is fortunate to have a progressive board of trustees, specifically considering recent austerity measures. Where some boards can be relatively cautious, the BS3CD board of trustees were supportive of taking the risk to build a new centre, actively backing what they are trying to do to help the local community.

Notwithstanding the wealth of knowledge the team has developed, BS3CD are particularly reliant on external expertise for guidance around certain issues. However, judging whether this guidance is correct is difficult and purchasing expertise can be costly. For instance, for the new Chessel Centre, BS3CD lacked knowledge of planning and building legislation. There was little free support and information available and this resulted in the expensive process of hiring professional services to support them.

Future direction

In terms of the future, BS3CD is confident that the business is sustainable. Having been through a complex due diligence process, the business model has been scrutinised numerous times over the last four years. BS3CD has secured a bank loan, which is now being transferred to the Charities Aid Foundation bank, and without external confidence and verification, BS3CD believes it would be unlikely to secure such funding. The organisation does highlight, however, that it will not look to increase its debt further with loans. The social investment from Big Society Capital now means that BS3CD has a large proportion of debt when compared to its current income, and it needs to reduce this over time with the surplus generated from the new nursery facility, rather than putting more financial strain on the charity.

Financial information

The following table provides an overview of BS3 Community Development’s income, expenditure and assets for the period 01/04/15 to 31/03/16

Income	£1,078,544
Expenditure	£985,071
Difference between income and expenditure	£93,473
Surplus/deficit on ordinary activities before taxation	£93,473
Annual income from grant or subsidy	£126,424
Fixed assets	£576,282
Current assets	Stocks: £0 Debtors: £92,549 Cash at bank and in hand: £275,161
Total	£367,710
Net assets	£610,123

Source: The Southville Community Development Association accounts 2015/16, Companies House