

From: Walling, Fiona
Sent: 06 March 2020 15:27
To: Lorna McCullough
Subject: Application to Peebles Common Good Fund from Tweed Wheels

Dear Lorna

Thank you for your application for financial assistance on behalf of Tweed Wheels (The Bridge) which was considered by Peebles Common Good Sub Committee. Members expressed strong support for the Tweed Wheels initiative and all associated positive benefits outlined in the application. However, in noting that the accompanying set of accounts related to the umbrella organisation of The Bridge, rather than specifically to Tweed Wheels, they had a number of questions about whether other sources of funding had been fully explored – being mindful that the Common Good was considered as a lender of last resort.

I've been unable to find reference to the Common Good Fund being considered a lender of last resort, to be clear we are applying for a grant, not a loan. I note that the charitable purposes of the Common Good Funds are that, subject to their legal responsibilities in terms of any assets held by the charities, the funds are operated for the **common good of the residents** and may be used to **provide advancement of citizenship or community development**. Our community transport service meets this criteria very well because we are supporting the most vulnerable in our society and without it, many residents would be further socially isolated, unable to continue to participate and do daily activities which many take for granted.

It was also noted that Tweed Wheels had recently been awarded a grant of £10k from the Tweeddale Locality Community Fund towards replacement of the minibus. **Yes we did.** We are very proud to say we have also gained further support for our service and the benefits it provides, by securing a further £10k from The National Lottery Community Fund and £10k from The Robertson Trust. This therefore means we only need a further £10k to enable us to order a new bus.

After discussion they agreed to seek further information from you and to defer a decision on the application to the next meeting. In particular Members asked for further clarification as follows:

1. It was noted that there was a figure of £52k unrestricted funds showing within The Bridge accounts as at 31 March 2019. The question was asked as to why part of this sum could not be used towards the replacement minibus. (Louise forwarded me your email about the unrestricted funds but perhaps you could include all that information in your overall reply). Our reserves policy requires us to be a responsible employer, we need the unrestricted funds to cover the costs we know we have liabilities for as an organisation, given the number of employees and lease holds that we have. We also have increased costs this year onwards as we no longer receive any grant from SBC towards our rent of the Peebles office. Our unrestricted funds are also needed for the operational costs of running the transport services, repairs are particularly unpredictable and costs can be very high. Across The Bridge we actually operate 3 different community transport services, Teviot Wheels, Gala Wheels as well as Tweed Wheels. In total we have 9 vehicles and therefore it's not sustainable to use our available funds for new vehicle purchases.
2. Has the organisation considered replacing the minibus through some sort of financial agreement rather than by outright purchase of a new vehicle. **The type of vehicles needed to run our transport service cannot be leased or hired because they need to be specially adapted with removable seats, a fully operational lift etc.** This is therefore not a viable

option. Even if we were to find a suitable vehicle to lease, the Community Transport Authority (CTA) recommend buying rather leasing as it's more economical over the longer term. Lastly, we need to keep our costs as low as possible to keep our charges low. We wouldn't be able to obtain grant funding for a lease of a vehicle, but we can get it for the purchase of a new vehicle, it's therefore within our social aims to provide affordable and accessible transport to the most in need by operating this way, to pass on the least costs that we can to our passengers.

2. Members would like to see a more sustainable funding base for Tweed Wheels going forward, noting that the organisation appeared to be supported essentially by funding from statutory sources. They asked for further information about how this could be achieved. The current bus is nearly 9 years old. The business model we use, in order to provide **accessible and affordable** transport is that we cover operating costs through our Tweeddale Thrift shop in Innerleithen and that we fund raise to replace the vehicles when needed. If we were to charge more to cover the replacement vehicles too, then people that need it wouldn't be able to access it due to the costs simply being too high.

The Bridge, as a partner in the Borders Third Sector Interface, receive some funding from the Scottish Government. This funding isn't to provide a community transport service, but to work in community development supporting the Third Sector in the Borders, as such it isn't relevant to this application. The only other funding received is the Social Car Scheme (SCS) and Bus Service Operators Grant (BSOG). The SCS is where a subsidy is provided as a substitute to individuals only for a bus service to help those who are unable to use public transport because of infirmity, age or rurality. The BSOG is a discretionary grant paid under section 38 of the Transport (Scotland) Act 2001 by Transport Scotland on behalf of Scottish Ministers. This grant is for those operating a Community Transport service possessing a Section 19 Permit. Both of these grants allow us to keep our charges low and affordable.

If you would send me your response to the above points I will pass this to Members and ensure the application is on the agenda for consideration at the next meeting.

Kind regards
Fiona Walling