



Slough Bike Hire Scheme – Business Plan



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Introduction

This business plan sets out the vision for a Slough Bike Hire scheme created by The Climate Change Sub-Group of the Local Strategic Partnership in Slough. The group has been set up to create and deliver new initiatives between the public, private and voluntary sector, with a focus on responses to climate change and sustainable development challenges.

The following pages set out the existing situation in Slough, including an overview of the 3rd Local Transport Plan (LTP3), and the recently successful Local Sustainable Transport Fund Tranche 2 (LSTF) bid. The group see the Bike Hire scheme as integrating into and complementing the proposed upgrades to cycling infrastructure as part of the LSTF funding.

The group believes that a Bike Hire Scheme would have the following benefits for the town:

- Increasing cycling related health benefits
- Reducing traffic congestion
- Improving Air Quality
- Opportunities for local companies to input into the town development scheme.
- Community development
- Youth engagement
- Reduction in carbon and other harmful emissions

As part of the development, we have worked closely with Groundwork - a local social and environmental regeneration charity - to develop the creation of a social enterprise operation to provide the on-going maintenance of the bikes and running of the scheme. This will allow us to pursue social aims, remain close to the community in Slough, engage positively with employees and volunteers and re-invest to develop the service offer to include:

- Working with NEETs (Not in education, employment or training) in the town
- Youth development and engagement
- Expand into bike recycling / salvage, repair and sales
- Accredited bike maintenance /training opportunities
- Volunteering opportunities
- Bikability training Levels 1-3
- Linking families into other local bike riding schemes e.g. Skyride Local

The following business plan sets out the proposed scheme and explains the costs involved in setting up and running over the next 5 years. It is shown that even with some revenue from the hire of the bikes; such a scheme would still need extra funding inputs. We believe that this is a huge opportunity for the right company/ companies to make a real contribution to the development of Slough.



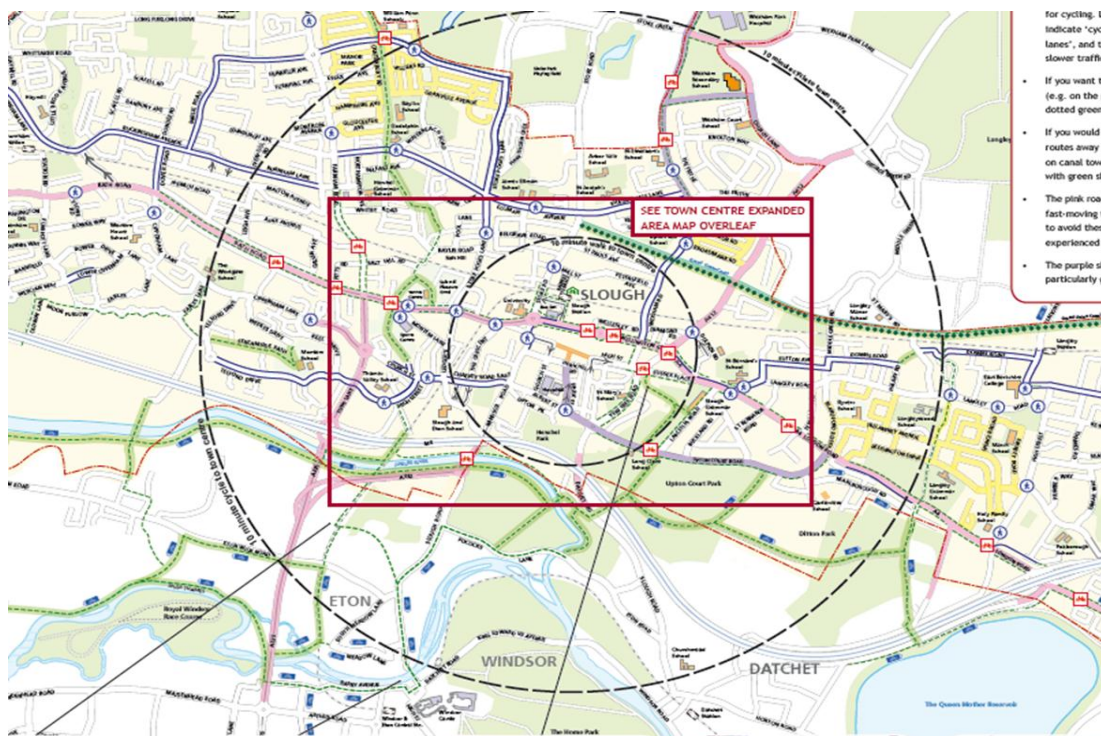
Current Situation in Slough

Slough council is starting to deliver schemes from its 3 year Implementation Plan as part of LTP3, which sets out the council’s transport strategy for the period up to 2026. A part of this plan is a cycling strategy which aims to “co-ordinate all policies and programmes of action which assist in promoting cycling as an attractive, safe and sustainable form of transport for all standards of cyclist.”

Slough’s Local Transport Plan primary objectives are aimed at:

- Ensuring that accessibility to transport facilities is improved for all travellers in Slough, especially for those without a car
- Ensuring that transport contributes to an efficient and sustainable local economy within existing business areas and the town centre
- Ensuring that transport decisions and choices serve to protect and enhance Slough’s built and natural environment
- Ensuring that the safety hazards associated with transport in Slough are reduced for all travellers
- Ensuring that Slough’s transport is better and more efficient through integration with different modes, policies such as health, and with neighbouring areas.

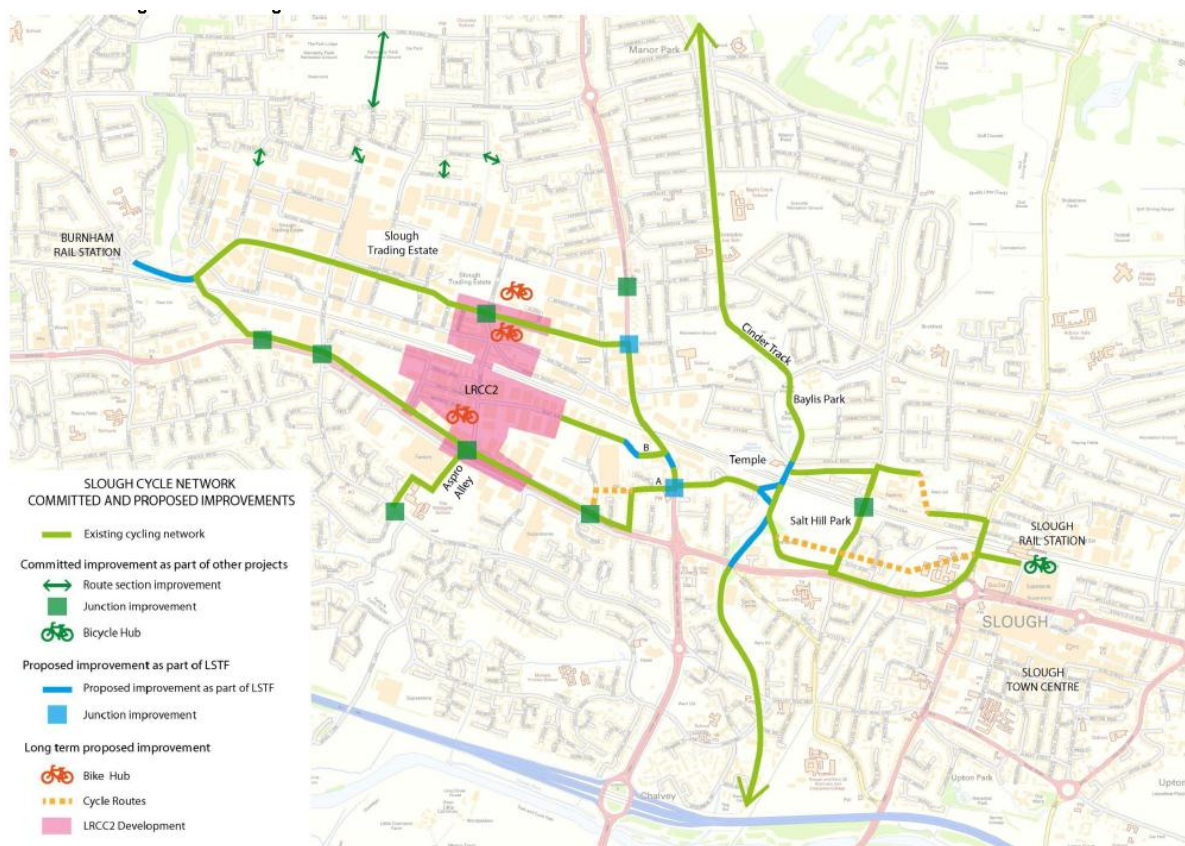
As part of these objectives, developing cycling facilities to increase cycle use within the town has been identified as a key component of the Third Transport Plan. The picture below shows the existing cycle map for the town:



Proposed Development in Slough

The council has recently succeeded in receiving funding from the Local Sustainable Transport Fund. The £4.5 million, match funded application was for a range of measures to reduce congestion in Slough and increase the use of more sustainable methods of transport.

One of the main parts of the bid is for the development of the local cycling infrastructure, in particular a new east-west cycle spine route, and two cycling ‘hubs’ – one at the main station and one at SEGRO. As part of this bid, a large amount of work has been undertaken assessing travel patterns, congestion and air quality within the town. A plan to update the existing cycling infrastructure has also been set out, and the picture below shows the proposed developments (in blue) of the town centre network.



This business plan has been produced by the Slough Climate Change Partnership Delivery Group to provide opportunities for local businesses to support the proposed development of a sustainable transport system in Slough, via potential joint sponsorship of the Slough Bike Hire Scheme. The following pages describe how the scheme has been designed, and sets out the estimated cost requirements for each stage.

Scheme Features and Products

Bike hire schemes can be found all across Europe, Asia and America. In the UK the obvious example is the London Barclays 'Boris Bike' scheme, but 5 other towns have either installed systems or operated feasibility trials on them. These include Blackpool and Dumfries (operated by Hourbike); and Cardiff and Reading (operated by Oybike). The London scheme is operated by Serco, which contracted Canadian company BiXi to install the infrastructure.

Although different schemes vary in how they are operated, most have a number of specific characteristics that encourage use as well as security of the scheme. These include:

- A minimum of 30 minutes free hire (after payment of a token hire fee), then a sliding scale of tariffs for use
- Specifically designed bikes with parts that are non-interchangeable with other bikes
- Hire facilities that require a credit/ debit card input to insure against stealing of bikes and fines for extended use
- Adequate number of bikes and hire points so that the network is easily accessible and bikes can be returned easily (in London the average space between stations is 300m).

After investigating a number of different projects, the group have identified a specification for a scheme that would provide maximum flexibility and security with a mid-range cost. An example of the type of product proposed is shown in the picture. Specific characteristics of this scheme are:

- Small scale scheme
- Solar powered- no groundworks required
- Modular system of 120 bikes
- Typical station size up to 18 bikes



Hire Site Locations

Bike Stations

It is intended that the bike hire sites will be modular and can be moved around different sites in town depending on usage so that ideal sites can be identified. For the initial scheme it has been suggested that bike hire points are located at each train station in Slough, one or two at the SEGRO estate and another in the high street (6 points in total). Exact positioning of the sites will depend on the requirements of the scheme funders. For example, particular companies may choose to have a station situated outside their premises for ease of use. The map below gives an example of how the scheme could be set out:

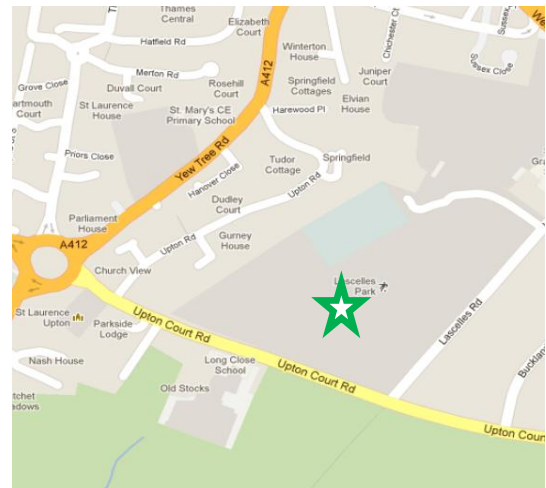


Workshop Location

The scheme will require a central base to provide a workshop for maintenance and storage of bikes. This base will also provide the location for vocational training in bike maintenance as well as for the distribution teams. We are currently in discussions with Slough BC to find a suitable asset in need of redevelopment with sufficient space for a workshop, office, toilets and secure yard for a van and bike storage. We would hope to secure grant funding to bring a run down asset back into community use in return for an appropriate period on peppercorn rent .

From discussions with the council, a number of potential sites have been identified as suitable locations. These are owned by the council, are currently unused and are sites which the council are prepared to provide rent-free. The sites will require some upgrading to provide the required facilities and an initial **£50,000** has been included in our start up costs for this work. An example site is shown below:

Lascelles Yard



Business Plan – Set Up Costs

The costs of a bike hire scheme can be divided into three separate areas, which can change according to council design requirements as well as the support that can be provided from the council. These areas are: 1) Design, 2) Supply and installation, and 3) On-going running costs. An explanation of each stage is set out below:

Design

For each specific Bike Station site, a design pack needs to be produced to satisfy council requirements. These packs include the following:

- **Planning Permission** – not required as permitted development.
- **Design** – costs for design and development of each site – drawings, health and safety surveys, CDM, etc.

After liaising with the council transport department it has been established that Planning Permissions for the sites are not required as they fall under ‘The Town and Country Planning, General Development Order 95 Schedule 2 Permitted Development Part 12 Class A,(a,b).’

If located on Network Rail or private sites (e.g. SSE office) then planning permission would need to be sought from the land owner. Also, as the main train station is listed then listed building consent will be required for this, with associated costs.

We have identified a cost from our contractors of **£3,500 to design each site pack**, not including consents where required.



Supply and Installation



The exact cost of each bike hire site depends upon the site specific requirements identified in the design stage. As a guide, we are working on a cost of **£36,000 per site**, to include all equipment, solar powered station ‘hubs’ and 18 bikes per station. Included in this cost is the software for the call centre and distribution teams to co-ordinate the scheme.

Business Plan – Running Costs

We have set out a profit and loss account for a five year plan to show the initial costs of setting up the program and the on-going running costs. Once the scheme has been designed and installed, it can be seen that the only major yearly overhead is the staff costs. Efforts have been made to reduce the yearly costs as much as possible through the following methods:

- The council to provide rent-free premises for a workshop and storage area
- The council to provide call centre and IT support to the scheme
- All marketing (and associated costs) of the scheme to be provided by the council and scheme partners
- Distribution vans and trailers to be provided by partner organisations e.g. maximizing the non-operational availability of vehicles/trailers currently deployed on the Blue Sky contract with Slough Enterprise (Blue Sky is a wholly owned subsidiary of Groundwork). A fee of £20,000 per year has been included for this, some of which may be covered by existing labour costs.
- Work is currently being undertaken by Groundwork to source funds to set up a social enterprise scheme that can cover some of the premises refurbishment and staff costs e.g. apprentices, training, etc. This could provide one of the ‘funder’ streams of income.

Staff Costs

These have been estimated in the table below and increased yearly at 2%. Groundwork Leicester has created a successful scheme called ‘Bikes for All,’ parts of which we hope to emulate. More exact staff figures and costs will be developed further as we progress.

Slough Bike Hire Scheme Staff Costs

Number	2012/13	2013/14	2014/15	2015/16	2016/17
Workshop Manager	-	1	1	1	1
Maintenance Instructor	-	1	1	1	1
Trainee x 4	-	4	4	4	4
Total	-	6	6	6	6

£'s	Salary	2011/12	2012/13	2013/14	2014/15	2015/16
Salaries						
Workshop Manager	24,000	-	24,000	24,480	24,970	25,469
Maintenance Instructor	20,000	-	20,000	20,400	20,808	21,224
Trainee x 4	8,000	-	32,000	32,640	33,293	33,959
Salaries Total		-	76,000	77,520	79,070	80,652

Business Plan - Funding

Revenue

The P&L account on the next page shows that the bike hire scheme in itself is never going to cover its own costs. An estimation of revenue has been set out assuming 120 bikes are used twice a day with a £1 per hire fee, 6 days a week (to account for lower use at the weekends), for 9 months of the year. This provides a revenue figure of:

$$120 \text{ bikes} \times 2 \text{ hires} \times 6 \text{ days} \times 36 \text{ weeks} = \text{£51,840}$$

We have also assumed a 10% increase in cycle hire use per year. Other fees such as late return fees will also occur, but research suggests that it is best not to include this in figures to give a more accurate worst-case scenario assumption.

Funding

The revenue produced does not cover the running costs of the scheme, and so other funds need to be identified. We are working very closely with Groundwork to identify areas where we can bring in funding to support the social enterprise element of the scheme on a long term basis. Groundwork is currently in the process of creating a 'Funding Strategy' to compliment fee earned income with corporate sponsorship and grant funding for both revenue and capital costs. Examples include:

- Big Lottery Awards for All
- Landaid – Capital Projects Fund
- Esmee Fairbairn Environment Programme
- Landfill Tax Credits – Grondon / CEMEX
- Garfield Weston Foundation
- Lloyds TSB Foundation
- Thames Valley Berkshire LEP Growing Places Fund

The result of this would mean funding could potentially be accessed for vocational skills training, which would cover some of the ongoing staff costs. Estimated income from similar schemes has been in the region of **£30,000 per year**.

We are discussing with various local businesses the possibility of part funding the scheme, and so allowances have been made in the cash flows to show a breakdown in funding requirements over four funders. It is intended that these would include any social enterprise / grant funding as well as contributions from local businesses.



Cost Benefit Analysis

Whilst it is difficult to predict the precise cost benefit of a cycle hire scheme in Slough, cycling infrastructure is a low cost urban transport option that has the potential to have greater overall economic environmental and social benefits compared to mainstream transport investment.

A recent study commissioned by Copenhagen's mayor showed that driving cars offers up a \$0.20 **net loss** for each mile driven due to congestion, health impacts, accidents and damage to the environment. This is in contrast to the bicycle which offers a \$0.35 **net benefit** to the economy per mile ridden.

If we take these figures as a benchmark and assume that each of the 120 Slough hire bikes is cycled 20 miles per day (5 days per week) for 32 weeks of the year the total miles cycled can be estimated at over 384,000 miles providing in excess of £85,000 net benefit to the local economy.

In addition there is some evidence from studies in North Carolina in the USA and Vancouver in Canada that property prices within close proximity of cycle paths (50m) could be expected to increase property values by \$8,800. This is perhaps not such a benefit for Slough as most of the key cycle routes run along the commercial A4 corridor.

However, our cycle hire scheme also has a significant additional economic benefit for those young people in the town who are currently not in employment, education or training (NEET). Investment will allow us to deliver structured and accredited 6 month bike maintenance and repair training helping them off welfare and into tax paying employment. We plan to train a minimum of 4 young people each and every year and help at least 50% of these young people into long term sustained employment. According to the Department for Education the cost to the UK taxpayer of NEETs is £97,000 per person over their lifetime.

With estimated annual running costs of £86,000 (taking into account estimated annual income of £51,000 from bike hire fees) the estimated **return on investment is therefore £3.25 for every £1 of corporate sponsorship.**

Groundwork has a longstanding relationship with the Centre for Local Economic Strategies (CLES) and we would be keen to involve them in this scheme given their expertise in Cost Benefit Analysis and evaluating Social Return on Investment (SROI). Robust evaluation will help us justify on-going investment and potential future expansion of the cycle hire scheme. A budget **fee of £15,000** has been included in year two in order to undertake this analysis.



Business Plan – Cash Flow

Slough Bike Hire Scheme Forecast Cash Flows

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Cash Inflows					
Bike Hire Fees	-	51,840	57,024	62,726	68,999
Total Inflows	-	51,840	57,024	62,726	68,999
Project Costs Cash Outflows					
Site Pack Design x 6	21,000	-	-	-	-
Supply and Installation x 6	220,000	-	-	-	-
Workshop renovation	50,000	-	-	-	-
Workshop equipment/ setup	15,000	-	-	-	-
Training	10,000	-	-	-	-
Website design	2,000	-	-	-	-
Spare Parts Stock	-	5,000	5,000	5,000	5,000
Distribution Vans/ Trailers	-	20,000	20,000	20,000	20,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Total Project Costs Cash Out Flows	318,000	25,000	40,000	25,000	25,000
Overhead Cash Outflows					
Salaries	-	76,000	77,520	79,070	80,652
Management fee	-	32,000	32,000	32,000	32,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Cash Outflows	5,000	118,250	120,033	121,859	123,729
Total Cash Outflows	(323,000)	(91,410)	(103,009)	(84,132)	(79,730)
Funded By:					
Funder 1	81,000	25,000	25,000	20,000	20,000
Funder 2	81,000	25,000	25,000	20,000	20,000
Funder 3	81,000	25,000	25,000	20,000	20,000
Funder 4	81,000	25,000	25,000	20,000	20,000
Total Funding Requirement	324,000	100,000	100,000	80,000	80,000
Cash BF		1,000	9,590	6,582	2,450
Net Inflows/(outflows)	1,000	8,590	(3,009)	(4,132)	270
Cash CF	1,000	9,590	6,582	2,450	2,720

Business Plan – P&L

Slough Bike Hire Scheme Forecast Profit and Loss

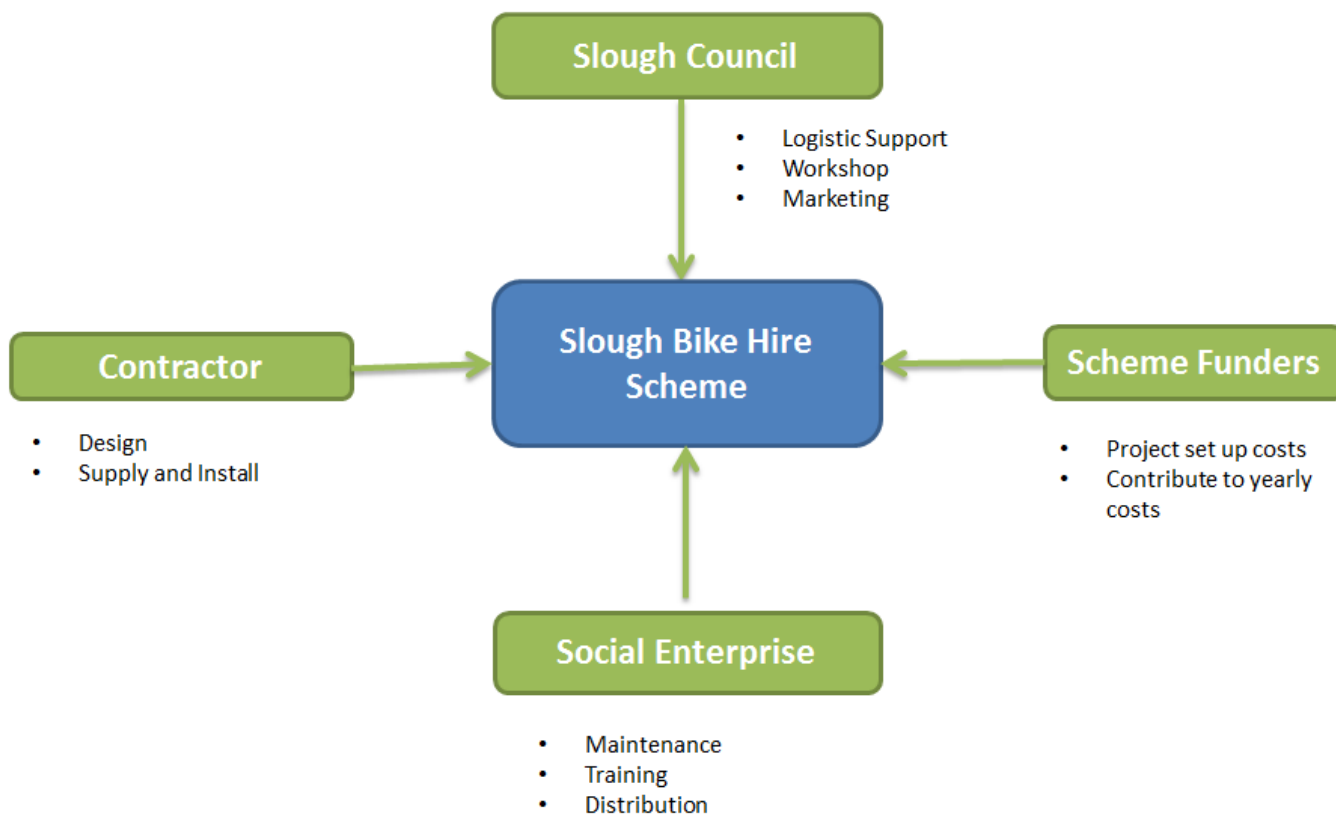
£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue					
Bike Hire Fees	-	51,840	57,024	62,726	68,999
Total Revenues	-	51,840	57,024	62,726	68,999
Project Costs					
Spare Parts Stock	-	5,000	5,000	5,000	5,000
Distribution Vans/ Trailers	-	20,000	20,000	20,000	20,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Depreciation of Inital Costs	-	79,500	79,500	79,500	79,500
Total Project Costs	-	104,500	119,500	104,500	104,500
Overhead Costs					
Salaries	-	76,000	77,520	79,070	80,652
Management fee	-	32,000	32,000	32,000	32,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Costs	5,000	118,250	120,033	121,859	123,729
Total Costs	5,000	222,750	239,533	226,359	228,229
Net Loss	(5,000)	(170,910)	(182,509)	(163,632)	(159,230)

Slough Bike Hire Scheme Forecast Balance Sheet

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Fixed Assets					
Inital Costs and Equipment	318,000	318,000	318,000	318,000	318,000
Accumulated Depreciation	-	(79,500)	(159,000)	(238,500)	(318,000)
	318,000	238,500	159,000	79,500	-
Cash	1,000	9,590	6,582	2,450	2,720
Total Assets	319,000	248,090	165,581	81,949	2,720
Represented By:					
Total Funding	324,000	424,000	524,000	604,000	684,000
Accumualted Losses	(5,000)	(175,910)	(358,419)	(522,051)	(681,281)
	319,000	248,090	165,581	81,949	2,719
	-	-	-	-	-

Project Structure

The diagram below shows how the different parties will participate in the project. The council will have overall on-going responsibility for the scheme, with the created social enterprise co-ordinating the day-to-day bike maintenance and distribution.



Implementation Plan

The plan below sets out the timescales for the project, with the aim to have the scheme up and running by the spring of 2013. There is a 5 month wait for infrastructure orders so the initial design stage will need to be completed by October 2012 in order to get the equipment produced and installed by April 2013.



Summary and Next Steps

This business plan presents a proposal for the development of a Slough Bike Hire scheme which could provide huge benefits for Slough businesses and the community. The Climate Change Sub-Group of the Local Strategic Partnership have worked very closely with the council and its partners to develop a proposal that enables delivery of such a scheme, while finding innovative ways to keep costs down.

We are currently looking for a company (or group of companies) to part fund the initial upfront cost, and to commit to a set amount of funding for the next 5 years. As shown in this business development plan, other sources of funding are also being identified to support the scheme, such as social enterprise grants and vocational skills training. On top of the revenue from bike hire fees, it is estimated that required funding support will be up to 50% of the yearly requirements of the scheme.

Once adequate funding has been identified, whether through private funding, vocational skills training or other sources, a report will be delivered to cabinet to provide the go-ahead. Once the council have provided their support for the scheme plan, design can be commissioned. Due to the lead times for the bike scheme equipment delivery, all site design packs will need to be completed by October 2012, so that the scheme can start to be installed in time for the summer of 2013.

The sub group believes that this scheme will be a huge benefit to the town of Slough, providing numerous benefits such as a decrease in congestion, increased health and support for local youth among others. It will help to promote the benefits of cycling across the community and provide a stepping stone on the way to a healthier, more sustainable future in Slough.



Appendix – Scheme Increase Scenarios

After discussions with a number of potential funders it was requested that a number of Scenarios be set out in order for them to understand the potential growth of the proposed Bike Hire Scheme. The original proposal is for a 120 Bike, 6 Hire Point scheme and requires an investment of £681,000 over the 5 years.

We have therefore set out forecast cash flows, P&Ls and balance sheets for the following Scenarios:

- Scenario 2 – 250 Bikes, 12 Hire Points
- Scenario 3 – 500 Bikes, 24 Hire Points
- Scenario 4 – 1000 Bikes, 48 Hire Points

Based on our assumptions as set out in the proposal above, it can be seen that the larger the initial investment, the lower the on-going funding commitment. In Scenario 4 the scheme is cash positive in the second year. In each scenario, while the initial design and setup costs increase along with the size, it is considered that other factors such as staff and other costs do not necessarily need to increase at the same rate. Assumptions have been set out below:

Scenario 2

With 250 bikes the design, setup and spare parts costs double, but it is thought that the staffing levels could remain the same and will cope with the extra requirements.

Scenario 3

Costs rise as in Scenario 2, and an extra instructor and 2 extra trainees are brought in to deal with the increased workload. Extra training and distribution costs are also included.

Scenario 4

Costs rise as in the other Scenarios and staff levels include 3 instructors and 12 trainees.

It is worth noting the scenarios compared to other schemes around the country. In London there are 8,000 'Boris Bikes' and 570 docking stations, In Blackpool there are 50 stations, while in Dumfries there are 9.

Scenario 2 – 250 Bikes, 12 Hire Points

Slough Bike Hire Scheme Forecast Cash Flows

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Cash Inflows					
Bike Hire Fees	-	108,000	118,800	130,680	143,748
Total Inflows	-	108,000	118,800	130,680	143,748
Project Costs Cash Outflows					
Site Pack Design x 12	42,000	-	-	-	-
Supply and Installation x 12	440,000	-	-	-	-
Workshop renovation	50,000	-	-	-	-
Workshop equipment/ setup	15,000	-	-	-	-
Training	10,000	-	-	-	-
Website design	2,000	-	-	-	-
Spare Parts Stock	-	10,000	10,000	10,000	10,000
Distribution Vans/ Trailers	-	20,000	20,000	20,000	20,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Total Project Costs Cash Out Flows	559,000	30,000	45,000	30,000	30,000
Overhead Cash Outflows					
Salaries	-	76,000	77,520	79,070	80,652
Management fee	-	32,000	32,000	32,000	32,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Cash Outflows	5,000	118,250	120,033	121,859	123,729
Total Cash Outflows	(564,000)	(40,250)	(46,233)	(21,179)	(9,981)
Funded By:					
Funder 1	142,000	10,000	12,000	5,000	2,000
Funder 2	142,000	10,000	12,000	5,000	2,000
Funder 3	142,000	10,000	12,000	5,000	2,000
Funder 4	142,000	10,000	12,000	5,000	2,000
Total Funding Requirement	568,000	40,000	48,000	20,000	8,000
Cash BF		4,000	3,750	5,518	4,339
Net Inflows/(outflows)	4,000	(250)	1,768	(1,179)	(1,981)
Cash CF	4,000	3,750	5,518	4,339	2,358

Scenario 2 – 250 Bikes, 12 Hire Points

Slough Bike Hire Scheme Forecast Profit and Loss

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue					
Bike Hire Fees	-	108,000	118,800	130,680	143,748
Total Revenues	-	108,000	118,800	130,680	143,748
Project Costs					
Spare Parts Stock	-	10,000	10,000	10,000	10,000
Distribution Vans/ Trailers	-	20,000	20,000	20,000	20,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Depreciation of Inital Costs		139,750	139,750	139,750	139,750
Total Project Costs	-	169,750	184,750	169,750	169,750
Overhead Costs					
Salaries	-	76,000	77,520	79,070	80,652
Management fee	-	32,000	32,000	32,000	32,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Costs	5,000	118,250	120,033	121,859	123,729
Total Costs	5,000	288,000	304,783	291,609	293,479
Net Loss	(5,000)	(180,000)	(185,983)	(160,929)	(149,731)

Slough Bike Hire Scheme Forecast Balance Sheet

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Fixed Assets					
Inital Costs and Equipment	559,000	559,000	559,000	559,000	559,000
Accumulated Depreciation	-	(139,750)	(279,500)	(419,250)	(559,000)
	559,000	419,250	279,500	139,750	-
Cash	4,000	3,750	5,518	4,339	2,358
Total Assets	563,000	423,000	285,017	144,088	2,358
Represented By:					
Total Funding	568,000	608,000	656,000	676,000	684,000
Accumualted Losses	(5,000)	(185,000)	(370,983)	(531,912)	(681,643)
	563,000	423,000	285,017	144,088	2,357
	-	-	-	-	-

Scenario 3 – 500 Bikes, 24 Hire Points

Slough Bike Hire Scheme Forecast Cash Flows

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Cash Inflows					
Bike Hire Fees	-	216,000	237,600	261,360	287,496
Total Inflows	-	216,000	237,600	261,360	287,496
Project Costs Cash Outflows					
Site Pack Design x 24	84,000	-	-	-	-
Supply and Installation x 24	880,000	-	-	-	-
Workshop renovation	50,000	-	-	-	-
Workshop equipment/ setup	20,000	-	-	-	-
Training	15,000	-	-	-	-
Website design	2,000	-	-	-	-
Spare Parts Stock	-	20,000	20,000	20,000	20,000
Distribution Vans/ Trailers	-	40,000	40,000	40,000	40,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Total Project Costs Cash Out Flows	1,051,000	60,000	75,000	60,000	60,000
Overhead Cash Outflows					
Salaries	-	112,000	114,240	116,525	118,855
Management fee	-	48,000	48,000	48,000	48,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Cash Outflows	5,000	170,250	172,753	175,313	177,933
Total Cash Outflows	(1,056,000)	(14,250)	(10,153)	26,047	49,563
Funded By:					
Funder 1	265,000	4,000	2,000	-	-
Funder 2	265,000	4,000	2,000	-	-
Funder 3	265,000	4,000	2,000	-	-
Funder 4	265,000	4,000	2,000	-	-
Total Funding Requirement	1,060,000	16,000	8,000	-	-
Cash BF		4,000	5,750	3,598	29,645
Net Inflows/(outflows)	4,000	1,750	(2,153)	26,047	49,563
Cash CF	4,000	5,750	3,598	29,645	79,208

Scenario 3 – 500 Bikes, 24 Hire Points

Slough Bike Hire Scheme Forecast Profit and Loss

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue					
Bike Hire Fees	-	216,000	237,600	261,360	287,496
Total Revenues	-	216,000	237,600	261,360	287,496
Project Costs					
Spare Parts Stock	-	20,000	20,000	20,000	20,000
Distribution Vans/ Trailers	-	40,000	40,000	40,000	40,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Depreciation of Inital Costs	-	262,750	262,750	262,750	262,750
Total Project Costs	-	322,750	337,750	322,750	322,750
Overhead Costs					
Salaries	-	112,000	114,240	116,525	118,855
Management fee	-	48,000	48,000	48,000	48,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Costs	5,000	170,250	172,753	175,313	177,933
Total Costs	5,000	493,000	510,503	498,063	500,683
Net Loss	(5,000)	(277,000)	(272,903)	(236,703)	(213,187)

Slough Bike Hire Scheme Forecast Balance Sheet

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Fixed Assets					
Inital Costs and Equipment	1,051,000	1,051,000	1,051,000	1,051,000	1,051,000
Accumulated Depreciation	-	(262,750)	(525,500)	(788,250)	(1,051,000)
	1,051,000	788,250	525,500	262,750	-
Cash	4,000	5,750	3,598	29,645	79,208
Total Assets	1,055,000	794,000	529,097	292,394	79,208
Represented By:					
Total Funding	1,060,000	1,076,000	1,084,000	1,084,000	1,084,000
Accumualted Losses	(5,000)	(282,000)	(554,903)	(791,606)	(1,004,793)
	1,055,000	794,000	529,097	292,394	79,207
	-	-	-	-	-

Scenario 4 – 1000 Bikes, 50 Hire Points

Slough Bike Hire Scheme Forecast Cash Flows

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Cash Inflows					
Bike Hire Fees	-	432,000	475,200	522,720	574,992
Total Inflows	-	432,000	475,200	522,720	574,992
Project Costs Cash Outflows					
Site Pack Design x 48	168,000	-	-	-	-
Supply and Installation x 48	1,728,000	-	-	-	-
Workshop renovation	50,000	-	-	-	-
Workshop equipment/ setup	20,000	-	-	-	-
Training	20,000	-	-	-	-
Website design	2,000	-	-	-	-
Spare Parts Stock	-	40,000	40,000	40,000	40,000
Distribution Vans/ Trailers	-	40,000	40,000	40,000	40,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Total Project Costs Cash Out Flows	1,988,000	80,000	95,000	80,000	80,000
Overhead Cash Outflows					
Salaries	-	180,000	183,600	187,272	191,017
Management fee	-	64,000	64,000	64,000	64,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Cash Outflows	5,000	254,250	258,113	262,060	266,095
Total Cash Outflows	(1,993,000)	97,750	122,088	180,660	228,897
Funded By:					
Funder 1	499,000	-	-	-	-
Funder 2	499,000	-	-	-	-
Funder 3	499,000	-	-	-	-
Funder 4	499,000	-	-	-	-
Total Funding Requirement	1,996,000	-	-	-	-
Cash BF		3,000	100,750	222,838	403,498
Net Inflows/(outflows)	3,000	97,750	122,088	180,660	228,897
Cash CF	3,000	100,750	222,838	403,498	632,395

Scenario 4 – 1000 Bikes, 50 Hire Points

Slough Bike Hire Scheme Forecast Profit and Loss

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue					
Bike Hire Fees	-	432,000	475,200	522,720	574,992
Total Revenues	-	432,000	475,200	522,720	574,992
Project Costs					
Spare Parts Stock	-	40,000	40,000	40,000	40,000
Distribution Vans/ Trailers	-	40,000	40,000	40,000	40,000
Year 2 Cost Benefit Analysis	-	-	15,000	-	-
Depreciation of Inital Costs	-	497,000	497,000	497,000	497,000
Total Project Costs	-	577,000	592,000	577,000	577,000
Overhead Costs					
Salaries	-	180,000	183,600	187,272	191,017
Management fee	-	64,000	64,000	64,000	64,000
Marketing and Publicity	-	-	-	-	-
Premises / Utilities	5,000	5,250	5,513	5,788	6,078
Insurance	-	5,000	5,000	5,000	5,000
Total Overhead Costs	5,000	254,250	258,113	262,060	266,095
Total Costs	5,000	831,250	850,113	839,060	843,095
Net Loss	(5,000)	(399,250)	(374,913)	(316,340)	(268,103)

Slough Bike Hire Scheme Forecast Balance Sheet

£'s	2012/13	2013/14	2014/15	2015/16	2016/17
Fixed Assets					
Inital Costs and Equipment	1,988,000	1,988,000	1,988,000	1,988,000	1,988,000
Accumulated Depreciation	-	(497,000)	(994,000)	(1,491,000)	(1,988,000)
	1,988,000	1,491,000	994,000	497,000	-
Cash	3,000	100,750	222,838	403,498	632,395
Total Assets	1,991,000	1,591,750	1,216,837	900,497	632,395
Represented By:					
Total Funding	1,996,000	1,996,000	1,996,000	1,996,000	1,996,000
Accumualted Losses	(5,000)	(404,250)	(779,163)	(1,095,503)	(1,363,606)
	1,991,000	1,591,750	1,216,837	900,497	632,394
	-	-	-	-	-