

Paddington Development Trust

ANNUAL REPORT 2008–2009





**Company Registration
Number** 3652559

**Registered
Charity Number**
1080883

Registered Office
Westbourne Studios
242 Acklam Road
London W10 5JJ

Auditors
Boydell & Co
Chartered Accountants
89 Chiswick High Road
London W4 2EF

Solicitors
Alan Edwards & Co
Campden Hill House
192–196 Campden Hill Rd.
London W8 7TH

Bankers
Bank of Scotland
38 St Andrew Square
Edinburgh
EH2 2YR

Trustees
Drew Stevenson
(Chair)
Paul Bellamy
Ken Braithwaite
Gloria Cummins
Catherine Superville
Debi Gardner
Andy Watson
Alan Edwards
Robin Shreeve

Secretary
Neil Johnston

Objects of the Charity

The charity is a company limited by guarantee.
**Its objects are the promotion for the public
benefit of urban or rural regeneration in areas of
social and economic deprivation** (and in
particular within the London Borough of the City
of Westminster).

Under the articles of association, the company is
managed by the board of trustees. The trustees
meet regularly and receive detailed reports from
members of staff to retain effective control over
the organisation and support staff activities.

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The trustees present their annual report
with the financial statements of the company
for the year ended 31 March 2009.



Chairman's Review



Over the next years we will all be subject to economic policy that focuses increasingly on **sustainable consumption** and **renewable energy supply**. This is low to no growth economics.

Such a shift away from GDP drivers requires cooperative urgency from a currently well endowed global governance structure not yet functioning with the urgency dictated by science. Here, in Paddington, like many other small places in the world, this presents new challenges to all communities, be they underpinned by public, private or social entitlement. In this, Paddington shares some relative characteristics with countries and deprived regions of the developing world in its poverty to wealth ratios, the major difference being, of course, that Paddington lies within the authority and governance of one of the wealthiest areas in the world, the City of Westminster.

Historically, Paddington and its populations has had little choice in how to interact with global institutions or macro economics; or in how they consume energy or reduce green house gasses. **As a community, we have been institutionally disadvantaged by our scale and relative poverty. Over this next period, we, in Paddington, like colleagues all over the world will continue to build ways of strengthening, not weakening, our capacity to participate in social, environmental and economic change.**

If we zoom down from the global view, to the homes, businesses, schools and streets of North Westminster we can see this beginning to take place. **Local partnerships have thrived over the last five years bringing together local residents with improved social capital, economic renewal and a delivery infrastructure based on participation.** Westminster Council has emerged as a national leader through its commissioning strategy with Third Sector partners in tackling social and market failure in our poorest wards. This strategy is built on our cooperative commitment to universal wellbeing, and recognition that empowerment and inclusion are key components in the new economic reality.

Our work reflects these values and is now firmly anchored in our Local Neighbourhood Centres in Queens Park, Westbourne and Church Street wards and working closely with colleagues in the Harrow Road and South Westminster Centres. PDT's people approach to sustainable renewal of micro neighbourhoods and improving social and economic well-being has been embraced by public services in Westminster and over the past year we have seen greater engagement with local residents and families than ever before.



Neighbourhood Hubs sit at the heart of Westminster's Local Area Renewal Partnerships (LARPs) and provide partners with access to target populations seeking social and economic support. We are deeply involved in the provision of such support through the Westminster Works and Civic Enterprise schemes currently in operation and continue to work closely with NHS Westminster. To further support this work we need to develop a deeper understanding of well-being and how social and economic policy can shift to reducing psychological and physical inequalities that impinge on an equitable stake in well-being and independent life-style. We hope to contribute to this policy area through a major study of neighbourhood well-being due to commence in 2010.

We maintain our commitment to improvement in the built environment and public realm and will continue to be involved in the sustainable renewal of North Westminster over the next period. We will be moving our HQ to the new Great Western Studios in 2010 built to house over 150 businesses and improve the public realm around the canal in Westbourne.

A major strand of our work going forward will focus on sustainability, energy management and carbon reduction at neighbourhood levels and we will be launching our Go Green Neighbourhoods initiative later this year. Working closely with Westminster Council, this will involve the development of a low carbon strategy and the growth of a 'green collar' workforce. Coupled with this we will also be developing greater cultural confluence of our diverse communities over coming years.

In May 2009 PDT hosted a community conference, Back to the Future, attended by over 150 people including the Local MP, the Leader and the Chief Executive of Westminster City Council. A Business Plan has been constructed out of consultation with conference and reflects the aspirations expressed by a wide range of participants. A key strand to this event was the knowledge that all partners involved in the ongoing development of North Westminster are facing potentially difficult resource issues. At conference we posed a number of questions relating to the development of social and economic well-being at our micro level; how will local people fare in a future low-investment public economy; and how can we learn and make our impact felt on green policy. **Our response is to continue to innovate and develop cooperative action in improving social, economic and environmental well-being in our local communities.**

Every year I refer to the challenges ahead and this year is no different. We do face tough times, but if we build upon the foundations laid down by an increasingly powerful partnership of cooperative interests we will continue to develop our mission of facilitating sustainable social and economic renewal in Paddington.

PDT was awarded two of the most prestigious awards for community leadership and innovation in 2007–08, the Academy of Sustainable Communities (ASC) award for community leadership and the British Urban Regeneration Association (BURA) award for community-based regeneration. Needless to say these awards belong to all organisations and residents we have worked with over the last ten years and I would like to congratulate everybody involved.

Finally I would like to thank local residents, our voluntary and public partners, and the Trustees, staff and management of PDT for the fantastic commitment shown in driving change in Westminster.

Professor Drew Stevenson OBE – Chair PDT

Paddington Development Trust



PDT's core geographical area is made up of four of the poorest wards in England sitting on the periphery of one of the wealthiest areas in the world. The City of Westminster is the centre of government, culture and the monarchy, and is bound up in the history of London. Paddington, North Westminster, is part of this history and is now emerging as a dynamic cross-cultural quarter contributing to a unified vision of a new City of Westminster.

- Paddington Development Trust (PDT), established in 1997 is a community-based Public Enterprise and will be actively engaged in the economic, environmental and social regeneration of the North Westminster area over the next 15 years. It has five core values: **mutuality** (sharing benefits within the community); **sustainability** (developing a green 'cooperative' economy); **empowerment** (participation of local people) **financial self-sufficiency** (acquiring an income generating asset base) and **equal opportunities** for all communities. PDT is committed to an equitable distribution of justice and power throughout Westminster and the wider world.

- PDT has reviewed its business strategy in the light of outcomes of the 2009 Community Conference and economic downturn and will continue to facilitate cooperative socio-economic development based on a community led ethos, sustainable lifestyle and enterprise culture. PDT will consult with partners with a view to a branding and name review in 2009.

- PDT is made up of 12 Trustees, 50% who represent black and other ethnic minorities and 90% who live and work in the local community. The Board is led by the Chair, Drew Stevenson OBE, Professor of Regeneration at the University of East London.

- PDT is Quality Assured through the Investors in People Quality Standard and will involve Board and Staff in the implementation of specific objectives central to the future of the Company. The Board and Chief Executive will ensure that all staff have necessary skills to develop their personal and professional capacities within their designated roles in the Company.

- PDT is committed to the principle of building the capacity of existing local infrastructure and will ensure that duplication does not occur within its operations. There is no parent or subsidiary company associated with PDT.

- PDT acts as a social and community enterprise mentor for a wide range of local organisations and provides a business management infrastructure through which these may develop independent capacity in their given fields.

- PDT is a member of the Westminster City Partnership (Westminster's LSP) and the Local Area Agreement Partnership Board and will develop its future strategy in accordance with the broad membership of this developing infrastructure.

- PDT works with WCC in the context of the City Plan, Local Area Agreement, and Local Delivery Framework Agreement for the provision of services in the North of the City and with NHS Westminster and the Inequalities Strategies adopted by its partnerships.

- PDT is an active member of the national Development Trust Association.

- PDT is committed to developing an independent and sustainable asset base and is developing a number of projects designed to contribute to reducing the area's dependence on public funding streams.

Key objectives April 2009 – March 2012



- To consolidate partnership work with Westminster City Council through Neighbourhood Plans, the City Plan, LAA Plan, and Children & Young People Plans; with Westminster NHS through the Inequalities Strategy; with the London Mayor and London Development Agency through the London Economic Development Strategy; London Councils, with the Learning & Skills Council in its new configuration; and with City of Westminster and Kingsway FE Colleges, DWP and Job Centre Plus, Police, and Government Office for London.
- To provide these and other partners with an inclusive neighbourhood-based institution that can support corporate policies and priorities, facilitate and coordinate continual improvement of the local infrastructure, empower local people through Neighbourhood Hubs and service providers, and provide skills, employment and enterprise opportunities.
- To initiate and provide services to residents directly where there are gaps in current existing provision.
- To continue to innovate in the deprived urban context and develop sensible environmental projects that reduce green house gas emissions and cut waste.
- To develop the Go Green Neighbourhood strategy in conjunction with WCC, residents and leading environmentalists.
- To expand LARP activities to other Special Output Areas situated adjacent or close to existing Neighbourhood Hubs.
- To facilitate conditions for inward investment and the reversal of market failure through local enterprise, skills and talent that will contribute to mainstream social and economic opportunities within the wider economy.
- To work with transport partners, particularly Crossrail, through the Westminster Employment and Transport Opportunities Group (WETOG) to maximise employment and business opportunities for local people.
- To expand the London Skills Campus to include the Green Skills Campus, and working in partnership with Local Authorities and Third Sector organisations establish Go Green Neighbourhoods on a pan-London and cross border basis.
- To develop existing and new business centres, to supply a greater volume of workshops and offices and to re-economise local retail clusters.
- To develop cultural capital in North Westminster (Culture in the Community) by bringing together key cultural organisations and local facilities to implement a cultural strategy that both offers local choice and increases the area's destination value to other Westminster and London communities.
- To ensure equal opportunities, social and economic equity and justice for all and improving services to the diverse communities living in the area.
- To support the PDT team through Investors in People with access to skills and expertise that will enhance their capabilities in delivering the complex agenda involved in social and economic development.

Project Development 2009–2012



PDT operates as an independent not-for-profit company, is part of the Development Trusts Association and provides advisory services to a growing range of national and international community-based projects. We also operate in the context of Westminster's City Plan and Local Area Agreement that is focused on supplying outputs and outcomes against Key Indicators and Improvement Priorities identified by partners through LARPs, the Council and Westminster City Partnership (WCP). These sit under four broad City Plan themes:

- An Improving City Environment;
- Better Life Chances for All Our Citizens;
- Strong, United & Engaged Communities;
- Customer Tailored Services.

These are underpinned by the promotion of values that inform all partnership working in Westminster:

- Equality;
- Sustainability;
- Community Cohesion;
- Culture.

Each of the LARPs and Neighbourhood Hubs has piloted a number of projects that have subsequently become main-streamed reflecting themes and values as above. Local working encourages innovation and improvement in services, as well as greater creativity in working relationships between

delivery partners. With local people, PDT will continue to innovate in the context of City, LAA and Neighbourhood plans and priorities as agreed with the Westminster City Partnership. To support cross-LARP working PDT will pilot a number of initiatives that can be rolled out across Westminster over the next three years.

PDT Strategic Work Plan 2009–2012

Much of PDT's 2009–2012 Workplan will therefore focus on contributing to Council and WCP themes and values through the City and LAA Improvement Plans as well as focus on delivery of Key Indicators in the LAA Plan. Much of this work will occur in concert with LARPs and Neighbourhood Hubs.

PDT will continue to manage and co-ordinate third sector operations and assume specific management responsibilities for a number of local initiatives.

These will include:

- Health Equalities Development;
- Environmental Sustainability;
- LARP and Neighbourhood Hub Development;
- Youth Services Development;
- Programmes Management, Financial Administration & Co-ordination;
- Marketing Administration & Co-ordination;
- Economic Development, Employment & Business Expansion;

- Social & Community Enterprise Support & Development.

PDT will have specific project management responsibilities for the following:

- Church Street Neighbourhood Hub Round 2 Pathfinder;
- Queens Park Neighbourhood Hub;
- Westbourne Neighbourhood Hub;
- Stowe and Avenues Youth Centres;
- The Westminster Neighbourhood Enterprise Centre;
- North Westminster Framework Agreement;
- Westminster Works Employment, Outreach and Families;
- Civic Enterprise Programme;
- LSC Contracts;
- London Skills Campus;
- Healthy Enterprise Programme;
- Go Green Neighbourhoods;
- Culture in the Community;
- LDA ERDF Creative Futures Programme;
- Social & Community Enterprise Mentoring;
- Asset Development.

Finance and Funding 2009–2012



PDT is projecting a breakeven budget drawn from new and existing contracts and funding streams over 2009–2011.

Projected Budget	2009/10	2010/11	Total
Income	£4,089,000	£3,179,000	£7,268,000
Expenditure	£4,089,000	£3,179,000	£7,268,000

As a Public Enterprise, 90% of PDT funding comes through public sector contracts geared to neighbourhood renewal and management, economic development, and youth services.

Current public sector projections indicate a reduction in overall contract funding from 2011/12 of between 5% and 7%. Much of the work in shaping post 2012 budgets is taking place in the public sector and PDT has similarly reduced its growth expectations accordingly.

Policy Review

PDT conducted a major policy review in 2008–09 involving an overhaul of all existing and creation of new staff and organisational policies.

Programme and Financial Management

PDT has developed a sound financial monitoring system utilising Sage Software and the System K Programme Management System. It employs an in-house Accountant, Finance Officer and 2 Programme Officers supported by two senior Officers from Westminster Council.

PDT has developed a financial system with its Bankers and currently operates online Internet banking systems.

PDT's Quarterly management accounts are presented to Trustees and include a Profit and Loss Statement, Balance Sheet and actual against budget analysis. Annual Audits are conducted as a matter of course.



Equal Opportunities Policy and Reviews

PDT reviewed its EO policies in 2007–08. PDT bases its EO policy on the relevant statutory requirements contained in the Race Relations Act 1976, the Sex discrimination Act 1975 and 1986, disabled Persons (Employment) Act 1944 and 1958, the Disability Discrimination Act 1995 and the 1974 Health & Safety at Work Act codes and practices; and the Welfare Reform Act 2004. PDT supports positive action at the local level.

PDT recognises that this is a critical issue in contemporary society and will ensure that its policy of positive inclusion is reflected throughout the organisation. It will also seek to actively promote the interest of minority cultures in Paddington and will join others in making sure this happens in a fair, just and equitable manner.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately three months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants, which arise from time to time. Unrestricted funds were maintained at this level throughout the year.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Statement of Trustees Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial positions of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have adopted Financial and Operational Procedure that provide guidelines to Trustees and Officers with regard to management, control and reporting on the quarterly performance of the PDT.

Financial Statements

Statement of financial activities for the year ended 31 March 2009

	Unrestricted funds (£)	Restricted funds (£)	Total Funds 2009 (£)	Total Funds 2008 (£)
Incoming resources				
Grants receivable	256,022	2,042,735	2,298,757	2,017,659
Donations	-	294,910	294,910	193,654
Other income	179,320	214,054	393,374	291,324
Total incoming resources	435,342	2,551,699	2,987,041	2,502,637
Cost of generating funds				
Fundraising and publicity	-	44,597	44,597	50,346
Charitable expenditure				
Direct charitable expenditure	-	2,514,857	2,514,857	2,181,533
Management and administration	411,000	-	411,000	385,881
Total resources expended	411,000	2,559,454	2,970,454	2,617,760
Net (Loss)/Surplus for the year before transfers	24,342	(7,755)	16,587	(115,123)
Transfer between funds	(7,755)	7,755	-	-
Net movement in funds	16,587	-	16,587	(115,123)
Fund balances on 1 April 2008	404,584	-	404,584	519,707
Fund balances at 31 March 2009	421,171	-	421,171	404,584

All income and expenditure relates to continuing activities.

Balance sheet as at 31 March 2009

	2009 £	2008 £
Fixed assets	140,729	176,133
Current assets		
Debtors	224,520	159,382
Cash at bank and in hand	300,038	254,771
Total	524,558	414,153
Creditors: Amounts falling due within one year	244,116	185,702
Net current assets	280,442	228,451
Net assets	421,171	404,584
Capital and reserves		
Unrestricted funds – general funds	316,937	261,683
Unrestricted funds – designated funds	104,234	142,901
Total	421,171	404,584

The financial statements have been prepared under the historical cost convention, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), applicable accounting standards and the Companies Act 1985.



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