

# Ulverston Community Enterprises



**Business & Operational Plan  
(April 2015 – March 2016)**

## CONTENTS

1	<i>Executive Summary</i> .....	3
2	<i>Introduction and background</i> .....	5
3	<i>Context, risk and opportunity</i> .....	9
4	<i>Vision, mission, values and working principles</i> .....	16
4.2	Our vision.....	16
4.3	Our mission.....	16
4.4	Our values.....	16
4.5	Our core working principles .....	17
5	<i>Core priorities</i> .....	18
	OUTCOME ONE: To increase footfall in Ulverston town.....	18
	OUTCOME TWO: Ulverston benefits from more visitors and tourists.....	18
	OUTCOME THREE: A ‘reimagined’ Coro .....	19
	OUTCOME FOUR: Revitalised Markets.....	19
	OUTCOME FIVE: Community engaged and involved.....	19
	OUTCOME SIX: New ideas and projects provoked .....	19
	OUTCOME SEVEN: Sustainable, stable and engaged model for localism established .....	20
6	<i>Operational Plan 2015-16</i> .....	21
7	<i>Financial projections and assumptions</i> .....	23
	<i>Appendices</i> .....	27
A	GANTT chart showing key task areas for 2015-16 .....	28
B	Assumptions and calculations for financial projections .. <b>Error! Bookmark not defined.</b>	
C	Board member biographies .....	29

## 1 Executive Summary

- 1.1 This business plan for the financial year April 2015-March 2016 sets out the background and context to the proposed transfer of a number of assets from South Lakeland District Council (SLDC) to Ulverston Community Enterprises Ltd (UCE), with a prospective timetable for transfer by April 2016. Clearly this initial Business Plan sets the over-arching framework for and thinking behind such a transfer: a detailed developmental plan for the enhancement of the assets will be drawn up once the successful asset transfer has been agreed.
- 1.2 UCE has been formed as a Company Ltd by Guarantee without shares with a view to this asset transfer, and has spent the last year establishing a strong board membership and agreeing its mission, vision, values and working principles. We have proven there is an appetite and a sound rationale behind our proposal and are now in a position to move quickly towards successful asset transfer. Our twelve directors are also trustees of the recently recognised Ulverston Coronation Hall Charitable Incorporated Organisation(CIO) (number 1164000), through which the Coronation Hall in Ulverston will be managed, with the existing Company Ltd by Guarantee covenanting other trading income to the CIO as the most tax efficient method of operation.
- 1.3 Ulverston is a town known for its arts and cultural heritage, as well as for its markets. UCE seeks to build upon our cultural reputation as a place for nationally and internationally recognised arts events and festivals. Through a careful process of community engagement and asset development we will maximise the benefits of this reputation, to assist in the development of a sustainable and socially inclusive town, even in a time of austerity.
- 1.4 Here, we set out the first stages in that process, with a view to the development of a detailed community-owned five year business plan by March 2016, inclusive of funding and investment of capital development at a 're-imagined' Coro and the indoor and outdoor markets. The plan accepts the proposal that UCE will receive a minimum of £50,000.00 a year from the car park income for the next five years, but also welcomes the opportunity to work with SLDC in setting future car parking charges and in having the opportunity to benefit from increased income from the car parks through increased footfall in the town. We believe that efficient use of our car parks, the revitalising of our regular markets as well as future investments in specialist markets, and the reimagining of our wonderful Coronation Hall will together increase the footfall in our town, create a vibrant community hub bringing a wide range of socio-economic benefits, regenerate the town and therefore bring greater prosperity for all. This work will strengthen the district's creative and cultural reputation and will enhance the local infrastructure enabling the development of a premier town for culture, markets and festivals.

- 1.5 Our aim is to achieve greater economic security and independence for our town. We will work in partnership with Ulverston Town Council and our new Business Improvement District to this end.

## 2 Introduction and background

- 2.1 This interim business and operational plan covers the financial year April 2015-March 2016 (drafted and revised between late April and early June 2015 as crucial early opportunities have become apparent). While it contains financial projections and related assumptions for the five year period from April 2016, these are indicative estimates in that they do not take into account possible capital and revenue investments and associated increases in turnover. Developing and starting to deliver on these investments is the key task for this operational year, in the context of a scheme of detailed consultation and community engagement about the shape these investments should take.
- 2.2 Ulverston Community Enterprises (UCE) was formed as a (not-for-profit) Company Ltd by Guarantee in February 2014. The company formation came in response to a report by CMS & Locality, commissioned by Ulverston Town Council (UTC), into the possibility of South Lakeland District Council (SLDC) handing over the management of various assets in Ulverston to a suitable body. The report received considerable input from UTC members. While the report was commissioned through the Social Investment Business Right to Challenge pre-feasibility grant funding scheme, there was no consideration of going down this legislative path (a feature of the Localism Act 2011), since SLDC had already indicated a strong willingness to engage in dialogue about possible transfer.
- 2.3 Since the formation of the not-for-profit company, there have been a number of developments:
- Ulverston Town Hall has been taken out of the possible set of assets for transfer, and is being disposed of separately by SLDC.
  - UCE appointed a Groundwork Project Officer to support their planning and fundraising until the end of August through grants received from UTC, SLDC and Cumbria County Council.
  - SLDC appointed (from April 2015) a manager for Ulverston Coronation Hall and the Ulverston markets on an eighteen month contract. With the support of partners including UCE the post was widely advertised and SLDC has appointed a manager with considerable experience in the arts and in venue management.
  - The board of the newly formed UCE has done a good deal of work to agree its vision, mission, values and core working principles. These are set out in more detail below. The board has considerable strategic capacity, drawing in expertise from a number of sectors, including small and large retail, technology, accounting and consultancy and the arts.
  - An application for registration as a Charitable Incorporated Organisation (CIO) has been accepted. The intention is that, in the event that when SLDC does agree to UCE taking over the long-term management of Ulverston's Coronation Hall, it

should be this legal entity which takes up the lease, while the existing Company Ltd by Guarantee covenants other trading income generated to the CIO.

- In June 2015, UCE formed an important partnership with Ulverston Town Council and was successful in its application for £10,000 funding to examine more closely the structural condition of and architectural possibilities for a reconfiguration & improvement and (capital permitting) expansion of Coronation Hall and the indoor markets, such that they can generate additional revenue and reduce/eliminate any dependence on cross-subsidy. This pre-feasibility study was completed in August 2015, and could lead to a further application to the same funding programme for a full feasibility study.
- As part of the pre-feasibility phase, UCE engaged in extensive community consultation and engagement. This engagement was both online and face to face at local markets, in the Coronation Hall and door to door in various selected town wards to ensure a broad cross-section of views from Ulverston's various communities. The surveying work was largely carried out by UCE's voluntary board of directors with support for event surveying 'in house' by the Coronation Hall manager, and was also enhanced by support from 'Friends of the Coro'<sup>1</sup> for two street surveys. The results of all these consultation will inform our future plans.
- At the same time, the National Lottery Power to Change funding programme opened for applications. The fund appears to be a close fit with both UCE's objectives and stage of development. For information on this and other future funding potential see appendix '*Grants Sought and Potential Future Funding, November 2015*'.

2.4 Early in the 2016-17 financial year, therefore, UCE faces up to a number of exciting challenges and opportunities. The board is committed to moving forward swiftly and energetically through the steps needed for a successful asset transfer from SLDC, should that be forthcoming.

2.5 Moreover, the board is committed to doing so within the framework of a community consultation and engagement programme which informs our future direction, and whereby we balance a due sense of humility - the appreciation that we do not know everything about Ulverston and about what Ulverston's residents want for their town – with a pragmatic need to make fair judgments and take strategic and operational decisions in respect of the assets we manage.

2.6 In section 3 of this document, we review the context - both local and wider – and set out in particular how this informs our approach to community engagement in what is clearly an 'arts town' as well as a 'market town' whose market is underperforming.

---

<sup>1</sup> 'Friends of the Coro' (cf. <http://www.thecoro.uk/aims/>) was set up to offer voluntary work, fundraising, marketing and consultation support to the owners and managers of the Coronation Hall, Ulverston. It was established in 2014, partly in response to the asset transfer possibilities and a desire by people of the town to 'get behind' the future of this much-appreciated community asset.

- 2.7 This section has been informed by an initial ‘PESTLE’ exercise conducted by the board, in which the political, economic, social, technological, legal and environmental factors relevant to the work of UCE were reviewed and analysed. This preparatory thinking will be further informed by community engagement in the coming months, and will form a basis both for mitigating/enhancing actions and for the adoption of a risk register for the organisation before the proposed asset transfer.
- 2.8 In section 4, we set out the vision, mission, values and working principles as worked through and agreed by the UCE board over the last few months, in such a way as to bring the board, and its diverse talents, together.
- 2.9 Section 5 outlines the current core priorities for UCE, while acknowledging that these, and the range of activities which underpin them, lie open to change and development through our community engagement work which features as a core priority in its own right. It is this section of the plan which will develop - particularly through the course of this financial year - as this one year operational plan, which is largely the product of the board’s initial research and thinking, develops into what we hope will be a genuinely ‘community-owned’ five year business plan. During this period time asset management plans will come to fruition and other project areas will commence as we strive to strengthen the districts creative and cultural reputation and improve both the opportunities and infrastructure of Ulverston.
- 2.10 Section 6 concentrates on the here and now. It covers the tasks, and their timetabling, that will need to be carried out between now and the proposed asset transfer. These tasks include an early application to the Power to Change fund, and possible use of those funds within the April 2015 - March 2016 financial year, though this will depend on the speed of application turnaround by the grant administrators (and of course on it being successful).
- 2.11 Section 7 covers the finance and staffing plans as they stand at the moment. There is no current trading or other financial activity. Notwithstanding the fact that some activity may commence within this year if a Power to Change fund grant is made available early enough for it to be spent in-year (and for it then to generate trading activity as a condition of that grant fund), the focus here is on the income & expenditure necessary to sustain functioning assets from April 2016 onwards in the event of an asset transfer from SLDC to UCE. That is, we present a conservative projection, showing how the assets might be managed in advance of any step changes in revenue resulting from capital improvement works and also, crucially, demonstrating the early interdependence of the assets transferred. This is one of the key areas for discussion with SLDC over the coming months as we prove that there is an appetite and sound rationale for the transfer in line with SLDC’s decision-making timetable.
- 2.12 Appendix A provide a GANTT chart for key operational tasks in 2015-2016, while Appendix B provides details of financial assumptions made, further to the summary

table at section 5. Appendix C provides short biographical details for members of the board, reflecting good existing capacity and range of experience.



### 3 Context, risk and opportunity

3.1 The UCE board spent some time on a 'PESTLE' exercise, in which it has started to review the key political, economic, social, legal and environmental factors which form the context for the organisations development. The PESTLE will evolve and gather detail during this year of operation as we consult and engage, and will then inform both the risk register that the board adopts and the ongoing opportunity analysis we conduct.

3.2 In this section, we review in a little more detail two of these factors and the consequences they may have for our work, both in terms of opportunities and risk.

#### **Austerity and asset management**

3.3 Clearly, by far the biggest factor pertaining to 'common good' assets is the current and ongoing squeeze on the public purse. The purse may further be squeezed as a result of announcements in the July budget of the new government.

3.4 Across the country local authorities and other public bodies have had to face up to cuts in central government support. The need to retain statutory services means that there is huge pressure on budgets for discretionary services, including on the upkeep and management of public buildings. In many cases, local authorities in particular are finding it impossible to justify continued expenditure on public buildings and assets deemed to be loss-making.

3.5 In some areas, local authorities are responding to such pressures by simply disposing of these assets at the best possible price, in ways which may ultimately have harmful effects on the communities in which those public buildings are located. Thankfully, SLDC have chosen to see such assets differently, and to examine if and how assets can be maintained in the long term for the public good. This operational plan forms part of that process.

3.6 SLDC's openness to the possibility of asset transfer to a community organisation rather than open market disposal also reflects the wider policy push by government to encourage and foster such forms of ownership. This creates obvious opportunities for UCE, including access to community building pre-feasibility and feasibility grant monies, to the Big Lottery Power to Change grant designed around community ownership, and to longer term capital grant schemes which now have community ownership and the common good written into their criteria.

3.7 On the other hand, the move towards an expectation of community asset ownership carries risk for an organisation like UCE. This risk is that, over time, the expectation may grow that UCE should take on ever increasing numbers of assets, whether or not they are maintained 'for the common good', and whether or not they may be better off under different ownership and management (or indeed not existing at all).

- 3.8 This creates a challenge for UCE, in relation to its engagement with the community of Ulverston, of establishing criteria around what is a genuine ‘asset’ to Ulverston and how these relate to UCE’s core organisational priorities (see section 4). Thus, and perhaps as the most relevant current example, the car parks which form part of the ‘equation’ in this operational plan should arguably be regarded first and foremost as assets, in that they allow footfall in the town and town centre vitality, as opposed simply to their being a revenue stream to support other more obvious assets like the Coro.

### **Ulverston as ‘arts town’ and ‘market town’**

- 3.9 Ulverston town centre has two key features. It is a town known for and with its own sense of arts and culture - inclusive of the festival calendar – and it is an established market town, with both a livestock market and indoor and street market (though there is now little connection between the livestock and other markets). The development of these assets is a key priority for not only UCE but also for the newly formed Ulverston Business Improvement District (BID). The Bid will support new initiatives that will broaden the current offer and support the development of the markets.
- 3.10 The performing arts run deep in Ulverston, reflected for example in the name Theatre Street – not where the Coro is located, but the home at one time of one of Ulverston’s four theatres.
- 3.11 An obvious strategy for Ulverston therefore, and UCE in support of the community of Ulverston, is to build on this existing strength. There is, however, a risk side to this, and this is that a ‘cultural regeneration’ strategy may exacerbate existing inequalities if preventative steps to ensure an inclusive approach are not taken from the start.
- 3.12 UCE has committed itself to such inclusive development, recognising (not least in its recent PESTLE exercise) that there is a risk of ‘two tier’ development in a town which has quite marked inequality in income and opportunity<sup>2</sup>. Such a risk is likely to be further exacerbated by the population growth in coming years, with the (welcome) Glaxo Smith Kline development due to attract a number of relatively well-paid jobs to the area with possible knock on consequences for housing costs in particular. UCE is aware that while this is likely to be a boon for the cultural economy in which it will play a significant part, it may also create internal divisions in the town if pro-active steps are not taken to address this risk.
- 3.13 This is not to suggest in any way that Ulverston, and within it UCE, should not play to one of its greatest strengths, its status as a ‘town of arts and culture’. While Ulverston also has a relatively vibrant market scene (though currently in need of rejuvenation) – and while residents certainly take pride in its market town status and ‘feel’- its greatest selling point is not currently as a ‘market town’.

---

<sup>2</sup> Just as one simple indicator, the Indices of Multiple Deprivation show one Lower Super Output Area in the town in the 3<sup>rd</sup> most deprived decile in England, with one immediately adjacent in the 9<sup>th</sup> decile (so second most affluent).

3.14 Thus, while market footfall may feed into footfall in the Coro over time, for the most part the flow (and new footfall) is likely to remain the other way round at least in the medium term – with visits to the markets incidental to arrival in the town for arts and culture purposes except for specialist markets such as the (currently annual) food festival recently held.

3.15 In terms of building on good practice in (inclusive) town development, the best comparator towns may be less other small market towns, and more seaside towns which suffered from the radical changes to the tourism industry in the 1970s & 1980s, and which have sought a path to regeneration through the development of cultural facilities (Kennell, 2011)<sup>3</sup>. While the challenges facing these towns are more structural than the ones now facing Ulverston and its key cultural facility - a radical change in the economy rather than cuts to local government grants – the way in which those challenges have been faced may well be instructive.

3.16 The important lesson that might be drawn from the experience of towns such as Margate, where cultural development has had some success, is:

By making use of their unique cultural heritage, seaside towns may be able to plan for the positive economic impacts of cultural regeneration and limit the negative social impacts that a reliance on culture can bring to a regeneration scheme. The specific case of cultural regeneration in seaside towns provides a perspective from which to critique the more common practices..... and suggests that cultural regeneration which builds on local cultural heritage, even if that involves recognising and incorporating aspects of decline, may help policy makers and practitioners to avoid potential pitfalls and help to deliver successful outcomes. (op cit. p.377)

3.17 What this means in practical terms for UCE is that prospective development such as the possible new income-generating space at the Coro, and possible investment in new productions (see below) should as far as possible be planned through a participatory process right from the start. This is in keeping with its articulated values. Failure to do so, and a failure to be seen to do so, may create path dependencies, whereby those feeling themselves excluded from “the new Coro” will feel increasingly so. This is a matter to which the new Coro manager is already showing himself to be well attuned.

3.18 Thus, any architectural scoping (see below) will need be accompanied by a community engagement process, in liaison with the Manager of the Coronation Hall and with the Friends of the Coro group, whereby information is gathered on what people currently value about the Coro, how they would like to see it used in the future given the financial constraints, and what income generating uses should be accommodated. We already have some evidence of the value local people place in

---

<sup>3</sup> Kennell J (2011) Rediscovering cultural tourism: Cultural regeneration in seaside towns, *Journal of Town & City Management* Vol. 1, 4 364–380 (open access)

the Coro from the questionnaire we distributed to inform our pre-feasibility. Over 1,000 local people responded, 92% of whom supported or strongly supported the transfer of assets to a community enterprise. Furthermore, 97% of respondents said that the Coro was important or very important to the town. In any event, any major capital funding or loan investment application is likely to require good evidence of both need and community consultation.

- 3.19 Such considerations have been built into the operational plan for 2015-2016, in which the need to move forward quickly with the 're-imagining' of the Coro is acknowledged; not only is the Coro the current loss-maker amongst the assets SLDC are considering for transfer, and therefore the asset most in need of investment intervention, it also represents the best opportunity to move forward at pace with UCE's vision.
- 3.20 The single biggest factor in whether or not the business case for external funding/investment 'stacks up' is likely to remain whether an annex to the Coro can generate income of the scale needed to sustain it in its own right, without cross-subsidy (or continuing grant dependency of the type which is no longer viable).
- 3.21 The good news is that, thanks to the efforts of the Groundwork Project Officer (currently funded by UTC, SLDC and CCC) for development work in Ulverston and Ulverston Town Council, £10,000 is available from the SIB/Locality Community Buildings pre-feasibility fund - more or less immediately when the grant is formally signed off - to begin scoping this in some more detail. This grant will cover a) initial architectural and structural scoping (which will also include review of options for better income generation from existing space; b) community consultation of the type outlined above; c) some competitor analysis in liaison with the Ulverston BID.
- 3.22 While initial thinking is focused on the development of a café bar area, it may be wise at this stage not to rule out other options, such as managed workspace, especially where such space is marketed around the 'clustering' of creative industries in the town, with some thought also given to how a venue manager with long experience in the arts<sup>4</sup> might also act in some form of mentoring role to traders/firms looking to access the arts and culture supply chain locally and regionally. VAT & PAYE business data from National Statistics<sup>5</sup> already suggests (unsurprisingly) a higher concentration of firms in the Arts, Entertainment and Recreation classification than for the whole of South Lakeland, and it may be that this can feed into expansion and new business formation via work with the Ulverston Business Alliance etc.), and the conscious creation of a supply chain cluster.
- 3.23 Of course, 'reimagining' the Coro goes beyond the creation of an income generating Annex, and even establishing how underused spaces might be converted into other lettable office accommodation. The Coro is, ultimately, a theatre, and a cultural

---

<sup>4</sup> Of course it is recognised that the current venue manager is on a short term contract and is not based in Ulverston, but the kind of capacity indicated might form part of a future person specification.

<sup>5</sup> ONS, Business: Local Units by Broad Industry Group , South Lakeland, Middle Layer Output Areas 012 (most recent data, March 2013).

regeneration strategy will need to look at how UCE increases the quantity, quality and diversity of performing arts production. It has already taken the first important step in this by liaising with SLDC on the recruitment for the fixed term manager post, and the new manager is firmly from an arts and theatre background.

- 3.24 Even before this appointment, Locality & CMS had suggested, in its earlier report, the need for a promotional budget, and this now fits closely with the aspirations of the new manager to draw in new productions, using his existing networks, understanding of what makes performing artists and groups (including bands) “tick” when it comes to planning tour venues, and the development of collaborative approaches around this with other venues in the sub-region (Lancaster, Barrow, Kendal and Millom have been spoken with to date, though with no clear outcomes yet).
- 3.25 In the coming few weeks, opportunity meets need in the form of the first, ‘experimental’ round (£9m in total) of the lottery funded Power to Change programme, already identified by trustees as a funding source where its criteria and our plans are broadly aligned.
- 3.26 The complicating feature of the current fund criteria is that community enterprises which are not currently trading must be in a position to do so within 6 months of the award of the fund. With a short application window (likely to close as soon as enough quality applications are in) and a fairly quick decision-making process, this may mean that to be compliant UCE would need to be in a position to trade even before the earliest date for asset transfer (April 2016), so would need to negotiate a position where income generated via this route can come into the UCE coffers ahead of transfer date (not an uncommon feature of such handovers as it allows for necessary cash flow).
- 3.27 With this in mind, the board has provisionally agreed to a bid to the Power to Change programme for the following resources (though this will be firmed up in consultation with Coro and other staff, as well as SLDC management as appropriate):
- A member of staff, employed by UCE, to oversee new business development;
  - Funding, as recommended in the Locality & CMS report, devoted to human resources, employment law and legal advice to assist UCE (and by proxy) SLDC through the asset transfer (N.B. other local trust funds are being sought for this also, and inclusion in the Power to Change bid will depend on outcomes from these applications);
  - A contribution towards the redevelopment of the Coronation Hall to create a community and cultural hub.
- 3.28 Early funding of this type would potentially get UCE off to a flying start not just in terms of income but also local reputation. While we cannot know what the likelihood of success is for this pilot programme, from which lessons are to be learnt for the main programme, the fact that UCE has a very strong board with a clearly articulated mission and vision will certainly stand it in good stead, especially if the

bid can be set in the context of broader strategies for inclusive culture-led regeneration (see above).

- 3.29 If unsuccessful as a pilot project, a further application can be made at the end of 2015 when the main programme commences (if the programme timetable is kept).
- 3.30 Beyond this, and beyond the architectural scoping and costing phase now in hand (with a stage 2 feasibility to come), comes the hard graft of bidding for capital, whether this be in grant, loan or equity form.
- 3.31 Clearly, a grant without repayment has its attractions, and a Heritage Lottery Fund application, in advance of other 'pots' seems to be a reasonable route if, as above, UCE can really sell the capital need in the context of a wider, inclusive cultural strategy as well as in straight value for money terms. However, the board may feel it wise not to put all or most of its eggs in one basket, and also start to investigate other investment routes, such as the RBS social enterprise fund, Big Issue Invest. With interest rates anywhere between 6% and 9% this clearly comes with its costs, but it also allows greater management flexibility and, if needed and agreed, a bigger initial resource base. Timelines may also be shorter.
- 3.32 The Locality & CMS report also cover community share possibilities, making a comparison to the Hastings Pier renovation, but such an option must be looked at in the context of a very different town population size. The other option the board may want to look at are the equity options available under CIO/CIC status. While it may currently seem a little far-fetched, some networking with e.g. the fairly recently established Theatres Trust might throw up some options for philanthropic venture capital on the basis of the Coro's singularity as well as UCE dynamism and ethos of inclusiveness.
- 3.33 In terms of next steps and opportunities, this leaves the markets, currently making a small surplus, and the car parks, for consideration.
- 3.34 Two Trustees, the Market Manager and the Clerk of the Town Council attended the Annual Conference of the National Association of British Market Authorities on July 1<sup>st</sup>. Following this we will be considering the recommendations of the Quarterbridge Report commissioned by SLDC in 2008 but still very relevant to today's markets. We will also consider incorporating some improvement works (further to technical advice on green technologies from Cumbria Action for Sustainability) into Coro-focused and Market Hall focused bids.
- 3.35 In respect of the car parks, the important point to re-emphasise from UCE's existing visioning work is that they should not be seen solely as a 'cash cow' used to meet the Coro operating deficit. Rather they should be seen as a key asset to facilitate footfall in the town, with a possible objective (depending on research) to reduce parking costs over time. This will include further promotional-cum-research initiatives such as 'free after 3' trials.

3.36 Further consideration is given to the possible transfer of car parks in the finance section below.

## **4 Vision, mission, values and working principles**

4.1 The UCE board has done a good deal of work in recent months on identifying what and how it can best contribute to the common good in Ulverston. The agreed statements of vision, mission, values and working principles result from this work, and inform the current operational plan.

### **4.2 Our vision**

**That people of all ages love and value Ulverston as a town of variety, worth and creativity.**

Ulverston will be a vanguard of localism, where people get involved in a range of ways in how the town runs its assets and its services. The range of wonderful initiatives and groups in Ulverston will be better connected and people will feel they have a stake in the core amenities and services of the town, breathing life into them where and when this is needed.

The town will be a place which people go out of their way to visit, not just during festivals, but all year round. And there will be a culture in the town where ideas are welcomed, where people help one another, where there's a buzz on the streets, and Ulverston is once again a market town of substance.

The Coronation Hall will be the Community, Cultural and Civic Centre of the town, used and enjoyed by all of Ulverston's citizens and encouraging visitors to a wide variety of cultural entertainment.

### **4.3 Our mission**

**To reclaim Ulverston's assets for the common good**

UCE will work with other groups and individuals to take on the assets, services and amenities of the town and then ensure they are run and managed in a creative, economically sustainable way which draws on local skill and talent wherever possible.

These assets and services may be large or small, and may come in various forms. They may be buildings (such as the Coro), trading events (such as the markets) or publically useful spaces (such as car parks). UCE will seek to support the transfer of assets as opportunities arise and/or if they are felt to be vital for the fulfilment of its core values and priorities.

As part of its development and community engagement work UCE will establish assessment criteria which help it decide whether or not it should seek to get an asset or service transferred and overseen by UCE, and then managed on behalf of the community.

### **4.4 Our values**



These lie at the heart of what we do and why we do it.

- **Sustainability:** we want to leave Ulverston and the environment in better shape for future generations.
- **Taking responsibility:** we value 'getting stuck in' and taking responsibility for what happens.
- **Independence:** we value an ability to think for ourselves and will draw on local talent, energy and skill wherever possible.
- **Creativity:** we value the creative energy which exists in the town and its capacity to transform lives and environments.
- **Resilience:** we value an ability to weather change, adapt and thrive.
- **Respect:** we value the past, present and future of Ulverston and kindness and consideration as a way of engaging.

#### 4.5 Our core working principles

Our core working principles are both practical and aspirational. They inform how we want to approach all our work, from how we act as a board, treat partners, volunteers and any staff, approach and plan our work and take forward our consultations and projects. They are:

- **Competency.** We will work in a professional manner and engage with experts in the field in order to achieve our goals.
- **Evidence-based.** We are committed to collecting as much information as we can to understand what is needed in the town, inform our choices and show the impact of what we do.
- **Collaborative.** We will work with other groups and individuals to learn from them, understand their needs and ideas, pool resources and avoid duplicating effort.
- **Flexibility.** We are prepared to adapt, change and go in new directions and accept that this brings some risk.
- **Openness.** We are committed to letting people know what we do and giving them opportunities to tell us what they think, to engage with us and to challenge us.

## 5 Core priorities

- 5.1 UCE's current core priorities are described in outcome terms. Longer term success will on keeping all of these outcomes in view, thinking each through and identifying synergies between each.
- 5.2 What follows are the board's current agreed core priorities. Clearly, these will not be achieved within this operational period, but provide a guide to the community engagement process and will inform the five year business plan developed within the current year (see section 6).

### **OUTCOME ONE: To increase footfall in Ulverston town**

- 5.3 Early actions will include:
- Creation of a set of baseline measures from which we can measure any increases in footfall, including car park usage, Coro usage, kiosk data, sample of shops as proxy measures for the town & market footfall;
  - Research and identification of key barriers to people coming into and visiting the town, including through door-to-door and town centre questionnaires and online approaches.
  - Explore with the BID and UTC experiments with car parks to increase usage of underused car parks through short stay options, lower pricing and free after three experiments.

### **OUTCOME TWO: Ulverston benefits from more visitors and tourists**

- 5.4 Early actions, in conjunction with partners e.g. Ulverston BID are likely to include:
- Study of market segmentation of visitors and tourists in order to devise strategies which reach as many as possible e.g. day trippers, festival goers;
  - Identify what the core attractions of Ulverston are (events, festivals, market town 'experience', specific sites e.g. the Hoad);
  - Development of an accommodation and 'staying in Ulverston' website;
  - Think through opportunities for cross- visiting between events, festivals and town;
  - Improve car-parking signage;
  - Improve toilet facilities in the town;

- Identify promotional opportunities and create materials (including virtual) which fit these;
- Liaise with UTC, BID, SLDC and Ulverston Community Partnership Marketing Group around further initiatives.

### **OUTCOME THREE: A 'reimagined' Coro**

5.5 As an early, high visibility asset project and essential aspect of the overall success of UCE, this is covered in more detail within the operational plan for this year (section 6), and the key risks and opportunities have been covered in some detail in section 3.

### **OUTCOME FOUR: Revitalised Markets**

5.6 Early actions are likely to include:

- Creation of a Market manager to establish current baseline of how market operates, stores goods etc.
- Revisit Quarterbridge Report commissioned in 2008 by SLDC to consider implementation of recommendations which would increase footfall.
- Consultation on what the 'right market offer' is in Ulverston and on the potential uses of the Market Hall, with a view to how the markets might over time be integrated into the 'arts and culture offer' of Ulverston as a whole. Consultation will be with the public, market traders, both indoor and outdoor, SLDC experts etc.;
- Identify potential barriers to market improvements which may come up e.g. covering stalls; insurance; stallholder fee levels; publicity; Parking; carrying goods from drop off; advertising and attracting new stalls;
- Work with Ulverston BID as they develop their plans to improve the town's markets, a priority identified by Traders in the Town to increase footfall.

### **OUTCOME FIVE: Community engaged and involved**

5.7 UCE's initial PESTLE and other development work has highlighted the need for extensive community consultation and engagement, and this has been covered at section 3. The board sees the fulfilment of this outcome as underpinning all other outcomes, and as part of its further business planning work will establish measures whereby it can take assurance that the community is being genuinely engaged.

### **OUTCOME SIX: New ideas and projects provoked**

5.7 While the current operational plan focuses on three main assets, UCE is committed to remaining open to other initiatives that fit with its mission, vision and its values.

Such ideas are likely to emerge both from community engagement in the context of initial delivery - as the community starts to trust and engage – and as a result of the wider context of austerity, likely over time to provide a ‘push’ of assets from public bodies to community organisations. As noted, one key challenge is for UCE to establish criteria, related to its vision for the ‘common good’ for the kind of asset which it might want to seek to manage.

**OUTCOME SEVEN: Sustainable, stable and engaged model for localism established**

- 5.8 UCE aspires to be a learning organisation, which both adopts and helps to develop good practice in the field of localism, sustainability and inclusive engagement. We will seek to engage with wider networks, and to help build a model for 21<sup>st</sup> century localism and community ownership.

## 6 Operational Plan 2015-16

### 6 Overview

- 6.1 A GANTT chart is provided at Appendix A, showing how the various tasks run both concurrently and consecutively over the 2015-16 financial year. Here the main task areas, over and above what needs to be done to bring any new non-profit organisation into stable, well-governed being, are reviewed in a little more detail. These reflect particularly the opportunities now presenting themselves in respect of the Coro, as set out in section 2 (context).

#### **Scoping and funding**

- 6.2 The first main push over the summer of 2015 will be around the development of income generation potential for the Coro.
- 6.3 First, the £10,000 now available from the community building pre-feasibility funding programme will be deployed on architectural and surveying services which, in conjunction with our initial engagement work, will outline possibilities for the Coro. With these results in hand, we are likely to move directly towards a full community buildings feasibility application which, if successful, will release up to £40,000 to bring capital investment plans to planning permission point, and will enable us then to commence capital investment bids and/or negotiations with social investor.
- 6.4 Concurrent to this we will submit an early application to the Power to Change fund (value and scope to be determined in consultation) which will resource additional programming, alongside other improvements, in the current building fabric at the Coro, looking to maximise the return on the decision by SLDC to appoint an experienced arts venue manager to the current post. Early results from this revenue input will also inform further work on capital development.

#### **Community engagement**

- 6.5 As set out at section 3 above, the development of our arts and culture offer, as reflected in the proposals for the re-imagining and rejuvenation of the Coro, provide for both opportunity and risk. It is essential that Ulverston residents (and businesses) are involved from the outset, and a phase of community engagement will run in tandem with the architectural scoping (see above), such that there is active engagement from all areas of town and an early sense of ownership – itself generated by the Friends of the Coro membership - is sustained.
- 6.6 Community Engagement is also core to our development of the indoor and outdoor market and future specialist markets. A more positive car parking charge policy would contribute to greater footfall at both regular and special events. Community Engagement will also be important to raise awareness that the car parking charges will be supporting local services in Ulverston.

- 6.7 Groundwork staff will support this largely volunteer led work, which will be both in-person (house to house, market stalls etc) and digital. Active community engagement at this stage will strengthen chances with further funding applications e.g. the community buildings full feasibility application requires evidence of detailed community consultation.
- 6.8 Beyond this, UCE will seek to engage the community further so that the five year business plan gains a good deal of community ownership. This business plan will build on the current operational year's experience of consultation to set out future direction and commitments to community-focused governance.

### **Financial management, policies & procedures**

- 6.9 By the end of the current financial year, at the point of proposed asset transfer, a full five year financial plan for income & expenditure and cashflow will be in place, alongside procedures and standing order for monitoring budget vs expenditure etc. In order to manage this process towards independent management of the assets, staffing consultations and review will need to take place in the Autumn 2015 to ensure that staff skill mix is appropriate to the new circumstances. This will entail support around employment law and possible recruitment.

### **Evaluation**

- 6.10 As a social enterprise, it will be important for UCE not only to consider its bottom line, but to evaluate its wider social benefits for the community it seeks to serve. We will build into our operational plan an evaluation approach based on the Social Return on Investment methodology.<sup>6</sup> We have two people on the board who are professional evaluators of not-for-profit organisations and will be able to undertake this work in-house.
- 6.11 At this stage we envisage using the following core metrics to help us evaluate the impact of our work:
- Footfall in the town centre, measured by a sample of traders and by numbers of cars parked
  - Visitors to the Coronation Hall
  - Use of the Coronation Hall by community groups
  - Number and nature of events targeted at improving confidence, skills and knowledge of under-privileged or disadvantaged groups
  - Opportunities created for young people to gain work experience or life skills
  - Number of new jobs created
  - Number of local entities involved in the UCE supply chain, and value of business with local suppliers

---

<sup>6</sup> The Cabinet Office (2009), *A Guide to Social Return on Investment*

## 7 Financial projections and assumptions

7.1 Table 1 below provides a summary five year projection for UCE based on transfer of three key assets from SLDC: car parks, indoor and outdoor markets, and the Coro. The financial projections illustrate the importance of the three assets working together both to create a viable business entity and to drive increased visitor numbers and turnover for the Coronation Hall and markets. In turn, a thriving Coro and markets, supported by flexible car parking facilities and charging, will make a critical contribution towards a strong local economy and the growth of social capital.

7.2 Our aims in creating a new community focused business are reflected in the projections we are making about income and expenditure over the next five years. Our financial aims in taking on these three assets are to:

- Increase visitor numbers and income for the Coronation Hall through improved programming, more creative and systematic marketing and advertising / sponsorship. We have not factored in charitable grants, as these are not yet secured. However, we believe we will be able to secure grant income to support the work of the Coro in future, and in particular innovative and inclusive community arts projects.
- Reinvigorate the markets, and thus increase income, by attracting more stallholders offering a variety of goods. We will implement some of the recommendations of the Quarterbridge report and will undertake our own community consultation to update our knowledge of how town centre markets would best meet customers' needs.
- Use the car parks to help increase footfall. We have budgeted for a year on year decrease in car parking income, to reflect our aspiration to introduce experimental special offers and discounts which will encourage people to come to the town centre. Overall, this approach will, we hope, result in increased turnover and margin.
- Increase turnover and surplus each year as a result of our investment in new roles with marketing and business development responsibilities. Overall, maintain a surplus of between 10% and 13% of income each year, which will be reinvested into a programme of capital improvements to the Market Hall and Coronation Hall.

**Table1: Ulverston Community Enterprises Five Year Financial Projections**

	<u>2016/17</u>				<u>2017/18</u>				<u>2018/19</u>				<u>2019/20</u>				<u>2020/21</u>				
	CIO (Coro)	Car parks	Markets	TOTAL	CIO (Coro)	Car parks	Markets	TOTAL	CIO (Coro)	Car parks	Markets	TOTAL	CIO (Coro)	Car parks	Markets	TOTAL	CIO (Coro)	Car parks	Markets	TOTAL	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
<b>INCOME</b>																					
Total income	147,010	304,768	108,250	560,028	159,325	290,163	119,903	569,390	173,370	276,287	131,443	581,101	179,617	268,379	135,431	583,427	186,163	260,707	139,544	586,414	
<b>TOTAL INCOME</b>	<b>147,010</b>	<b>304,768</b>	<b>108,250</b>	<b>560,028</b>	<b>159,325</b>	<b>290,163</b>	<b>119,903</b>	<b>569,390</b>	<b>173,370</b>	<b>276,287</b>	<b>131,443</b>	<b>581,101</b>	<b>179,617</b>	<b>268,379</b>	<b>135,431</b>	<b>583,427</b>	<b>186,163</b>	<b>260,707</b>	<b>139,544</b>	<b>586,414</b>	
<i>Percentage increase in turnover</i>					8%	-5%	11%	2%	9%	-5%	10%	2%	4%	-3%	3%	0.4%	4%	-3%	3%	1%	
<b>EXPENDITURE</b>																					
Salary costs	168,205	7,441	30,101	205,747	169,887	7,441	30,402	207,730	171,586	7,441	30,706	209,733	174,160	7,441	31,166	212,767	176,772	7,441	31,634	215,847	
Other administration costs	42,460		4,090	46,550	40,766		3,614	44,380	41,077		3,638	44,715	41,500		3,663	45,163	41,931		3,689	45,620	
Premises and running costs	37,780		44,067	81,847	38,108		44,436	82,544	38,440		42,861	81,302	38,907		40,304	79,211	39,381		40,518	79,899	
Café and bar costs	0			0	0			0	0			0	0			0	0			0	
Maintenance costs	30,000		22,543	52,543	30,060		22,543	52,603	30,121		22,543	52,664	30,212		22,543	52,755	30,306		22,543	52,849	
Car park running costs		115,800		115,800		115,800		115,800		115,800		115,800		115,800		115,800		115,800		115,800	
<b>TOTAL EXPENDITURE</b>	<b>278,445</b>	<b>123,241</b>	<b>100,801</b>	<b>502,487</b>	<b>278,821</b>	<b>123,241</b>	<b>100,995</b>	<b>503,057</b>	<b>281,224</b>	<b>123,241</b>	<b>99,748</b>	<b>504,213</b>	<b>284,779</b>	<b>123,241</b>	<b>97,677</b>	<b>505,697</b>	<b>288,391</b>	<b>123,241</b>	<b>98,384</b>	<b>510,015</b>	
<b>PROJECTED SURPLUS/(DEFICIT)</b>	<b>-131,435</b>	<b>181,527</b>	<b>7,449</b>	<b>57,541</b>	<b>-119,496</b>	<b>166,922</b>	<b>18,908</b>	<b>66,334</b>	<b>-107,853</b>	<b>153,046</b>	<b>31,695</b>	<b>76,889</b>	<b>-105,162</b>	<b>145,138</b>	<b>37,755</b>	<b>77,730</b>	<b>-102,228</b>	<b>137,466</b>	<b>41,161</b>	<b>76,399</b>	
Margin	-89.4%	59.6%	6.9%	10.3%	-75.0%	57.5%	15.8%	11.6%	-62.2%	55.4%	24.1%	13.2%	-58.5%	54.1%	27.9%	13.3%	-54.9%	52.7%	29.5%	13.0%	



7.3 The detailed financial model upon which these projections are based is provided as an Excel spreadsheet so that assumptions and methods can be reviewed fully. The key points to make about the projections as set out here are:

**a) Asset transfer**

7.4 These figures assume the transfer of all of Ulverston’s car parks, which between them generate in the region of £300,000 per year in revenue at current charging rates.

7.5 Clearly, this aspect of the proposed overall asset transfer is likely to generate significant discussion with SLDC, but we believe such a transfer, whereby the day-to-day management is ‘outsourced’ back to SLDC (this is built into the financial model), is justified by the need to establish UCE, in advance of major applications for capital investment e.g. Heritage Lottery Fund, as a credible organisation with a stable revenue bases and reserve level in keeping with its expenditure. Conversely, an organisation starved of revenue in the first few months post- asset transfer may find it difficult to build momentum towards investment and appropriate expansion.

**b) Staffing costs**

7.6 Staffing costs have been projected on the basis of a new staffing model and costs set out in the financial model included as Appendix B, which incorporates new central management costs for a stand-alone business. These amount to £205,747 in year 1, to be compared with the £196,277 first year costs for direct staffing in the event of a simple rollover of all current SLDC staffing, which is inclusive of the new Coro and Markets manager salary but which are exclusive of SLDC management costs.

7.7 We believe investment in the right staffing structure will be key to making the improvements we see as necessary to turn the Coronation Hall and markets from the ‘flat-line’ state they are now in, to thriving businesses. We will keep the achievement of this aim under review and take corrective action if our investment is not resulting in the desired increase in income.

7.8 As set out above, bids have been submitted, and provision will be made in the Power to Change funding bid, for legal and employment law support to firm up this important area of transition. Clearly the aim will be to ensure optimum efficiency around costs while also being aware of the need for staffing continuity, which will be important both in terms of business performance and local reputation.

**c) Capital & revenue investments and subsequent income**

7.9 At this stage, no ‘step change’ assumptions have been made either in terms of revenue grant funding e.g. the Power to Change fund application or income generated as a result of capital development works e.g. enhanced food retail offer at the Coro, although some additional income has been projected from the successful

new arrangement with the Sun Inn for bar management. Other costs and income are largely rolled over from existing SLDC projections.

- 7.10 By the time the five year business plan is developed and agreed by the board in early 2016, we will have much clearer projections on how possible grant revenue from the Power to Change funding programme will feed through into increased revenue from the Coro and to a lesser extent the markets, even in the absence of capital funding for the Coro to make it a better income-generating overall space. We will also have detailed plans and costings for capital bids, developed in the light of community engagement around the 're-imagining of the Coro', and from here will be in a much better position to project future additional income generated and how this will interact with the overall business projections.
- 7.11 At this stage, our intention is simply to indicate that, even with quite conservative projections for future income, the overall asset transfer is financially viable and sustainable over the medium term.

**d) Income & expenditure and cashflow**

- 7.12 The summary projection above and in the accompanying appendices are for income and expenditure. An important feature of our financial planning in the coming months will be to ensure that, at the point of taking on major expenditure commitments, UCE also finds itself in a comfortable cashflow position. Such considerations will be a feature of the Power to Change fund application, along with discussions with our bankers and with SLDC.

## **Appendices**

A – GANTT chart

B- Financial projections (Excel spreadsheet attached)

C – Board member biographies

D – Quarterbridge report on Ulverston markets (PDF file attached)

## A GANTT chart showing key task areas for 2015-16

Ulverston Community Enterprise	Operational plan 2015-2016											
TASK AREA	April	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March
Initial PESTLE exercise	█	█										
Application for Locality pre-feasibility	█	█										
Funding applications for legal and employment law support		█										
Drafting of 2015-16 operational plan		█	█									
Power to Change Funding application			█									
Research on markets improvement				█								
Initial community engagement around Coro & Markets				█	█	█						
Architectural & surveyor initial review of assets & possibilities				█	█	█						
Agree logo & branding material design						█	█	█				
Community buildings application for full feasibility					█	█						
Retention of legal & employment law support							█					
Community buildings feasibility study							█	█	█			
Staffing consultations							█	█	█			
PESTLE refinement through stakeholder engagement								█	█			
Power to Change funding investment & project								█	█	█	█	█
Commencement of CIO trading operation											█	█
Further community engagement phase											█	█
Capital grant and investment bidding commences											█	█
Finalise staff contracts											█	█
Agree standing financial orders, policies & procedures											█	█
Agree/appoint accounting & payroll services											█	
Drafting of five year business plan incl I&E and cashflow												█
Board agreement on risk register												█
Final lease negotiation and transaction												█

## C Board member biographies

We are the Board of Trustees of Ulverston Community Enterprises. We possess a formidable range of skills and we have the commitment and determination to make the resources and facilities of Ulverston work for the town and its visitors. Our Board comprises

**Caroline Welch** is Central Operations Manager for The Factory Shop, responsible for two hundred shops throughout the UK and two thousand staff. She has been working in the retail sector for twenty-five years. She is also an experienced conference organiser and publicist.

**Ceri Hutton** has worked in the social justice (charity) sector for 30 years with various hats on, and now works with local, national and international not-for-profit organisations doing research and evaluations, developing business plans and strategy and advising on development. She is a member of the Civic Society and Ulverston Outsiders.

**Chris Loynes** is currently a Reader in Outdoor Studies at the University of Cumbria and an Educational Advisor. He previously directed a not for profit educational business in Penrith. He is active in pursuing Alternative Energy solutions, local supply chains and environmental matters.

**Gavin Knott** is the owner of Appleseeds Health Store on Market Street. He is also Group Scout Leader for the 2nd Ulverston Scouts and is on the Board of the Ulverston BID, a recently set up town development organisation

**Gordon Jones** was a professional recording and touring musician for 20 years and was recently inducted into the Scottish Traditional Music Hall of Fame. Still manages and produces for an independent record Company. Chair of Furness Tradition, board member of Friends of Coronation Hall and for 6 years a Trustee of a national music and arts based charity.

**Jacqueline McCloy** has been Finance Director at Trittech International Ltd since 2009. She is also on the Board of the Ulverston BID and is active in promoting the town as a great place to work and live. She is a Fellow of the Chartered Institute of Management Accountants.

**Janette Jenkinson** a Councillor on Ulverston Town Council and South Lakeland District Council. She has served as Mayor of Ulverston twice and in 2005/2006 was appointed Chairman of the District Council. She has been appointed to serve on several local organisations including Ulverston Traders Association, Ulverston Community Partnership and The Townland Trust. She is particularly interested in the economy of the area and the health and wellbeing of its residents.

**Judith Pickthall** has served on Ulverston Town Council for ten years, and was Mayor for 2013-14. She has Chaired of Marketing & Enterprise and Ulverston in Bloom for the last six years. In a previous life she was headteacher of an 11-16 Comprehensive School, co-ordinated two Excellence Clusters in Lancashire and project managed the building and opening of two new Children's Centres for that County.

**Julie Hammerton** is a professional Arts Practitioner providing funding and creative support to artists and projects throughout the North. She has set up and run several creative industries, including Barracudas Limited, and also works as Company Manager of Evergreen Joiners Ltd.

**Keith Butcher** has lived in Ulverston all his life. He is Chair of South Cumbria Music Festival, an annual event, now in its 39th year, and which has become one of the most respected competitive music events in the country.