

APPENDIX I

STAKEHOLDER INTERVIEWS

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Name	Position
Liz Nicholson	Corporate Director – Children and Young People’s Services Shropshire County Council
Nick Taylor	Assistant Director (Economy and Strategy) Shropshire County Council
Graham Biggs	Chief Executive South Shropshire District Council
Samantha Hine	Regeneration and Partnerships Manager South Shropshire District Council
Lisa Bedford	Regeneration Officer South Shropshire District Council
Bill Jones	Director and Deputy Chief Executive, Environmental/Technical Services South Shropshire District Council
Iain Skewis	Chief Executive Enterprise South West Shropshire
Mike Ashwell	Centre Manager Enterprise South West Shropshire
Grant Perry	Chairman Bishop’s Castle Lifeline Company Limited
Terry Hunt	Principal Community College at Bishop’s Castle
Gwyneth Owen	Centre Manager SpArC Centre
Janny Phillips	Community Co-Ordinator at the Community College
Heather Kidd	Leader of the Council South Shropshire District Council
Andrew Shannon	Principal Education Finance Officer Shropshire County Council
Alan Penton	Sports Development Officer Shropshire County Council
Jane Carroll	Mayor of Bishop’s Castle

STAKEHOLDER INTERVIEWS

In order to ascertain the views of key stakeholders on the proposed local regeneration company, a series of interviews were conducted using a standard interview proforma in order to shape the discussion. These are set out in detail below. Interviewees fell into three groups:

- County Council Officers (4)
- South Shropshire District Council Officers and the Council Leader (5)
- Representatives of organisations based in South West Shropshire (7)

County Council Officers

County Council interviewees included Liz Nicholson, Corporate Director – Children and Young People's Services; Andrew Shannon, Principal Education Finance Officer; Nick Taylor, Assistant Director, Economy and Strategy; and Alan Penton, Sports Development Officer.

Discussion with Liz Nicholson and Andrew Shannon focused upon SpArC and its relationship with the school and with the proposed local regeneration trust. It was explained that the Community College is given a delegated budget which includes £25,000 for the use of the SpArC facility by schools during the school day. The SpArC building belongs to the County Council, with only limited public access in the day as the centre is seen as an integral part of school facilities. The school governors have a say on the use of the centre in the school day.

While the management of SpArC is seen as a facility which is an integral part of school provision, there is the possibility that its management could be transferred to a South Shropshire or Shropshire wide leisure trust. It would then qualify for a 100% exemption from business rates, which would enable more money to be retained to either reduce operating deficits or provide additional facilities. The advantage of a local trust, apart from rate relief, was seen to be cost savings from sharing administrative costs, dedicated leisure centre management expertise and the capacity within the trust of covering for staff absences by using staff from other centres. The option of SpArC being part of a local leisure trust was favoured over it being part of a local regeneration company. It was, however, accepted that whatever overarching structure was adopted, there was a need for local input, probably by the vehicle of a local management committee. It was thought that if a local regeneration company were to be created in Bishop's Castle then the company could be represented on the management committee.

The County also provided £14k a year for leisure activities to promote social links for the ageing population of the area. The money is paid through the County's grant to Enterprise South West Shropshire but neither body sets down how it is expected that the money will be used. The demountables from which the leisure activities were run, it was felt, needed to be retained as they are available to rent and have a varied use by the community.

It was stressed that if a local regeneration company were to be established, the headteacher and the school governing body needed to be represented on it. The headteacher currently sits on the board of Enterprise South West Shropshire.

Finally the point was made that no extra funding was available for either SpArc, the community leisure activities or ESWS. However if a leisure trust was created there could be a saving of £30 - £40k for the Bishop's Castle site on business rates.

The interview with Alan Penton also focussed on SpArC and whether or not it should be part of a local regeneration trust. He felt that there was a key problem in making the SpArC centre sustainable, particularly the arts facilities. In addition sports halls tend not to do well

financially, with the fitness suite being the only significant generator of income. It was clear that very large ongoing subsidies would be needed to keep the centre operational given that the forecast loss of £92,457 was likely to be at least £20,000 higher.

In terms of the future ownership of the centre, he felt its design made it difficult to segregate from the school. However going forward he felt the centre should become part of the proposed South Shropshire/Shropshire Leisure Trust because of the potential savings on business rates and the capacity to share management expertise across the centres. He therefore did not favour control being vested in a local regeneration company.

Interestingly during these three interviews there was no mention of the social and regeneration arguments for trust status which include social inclusion, local control and regeneration through sport, all of which have been key drivers for the creation of leisure social enterprises elsewhere in the country.

The fourth interviewee from the County Council was Nick Taylor, Assistant Director Economy and Strategy. He explained that the County Council helped provide funding for Bishop's Castle Business Park, oversaw the development of tourism and provided funding for Enterprise South West Shropshire for economic development purposes because of the remoteness of Bishop's Castle. He was neutral on the idea of the creation of a local regeneration company but saw advantages in the potential to promote joint working and giving local people a greater say on local issues. The key obstacles he saw were the difficulty of bringing differing funding streams together and whether the county and district councils would be willing to devolve responsibilities to the company.

South Shropshire District Council Officers and the Council Leader

District Council interviewees include Graham Biggs, the Chief Executive; Heather Kidd, Leader of the Council; Bill Jones, Director of Environment and Development; Sam Hine, Head of Regeneration and Partnerships and Lisa Bedford, Regeneration Officer.

Graham Biggs explained that the district council owns the freehold of Enterprise House and in addition to providing the use of the building, gives ESWS around £12k a year net rental income from the rest of the site. ESWS have bought a long lease on the entire site with the help of a grant from the district council. In addition to monies going to ESWS, the district council puts circa £4,500 pa into SpArC for community use of the facility. Originally this money went to the community college but the college does nothing to promote the arts.

In terms of the proposed local regeneration company, Graham felt that it was difficult to make a business case for the company given that ESWS, SpArC and the Community College activities were all currently loss making. He therefore felt that a very robust business case needed to be made supported by financial guarantees from key funding bodies. He felt that the major problem centred around SpArC as ESWS could just about break even from the provision of core services and could tighten up on the use of the monies which were passed over to fund the activities at the community college.

Another concern he had with respect to the inclusion of SpArC within the regeneration company, was that the company would lack experience of managing leisure facilities and could not provide cover if a staff member was sick in the way that the proposed South Shropshire Leisure Trust could. He therefore favoured SpArC becoming part of the leisure trust and ESWS staying broadly as now, but with the Community College activities being integrated. However he did suggest that if a regeneration company was created it could be involved as a member of an advisory committee to input into the management of the leisure trust. He felt there was scope for a central booking service for the facilities based at Enterprise House, but that the demountables and reception facility at the community college site would need to remain, at least in the short term. With respect to staff transfer to the proposed trust, he felt that the fact that they were employed by different bodies at present and would need to be TUPEd across, would pose problems.

Bill Jones, Director of Environment and Development, was interviewed because of his responsibility for leisure centres in South Shropshire. He said that the district council was looking at the creation of a district wide leisure trust, including SpArC. He felt the advantages of such a trust were that external funding could be brought into the leisure centres and higher levels of management expertise. However the local authorities would need to be funders of last resort, in the event of any financial shortfall. He mentioned that there was the possibility of a county-wide leisure trust being formed.

He was opposed to SpArC being included in the proposed local regeneration company as he felt that it would lack the expertise to run it, career opportunities for staff would be less than those the proposed leisure trust could offer and any staff TUPEd across would involve large pension liabilities. He favoured the community outreach work being done at the community college being brought within SpArC, rather than being linked to ESWS. With respect to the three SpArC staff looking after the swimming pool, he said all were life guards who were rotated with two looking after the pool and the third covering reception. Hence it was not possible to place reception activities with other staff.

With respect to the financial performance of SpArC he said costs were as forecast but that income was likely to be £20k less than forecast, which would take the 2006-7 operating deficit to £112k. There was also concern that energy costs would be much greater than budget as the energy costs for Ludlow Leisure Trust had gone up by £24k a year.

Overall he felt that the proposed local regeneration company would not add value to current provision.

Lisa Bedford, Regeneration Officer, felt that the Enterprise House and Community Operation at the College could be merged with a focus on regeneration, education and training activities. She felt however that staff may be reluctant to come together under one organisation. She pointed out that at present, more could be done with regards to development/outreach in the wider community of South West Shropshire. Ideally she felt that the organisation of the activities of the Community Operation could be moved to Enterprise House, but that administrative staff would be difficult to move as they also did work for the college. Possible synergies included linking outreach work to the Village Outreach Project, which at present provides kit for use in plays and other activities in village halls but not the activities themselves.

She felt that the merged organisation should be a company limited by guarantee as was already the case with Enterprise South West Shropshire, but that membership of the company would need to be reviewed to ensure that it was comprehensive and to replace named organisations which no longer existed.

Lisa did not feel that SpArC should be included in the new organisation and favoured its inclusion in a South Shropshire leisure trust.

Councillor Heather Kidd, Leader of the Council, was also interviewed. She felt that the regeneration monies being spent in Bishop's Castle should be vested in one body and did not feel that the Community College should be allowed to decide how the money is spent. She felt that without this change in the way funding for regeneration is managed, the college would not alter its provision. One issue which integration could achieve was more coherent approach to training. At present a lot of training is provided at Enterprise House but it cannot put on accredited courses whereas the Community College can. She also felt that given the isolation of Bishop's Castle, there was a need to use regeneration monies to develop tourism, including bed and breakfast accommodation, and ICT. She also felt that the proposed regeneration company could be involved in managing local facilities jointly with the local authorities. This role could be linked to the proposed local committee system, which would be created if Shropshire becomes a unitary authority.

Councillor Kidd felt that SpArC should become part of the proposed South Shropshire Leisure Trust rather than being part of the local regeneration company. However she was concerned that the headteacher of the Community College block booked SpArC facilities and this

inhibited daytime use of the centre. She felt that SpArC needed to mount activities in the summer to promote tourism such as summer schools, as well as increasing public access.

In order to ensure an integrated approach to the use of facilities she felt that the proposed local regeneration trust and the proposed leisure trust should be required to produce a joint plan when seeking funding from the local authorities.

Representatives of Organisations based in South West Shropshire

The representatives of local organisations interviewed included Iain Skewis, Chief Executive, ESWS; Mike Ashwell, Centre Manager, ESWS; Grant Perry, Chairman of Bishop's Castle Lifeline Company Limited (which trades as Enterprise South West Shropshire); Gwyneth Owen, SpArC Centre Manager; Terry Hunt, Principal of the Community College and Janney Phillips, who is responsible for community education; and Jane Carroll, the Mayor of Bishop's Castle.

Iain Skewis, in his chief executive role, deals with the board of Enterprise South West Shropshire and devotes four days a month to carrying out what is essentially a strategic role. As well as its core activities a number of projects have been run from Enterprise House. This has included the Six Towns Tourism project, which is coming to an end, and the Country Pubs project, which was designed to encourage pubs in the area to upgrade their bedrooms and dining rooms. Iain believes that there is scope for a strong local organisation, but one which needs to be financially viable. It could be built around Enterprise House, which needs to improve its viability and could become a micro-business centre. It could integrate services locally and create new ones, but could only take over responsibility for SpArC if it were paid a management fee and the funding was guaranteed. Iain made the point that at present the theatre within the SpArC centre is little used, and has no one to run it. One possibility would be to radically change what the Community Operation does and to base its activities around the promotion of the theatre. He also felt there was case for centralising the administration of the Community Operation activities by moving them to Enterprise House.

In terms of the membership of the proposed regeneration company, Iain felt that this should be based on the current ESWS board, with minor modifications to ensure its inclusivity. With respect to funding, this would need to come from the local authorities as part of the decentralisation agenda, although it was conceivable that monies could also be obtained from Advantage West Midlands directly.

Mike Ashwell, the Centre Manager, who runs Enterprise House on a day-to-day basis, was also interviewed. He explained that Enterprise House is paid £10k rent a year for the space used by the county council for the library and a further £4.5k from the county for the provision of the community information service. Other income is derived from the rental income of the small units on the site and income through a range of services from the IT Centre. In addition to this, Mike provides general business consultancy on both a formal and informal basis covering an area of around 400 square miles. While the main focus of activity is around Bishop's Castle, services are also provided in Clun, Churchstoke, Chirbury and Craven Arms.

Mike saw the potential offered by centralising regeneration and leisure provision under one body and by not simply passing over money the Community College to run what is currently a free standing programme. He felt SpArC needed to be part of an integrated vision but was concerned about the major losses being incurred by SpArC and the willingness of the local authorities to countenance them in the longer term. If SpArC were to be included in a local regeneration company there would need to be a guarantee from the County Council that losses would be covered. Without this it might be preferable for SpArC to be part of the proposed South Shropshire Leisure Trust.

He felt that the Community Operation activities could be moved to vacant offices at Enterprise House thereby eliminating the recharge of premises costs from the Community College. He felt that if this were done premises costs could be halved. He also felt that staff savings would be possible with only one member of staff being needed as opposed to two currently.

Mike felt that the current board structure of Enterprise South West Shropshire could be retained and modified to become the board of the proposed local regeneration company.

While not opposed to the regeneration company idea, Mike's overriding concern was that it should not jeopardise the ongoing viability of Enterprise House.

Grant Perry, the Chairman of Bishop's Castle Lifeline Company (of which Enterprise South West Shropshire is the trading name) was interviewed. He explained that the company board contains 18 members drawn from public, private and voluntary organisations. He felt that this umbrella body could form the board of the proposed local regeneration company. He saw the key advantages of such a company as being the giving of local people control over services. He believed they could respond quicker to day-to-day queries and issues raised by the community than the local authorities. However he saw finance as a key barrier to the establishment of the company. He felt the provision of adequate finance to the company was essential for local people to empower themselves. He also felt that current staff at Enterprise House may lack some of the expertise required to run a regeneration company. He envisaged the activities of ESWS, SpArC and the Community College all becoming the responsibility of the regeneration company. He felt this was important because adult and social education are key long term priorities for South West Shropshire. He felt that one of the benefits of a single body is that staff could be employed on more than one activity, thereby generating cost savings and enhancing capacity. He also believed that the proposed integrated structure would make it easier for local people to access facilities.

In terms of ownership, he felt that all the existing buildings could be leased to the regeneration company at a peppercorn rent but with the SpArC building being operated by the company but leased back to the Community College. He felt administrative employees should be based at Enterprise House and believed this would require only minor adjustments to the accommodation there.

He favoured a company limited by guarantee as the legal structure for the new body as this limited the liability of board members. He felt that the board of the company should include ESWS, the county and district councils, the Sports Union, Bishop's Castle Town Council and the Walker Trust (which organises holidays for handicapped and disabled children). He felt that they could contribute to levering in additional funds.

Finally he felt the proposals for the local regeneration company should be seen in the context of the possible reorganisation of local government in Shropshire.

One of the facilities which it is suggested should be part of the regeneration trust, and the one over which opinion is most divided is SpArc. Gwyneth Owen, the Centre Manager, was interviewed in order to obtain her views as someone who would be affected by the proposed changes. Gwyneth is employed by South Shropshire District Council. Gwyneth is very opposed to the regeneration company having responsibility for SpArC as she feels ESWS staff lack the knowledge and experience required to oversee the centre. She opined that the SpArC board is made up of people who work on arts and youth issues. She preferred the idea of a South Shropshire Leisure Trust linking Ludlow, Cleobury Mortimer and Bishop's Castle leisure centres. She said that the three centres work closely together and this helps them run a better service. In addition she said that South Shropshire District Council had a promotions unit which could market the facilities. She felt advantages were to be gained from common service contracts. Gwyneth felt that SpArC needed to prove itself following the extension and get more people and organisations to use the theatre. She felt that SpArC's losses were due to the sports facilities being shut from the end of November 2005 to the start of April 2006 while the extension was built. However SpArC was looking to expand the number and variety of aerobic classes as well as now offering jujitsu and yoga. She felt there was a need to assign an employee with experience of the arts to drive the use of the theatre forward.

Because Gwyneth felt that ESWS staff lacked the experience needed to run a leisure centre, she felt the idea of a local regeneration company was not feasible. She also felt that ESWS lacked representation of local young people on its board. It became clear from the interview

that there was an absence of a co-ordinated approach to leisure provision as between SpArC and ESWS.

The other key organisation which would be affected by the creation of a local regeneration company was Bishop's Castle Community College. The headteacher, Terry Hunt, and Janny Phillips, who delivers the community education programme, were interviewed together. Both were opposed to the creation of a local regeneration company. Terry Hunt argued there was a need to distinguish between strategic and operational levels and that there was a need to think about the individuals involved in delivering services. He also felt any changes needed to be considered in the context of Shropshire potentially becoming a unitary authority.

Both interviewees felt that ESWS was not in a good enough financial shape to take on the management of a local regeneration company, and would be unlikely to be able to access any revenue which could be available to fund leisure trust activities. Instead they favoured a regeneration trust for the whole of Shropshire, which would operate as a lobbying body under the auspices of the County Council. Under this there should be a series of local trusts, each one covering the area of a current district council. These would lobby the county trust on regeneration issues. Hence there would not be a trust specific to Bishop's Castle although a local group based on the Market Town Partnership could be formed to lobby the South Shropshire Trust on issues affecting the town's regeneration. They also suggested that the South Shropshire Trust could be based in the community buildings at Bishop's Castle Community College.

They envisaged the South Shropshire Trust having as members, bodies such as ESWS, the Community College, the district and county councils, the local churches, parish councils, the NFU, the local chamber of commerce and Castle Community Leisure.

They did not see SpArC fitting into any existing structures or the proposed regeneration company. For example they could not see how the SpArC Users Group and the Community College Advisory Group would fit into the new structure.

Another barrier to the creation of a regeneration company as they saw it was that the Community College was the only place in Bishop's Castle currently offering recognised qualifications. Enterprise House only offered Learn Direct courses. It was argued that the county council dictates what courses are put on and would be unlikely to relinquish this power.

In terms of any new funding for Bishop's Castle they felt that the county and district council should provide revenue funding for someone to manage SpArC and oversee the booking of facilities. Castle Community Leisure Limited were currently seeking funding for such a post.

The final local interviewee was Jane Carroll, Mayor of Bishop's Castle and a member of the town council. She sits on the board of ESWS as a representative of Bishop's Castle Tourism Group. The Town Council has a budget of only £40,000 a year which is used for such items as improving the playing fields, installing sustainable lighting for footpaths and providing allotment land. The Town Council is represented on local bodies such as providing a governor for the Community College. The Town Council has already had discussions with the County Highway Department on the taking over of verge and hedge cutting. While the boundaries of Bishop's Castle are tightly drawn, there was a potential to provide services in conjunction with neighbouring parishes.

Jane strongly favours the creation of a local regeneration company and recalled when a teacher at the college was employed to spend part of her time on regeneration activities. The key advantages of such a company as she saw them were:

- the ability to get grant monies from other sources than the local authority given that the company would not be controlled by the local authorities
- joined up thinking in terms of service provision in Bishop's Castle.

She argued that there ought to be a single point for booking all of the facilities in the town and that all of the administration support at the Community College was not needed. She felt there was a real danger of the Community College's community function collapsing because there was a lack of clear vision. All that was being mounted currently were evening classes. The proposed regeneration company would need to tackle this problem.

Jane also felt that the extension of SpArC had been misconceived and that a large workshop and training area could have been built instead of a theatre, for which there was limited demand. She felt that the college could be used for training provision outside of school hours.

Key barriers to the formation of the local regeneration company she saw as being the Community College and the proposal for a South Shropshire/Shropshire Leisure Trust, which she feared would be run from Ludlow at the expense of Bishop's Castle.

The creation of a regeneration company she felt would give a critical mass of services and enable the production of a regeneration strategy for the whole of Bishop's Castle. Such a strategy does not exist currently. For example the Parish Plan had affordable houses as the first priority and jobs as the second one. Reflecting this Enterprise House could support new businesses and also have a plan for training provision in Bishop's Castle and its hinterland. She felt all three existing buildings should continue to be used but that the activities within them would be co-ordinated by the regeneration strategy. One obstacle to this is that staff based at the school do not want to work at night, weekends or during the school holidays.

Jane felt that administrative staff should be moved to Enterprise House and given an office at the front of the building. They would provide a single booking point for facilities, which should also be bookable on line.

She saw ESWS as the core of the new company, but felt that a new name might be needed to prevent the Community College feeling that parts of its activities were being taken over. The present board of ESWS was representative of organisations in South West Shropshire, but this could be reviewed and new organisations added where necessary. Funding she felt should be provided by the local authority, but that they should not exert control over the company.

As can be seen from the interviews there is a divergence of views over the management of SpArC, considerable resistance to those currently engaged in some aspects of service provision to any change in the status quo, recognition amongst a range of interviewees that local co-ordination of service provision and local involvement in determining what is provided is desirable but, with limited exceptions, a failure to see the proposed regeneration company in the context of the devolution of services which would need to accompany Shropshire's move to unitary authority status or to embrace the community involvement and social inclusion agendas, which have helped drive the formation of leisure trusts elsewhere in the country.