

Louth Interskill

Main theme: Perceptions of stakeholders

Louth Interskill began life as a sheltered workshop that was set up through social services 22 years ago. They provided work placements for students with learning and behavioural difficulties in woodwork, concreting and screen-printing as a route to full-time employment. For a long time the workshop was successful until a change of government policy led to a loss of funding and Louth Interskill was shut down.

However two years ago Louth Interskill reopened on the back of the government's 'personalisation' agenda, an initiative to give commissioning power directly to the end user of services. Now the students at Louth Interskill choose to spend their individual budgets by attending the workshop and it runs as a successful community social enterprise. Louth Interskill Director Malcolm Mundy explains how they were able to reopen the business...

"About ten years ago a white paper was published about the need for change in social services, it was decided that large workshops like ours were no longer effective and so we lost our funding. We tried to set a new workshop up about seven years ago but it wasn't possible until about two and a half years ago when under the personalisation agenda our students would be given choice about how to spend their own individual budgets for services.

Myself and another director Darren had brought all the machinery from the previous workshop and we decided that we might set up Interskill again privately by working with the students and parents to get direct payments from their individual budgets. We had such a good relationship with the parents and we got a lot of support from social workers because they had trouble

placing a lot of our students elsewhere. The parents wanted them to be doing something constructive and not just sitting around watching television all day so we were able to provide an important service."

Since it re-opened Louth Interskill has been very successful at generating new business and have plans to expand the number of students they work with...

"As soon as we opened in September 2008 we did some publicity in the local paper to get our name back out there and we also had a lot of brochures printed to promote what we were doing. Local people always knew that we made good stuff and we have very good relationships with local schools who buy a lot from us. In the first year we turned over £60,000 from selling products.

We make a lot of small items like picnic tables and garden seats but we also found a niche for making really good quality sheds and workshops. I think people are fed up of buying cheap ones that are made of trashy materials and end up falling over! I think people would rather spend £200-300 more with us for something that will last.

At the moment we have 10 students that come in each day but we've moved into new premises that are larger and introduced concrete products so we are going to be working with 15 full-time students soon."

Although there is a strong demand for their products it is still challenging to make Louth Interskill profitable but Malcolm is confident that as the business grows there will be money to spend on giving the students new experiences...

When we started we had some grants but they've very difficult to get hold once you've moved out of the start-up stage. We still look at some smaller grants for machinery



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and repairs because I don't think we could survive on products alone because of all the overheads and business rates we have to pay. The direct payments we get from the students budgets are what keeps the business going at the moment. But I think by the end of this year we will be generating some profit so that we can look at the social side and take the students on days out and weekends away. We might even be able to take one of the students on as an employee."

Key lessons:

- The personalisation agenda allows voluntary and community groups to charge for their services like a commercial business
- Trading may allow your organisation to provide services for clients who would struggle in a traditional setting

Legal structure: Company Limited by Guarantee
Main activity: Work placements
Number of employees: 3
Turnover: £260,000
Location: Louth, Lincolnshire
Date formed: September 2008
Percentage of generated income: 100%
Date written: February 2010
Website:

www.louthinterskill.com

This case study is one of a series produced by the Capacity Builders funded 'Stepping Up To Enterprise' project in the East Midlands.

The case studies tell the stories of voluntary or community organisations and how they moved to developing trading. The case studies are available on the website

www.oneeastmidlands.org.uk/sute.