



## **The Ilfracombe Centre of Excellence**

The Osborne Hotel, Ilfracombe

### ***The Management Experience***

This document is designed to give others an insight into the difficulties, pitfalls and barriers encountered while trying to reconcile a private business and college or government systems to provide a training environment in the workplace.

The basic idea is that we wish to use a private hotel environment during January through until Easter to train hospitality students to take up employment for the summer season and beyond.

The potential students are unemployed people in the town of Ilfracombe.

***The content of this report relates only to my own personal experience in this individual situation and within this group of partners.***

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### ***The need and the situation***

The coastal town of Ilfracombe has a long term unemployment problem especially in the off-season. The main industry in the town is tourism and hospitality. The industry recruits extensively at Easter and runs through to the new year when much of the industry closes or slows down considerably. The industry has difficulty in finding staff as they all recruit at the same time, so have resorted to foreign nationals to fill the gap.

The fundamental idea is to use a hotel environment during the quiet part of the year to train unemployed people ready for full time employment at Easter.

### ***The Pilot Scheme***

During 2005 I began to attend meetings with the Transform Steering Group in Ilfracombe. At first it was very unclear as to what the actual purpose was as there were members from all kinds of agencies present.

The idea was to provide some training and support for unemployed people to re-enter the employment market in Ilfracombe. There was at first a lot of talking and meeting process with no real action but plenty of good intentions. I have to admit I find meetings like this frustrating anyway so decided to 'grasp the nettle' and make a move to make something happen.

I contacted a local hotel, the owners of which I already knew and asked if they would be interested in allowing us to run a scheme during the period already stated. After a financial agreement had been reached, we were able to set up an induction day for the unemployed people who were interested in hospitality.

To be honest we didn't expect anyone to show up and thought the whole thing would 'die a death' right then. However, about fifteen mainly young people did show up! This motivated us to provide the course and as planned I did a food demonstration (my background is in hospitality as a head chef) and talk, and other partners also took part. The day was a success and the group agreed to start the course on the start date.

On the start date 10 of the 15 appeared and we started the course. For details of the pilot scheme please see document 'The Transform Narrative 2006'

In short, the pilot scheme was a success with nine out of ten signing off of benefits and moving into full time work. Most are still working now.

### *The Deal*

The most crucial thing to be aware of if you are in education is that business only exists to make money. There is nothing 'touchy feely' or 'lets provide help for the community' in the remit of a business, so don't expect any! I have seen people such as myself talking about the good of the community etc etc. with business people who basically just smile politely. Business is based on money and it is tough to survive, many of us who work for education or government agencies completely miss this crucial point as we, in the eyes of the business community, pick up our monthly salaries without breaking sweat.

The hotel owners calculated the cost of hiring the hotel for training purposes as £1000 a week which is quite cheap in business terms for all of a hotel. Of course educational funding could not afford this so we negotiated a manageable price for the pilot scheme with a view to a proper deal if the scheme worked well.

As the pilot scheme worked well (at a loss financially to the college) we verbally agreed that for three months of use £10000 or the equivalent would work as a deal for the following year.

However it is impossible to find that type of revenue to pay rent to run even the most successful programme.

Much easier in fact to spend millions on a training venue and then have it fall flat and end up as meeting space etc..

So the deal we agreed verbally was that if we could find £50000 in capital and rebuild the kitchen in the hotel, we could use the premises from January to Easter for five years.

The use of the hotel was in respect of the hotel business ie if the hotel had a function booked, or were using areas for the business, then that would take precedence over use for education. In reality this situation was easy to manage with good communication and some understanding.

### *Partnerships*

The partnerships and different agencies involved in this process are complex.

The pilot scheme acted as a sort of 'battering ram' with the support of the Transform Office and Gary Smith to motivate agencies to provide for and help with this programme. The scheme would have struggled without this kind of higher level support.

The main players are:

- North Devon College - to run and staff the courses, draw down LSC and any other funding as and when possible, to administer the project and act as a 'hub' for the other agencies to work with. To work with employers and Jobcentre + to find candidates full time jobs.
- Transform - to provide support and backing politically, financially when needed and help with contact and mediation between agencies and projects involved.
- Jobcentre + - to actively interview, encourage and recruit candidates through their normal interview process using college systems with support from the college and Transform.
- The Osborne Hotel and The Cox Family (Owners) to allow and support use of the hotel facilities within reason.
- Wheels to work - to provide transportation (mopeds) to enable candidates to get to places of work where public transport will not do that.
- ACL and Pathfinder - to take on and deliver parts of the curriculum courses offered through Jobcentre +.
- Devon Renaissance - the funding body who provided capital for the refurbishment of the kitchen at the hotel and so making the whole idea possible.

- Devon County Council - provision of funding to support course delivery in the form of fees and extra costs enhancing the full offering and the quality of it.

### *The view of the hotel owners*

As already touched upon, for this type of situation to work you must understand and not be shocked or disheartened by the position of the business people involved.

If you are a business person in this case the last family owned hotel in Ilfracombe, you have to be very tough, focussed, hard working and shrewd simply to survive. Most view any government office as a 'pain in the neck' as the only time they are in contact it costs the business money through new legislations or taxes.

In this case as hotel owners you work all the hours that god sends to stay afloat while from your point of view you see people working for government agencies or projects simply attending meetings, going out for lunch and going home early! On top of that they probably earn much more than you and are paid through the taxes on your business.

Regardless of whether this opinion is accurate in any way, this is the underlying opinion of many business people - so don't assume that they are going to respect you for what you are doing - you need to earn their respect by 'coming up with the goods' and carrying out what you say you will with no excuses. Total honesty and a huge portion of patience and understanding will be required to make things work out. Be aware that most business people can spot discrepancies in what you say or any shade of what appears to be disparity in an instant - and will confront you with it.

Never assume you have any right to use the hotel outside of the agreed times and the family in this case insisted that I was the only point of contact. They did not want all kinds of educational or project people contacting them as if they had some sort of ownership over the hotel or its facilities, never lose sight of the fact that the hotel is an owned possession and contains a life time of hard work for the family.

You can understand from this angle how any communications outside of myself are met with a degree of hostility.

The situation of a family run hotel going into a legal partnership with a large organisation such as a college is very daunting for them. They said to me openly "we cannot afford to fight with the college legally if something goes wrong here, the legal agreement must be clear"

All of this said, the Cox family are extremely likeable, humorous, hard working and engaging people, but are not a charity, in their own words. They were as excited as we were to see the change in the attitudes and the development of new skills in the candidates as they progressed through the courses, and have employed some of them as a result.

Given this perspective 'the deal' needs to heavily benefit the hotel and the business for it to have a chance of being accepted. The hotel owners must also feel that they can trust you totally so allow as much time as is needed to develop relationships and trust.

Our staff acted as consultants for them and helped them with any systems they needed and supplied any materials they needed.

### ***The view of the college and other agencies***

At first the view of the college and other agencies was that the hospitality industry will not essentially help itself. They always pay minimum wage, overwork people, are reluctant to offer official training and certificates to staff, are basically self serving and too interested in making money above all else.

IE. Some of us were surprised that the hotel wanted to charge for the use of the hotel premises for training hospitality staff and thought that the recognition and choice of new staff would be sufficient reward.

In reality this thought is offensive for business people as they don't really care about recognition within the industry - they are in competition with them! They were also amazed that we thought they would pay all of the energy costs for operating areas of the hotel in the off season. (the winter is an expensive time to heat and light a hotel)

There is a huge gulf between the realities of business and the opinions of ourselves who work in the infrastructure. Both sides are right and wrong, the task here for a project manager is to mediate between the two.

If you like stress - try and do this with a bunch of learners waiting for and needing you to sort it out! The only way I have found to do this is to basically keep the two sides apart as much as possible.

Tell each side what they want to hear and agree with almost all they say with your focus firmly fixed on the benefits to the learners.

### ***The funding situation***

This is a very expensive type of course to run when you first look at it. In addition to the LSC funding drawn by the NVQ's it takes at least another £500 per candidate to run it, buy food, equipment, uniforms, knives and photocopying. On top of this, the time to manage and negotiate the operation of the course, travel expenses and day trips for the students.

The funding consisted of:

- The LSC funding attracted by the courses
- £50000 from Devon Renaissance for the kitchen
- A contribution from Transform
- A contribution from Devon county Council

This course is impossible to run without extra funding from agencies other than the LSC. The college systems with regard to spending money on equipment etc. slow things down dramatically compared to how you can react as a business. This was another source of frustration from the business angle.

### ***The Legal Agreement***

The legal agreement, organised through the college legal people was a complete bomb shell and almost destroyed the entire idea. The agreement took far too long to actually arrive from the solicitor and when it did was basically heavily weighted in the colleges favour and laced with paranoia about the whole idea of using public money in a private business.

The hotel owner took one look at it, threw it on the table and said "there's no way I am signing that xxxx". At this point the students were on site and had started the course, the kitchen equipment had been ordered and almost everything else was in place.

This was the most stressful point of the whole operation, I thought I was really in trouble. However after several sleepless nights and heated discussions, six different versions of the document we came to an agreement.

### ***Re-fitting the kitchen***

We were informed that the money was available to go ahead with the entire programme on the 15<sup>th</sup> of December 2006. This gave us 4 weeks to get it ordered, agreed and installed before the course was due to start. Of course everything closed for Christmas during this period.

We decided to start the course using the old kitchen and then run four short courses for the students in early February while the kitchen was re-fitted.

Be aware that there are much lower prices to a college or school (about 30 or 40% lower) for kitchen equipment, it is called the OGC scale. Some of the suppliers 'forgot' to tell us this and we had to re-order most of the equipment with more trustworthy suppliers causing a delay and bad feeling. There were lots of hidden costs involved, especially with the new legislation on ventilation in kitchens.

After a lot of arguing, visits to suppliers and negotiation, the kitchen was installed.

It is essential that you allow the hotel owners to choose their equipment and then work around it for the college classes. The hotel has to run for the rest of the year with the equipment so that takes precedence over anything else. By allowing the hotel owners to conduct much of the negotiation we got much better prices and deals on the equipment and installation.

If a supplier knows that the college is paying they will hold out for a much higher price and also business people are prepared to be much more aggressive in negotiation (for us aggressive business behaviour may

reflect on the college, so we are often softer and cave in easier). So let the business people do what they do well - get value for money.

Make sure that all equipment is thoroughly checked on delivery as once signed for it is definitely yours, whether damaged or not when unpacked.

### ***Security***

Sadly during the pilot scheme we did not have a locked changing room for the students to change in and leave their belongings. This resulted in a handbag and all its contents going missing and was never found.

It is better to be security conscious and lock up areas of the hotel not in use and any storage areas for alcohol etc. Make sure belongings remain locked away and are safe.

### ***Conclusions and reflections***

- Get the legal agreement sorted out in advance
- Allow the business to take the lead in negotiations for equipment and installation
- The project manager needs to be in close contact with all partners at all times
- All negotiations with the hotel to be conducted through the project manager
- The project manager needs to be able to see both sides of the situation with the partners and the hotel, basically to negotiate between the two and things will run more smoothly
- Secure extra funding before you start to run the courses
- Whatever happens or is said, never give up because everyone else will if you do
- Keep all of the politics away from the students as it will distract them from the course

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