



# Projekts MCR



**Location**  
Manchester

**Founded**  
2004

**Legal structure**  
Industrial and Provident Society

**Description of activity**  
A skate park offering skateboarding lessons and workshops in schools across Greater Manchester and onsite at its headquarters in Manchester City Centre. The skate park also has a small café that acts as a community space and a shop to buy skateboarding equipment and merchandise.

**Employees**  
Five full-time equivalent

**Volunteers**  
Ten

**Biggest obstacle to success**  
Communication with the local council and managing volunteers.

## Overview of Projekts MCR

In 2001, Manchester City Council passed a byelaw banning all street skating. This made it illegal for anyone to skateboard in public in Manchester. However, the council subsequently agreed to provide a barren patch of land under the Mancunian Way flyover to anyone who wished to continue skateboarding. Unsatisfied with this provision, John Haines alongside a group of other like-minded skateboarders from the local community, wanted to improve the availability of appropriate space for skateboarding, and also make the sport more accessible to those interested in trying it. As such, in 2004, the city council leased the area to John and with a local community group developed Projekts MCR, a not-for-profit organisation operating a wooden skate park with the initial aims of providing a locally rooted service that met a specific community need, and re-investing income back into the skate park and other services to benefit local communities and schools through sport and leisure activities.

Although popular in the summer months, the wooden skate park was not fit-for-purpose during the winter. Indeed, soon after it was established, the park realised that it was losing all of its users due to the lack of light in the evening. As a result, Projekts MCR applied for £36,000 of grant funding from the Youth Capital Fund and other, smaller grant funding pots, to have floodlights and mains electricity installed, as well as an onsite tuck shop. Once these improvements were made, the park was able to diversify its offering; introducing a coaching programme where park staff would run skateboarding sessions in schools and at the park itself.

Running at full capacity, in 2012, the park successfully applied for £280,000 of funding from Sport England and £116,000 from the Youth Capital Fund to develop an additional concrete skateboard space with curved concrete ramps. This new space opened in 2013 alongside the existing wooden park, and in order to provide additional catering facilities to meet this growth, the park developed its existing tuck shop into a café by joining two 40-foot shipping containers together.

Projekts MCR now has two skateboarding areas as well as a café and a shop where skateboarding equipment and merchandise can be purchased. The park not only offers an independent skateboarding space, which can be hired on an hourly or full day basis, but also offers coaching for a range of users from young children through to adults. There are currently five full time equivalent paid members of staff and ten volunteers, who are often those that visit the park frequently or parents of those who do so.



## Projekts MCR's journey to success

This section summarises the key factors that Projekts MCR attribute to the success of the business and the challenges it has faced along the way.

### Financial self-sustainability

Over the past 11 years, Projekts MCR has refined its business model to ensure its longer-term sustainability. The business originally started out as a wooden park with an old school desk and a signing-in sheet for customers. However, with reduced funding from the council, the park realised it needed to strengthen its position in terms of trading income. It therefore engaged with local schools and identified a gap in the market for skateboarding lessons. Since 2006, the park has run a coaching programme and now operates in 15 schools a week, in addition to providing six onsite training sessions at the park per week. Projekts MCR considers the coaching programme to be one of the most successful aspects of the park, as not only does it generate the most revenue, but it has also enabled the park to increase the number of its employees due to the high demand for coaching services, thereby creating jobs and contributing to the local economy.

Since Projekts MCR opened in 2004, the park has also worked hard to hone its pricing strategy. Originally, the park wanted to keep entry fees as low as possible to encourage people to use the park regularly. Once a regular customer base was established, Projekts MCR then introduced a membership subscription with reduced prices on entry. However, attendance figures quickly reduced by half from 1000 to 500 within a month. Subsequently, after observing attendance patterns closely, the park identified that the vast majority of people used the park infrequently, and therefore a membership scheme was an inappropriate way to generate income. As a result, the park swiftly removed the membership scheme and changed its prices back to something more representative of what they used to be. However, subsequent consultations with customers revealed that entry prices may have actually been too low, undervaluing what the park was offering. Therefore, Projekts MCR assessed its pricing against other skate parks in the North West of England and decided to increase its entry fees. Although it remains the lowest priced skate park in the country, an increase in its entry fees of £2 per person has had a significant impact on the park's income.

Another profitable service for the business involves hiring out the entire skate park for film locations, photoshoots and art competitions. For example, the English actor, director and producer David Morrissey, was filming nearby and saw the potential of the park to film skateboarders performing tricks. Major sports brands such as Adidas and JD Sports have also hired the skate park for photoshoots. Art Battle Manchester has also hired the park for an art competition, which not only generated additional revenue, but also raised awareness of the space and brought artwork into the park making it a more desirable place to skate. As with its entry prices, Projekts

MCR have honed their pricing strategy for hiring out the space as a location and recognise that there is the potential to develop this income stream further.

In 2015/16, the business' turnover was £190,000, with approximately 83% of income coming from trading, and 17% from grant funding. However, the proportion of trading against grant income varies from year to year. For instance, the park received £240,000 of grant funding in 2016/17, but acknowledges this is not typical. In terms of operational costs, Projekts MCR does not need grant funding to operate, and as such, it already considers the park sustainable. However, grant income allows the business to grow and diversify by providing much needed capital to invest in new assets that serve to improve their longer-term sustainability. Indeed, the park recognises that it would not be the success it is without the grant funding it has received previously. Having grant funding to develop the concrete skating space, the café and the coaching programme has served to triple the number of visitors to the park, helping demonstrate the clear demand for the services it provides. Despite grant income being instrumental in the development of new assets for the park, the business envisages that all of these projects will become self-sustaining in the future. In addition, as self-sustainability is a key goal for the park, the business does not want to be reliant on grant funding in the longer term.

In terms of future development, although financial self-sustainability is important for the park, having a greater understanding of its impact and value to the local community is also an area they would like to develop. Impact assessments often strongly influence funding applications, sponsorships and commissions, and despite Projekts MCR being well informed regarding their quantitative impact, i.e. the number of visits to the park and breakdown of gender, age, ethnicity and location, this does not provide any insight into the difference the park is making to people's lives. Sport England have recently suggested a group who the park can work with on developing their assessment of impact, however, this is an expensive service and Projekts MCR need to first establish whether this expense would be beneficial in the longer term.

### Taking informed risks

One of the greatest drivers of success has been the business' willingness to take risks. Without this willingness, Projekts MCR would not have diversified its offer from a simple wooden skate park to what it is today, and subsequently would not have created the income it has. For instance, having looked at the composition of its users, perhaps unsurprisingly, the majority were male. The park realised there could be demand from women who wanted to get into skateboarding, but felt intimidated by a male dominated environment. Projekts MCR therefore experimented by setting up a 'girl's night', running the park exclusively for women. The initiative was hugely successful, and within two years, the park had increased female visitors tenfold, from 160 to 1600 a year.



Another aspect of the business involves running sessions for home-educated children. After speaking to parents, the park realised that in addition to demand from schools for coaching, there was also a large home education community in Greater Manchester for whom there was a potential opportunity to develop a service to run sessions. Subsequently, over 2016/17, Projekts MCR have run two morning sessions a week for home-educated children, offering both coaching and free skating opportunities. These sessions are extremely popular, with not only home-educated children, but also younger children who are not yet attending school. These examples highlight the importance the park places on trying new ideas and taking informed risks.

### Inclusivity

As a community business, the park's main objective is to provide a benefit to the local community. However, defining the park's 'community' has been difficult for Projekts MCR, as the business aims to bring different communities together, overcoming a stereotype of skateboarders being wayward and antisocial.

One of the park's neighbouring districts is Ardwick, which is in the top 100 most deprived areas in England. Many of the park's users come from Ardwick; however, the park also encourages users from other more affluent areas. This encouragement of users from different areas enables skateboarders from a range of different backgrounds to share their experiences, and demonstrates what the park believes to be true social cohesion. Projekts MCR argues that if the park was situated in Ardwick, users from affluent areas would be unlikely to use it. Likewise, if it was located in a more affluent area, users from deprived areas would be less likely to attend. Therefore, being located in an area that is accessible for all, has been a key success factor in helping the park be inclusive. In addition, as Projekts MCR also attracts visitors from further afield, such as Warrington, Sheffield, Hull and even Wales, if the business was purely focused on serving just the local community, it would not be as successful. Nevertheless, the park highlights the work it provides for the local community by employing local people and making the area more attractive by renovating the space outside of the park to make it greener and more welcoming.

Seeing a large number of young people engage with Projekts MCR, the business realised it had an opportunity to help and facilitate change in young people, growing their confidence and helping them achieve their goals. However, the business recognised that it lacked the skills and experience of working with young people and therefore enlisted the Greater Manchester Youth Network (GMYN) as a key partner. Based in Ardwick Green, GMYN have extensive expertise in youth work, which allowed Projekts MCR to work with young people 'in the right way'.

### Business expertise

Effective communication skills, specifically the ability to share aims and achievements, have been essential for Projekts MCR success. Understanding how to write a business case is also key and this links closely to bid writing for additional funding. Managing Director, John Haines, currently oversees bid writing and writes the majority himself. However, in order to develop skills within the business he encourages members of the team to write a business case for ideas they put forward, outlining the costs and projected income.

An understanding of statistics and data analysis has also been particularly useful for Projekts MCR, particularly when revising pricing strategies and assessing footfall. Furthermore, legal and accounting expertise has been essential in ensuring the smooth operation of the business and the park currently has a lawyer on its board of trustees. The park acknowledges that although dealing with legal issues can be difficult, it is worth employing experienced legal expertise. For example, when dealing with a lease the park were trying to obtain from the local council, the legal expertise the park employed was found to be operating incorrectly by another lawyer. Had this not been identified, the park would have carried on with the lease process uninformed, which could have had negative repercussions.

Projekts MCR also emphasise the value of having dedicated management of volunteers in place. One of the main challenges the park faces is creating roles for volunteers, as they feel replacing staff members with volunteers would be unethical. Volunteers have many different skills; some are great at marketing and fundraising, whilst others are happy to help in a practical way such as sweeping floors and making coffee in the café. At times, volunteers have come up with good ideas for developing the park. However, capacity to support volunteers is limited. For example, the current office can only comfortably accommodate three people, so available physical space is an issue. Furthermore, finding the time and resources to support volunteers in addition to paid staff is time consuming and challenging given the restricted hours that the volunteers work. Therefore, one of the main challenges ahead for Projekts MCR is expanding the volunteer element of the park and making the most of a group of passionate people by investing in someone who could train, manage and coordinate their activity.

### Future direction

Looking to the future, Projekts MCR is confident the business will remain sustainable. Not only is the financial outlook strong, but skateboarding is now officially recognised as a sport and will feature in the 2020 Olympics.

Financially, the park is assessing crowdfunding as a potential new income stream. Although unsure as to how much it will be able to raise through this method, the park will seek to improve and adapt crowdfunding campaigns as necessary, much like its approach to other aspects of its business.



The park has recently received £100,000 from Sport England to develop itself further. It aims to relocate the café and add another floor, which could be used as an office or for meetings. It will also allow the park to develop another concrete skating space. This will mean when areas are hired out for parties or exclusive events, the park can continue operating as normal, rather than having to turn down regular users. Projekts MCR would also consider investing its own reserves into expanding the park and would rather fund this expansion itself than take the risk of a bank loan. One of the challenges for Projekts MCR, however, is its relationship with the council. The council currently owns the land where the park is based, but getting permission to develop the park is difficult due to an overly complex communication processes within the council. Bypassing this communication process and going straight to the decision maker within the council seems to alleviate the problem, however Projekts MCR feels there needs to be a change in this process to make it easier for smaller groups to achieve their long term goals.

### Financial information

The following table provides an overview of Projekts MCR income, expenditure and assets for the period 01/01/2016 to 31/12/2016.

<b>Income</b>	<b>£190,657</b>
<b>Expenditure</b>	<b>£193,096</b>
<b>Difference between income and expenditure</b>	<b>-£2,439</b>
<b>Surplus/deficit on ordinary activities before taxation</b>	<b>-£966</b>
<b>Annual income from grant or subsidy</b>	<b>£32,510</b>
<b>Fixed assets</b>	<b>£6,449</b>
<b>Current assets</b>	<b>Stocks: £404 Debtors: £4,541 Cash at bank and in hand: £98,011</b>
<b>Total</b>	<b>£102,956</b>
<b>Net assets</b>	<b>£95,340</b>

Source: Projekts MCR Accounts 2016, Mutual Societies Register