**Westbury sub Mendip Community Shop Ltd**

**Overview of Shop Development and Historical Timeline**

Westbury sub Mendip Village Stores has been in existence for around 80 years, and was formed by an extension to an old Somerset ‘longhouse’. The Shop & Post Office area was effectively the ‘front room’ with the house kitchen behind and the bedrooms and bathroom upstairs. Clearly this layout favoured a Tenant/Shopkeeper.

Due to changing shopping habits and the establishment of several local supermarkets in nearby Wells and Cheddar, trading conditions became difficult. Typically, Shopkeepers would give up and move on every 4 years, and in early 2013 the existing Tenant/Shopkeeper gave notice of her intention to quit in June 2013.

* Alarmed by the real possibility that the Shop and its Post Office facility would close for good, the Parish Council brought together a small group of concerned Villagers to see whether, and how, a Village Shop & Post Office could be maintained in Westbury.

A Public Meeting was held in the Village on 14th March 2013 during which three options evolved:

1. To consider the Community taking on the lease of the Shop & Post Office in June from the existing owners of the property.

To consider setting up a Property Company to buy the property and to set up a Communityowned operating company to run the Shop & Post Office.

1. To consider identifying an alternative location for the Shop & Post office, and finding out indicative setting up costs for an appropriate trading area and Community hub.

A small steering group was set up to consider and develop the three options, and to recommend a way forward.

By the end of March 2013, the recommendation was as follows:

* Set up a Company to raise funding and purchase the property
* Completely separate the living accommodation from the Shop & Post Office area
* Lease the Shop & Post Office to a new Tenant/Shopkeeper at a subsidised rent
* Continue to explore options for the longer term

By this time a Shopkeeper already running the Village Shop & Post Office in Draycott, had offered to take over the business at the end of June and run the Westbury Shop as his own business. This somewhat generous gesture enabled a breathing space to allow fundraising to take place with a view to purchase of the premises. Until that purchase happened he took over the rental agreement with the owners, and moved into the accommodation.

Having now secured a temporary future for the Shop & Post Office, a working group of volunteers was now formed to take things forwards and find the means for the means for the Community to buy the Shop and secure its future for the long term.

Two means of raising the funds to buy the Village Shop emerged:

* The first was to seek funding from a small group of wealthier individuals within the Community. Whilst potentially quicker, this carried the risk that the premises might be sold on.
* The second was to seek funds from right across the Community. This approach would ensure that no one person or small group of persons could decide to close the Shop and sell the premises.

Both alternatives were reviewed by the working group and the Community purchase option was considered to offer the most secure means of providing an essential Village amenity.

At this stage, the Plunkett Foundation were approached, and following consultation with them and visits to existing Community Shops, it was decided to follow the then Industrial & Provident Society model (since replaced by Community Benefit Society). This involved selling single £10 membership shares to individuals, although more could be paid for this single share at the purchaser’s discretion. Each shareholder has a single vote.

The share issue was launched in September 2013 and taken up by over 260 individuals, raising about £52,000 – a stunning result for a Community the size of Westbury. An anonymous interest-free loan of £50,000 repayable over 25 years was also offered, which made the purchase of the building (at the time variously valued between £180,000 and £240,000) look a realistic possibility.

A long and ultimately unsuccessful search for a commercial loan to finance the remainder of the purchase price (potential lenders did not like the combination of a member owned Community Shop run by a Shopkeeper as his own business), led us to offer 5 Year Bonds in October 2014 to members, paying interest of 3% over base rate. This offer proved to be very successful and raised £139,000.

Negotiations with the owner enabled us to acquire the Shop premises for £175,000. The sale was completed on 31st October 2014, leaving over about £60,000 to spend on repairs, refurbishment, and the splitting of the premises into a self-contained two-bedroomed flat and a ‘lockup’ Shop. The intention was to use the rental income earned from the flat to finance the bond interest and loan repayment.

From 1st November 2014, the business was rented out to the Tenant/Shopkeeper at a reduced rate, to enable him to continue the business with a reduced risk of failure, whilst the Committee carried out the necessary repairs and building works.

During 2015, major repairs to the roof, guttering, and front windows were undertaken and plans drawn up to create a self-contained flat on the first floor. Building Regulations approval was granted in October 2015 and work started in early February 2016.

During 2015, the incumbent Tenant/Shopkeeper started to look alternative business opportunities and at the end of May, gave 6 months of his intention to leave. A finishing date of 10th December 2015 was agreed.

A Membership EGM was held in July 2015, when the membership assented to the Committee’s proposal to move the Shop to a full Community Shop following the Shopkeeper’s departure, meaning the staff would be directly employed by Westbury-sub-Mendip Community Shop Ltd. The Shop is effectively run by a Shop Manager, reporting directly to the Committee.

In the event, the Shopkeeper’s departure was delayed until by mutual consent until the 23rd January 2016, with the Committee taking over the Shop with effect from 25th January.

An interesting aspect of this was the re-negotiation of the Post Office contract. Until then, the Post Office contract was directly with a named Sub-Postmaster. However, as we were effectively a Limited Company under the Community Benefit Society scheme, the new contract was drawn up with the Company named as the Sub-Postmaster. We believe we were the first Community Post Office to achieve this.

Building works commenced on 8th February to create the self-contained flat, lasting about 6 weeks. Volunteers then decorated the flat, and a Letting Agency was appointed to let the flat and manage the tenancy. A suitable Tenant was found and the flat was let from 17th June.

During this phase, a number of grant applications had been made, with a view to improving the Shop interior, and the recently establish Post Office Community Fund offered to support the upgrade of the Post Office facilities, including the removal of the old ‘fortress’ Post Office counter, replacing it with a new open plan layout with revised security and safe procedures.

In addition to this we were fortunate to be successful with two of our grant applications, one being the Village SOS Fund which yielded £2000, and the Power to Change Fund, which yielded £50,000. Both funds are conduits for National Lottery funding.

With this funding in place we were able to transform the entire ground floor of the premises. In addition to the new Post Office counter and facilities we were able to put install a new floor and new shelving in the Shop area, purchase additional freezer space, replace the till with an EPOS system, install air conditioning and CCTV, fit new signage and awnings, install basic kitchen facilities and a storeroom in the back area, and create small meeting room for Community use, with Wifi and PC/printing facilities. We were also able to carry out work in the adjoining garden space and purchase a new shed, garden furniture, and basic garden maintenance equipment.

Westbury sub Mendip Community Shop Ltd is run by a Committee of 7 people drawn from the membership, all Village residents.

The Shop & Post Office has a Manager, a Deputy Manager, and two paid Staff, all Post Office trained, who all work part time and between them cover the contracted Post Office hours, 8am-5.30pm Mon – Fri, 8.30am to 1pm Sat. A fifth paid Staff member opens the Shop only for 3 hours on Sunday mornings, mainly for newspapers.

Whilst the paid staff look after the busy Post Office counter, the Shop counter is manned by a small army of about 20 volunteers, who work anywhere between 2 hour and 4 hour sessions, covering opening-up, closing-down, serving, stocking, cleaning, and ordering. We are always trying to recruit more volunteers!

We completed our first full year of trading as a Community Shop on 25th January 2017, and I’m pleased to report we made a small profit!

We have a Shop Operations Group, drawn from the Committee, the paid Staff, and the volunteers, whose remit is to try and improve the commercial performance of the Shop.

Our current turnover is about £150,000 per annum, with around 750 customer visits per week, and an average spend of about £4. The weekly turnover per square foot of retail space is about £12.50, comfortably exceeding the benchmark of £8.00 for our size and type of shop.

We have recently established a Facebook presence, a loyalty scheme, and broadened our Shop offering to include fresh fruit and vegetables, more local produce (including cut flowers), and more seasonal items. We also support other local enterprises, acting as a Box Office for various Village events, and providing meeting room facilities.

**Timeline**

Early 2013 Existing Shopkeeper gives notice to quit, Parish Council initiative to save Shop

March 2013 Public Meeting evolved three options: Lease, Buy, Seek alternative premises

 Decision to Buy, using Community raised funds

June 2013 New Shopkeeper takes over.

Sept 2013 Community Share Offer raised £52,000

 Anonymous benefactor provides £50,000 interest free loan over 25 years

Nov 2013 Commercial Mortgage sought

June 2014 Commercial Mortgage application declined

Oct 2014 Secured Bond Issue raised £139,000 and purchase of Shop completed for £175,000

Nov 2014 Shop and Accommodation let to new Shopkeeper at advantageous rate.

Early 2015 Repairs to roof, guttering and windows undertaken

May 2015 New Shopkeeper gives 6 months notice to quit

July 2015 Membership EGM gives assent for Shop to move to full Community Shop status

Oct 2015 Planning permission granted to create self-contained flat

Jan 2015 Shopkeeper leaves and Shop moves to full Community Shop status

Feb 2016 Building work starts to create self-contained flat

April 2016 Building and decoration work complete, flat placed with letting agent

June 2016 Flat let to Tenant

Oct 2016 Grant money enables Shop interior refurbishment work to start

Before: After:



