

HESKET NEWMARKET SHOP AND POST OFFICE
Notes of the First Public Meeting
Millhouse Village Hall
Monday 11th March 2024

Fact Finding Team: Philippa Groves, Martin Woodham, Simon Hewitt,
Martin Nicholson, Michelle Boundy, John Brown.

Welcome and introductions

Philippa welcomed everyone and introduced the FFT as a group of individuals that had come together in response to the news that the current owner of the HNM shop, Andy Bothamley, planned to sell his shop business and premises this year. The purpose of the group was to find out whether the community wanted the shop to continue to operate and to explore the potential for community ownership.

Philippa said that so far 151 people had expressed an interest in community ownership. The purpose of this meeting was to update attendees on what the group had found out and consider any comments or questions. A questionnaire was distributed at the meeting to further gauge the level of support for community ownership. This will also be sent out via email.

General update

Martin W and Simon gave an update on what had happened so far. This included:

- Exploring the options and support for creating a legal entity to own the shop such as a Co-operative Society or a Community Benefit Society. All mutual societies must register with the Financial Conduct Authority. The Plunkett Foundation, a charity which supports community ownership, provides useful advice on how to go about this.
- Exploring the grant funding available for setting up and running a community-owned shop. This includes the government's Levelling up Fund amongst others.
- Exploring the options for community investment. There is a history of this in HNM with the pub and brewery co-operatives. Assuming there isn't a single investor, share options could be offered to the community at a range of values. We would likely need to fundraise and seek donations also.
- Exploring the options for retaining the HNM post office service in the shop. At the moment, Andy is the Postmaster employed by the Post Office. An initial conversation was had with the Post Office who were very positive about retaining the HNM branch. A mutual society could run the post office as a franchise, but we would still need a named individual to be the Postmaster.

The next steps

The FFT will collate the information from the questionnaire and feed back the findings at the next Public Meeting on 9th April. This meeting will be held in the village hall in Caldbeck at 7pm.

If there is sufficient public interest in community ownership of the HNM shop, then we'll need to form a Steering Group to take on the responsibility of managing the project of setting up a new community shop. The FFT are not a decision-making body and no decisions have been made about any aspect of this project.

If anyone is interested in joining the Steering Group or supporting its work to set up a community shop, please contact any FFT member. Please note there is no expectation that those who become involved with the Steering Group will automatically be tasked with staying on to form the first Management Committee responsible for the shop operations.

Useful links

The Financial Conduct Authority's online handbook explains the difference between a co-operative and a community benefit society:
www.handbook.fca.org.uk/handbook/RFC CBS/-1/?view=chapter The registration forms (paper versions) are accessible here and show what is needed to register as a mutual society: www.fca.org.uk/firms/mutual-societies-forms

The Plunkett Foundation has useful information about how to go about community ownership: www.plunkett.co.uk/plunkett-foundation-strategy-2022-2026 and www.plunkett.co.uk/essential-resources/

Information about the government's Levelling Up fund is here:
<https://www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-round-4-prospectus#community-ownership-fund---summary>

Comments and questions from the floor

What was Andy's timetable for selling his business and would he consider selling it on the open market?

Andy confirmed that he was selling the premises and the business and would prefer to sell it to the community but would consider selling it privately if community ownership didn't materialise.

Did the post office bring in money?

Andy confirmed that every transaction over the post office counter provided income, even making cash withdrawals, and that this supported the shop.

What is the current turnover of the shop?

This and other questions about the financial viability of the shop will need to be addressed as and when we know that there is sufficient public interest to proceed with community ownership. We need to be mindful that these are very personal questions for Andy to answer while he is the owner of the business.

Had the FFT considered operating a shop from other premises?

In Newton Reigny, for example, planning permission was granted to erect a building to house a hair salon and shop next to the pub using land from the pub carpark. It was mentioned that the carpark in HNM is owned by the Parish.

Could part of the shop building be rented out for residential use to provide an income?

In theory yes, though it would probably need substantial investment to physically separate the living and retail spaces to enable the former to be treated as a separate income stream.

Could the premises function as a community hub, housing a tearoom for example?

The Gather café and shop in Ennerdale, for example, is run by a CBS. Philippa mentioned that the village shop in Kirkoswald is run by a CBS set up with the help of the Plunkett Foundation and we've met with them and made enquiries with other community shops.

What sort of money would be needed to purchase the premises?

Simon said that there had been no valuations carried out on the premises or the shop but £450,000 might be a figure to aim at when thinking about funding applications. The Levelling Up funding could provide up to £250,000 matched capital funding along with up to £50,000 of revenue funding.

What sort of share options have been considered?

The share options for HNM's pub and brewery had a minimum value of £1,500. The amount of small value shares required to provide the amount of capital needed to buy the current HNM premises would be prohibitive, and so we'll likely need a range of options including high value shares to make this work.

Is there enough of a community to support a shop in HNM and in Caldbeck?

There has always been a shop in each village and until recently there was a post office counter in the Caldbeck shop. The shops currently have a good working relationship which was cemented during Covid.

Had the FFT considered a crowd-funding campaign?

This might be a way of reaching people who had an interest in the village and spent time here each year but didn't have a permanent residence and so might not hear about the opportunity to invest in the shop. At this stage all options should be considered, and we need everyone to spread the word about what's happening.

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