ORCC
Setting up a community shop

OXFORDSHIRE RURAL COMMUNITY COUNCIL

Supporting Communities in Rural Oxfordshire
Acknowledgements

It is over thirty years since ‘If the Village Shop Closes….. a handbook on Community Shops’ was produced by Sue Gwilliam for the Oxfordshire Rural Community Council and over ten years since this handbook, ‘How2 create a community shop and post office’ was first produced by Helen Datson as part of her work as Village Shops Development Worker at the ORCC together with Jane Barker. Since then it has provided invaluable information to community groups wanting to save the retail service in their village.

The handbook gives information and encouragement to anyone interested in creating a community shop.

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Introduction

Oxfordshire now has eighteen community-owned shops, including stores at Islip, East Hagbourne, Hanney, Ewelme, Radley, Chadlington, South Stoke, Charlbury, Tackley, Ascott-under-Wychwood, Finstock, Filkins, Appleton, Little Milton, Brightwell-cum-Sotwell and Wootton.

The level of community involvement varies widely from store to store. Most shops operate with a combination of paid staff and volunteer assistants, such as at Appleton, Little Milton and Finstock. The shops at Islip and East Hagbourne are run solely by volunteers, whereas those at Chadlington and Charlbury are run by paid management and staff with no volunteer help. The premises also vary from village to village: some like Islip, Tackley and Hanney are housed in the village hall, others have taken over the existing shop premises following the closure of the business such as at Leafield or Appleton or, as at Ascott-under-Wychwood and Radley, have moved into newly built premises.

The one factor that all of these enterprises has in common is that the community was not prepared to just sit back and do nothing when the village shop closed. This handbook aims to show you how you too can take action and make social enterprise work for your community.
What’s so special about the rural shop and post office?

It is easy for the two car family and the urban dweller to ask what all the fuss is about, when surely in the age of one-stop shopping and the internet, the village shop and post office is an anachronism. Provisions can be bought almost anywhere at any time of day; purchases are often made using plastic cards not cash. So why is it important to support the local store and post office in your community or parish when there are so many other places to shop? The answer is that the village shop provides easy, local access to retail, postal and banking services combined with a vital social function which helps to bind the community together – important ingredients in a vibrant, sustainable community.

A perception persists that the rural shop and post office is a place that only the elderly and the disadvantaged use because they do not have the means to travel elsewhere, and to some extent this is true - if you have no car and there is little or no public transport you are forced to rely on local services. In reality, a far wider cross section of the community, including other local businesses, people working from home, carers and parents, regularly use a village shop and post office; and we all appreciate the local shop when weather conditions prevent us from leaving the village!

The shop can offer an extensive range of goods and services including general groceries, newspapers, magazines and stationery, local produce such as bread and eggs, fresh meat, fruit and vegetables, flowers and garden products, off-licence, dry cleaning, photocopying services plus a free delivery service and convenient opening hours. It provides local jobs and it’s often within easy walking distance, making it good for the heart and good for the pocket!

Furthermore, as everyone who has a good village store knows, your village shop and post office also acts as an informal social centre. It’s a place to meet your neighbours, to catch up on village issues, to advertise jobs and items for sale. It’s a place to read about local events and buy tickets. It can be a drop off point for parcels and a collection point for prescriptions. It’s a safe place for children to learn social skills and how to handle money. It’s an information point for delivery drivers, visitors, health workers and house hunters.

Little wonder that communities are concerned when their local shop is threatened with closure. Why would you want to lose such a valuable asset in your village? A community-owned shop is one way of maintaining this service and putting some heart back into your community.
Why do village shops close?

Sadly, not all village shops are good ones, and not all of the good ones are viable. Closures occur for a variety of reasons; where the owner retires and is unwilling to sell a property which is also the family home; where a property is more valuable as a private residence than as a shop; where rent increases/unsympathetic landlords render a store unviable; where high property prices and high borrowing levels present an unattractive return to prospective purchasers.

Sometimes the ‘fault’ lies with the shopkeeper, simply having the ‘wrong’ approach can have a detrimental effect on business, as can a lack of investment in premises, equipment or technology; lack of experience and training for both shopkeeper and staff or lack of imagination and drive. Often the shopkeeper is suffering from fatigue or depression – not many people appreciate the long hours and dedication that go into running a successful village shop!

Sometimes the shop is simply in the wrong place. As the village develops and expands the centre moves away from the shop making pedestrian visits less frequent; or the shopkeeper fails to respond to the challenge of out-of-town supermarkets and shopping centres. In some cases rapidly increasing demographic change is having a devastating effect on the shop’s customer base.

Then there are the technological changes that have altered the way that we shop and interact with one another. Shopping over the internet was once unheard of, but is now commonplace. It allows us to make purchases at almost anytime, anywhere. The delivery vans of major supermarkets are a common sight in villages, bringing the competition right to the door! Furthermore, the post office has seen its customers and branches dwindle in the past ten years. We post fewer mail items now that we can easily converse via email or mobile phone. We pay bills by direct debit; we renew licences online. The post office network is shrinking and with it the viability of many small rural shops.

Ultimately, it is the choices that we, the customers, make that decide whether a shop remains within the village. Without the support of its customers, no shop, however good, will be able to survive.

Whatever the reason, closure of the village shop means the loss of local jobs. Closure causes distress, loss of independence, loss of social interaction and inconvenience; people have to travel further for basic services and local produce has to travel further to the point of sale.

Socially, economically and environmentally we all pick up the bill.
ORCC Handbook: Setting up a community shop

Steps to rescue/recovery

Assessing the situation
First look at the existing business and, if possible, discuss with the owners the reasons for the potential or recent closure. Has the owner tried to sell the business? Could the village help the existing shop/shopkeeper to survive and improve? Can any physical improvements be undertaken? Can improvements be made to the current range of products and services?

If closure is unavoidable
Consult the community to gauge levels of support and the opinion of villagers; to assess public feeling towards the shop and the situation pending; and to gain guidance from the community on possible courses of action that could be pursued.

You could try many ways of reaching local people such as village newsletters; parish notice boards; leaflet drops to every house, local service outlets such as the shop, Doctor’s surgery, village hall, school, mobile library etc, and by talking to members of existing community groups such as Parents & Toddlers, Scouts, Evergreens, the WI.

If you decide to hold a public meeting, make sure you are clear what you want to achieve from the meeting and that the chairman understands what has to be decided. If possible select a chairman who knows the village well, such as a parish councillor. It can be useful to hand out slips for people to fill in if they would like to help, have any ideas to offer, etc., rather than relying on volunteers speaking up during the meeting. Make sure it is clear to whom they should be returned.

The meeting should be held in a recognised meeting place with plenty of room – such as the village hall or the school. However, very often the people most likely to use and support a community shop are least likely to attend a public meeting, particularly if it is held in the evening – e.g. parents of young children and pensioners – so it should not be assumed that non attendance of the meeting by these groups is an indication of lack of support. More advice on consultation methods is available from the ORCC

Who should be involved?
As many of the local community as possible including:

- People of influence in the village
- The Parish Council
- Current shopkeeper (if appropriate)
- School head teacher; the school may be helpful in getting parents interested

Plus:
- Oxfordshire Rural Community Council  [www.oxonrcc.org.uk](http://www.oxonrcc.org.uk)
- The Post Office if appropriate
- Your local authority councillors or appropriate officers
- Your local MP – s/he could be useful as the plan develops
Setting up a steering committee
If the community expresses support for community involvement in the project, a steering committee should be formed.

Who should be on the committee?
Any local people who have the commitment to give and are keen and enthusiastic
A Parish Councillor (it is helpful to have a link with the Parish Council)
People with useful skills can be brought in, as and when appropriate, eg:
An accountant
A solicitor
People with computer skills
A good administrator
People with hands-on retail skills
People with property skills
Representatives from local groups

The role of the committee
1. **Undertake a Feasibility Study**
Any proposal to set up a new business needs to be thoroughly researched, costed and appraised before proceeding. It is very important to carry out a feasibility study so that you can be reasonably sure that
- a community shop is the right retail requirement for the village
- a community owned venture would work where a commercial venture may have recently failed
- there is sufficient local interest in and commitment to a community shop to make it a reality

A feasibility study should include an **in-depth community needs survey** which will identify local need for a shop and highlight levels of disadvantage in terms of accessibility to other retail outlets. It will help to know the proportion of people with cars, the proportion of people who rely on public transport or neighbours, and the provision of public transport in the community. In addition you will want to identify community commitment to the project in terms of time, money and willingness to use the shop and identify the product lines and services required from any shop provided. If you decide to proceed with the project, potential funders will require this information when assessing your applications for grants/loans.

The survey usually takes the form of a written questionnaire (See Appendix C for a sample questionnaire). The questionnaire should be hand delivered and collected to/from every household, to ensure maximum response. Alternatively, a public meeting could be an opportunity to hand out the questionnaire and ask for it to be filled in before people leave. Other ways of surveying the village are a doorstep survey or an ‘open day’ in the village. Parish magazines can be used to publicise the survey and its importance to the village, or even to deliver the questionnaire itself.

Other issues to include in the feasibility study are:
*Local competition*: distance from the nearest local shop; distance to major supermarkets; accessibility to nearest shopping centre; home delivery services (eg supermarket chains, mobile shops). You should consider the potential impact on neighbouring local businesses in your own village and beyond - shopkeepers who have enjoyed the support of customers from your community may well feel concerned that a shop in your village will threaten their own commercial viability.
The type of retail facility required: community-owned shop; community market; community buying group; customer mailing service

The premises: purpose built premises; premises available to convert/adapt/extend eg. Village hall, pub, church; premises available to lease or buy; portacabin; other

The costs: forming a trading company; obtaining a building; planning permission/change of use; fitting out the building ready for retail; purchasing of shop equipment; purchasing of stock; staffing – paid staff and/or volunteers; overheads; licences

2. Explore funding options

3. Keep the community involved and up to date with progress, acting as a point of contact for villagers. It helps to keep everyone informed at each stage in order to maintain interest so that they will be ready to get more involved as the project progresses. This can be done at further meetings or via newsletters or the village or shop websites

4. Develop a press/PR campaign

5. Liaise with outside agencies and bodies who can provide specialist advice and help that you may need, such as the planning department or Post Office Ltd

6. Visit other community shops in the county to learn directly from those who have already done it! ORCC can supply contact details.

7. Consider other options/solutions and develop feasible ideas. The retail service to the village does not have to be a full time enterprise run from purpose built premises. Be realistic about what you can achieve and look at the different options that might suit your community. Consider community transport schemes, delivery services from neighbouring villages, WI/farmers or community markets and mobile shops (the local Environmental Health department should have a list of mobile services operating in your area)

Next steps
Once the feasibility study has been completed, its findings should be reported to the community at a public meeting. If it is decided to pursue the community shop project, an action group should be set up to take the project forwards. It is likely that some members of the original committee will serve on this group, together with others who may have particular skills or interests.

It is recommended that the action group adopts a constitution setting out its terms of reference. A sample constitution is set out in Appendix B. This gives a formal structure to the group and will enable it to open its own bank account for contributions towards the project. (The Co-operative Bank offers a Community Plus Account which does not attract bank charges)
Key issues: Premises

Where should the shop be sited?
Can the existing premises be purchased or leased, or will alternative premises be required? What alternative premises are there in the community? Will a new facility have to be built? You could consider any of the following:

- Pub
- Village hall/Community centre
- School
- Church
- Library
- Doctors/Dentists/Vets surgery
- Hairdresser/Barber
- Offices/Workshops
- Farms
- Other

Some points to consider when exploring the options:
Is the site in a good location with easy pedestrian access and parking?
Is it ‘neutral’ ground?
Is it already a focal point - if not, will it engender a sense of community?
Is the site big enough? The shop should ideally be at least 500 sq ft with additional storage facilities, office space and a staff cloakroom
Are basic facilities laid on?
Will people with disabilities be able to gain access to the site?
Sharing premises could mean shared costs and may increase the viability of the host business/community property
Sharing could also bring problems over issues of maintenance and access
Are there any legal restrictions, requirements or planning regulations?
Are there any security issues with the site?

Particular concerns when using a charitable village hall/ community centre
- The enterprise may not fall within the scope of the hall’s charitable objects
- There may have to be a ‘market’ charge for use, although you could try to widen the charitable objects to allow use at a nominal charge. The hall is a charity, but it cannot be a ‘soft touch’: free use is not normally acceptable to the Charity Commissioners and the village hall committee is also liable for the hall’s financial viability
- The hall is the property of the committee, the charity trustees, and is a recreational charity – it is not public property available to accommodate as of right any kind of use that the community identifies
- The hall must serve a variety of users - one use must not dominate - you cannot ‘tie-up’ accommodation which may be needed by others
- Establish who will be responsible for funding any building alterations required for a particular use
- Planning and rating implications of non-recreational uses impact on hall security and hall insurance
- If the new community enterprise does not fall into the category of recreation or leisure time occupation, you will need to consult the Village Hall Adviser of the Rural Community Council and, on their advice, the Charity Commission

Using the Church: The Diocese of Oxford is keen to promote community use of Church buildings. A booklet, “Community Use of Rural Churches”, is available from ORCC. Guidance is also available at www.churchcare.co.uk
Key Issues: Funding

1. Community fundraising
Funders will look for evidence of financial support for your project from within the community. This can be done in several ways:

- Traditional fundraising events such as coffee mornings, sales, dances, auctions of promises etc. These can be a good way of involving the community but are not always a good return on effort!
- Community investment by making gifts or donations to the fund
- Community investment through loans with return – you will need to consider how returns will be calculated
- Share purchase – depending on the structure of the enterprise (see ‘Key Issues – Legal Structure’ below)
- In some villages the shop has been saved by one or two individuals purchasing premises and leasing space to the community

2. Grants
The ‘Oxfordshire Guide to Funding Opportunities’ lists a range of local funders including district and county councils and is available to view at www.oxnet.org.uk. It is produced by OCVA (Oxfordshire Community and Voluntary Action) whose Development Team will be able to guide you through the appropriate funding available to your group. T: 01865 251946

Oxfordshire County Council has a summary list of funding opportunities, including County Councillor Community budgets, on line at www.oxfordshire.gov.uk Funding and grants | Oxfordshire County Council

The Oxfordshire Village Shops Small Grant Scheme
A small fund supported by the County and District Councils of Oxfordshire. Grants of up to £1,000 are available for community and commercial shop projects. There is a 50% match funding requirement for all projects. Further information and an application form are available from ORCC.

South Oxfordshire Capital Grant Scheme: Community Investment Fund (CIF)
South Oxfordshire District Council offers grant to capital community projects in South Oxfordshire through its Community Investment Fund (CIF). Approximately £500,000 per year is distributed in capital grants and the council offers small grants to applications requesting under £15,000 (two application periods per year) and large grants to applications requesting between £15,000 and £100,000 (one application period per year).

Grants will be made for up to 50% of a community based project.

Guidance notes for the scheme can be downloaded from the SODC website www.southoxon.gov.uk Community Investment Fund (CIF) - South Oxfordshire District Council
3. Community Shares
Accessing grants to set up a community shop is becoming more difficult, so more communities are looking to community investment as a way of raising the funds required. Community investment is defined as 'The sale, or offer for sale, of more than £10,000 of shares or bonds to communities of at least 20 people, to finance ventures serving a community purpose.'

Community shares are a unique form of share capital which are 'withdrawable.' Whereas other shares are transferable and sold to realise their value, with community shares the only way to get back your investment is through withdrawing your money from the business and returning the shares to the business. The only businesses that can issue withdrawable shares are those set up as IPS (Industrial and Provident Society). The Plunkett Foundation (www.plunkett.co.uk) is the national organisation for community owned shops and is one of only four sponsoring bodies to have the appropriate Model Rules to undertake a Community Share Issue. Contact them for guidance and support on 01993 810730 or through their website www.plunkett.co.uk

4. Contribution from the Parish Council
Please check with OALC (Oxfordshire Association of Local Councils) on T: 01491 823118; E: info@oalc.org.uk to ensure that you have current information to hand.

Parish Councils can contribute funds, by means of a grant, to a village shop but has to rely on the powers contained in section 137 of the Local Government Act 1972 to do so. Section 137 enables a Parish Council to spend a limited amount of money per elector/per year for purposes for which they have no other specific statutory expenditure power.

The money can be spent on purposes for the direct benefit of the Parish Council's area, or part of its area, or some or all of its inhabitants; in other words a council can contribute an amount within its section137 allowance that is commensurate with the perceived benefit.

Grants can be made annually but circumstances should be reviewed on an annual basis. Typical grants include covering the cost of a rent increase where payment by the business would render the business unviable.

Expenditure under section 137 must be authorised by resolution of the council and a separate account must be kept of the expenditure. Section 137 expenditure cannot be used to benefit an individual so cannot be used to finance or top-up a loan to a private business.

The Parish Council also has the power to purchase property for a village shop/Post Office under section 124 of the Local Government Act 1972 which allows the acquisition of land (the term 'land' includes buildings or premises) by Parish Councils for the purposes of
(a) any of their functions under this or any other public general Act, or
(b) the benefit, improvement or development of their area
The Parish Council can purchase property using reserves, funds raised in the community or by raising a loan. A loan must be sanctioned by the Office of the Deputy Prime Minister and is repayable over a maximum of 25 years. Details and advice on obtaining loan sanction are available from the Oxfordshire Association of Local Councils (Tel: 01491 823118; email info@oalc.org.uk) who process all applications.

However, the Parish Council does not have the power to run a business so a separate entity, such as an Independent Provident Society or a Company Limited by Guarantee would have to be formed to lease the property and run the shop and/or Post Office.

If it was felt to be in the best interests of the community, the Parish Council could offer the property at a peppercorn rent but this could only be done by way of a short tenancy not exceeding seven years. The Council could have a series of seven year leases on similar terms but it would be prudent to examine the lease at each renewal as the financial situation of the business may have altered.

Commercial borrowing/soft loans for Social Enterprise

There are a number of organisations which lend to social enterprises. These are often referred to as ‘Community Development Finance Institutions’ or CDFIs. The main CDFIs in England and Wales are:

**ICOF (Industrial Common Ownership Fund)**
Tel 020 7251 6181  Website: [www.icof.co.uk](http://www.icof.co.uk)

**Local Investment Fund**
Tel 020 7680 1028  Website: [www.lif.org.uk](http://www.lif.org.uk)

**Charity Bank**
Tel 01732 774 040  Website: [www.charitybank.org.uk](http://www.charitybank.org.uk)

**Triodos Bank**
Tel 0117 973 9339  Website: [www.triodos.co.uk](http://www.triodos.co.uk)

More information can be obtained from the **Community Development Finance Association**
020 7430 0222 Website: [www.cdfa.org.uk](http://www.cdfa.org.uk)

**UK Social Investment Forum**
020 7405 0040  Website: [www.uksif.org.uk](http://www.uksif.org.uk)

**The Co-operative Bank** is also generally sympathetic to community ventures and it may be worthwhile approaching other High Street banks to see what deals are available.

When considering lending money to a community shop venture, the following will be taken into account:

- The amount of the villagers own financial contribution to the scheme
- The quality of the proposed management committee or shop manager
- The historic performance of the shop and anticipated projections
- The potential for the business to be able to repay the loan if successful
Key Issues: Legal Structure

This will involve deciding on what sort of business the community wants to operate. This could be, for example, a co-operative or community business, with profits being redistributed to the community. This will help to define the structure that will give the business a legal status and a constitution which sets down the rules under which the business will be run.

It is strongly recommended that any community-owned retail venture is legally incorporated because it provides:

- **Limited liability status and equality of risk.** Members are protected through corporate ownership of property and contracts - it is the corporate body that is fully liable for its debts and this does not transfer to its members, so members only risk losing their original equity investment (if they are shareholders) or if the organisation has a guarantee structure, the amount they guaranteed. Members of an unincorporated organisation are jointly and severally liable for all the actions of the organisation, so if the organisation is unable to repay any debts, any of its members could be held liable to repay the debt in full.

- **A secure structure for equity investment** – funders, including Plunkett’s CORE funding programme, may well insist that applications come from groups who have set up or are in the process of setting up an appropriate legal structure ie one that is a social enterprise.

In order to encourage community involvement in the business which is linked to local interest rather than the ability to invest, many community shops are currently set up as **Companies limited by guarantee** or **Industrial and Provident Societies either for the Benefit of the Community or as a Community Cooperative**. There is now also a legal structure specifically designed for social enterprises, the **community interest company (CIC)**.

Choosing the correct organisational and legal structure for your shop is important and it is advisable to take professional advice to decide what the best choice is for your community and to guide you through the steps you need to take. There may be a solicitor or accountant in your community willing to undertake this part of the project for the committee on a voluntary basis; or a local practice may be willing to offer a reduced rate.

Advice and guidance are available from:

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<th>Organisation</th>
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<tr>
<td>ORCC</td>
<td>01865 883488</td>
<td><a href="http://www.oxonrcc.org.uk">www.oxonrcc.org.uk</a></td>
</tr>
<tr>
<td>Co-operative Futures</td>
<td>0845 4562506</td>
<td><a href="http://www.co-operativefutures.coop">www.co-operativefutures.coop</a></td>
</tr>
<tr>
<td>Plunkett Foundation</td>
<td>01993 814377</td>
<td><a href="http://www.plunkett.co.uk">www.plunkett.co.uk</a></td>
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Information on company formation is available from:

**Companies House** Tel 0870 3333636  [http://companies-house.gov.uk](http://companies-house.gov.uk)

Further information on co-operative enterprise is available from

**Co-operativesUK Ltd** (0161 246 2900)  [www.uk.coop](http://www.uk.coop)
Preparation of a realistic business plan is essential
A Business Plan is a statement of the project’s aims and projected viability and will be required by grant aiding bodies, private and commercial lenders as well as providing a framework for everyone involved. It is sensible to give everyone a chance to have an input into the business plan – this will help everyone feel that they ‘own’ the plan. It need not be a lengthy document; just a clear statement of the project’s aims and it should be revisited and revised as the project develops.

A business plan should include the following:

- **Mission Statement**
- **Objectives of the project**
- **Background information** – size of village, other facilities, proximity to other centres, access to public services etc
- **History of retailing in the village**/ current shop profile – description of the shop, location, opening hours, existing products and services, staffing, current trading position, marketing history
- **Community shop proposals** including information about the nature of a community owned shop, premises, cost, legal structure, staffing structure, goods and services to be offered, target groups, opening hours
- **Profitability** – provide details of how any surplus will be spent and when the shop will be in a position to pay off any loans
- **Financial information** This will be scrutinised in some detail, so ensure that the figures provided are as accurate as possible. Sales predictions should be realistic. Include capital set up costs, current financial position and a cash flow projection
- **Cash flow projection** - You will need to set out the projected income of the shop - ideally, you should be able to ask the existing/previous shopkeeper for a copy of their latest annual accounts. If these are not available, the ORCC can provide guidelines on figures for similar shops in your area.

You will also need to take the following costs into consideration:

- Rent
- Electricity/Gas
- Telephone/ICT
- Repairs and Renewals
- Business Rates
- Bookkeeping/Accountancy
- Depreciation
- VAT repayments or claims
- Insurance: employers liability & public liability, plus loss/damage to stock, equipment/premises and business interruption
- Transport (trips to the Cash & Carry and customer deliveries, using either a staff member’s vehicle or a vehicle purchased for the community shop)

- **Details of the management team** – highlight the skills and strengths of the management team to present a professional and confident image
Key Issues: Shop Layout and Display

If you are fitting out a new, purpose built building and have the funding to do so, spending time and resources on well planned, good quality fixtures and fittings will be a valuable investment. If you are taking over an existing shop, then you may be constrained by equipment and shelving already in place. However, some imaginative changes can make a big difference to how a shop looks. Reputable shop fitting firms will help you plan the layout, or there may be community members who have particular skills and talents in this area – use them!

A good store layout will encourage customers to find what they want easily, see the full range of stock and tempt them to stay and spend a little bit more.

Guidance points:
- Shoppers tend to shop in a clockwise motion, so the till area is usually positioned on the right
- Make aisles wide enough to accommodate prams and wheelchairs if possible, and keep clear at all times
- The central shelving should be at a height that can be seen over, wall shelving should be higher
- Create clear sight lines in the shop, particularly to the door. Use mirrors if necessary so that as much of the shop can be seen as possible from the counter
- Lighting should be bright and uniform throughout the store. Good lighting at the counter is particularly important
- Try to position chillers, freezers and perishable goods out of direct sunlight. Be aware that sunlight can fade packaging even if the goods are not light sensitive
- Products should follow a logical pattern and be displayed in vertical block sections eg pasta and rice, soups, tinned vegetables, tinned fruit and desserts, baking products, beverages, biscuits, cakes, cereals, pet foods, household goods, etc
- Position confectionery, ice cream and snack lines near the counter to encourage impulse buys
- High value goods and age restricted goods such as spirits, cigarettes, medicines and batteries, should be placed behind the counter
- The off licence section should be positioned adjacent to the counter for security reasons
- Know where the ‘hot spots’ are (usually on or near the counter) and use them to promote new lines or seasonal/celebratory goods
- Display best sellers at eye level “Eye Level is Buy Level”
- Use ‘point of sale’ material to highlight special offers and specialist lines
- The image of the store from outside is as important as the view inside

How the shop looks and the atmosphere within the store are both vital factors in the success of a shop. Take time to think about the image you want to create and how you can adapt the shop to achieve it.
Key Issues: Fixtures & Fittings

Your community shop will require most of the following:

- Cash register
- EPOS (Electronic Point Of Sale) system
- Scales
- Drinks chiller
- Dairy chiller
- Freezer
- Ice Cream freezer
- Back up chillers and freezers in the stockroom
- Pricing gun and labels
- Shopping baskets
- Shelving/racking/display/counters etc.
- Bake-off facilities
- An adequate hot water supply
- Separate sinks for cleaning and hand washing
- Staff toilet
- Facilities for staff to make hot drinks etc.
- Adequate lighting
- Adequate power supply for refrigeration/cash register etc
- Security system: Safe, CCTV (Closed Circuit Television), mirrors, alarm/security shutters as necessary (*CCTV is only useful if used with a visible monitor and a video recorder and if using a video recorder you must register under the Data Protection Act – this currently costs just £35 per year*)
- Air conditioning (*the number of chillers and freezers producing large amounts of heat can cause serious overheating problems in shops, which can damage stock*)
- Computer with internet access
- Fire Extinguishers
- Electric Insect Killer
- First Aid box
- Office Furniture
- Chair for customers
- Post Office equipment/computer/scales etc (by arrangement with Post Office Ltd)

Some community shops have approached larger retailers, such as the Midlands Co-operative to secure second-hand equipment and fittings to kit out their shops. Don’t be afraid to ask for discounts on any fixtures and fittings – the community shop model has good ethical credentials which suppliers and manufacturers may be willing to give extra support to.
Key Issues: Stocking your Community Shop

A good village store should offer:
- Fresh bread - *good quality* bake-off or local bakers
- Fresh fruit and vegetables - *local where possible*
- Fresh milk & dairy products; cheese, yoghurt, butter, cream - *local if possible*
- Other local produce such as eggs and honey
- Off Licence - *subject to the Premises and Personal Licences*
- Post Office services - *depending on agreement with Post Office Ltd*
- Basic groceries
- Newspapers & magazines
- Greeting cards/postcards, limited range of stationery, batteries

In addition, a very good village store will also offer (subject to customer demand, shop space and other services available in the village):
- Delicatessen - speciality cheeses, olives, meats etc
- Fresh fish - may be limited to certain days
- Fresh meat - some stores have arrangements with a local butcher or producer for customer orders
- Luxury range groceries eg Epicure, Bendicks, Duchy Originals etc.
- Fresh pasta, sauces and soups
- Speciality breads
- Freshly made sandwiches, hot pasties, sausage rolls etc.
- ‘Home made’ cakes etc.
- ‘Fair Trade’ products
- Organic products
- Speciality ice cream & sorbet
- Delivery service (free subject to minimum order)

Extra services that should be considered include:
- Dry Cleaning, Photocopying, DVD rental, Prescription collection service, Mobile Phone Top-ups, Electricity Key charging, Cash machine (ATM), PayPoint, Lottery

Many village shops also provide space for local artists and craft workers to display their work on a commission basis. Other ideas that could be explored - space permitting - include: a coffee shop, Internet facilities, a toy library...

But beware of offering to meet every request that customers make, some specialist items simply will not sell in sufficient quantity - and some will not sell at all despite being requested!

Sourcing your stock
- Cash & Carry
- Delivered wholesalers
- Local producers and specialist suppliers/producers
- Mid-Counties Co-Operative Society: offer 10% discount off their shelf prices
- Some shops purchase special offers from national supermarket chains
- ORCC’s Village Shops Handbook contains a list of suppliers and local producers
Key Issues: Staffing, Management, Volunteers, Shop Hours

The staffing structure of your shop will depend very much upon budgets and local circumstances. Options available are:

- Voluntary labour
- Employed manager and staff
- Employed manager with volunteer assistants
- Voluntary management with a mix of volunteer and paid assistants

The ideal option is to have a paid manager with paid and/or volunteer assistants as this can give a greater sense of control and stability to the business. Employing paid staff avoids many of the pitfalls of using volunteer labour such as the organisation of rotas, allocation of tasks, availability and sustained commitment. However, it can prove too expensive for small community shops to afford.

If you employ a manager (paid or voluntary) make sure there are clear guidelines on how you want the shop to be run, performance targets, appraisal systems etc. Management committee members should not forget that a manager is just that and the manager must be allowed to manage!

Some shops have decided to share the managerial responsibilities between members of the management committee and employ shop assistants to cover the less popular times for volunteer shifts, which is more cost effective than employing a manager.

Staff/Committee major roles:
Whilst each community shop will develop its own operational systems, a broad guideline of roles and responsibilities is given below:

- **Overall management**
  Financial issues: PAYE, VAT returns, annual accounts, management of bank accounts, stock taking, and settlement of major accounts.
  Investment in new equipment/services and business expansion
  Policy decisions: pricing policy, purchasing policy, staff contracts and training, Health and safety issues, security procedures, publicity & promotion

- **General management**
  Stock ordering, control, rotation and display
  Checking invoices/delivery notes
  Organising the collection of goods from Cash & Carry etc.
  Promotion of goods and services to maximise sales and profitability
  End of day cashing up/preparation of floats
  Staff/volunteer rota
  Banking of takings
  Opening and closing the shop
• ‘Front of house’
  Serving customers
  Taking and preparing orders
  Shelf stacking/stock rotation
  Pricing goods
  Grocery and Newspaper deliveries
  Maintaining high standards of cleanliness throughout the store

Volunteers
Volunteers are a vital resource in many community shops, contributing their time in a variety of ways from serving and cleaning in the shop to sitting on the management committee or giving professional expertise. Most Oxfordshire community shops that use volunteers to help with the running of the shop have a ‘bank’ of at least 30 volunteers; some are lucky enough to have 60 or more! Whilst the shop manager is usually the person to supervise and train the volunteers, organising the rota to ensure that the shop is staffed at all times is a vital task, usually undertaken by the Volunteer Coordinator. For large numbers of volunteers, consider appointing a number of ‘Volunteer Managers’ - responsible volunteers who will look after a small team of volunteers and ensure that they are kept up to date on information and training.

The early days will often see a rush of people willing to put in a few hours but this invariably dwindles after the first year or so. It is important to keep on recruiting volunteers as there will be natural wastage over time as people’s circumstances change.

In order to provide a professional framework for volunteering, it is recommended that the shop draws up a volunteer policy which clearly sets out the responsibilities and expectations of both the shop and the volunteers. There should also be a full induction and training programme for volunteers, to include topics such as customer service and health and safety training, plus a handbook setting out the procedures in the shop. Volunteer training should be an ongoing process in order to build confidence and ensure a competent service. ORCC is available to help with the preparation of volunteer policies, production of procedures manuals and volunteer training programmes.

Building up team spirit will encourage loyalty and long service, so support, training and social events are strongly recommended. Thanking the volunteers for their assistance and celebrating the success of the project should be done regularly!

Opening Hours
Aim to be realistic about what you can offer and only commit to hours that can be maintained consistently. Your opening hours will depend upon the number of staff and volunteers available at any one time and should reflect local demand as evidenced in the questionnaire. So whilst it might seem ideal to have your store open for long hours, such as 7.00 am to 7.00 pm, in reality you can still offer a useful service with restricted opening hours.
### Key Issues: Rules and Regulations

#### Contract of Employment
A contract of employment is an agreement between the employer and the employee and is made as soon as the employee accepts a job offer. Both sides are then bound by its terms until it is ended (usually by giving notice) or until the terms are changed by mutual agreement. The contract may be a verbal agreement; however, employees are legally entitled to be given a written statement of employment within two months of their start date.

The written statement of employment sets out the particulars of an employee’s employment and should include pay, hours of work, holiday entitlement, sick pay arrangements, notice periods and any information about disciplinary and grievance procedures. Business Link provides a tool to help produce a written statement [www.businesslink.gov.uk](http://www.businesslink.gov.uk). If it is necessary to change the terms of the contract during the period of employment, the new information must be given to the employee in writing within one month.

#### National Minimum Wage
The national minimum wage applies to nearly all workers and sets out hourly rates, below which pay must not be allowed to fall. Changes usually occur annually on 1st October. There are three basic rates set by the Government; an adult rate, a rate for young people aged between 18 and 20 and a rate for 16/17 year olds. From October 2010 the rates are £5.93 for 21 and over, £4.92 for 18-20 year olds and £3.64 for 16-17 year olds. For further information go to the Revenue and Customs Website [www.hmrc.gov.uk](http://www.hmrc.gov.uk) or call 0845 6000 678 (enquiries) 0845 8450 360 (information).

#### PAYE and NIC
PAYE (Pay As You Earn) is the system that HM Revenue & Customs (HMRC) uses to collect Income Tax and National Insurance contributions (NICs) from employees' pay as they earn it. As an employer, you will have to deduct tax and NICs from your employees' pay each pay period and pay Employer's Class 1 NICs if they earn above a certain threshold. These amounts should be paid to HMRC monthly or quarterly by the 19th of the month; late payments may attract interest.

New employers have to register with HMRC if an employee:
- Already has another job
- Is receiving a state or occupational pension
- Is being paid at or above the PAYE threshold (see above)
- Is being paid at or above the National Insurance lower earnings level
- Receives employee benefits

Registration can take place up to four weeks in advance of the first pay day, either via email or by phone on 0845 60 70 143. For help and guidance go to the HMRC website [www.hmrc.gov.uk](http://www.hmrc.gov.uk)
Payslips
Each paid member of staff must receive a pay statement (payslip) at or before the time they are paid. This can be in either paper or electronic format but it must show each employee's gross pay (before tax), any deductions and the net amount payable after the deductions have been made. At the end of each tax year, an employee must receive a summary of their pay and deductions on form P60 in paper form.

Holiday Entitlement
All employees, whether they work full or part time, have the legal right to paid leave from work. The current entitlement is 28 days per year, but this can include bank and public holidays if stated in the contract of employment. Employees start to build up holiday entitlement as soon as they start work and are entitled to be paid for any holidays that they have accrued but not taken when they leave.

Health and Safety
Every shop must have a health and safety policy and have the necessary procedures in place to comply with the law. Whilst overall responsibility for health and safety control rests with the management committee in the case of a community shop, it is the responsibility of all to ensure that the shop is a safe place to be. Since health and safety legislation requires both employers and employees to comply with certain minimum requirements, both can be held responsible if they fail to do so.

Health and Safety in the workplace is monitored by the Health and Safety Executive, but it is the role of health and safety officers from the District Council to visit shops, primarily to give advice and then to ensure that correct practices are being enforced and dangerous practices are stopped. They also investigate accidents and complaints but usually only take enforcement action when something is seriously wrong.

The legal requirements are:
- A written health and safety policy
- A written risk assessment
- A record of the significant findings of the risk assessment
- Consulting with staff and volunteers on health and safety matters
- The training of staff and volunteers on health and safety matters
- Displaying of a current employer's liability insurance certificate
- Displaying the ‘Health and Safety’ Law poster
- Recording and reporting as necessary any injuries and accidents – in an accident book available from the HSE or commercial booksellers

Health and safety topics which are relevant to village shops include:
- General practices and procedures
- Preventing slips, trips and falls
- Manual handling
- Control of substances hazardous to health (COSHH)
- Good housekeeping and standards of cleanliness
- Food handling regulations
- All aspects of fire safety and risk assessment
- All aspects of security, both of premises and personnel
- First Aid provision
- Reporting of accidents including RIDDOR
- Noise at work
- Use of electrical equipment

For further information contact HSE Books, PO Box 1999, Sudbury, Suffolk, CO10 2WA Tel: 01787 881165 Fax: 01787 313995 www.hsebooks.co.uk
HSE Infoline: Tel: 08701 545500 www.hse.gov.uk
HSE Information services, Caerphilly Business Park, Caerphilly CF83 3GG

Employers Liability Insurance
Your insurance should cover you for all employees but check with your insurer before taking on young people.

Discrimination
It is unlawful to discriminate on the grounds of ethnicity, religion, gender, sexual orientation and disability. For further details visit the ACAS website www.acas.org.uk or the Direct Gov website www.direct.gov.uk

Food Hygiene and Food Safety
All food related businesses must be registered with the Environmental Health Department at your District Council who should always be consulted before introducing new services such as a delicatessen counter, sandwich preparation or the sale of fresh meat and fish.
All food handlers must be supervised and instructed and/or trained in food hygiene matters to a level appropriate to their job – details of courses are available through your local EHO and some Oxfordshire community shops have made arrangements with large supermarket chains for volunteers and staff to join their in-house training programmes.

Selling Age Restricted Goods
Age 12: 12-rated films must not be supplied to anyone under the age of 12
Age 15: 15-rated films must not be supplied to anyone under the age of 15
Age 16: The following must not be sold to a person under 16:
- Liqueur chocolates
- Lottery Scratch Cards
- Offensive weapons (such as knives)
Age 18: The following must not be sold to a person under 18:
- Cigarettes and tobacco
- Alcohol
- Fireworks
Intoxicating substances: if you know or have reason to believe that the substance or its fumes are likely to be inhaled for intoxication (this includes solvents such as butane gas, lighter fuel/fluid, solvent based glues, aerosols, nail varnish remover and correction fluid.
- Cigarette lighters containing butane or a substance with butane as a constituent part
- DVD: 18-rated films must not be supplied to anyone under the age of 18
- Medicines such as aspirin /ibuprofen
If unsure ask the person their age or ask for proof of age which has a photo, name, date of birth and signature. Consider implementing an ID scheme such as CitizenCard. Any sales which are refused should be entered in the shop diary/log book or the ‘Refusals’.

**Selling Alcohol**
Under the Licensing Act 2003, separate licenses are required for the premises and for the individual. A premises licence allows alcohol to be sold from a particular place; a personal licence allows an individual to sell, or give authority to sell, alcohol from any licensed premises.

The Premises licence runs for the lifetime of the business. There is an initial fee for licensing the premises and an annual fee for renewing the licence. The fees are set according to the Business Rates band of the premises.

A Personal licence holder is able to sell alcohol from any licensed premises. The current cost of a personal licence is £37 and is valid for ten years. All licence holders must have the appropriate licensing certificate which can be gained by attending a one day course. It is not necessary for every staff member or volunteer to hold a personal licence, but it is advisable for at least two people hold a personal licence – usually the shop manager and a member of the management committee.

There must be **one** appointed Designated Premises Supervisor (DPS) per licensed premises, who will be held as the person in overall charge of the premises. He/She must be a personal licence holder and is usually the shop manager. The DPS does not have to be on the premises at all times, but must take responsibility for what happens on the premises. The DPS is responsible for ensuring that staff and volunteers have full understanding of the Licensing Laws and that they are fully trained to sell alcohol.

The responsibility for the licensing of both premises and individuals to sell and supply alcohol is with the District Councils. All application forms and information can be obtained by contacting the Licensing Department of the relevant District Council. Applications for personal licence holders must be made to the council for the district in which they live, not to the council in the district in which the licensed premises are situated.

For further information on how to apply to sell alcohol consult the ORCC fact sheet: ‘Applying for an alcohol licence’ available from ORCC

Further Information:
British Institute of Innkeepers  [www.bii.org.uk](http://www.bii.org.uk)
Brewers and Licensed Victuallers Association 0207 493 3338
Licensing Department of the local District Council – See page 29
Abingdon and Witney College 01235 216396  [www.abingdon-witney.ac.uk](http://www.abingdon-witney.ac.uk)

Further information on these topics and all aspects of running a shop is available in the ORCC Village Shops Handbook.
Key Issues: The Post Office

Often the village shop and the post office operate side by side, so it may be that the closure of the village shop has also meant the loss of the local post office. Post Office Ltd (POL) is responsible for running the UK’s Post Office Network and most rural post offices are operated by contracted sub-postmasters, appointed at Post Office Ltd’s discretion. POL sets the opening times of the branch and remunerates the operator for running it and for the number and type of customer transactions. Training and support is provided by POL.

Post Office Ltd (POL) is committed to maintaining the current size of the post office network and has to meet accessibility criteria set out by the Government, so if the post office has just closed in your village there may be an opportunity to work with POL to continue to provide a local service. Following the resignation of the sub-postmaster, POL will assess the viability of the branch and draw up a new contract that reflects the level of usage rather than simply renew the contract on the same basis as before. This may result in a change in service provision, such as a reduction in opening hours.

The Post Office website [www.postoffice.co.uk](http://www.postoffice.co.uk) will list opportunities to operate Post Office branches and the appointment process usually lasts about three months, so if you are considering applying to run the post office it is advisable to contact POL as soon as possible.

POL will want to maintain as continuous a service as possible, so time is of the essence to find a solution to how post office services can be offered in your village. It is more than likely that the future of the post office will be settled before the community shop is established. There are various options to consider, depending upon the particular circumstances in your village.

**Option 1: PO premises still available within local shop**
If the community is planning to take on the running of a shop where a post office has recently been trading, then the PO branch will be maintained at that site if a suitable sub-postmaster can be approved and appointed by POL, **provided there is no break in service**. Remuneration is two-fold: a basic monthly payment for running the office, plus payment for transaction traffic. Prospective applicants should phone the Customer Helpline 08457 223344 and ask for a contact request from the local Field Transfer Adviser.

However, if there is a break in service because the outgoing subpostmaster is unwilling or unable to maintain service beyond his resignation date, or a new appointment is not made, POL will automatically seek to implement Options 2 or 3 below.

**Option 2: PO premises not available: Post Office Local**
If the post office premises are no longer available, POL will seek to set up a Post Office Local service in another business in the village. A business wishing to take on a Post Office Local will offer post office services alongside their current business (no need for a separate post office counter) for all the times that the business is open and must be registered for VAT. Remuneration will be on transaction traffic only. It can take up to 6 months to set up this service.
Option 3: PO premises not available: Post Office Hosted Outreach
If the post office premises are no longer available and there is no other business in the village willing to take on a Post Office Local Service, POL will seek to introduce an Outreach service which will be operated by a current subpostmaster, appointed by POL, in local premises such as the village hall, the pub or community shop. An Outreach service is likely to be for a few hours only each week and will be at set times, agreed by POL, the subpostmaster and taking into account the needs of the village whenever possible.

If your village does not have a post office or it has been closed for some time, it is highly unlikely that you will be able to reopen a branch. Some community shops have set up a ‘do-it-yourself’ mail collection service which allows customers to purchase stamps at the shop, stamp up articles for the mail and leave letters and parcels for collection, at the customer’s own risk. For further information contact ORCC.
Key Issues: Publicity

Publicity and promotion are all important – from the first meeting at the start of the project to the shop launch party and beyond! Keeping everyone in the community informed at all stages of the development of the project encourages their long term involvement and interest. Once the shop is open, people will need constant reminders of the services and goods on offer, the opening times of the shop, any new stock items or special offers.

Do this by
- Appointing a Press Officer on the management committee
- Holding ‘special events’ eg tasting sessions of new products
- Organising leaflet drops advertising the shop
- Publishing articles in the village newsletter
- Publishing a page on the village website and regularly updating it
- Providing a stall at village fetes etc to publicise the shop
- Ensuring newcomers to the village receive information about the shop
- Informing local and national press of your success

The most important publicity event will probably be the launch of the shop. Careful planning is required to ensure a successful event:
- Choose a time and date that will suit most people
- Invite a local celebrity or dignitary to perform the official opening
- Specifically invite all shop supporters, volunteers and shareholders, members of the parish council, financial backers and advisers, retail advisers, suppliers, local dignitaries and celebrities and anyone else who has contributed to the establishment of the shop
- Advertise the event on parish notice boards, websites and newsletters not only in your own village, but in neighbouring villages, particularly any that do not have a village shop of their own
- Inform all local groups and community organisations
- Appoint a photographer to ensure you have a pictorial record of the event
- Decorate the shop and make sure it looks at its best
- Offer free refreshments
- Consider running special promotions alongside the launch to encourage people to buy
- Make sure everyone knows where the shop is and that there is space for people to park
- Issue a press release and invite the local press to attend. The press release should include:
  - The name and the location of the shop
  - Contact name and details
  - An interesting quote or catch line
  - What has been achieved by the community, how and by whom
  - Any special mentions/ appreciations
  - Details of the launch event
  - Photographs if available

A list of local media contacts is available from the ORCC
Open for Business

Having jumped the major hurdles of finding premises, funding, staffing, fitting out the store and stocking it, you are now ready to open your Community Shop!

There are many different challenges in running a shop and it will seem like very hard work at the start. You will quickly learn which routines are important:

- regular and efficient stock control
- ensuring regular and accurate delivery of goods
- accurately pricing goods to give the correct profit margin
- ensuring that the shop is manned
- ensuring the staff/volunteers are confident, well trained and helpful
- regular promotion of different goods (not necessarily special offers)
- ensuring all equipment is working properly
- keeping the shop clean
- complying with health & safety legislation etc
- running an efficient book keeping system
- keeping your customers happy!

Remember, help is on hand from the ORCC **Village Shops Development Worker** who is available to support and guide you through the early days and beyond.

The **Oxfordshire Village Shops Handbook** has been compiled by the ORCC and is packed with vital information on a variety of retailing issues, including Trading Standards, Health and Safety, Risk Assessment, Stock Management, Marketing and Employing Staff. The Handbook is free to village shops in Oxfordshire.

ORCC also encourages community shops in the county to share advice and best practice through the Oxfordshire Community Shop Network. The network meets twice a year for informal discussion. Contact ORCC for more details.
Additional sources of information, advice and guidance

Plunkett Foundation  01993 814377  www.plunkett.co.uk
The Plunkett Foundation’s activity, Rural Community Shops, supports rural communities wanting to set up and run a community owned shop. Currently there are around 250 community owned shops in England. Many of these have been established with Plunkett’s support.

Plunkett provides practical assistance through:
- A regional network of community retail advisers providing front-line support to rural communities
- Online guidance, information services and signposting links from the Plunkett website
- Advice on funding and legal structures

There is no charge to individual communities for Plunkett’s advice and support.

Rural Shops Alliance (RSA)  01305 752044  www.ruralshops.org.uk
The RSA is a national trade organisation that represents the views of the rural retailer. It aims to support and inform owners of village shops and encourage them to become more proactive and professional in operating their businesses. The RSA is also a lobbying organisation, working with and on behalf of rural retailers on a whole range of issues and acts as a conduit for representation through to Government.

ORCC purchases annual ‘block’ membership of the RSA for all shops in rural Oxfordshire

Oxfordshire County Council Trading Standards Service is available to offer advice and guidance on a range of issues including regulations relating to food labelling, price marking, weights and measures, age restrictions relating to the sale of goods and the Business Names Act etc.

Email: trading.standards@oxfordshire.gov.uk
Telephone: 01865 815000  http://www.oxon-tss.org.uk

Post Office Limited  Customer Helpline 08457 223344
To make enquiries about continued service following a closure, phone the helpline and ask for a contact request from the local Field Transfer Adviser

www.postoffice.co.uk

National Federation of Sub Post Masters  01237 473422
www.nfsp.org.uk

Co-operative Futures  0845 4562 506
www.co-operativefutures.coop

Oxfordshire Business Enterprises  01295 817626
www.oxonbe.co.uk
Ethnic Minority Business Service 01865 727015

Business Link
www.businesslink.gov.uk 0845 600 9006

Data Protection (The Information Commissioners Office) Help Line 01625 545 745 www.ico.gov.uk

Oxfordshire Community and Voluntary Action (OCVA) 01865 251946 www.ocva.org.uk

District Councils main switch-board numbers are given below - ask for the relevant department i.e. Environmental Health, Business rates, Economic Development

Cherwell District Council 01295 252535 www.cherwell-dc.gov.uk
South Oxfordshire District Council 01491 823000 www.southoxon.gov.uk
Vale of White Horse District Council 01235 520202 www.whitehorsedc.gov.uk
West Oxfordshire District Council 01993 861000 www.westoxon.gov.uk

Dept of Business, Innovation & Skills www.bis.gov.uk

Royal Mail http://www.royalmail.com

Postcomm www.psc.gov.uk

Ofcom www.ofcom.org.uk

Independent Retail News talkingshop.co.uk http://www.irn-talkingshop.co.uk

Food Standards Agency www.food.gov.uk

Local Food Group www.local-food.net
Maintains a database of local food producers

Health and Safety Information www.hsebooks.co.uk

Directgov: public services information www.direct.gov.uk

Pub is the Hub www.pubisthehub.org.uk
When Appleton Parish Council learnt in December 1999 that their village store was threatened with closure they sprang into action to launch a rescue bid. Their initial aim was to help the existing business, however it soon became clear that the owners were not committed to the continuance of the store and that they had in fact been trying without success to sell the business as a going concern.

The owners approached the Parish Council suggesting that the community could take over the running of the store, either buying or leasing the shop premises. At this point the Parish Council called on the Rural Community Council for help. The ORCC Village Shops Development Worker attended a number of meetings to advise on possible ways forward.

A number of options were explored, ranging from buying the entire property and leasing out the residential accommodation (the high cost of the property and the practicalities of separating the store from the owner’s cottage rendered this suggestion impractical); taking over a room in one of the village pubs; building onto the village hall to sharing the under utilised property of the local saddler.

Contact was made with other successful community ventures in Oxfordshire (East Hanney, Wootton by Woodstock), ViRSA (Village Retail Services Association who specialise in community shops, now part of the Plunkett Foundation), local MP Robert Jackson and the County and District Councils. Meanwhile the owners of the store announced their intention of closing the business at the end of April 2000 if no purchaser could be found, although they were willing to consider letting the shop to the community for twelve months.

In March a public meeting was called where residents showed their overwhelming support for a community venture; a bucket was passed round to collect money for a ‘fighting fund’ and raised over £1000 and several volunteers came forward, with people offering to work on the advisory committee, or to give some time in the shop or to deliver newspapers etc.

Appleton is blessed with a high number of professional residents, many of whom were able to put their valuable experience into fundraising, preparation of business plans and the practicalities of running the store.
The ‘Community Store’ opened in May 2000 and has been going from strength to strength; turnover has more than quadrupled, a secure lease has been negotiated and in June 2001 the store had a complete re-fit. Trade continues to increase, with 80+ volunteers working both in store and behind the scenes. The shop has twice won the Oxfordshire Community Shop of the Year award, has been a finalist in BBC Radio 4’s Food and Farming awards and is an active member of the Oxfordshire Community Shop Network. They frequently receive visitors keen to know more about community retailing and have provided advice and inspiration to many community groups.

ORCC helped this venture in a number of ways; grant aid from the Oxfordshire Village Shops Grant Scheme has enabled the vital purchase of new equipment and the Village Shops Development Scheme helped with fixtures and fittings in the ‘new’ store. ORCC’s Village Shops Development Worker was on hand throughout the planning process and the initial months of trading to offer practical advice on running the store, store layout, and assisting in locating suppliers of equipment and stock.

A local resident comments:
‘Appleton Community Shop continues to offer an outstanding service to the local community with wonderful local food as well as all essential lines – we could not manage without it!’

Radley Village Shop Association Ltd

In March 2005 the general stores and newsagency closed in Radley. One of the factors behind the shop’s closure was the uncertainty over the lease and the future of the site whose new owners had obtained planning permission to demolish the existing structure and build a block of flats. Fortunately, planning permission was conditional upon retaining retail premises and the new development duly contained a retail unit on the ground floor which was put up for sale on its completion in Spring 2006.

The community was keen for a shop to be reopened in the village, but efforts by the Parish Council to find a business willing to take on the retail unit were unsuccessful. So the Parish Council contacted ORCC in March 2006 to seek the advice of the Village Shops Development Worker on how to set up a community-owned store. In May 2006, the council circulated a questionnaire to all residents seeking their views on the possibility of operating a community shop in the village.

The results of the questionnaire were presented at a public meeting in June 2006. As a result of the meeting, it was decided to set up the Radley Village Shop Working Group under the auspices of the Parish Council to look at proposals to establish a new community shop in Radley – either in the new retail unit or elsewhere. During this time, members of the Working Group researched all aspects of the project and took the opportunity to speak to many residents about the possibility of setting up the store. Advice and support were supplied by the Village Shops Development Worker from ORCC both at the feasibility stage and right through the process to opening the shop, and beyond.
The Working Group reported back to the village through the village newsletter and at a second public meeting in October 2006. They proposed that a community business be established to run the shop, an Industrial and Provident Society Community Cooperative, in which residents could purchase shares giving them the right to vote on important matters concerning the shop, each member having one vote regardless of the number of shares purchased. Any surpluses made by the shop would be invested back into the shop or used for community projects.

The shop would be funded by contributions (shares and donations) from Radley residents and funding from the CORE programme. This included a grant of £20,000 from the Esmee Fairbairn Foundation and a loan for £20,000 from Cooperative and Community Finance, conditional on it being matched by donations and membership payments from the village. Furthermore, an anonymous village resident had offered to acquire the freehold of the retail premises and lease the building back to the shop at a very favourable rent for the first three years to enable the business to get on its feet.

A further survey had been conducted to find out the level of interest in those willing to support the venture either by giving money, time or skills and to ask what people would like a community shop to sell. As a result, villagers made commitments of almost £15,000 and made offers of professional and practical help. Over 100 hours per week of shop assistance was offered, which meant that all opening hours should be covered by at least one person – and hopefully in busy periods by two – in addition to the paid shop manager. Not surprisingly, the meeting voted to proceed. The shop project was finally underway!

In January 2007 it was confirmed that the application for funding had been successful and following registration as a Community Co-operative, the membership scheme was launched in February 2007. This resulted in contributions of £20,000 being made in a matter of weeks together with other offers of help such as legal advice, rota management, project management of the shop-fitting, book-keeping services and website design. By this time the purchase of the shop premises had been completed and plans were underway to convert the bare shell into a real shop. The shop manager was appointed in April and began work at the beginning of May, ready for the shop opening on 22 May 2007.

Since opening the shop has met its sales targets and paid off the bank loan. It has twice been a runner up in the Oxfordshire Community Shop of the Year competition and continues to be supported by a team of 60 volunteers.

And the local verdict? ‘The shop provides a friendly, helpful and efficient service, with lots of items to buy. The welcome is always warm and the shop provides an informal meeting place for villagers, strengthening social bonds within Radley. It’s the tops!’ said one satisfied customer.
Appendix B: Constitution for a Community Shop Action Group

Name
The name of the organisation shall be [insert name of group] (referred to in this document as the Action Group).

Objectives
The objectives of the Action Group shall be to promote the formation of a community village shop [to take over the running of the existing village shop] [delete if appropriate]

Management
The Action Group shall be managed by a Steering Committee, comprising of those members of the Action Group who wish to devote time to achieving the objectives of the organisation.

The Action Group shall elect the following key officers:
- Chairperson
- Secretary
- Treasurer

The Action Group shall take all actions consistent with law to further the objects of the Group.

The Action Group shall set up a proper vehicle to take over the running and management of the village shop

Finance
The Action Group shall have the authority to raise funds to further its objectives and shall apply those funds solely for this purpose. A record of all sums received shall be maintained.

The Action Group shall have the authority to open and run a bank account and shall authorise a member or members of the Steering Committee to operate the account on their behalf.

Any funds remaining in the bank account shall on dissolution be paid directly to the vehicle set up to run the village shop. If the Action Group is dissolved without a community village shop being formed, all remaining funds shall be returned to those who gave the money.

No payment shall be made to a member of the Steering Committee except to reimburse approved expenses (for which a receipt shall be required) incurred in the work of the Group.

Quorum
The quorum for meetings of the Steering Committee shall be one third of the members of the committee.
Dissolution
The Action Group shall be dissolved on the following grounds:

- The formation of a proper legal vehicle to run and manage the village shop
- Two thirds of the members of the Steering Committee agreeing to dissolve the Group
- The Steering Committee failing to meet for a period of 6 weeks

Signed ………………………………………….. (Chair)
Date ……………………………………………

Signed ………………………………………….. (Secretary)
Date ……………………………………………

Signed ………………………………………….. (Treasurer)
Date ……………………………………………
Appendix C: Sample community questionnaire

Please amend this questionnaire to suit your own circumstances – do not ask questions that you know cannot be delivered!
This questionnaire is available electronically – contact ORCC for details

A VILLAGE SHOP FOR [your village name]
Start with an introductory sentence setting out the current situation which has resulted in the need for the survey.

For many rural communities, the village shop provides a valuable retail service and enhances community spirit. For those without transport the shop can be a vital lifeline; indeed for some people it may be their only connection with the world outside their front door. The shop is a meeting place, communication centre and convenient lynch pin of village life.

It may be possible for the village to acquire shop premises and find a tenant or manager to run the shop or to run it with volunteers. This has been successfully achieved in other villages with advice from the ORCC (Oxfordshire Rural Community Council) and the Plunkett Foundation, the national organisation for community owned shops.

The first thing to do is to establish the degree of usage and support from the village. This is the reason for this questionnaire, which we hope you will complete as honestly and realistically as possible. Your answers will be treated in confidence and the questionnaire will remain anonymous unless you wish to add your name at the end.

The questionnaire will be collected during the week beginning …… after which the results will be analysed and published. If there is an encouraging response, a public meeting will be held for further discussion and an action group will be formed to produce proposals on how the shop and post office services can be retained and improved.

If you feel you could help in any way with either the setting up or running of a shop, we would very much like to hear from you. There is space on the form for you to indicate your skills or you can contact the people below directly to talk about how you can help.
[List details of contacts here]

Your response is important to us – many thanks for your help!
THE VILLAGE SHOP

1. Do you think it is important to have a shop in the village?
   Not important ← 1 2 3 4 5 → Very important

2. If a new village shop was opened in the village would you or anyone else in your household use it?
   Yes ☐ (please indicate frequency below) No ☐
   Daily ☐ Weekly ☐ Monthly ☐ Occasionally ☐

3. Which products would you be most likely to buy?
   ☐ Bakery products ☐ Fruit and Vegetables
   ☐ Dairy products ☐ Confectionery
   ☐ General groceries ☐ Meat products
   ☐ Cigarettes, tobacco ☐ Beers, wines, spirits
   ☐ Household products ☐ Toiletries
   ☐ Frozen food ☐ Gifts and toys
   ☐ Stationery ☐ Pet food
   ☐ Coal/logs ☐ Newspapers
   ☐ Organic/Fairtrade products ☐ Local produce

4. Which services would you be most likely to use?
   ☐ Advertisement board ☐ Tickets for local events
   ☐ Dry cleaning ☐ Tea room/coffee shop
   ☐ Deliveries ☐ Internet facilities
   Other (please specify) ……………………………………………………………………………

5. If there was a shop in the village when would you be most likely to use it?
   8.00 am - 12.00 noon ☐ ☐ ☐
   12.00 noon – 3.00pm ☐ ☐
   3.00 pm – 5.30 pm ☐
   5.30 pm -7.00 pm ☐

6. How far do you usually travel to do your
   (a) weekly shop ……………………………
   (b) top-up shopping ………………………
7. **How do you get to and from the shops** (tick all that apply)

- [ ] own car
- [ ] public transport
- [ ] someone else’s car
- [ ] cycle
- [ ] walk
- [ ] other

8. **Would you or anyone in your household be interested in helping a community shop project in any way?**

- [ ] Yes *(please tick any of the boxes below)*
- [ ] No

Please indicate in what ways you would be willing to help

- [ ] Joining a steering group
- [ ] Helping with fundraising
- [ ] Helping with publicity
- [ ] Providing professional advice
  (please specify profession i.e. legal, financial etc.)

- [ ] Volunteering to work in the shop
- [ ] Applying to be the shop manager
- [ ] Making a donation
- [ ] Buying shares (at about £10)
- [ ] Making a loan

Any other (please specify) …………………………………………………

9. **If you are interested in helping or would like to be kept up to date with progress, please give your contact details below**

Name …………………………………

Address ……………………………………………………………………………

…………………………………………………………………………………………

Telephone ………………… Email …………………………………

10. **How many people in each age range share your household:**

- [ ] 0-5
- [ ] 6-16
- [ ] 17-25
- [ ] 26-45
- [ ] 46-65
- [ ] 65-75
- [ ] Over 75

11. **How many cars are there in your household?** ………

Thank you for taking the time to complete this questionnaire. It will be collected by …………………….. on …………………………………..
About ORCC

**Oxfordshire Rural Community Council** works to enable rural communities across Oxfordshire to be more socially, economically and environmentally sustainable. Equality of opportunity is central to all our activities. ORCC is an independent charity founded in 1920.

**We can...**

Provide you with free advice on a wide range of rural issues.

Keep you informed on the problems facing rural communities.

Send you details of ORCC events and a copy of our news and information sheets.

**ORCC Website**

[www.oxonrcc.org.uk](http://www.oxonrcc.org.uk)

Find out who we are and what we do by visiting our website for news and events, publications, funding information and links to other useful organisations. If you would like to support the work of ORCC, you can join our membership scheme.

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