

# COTHERSTONE PARISH COUNCIL

## Community enterprise

Author Clerk  
Meeting date 10 July 2019

### 1. Background

The Parish Council received the following correspondence from the current owner/operator of the Teesdale Supply Store – shop and post office – in Cotherstone.

Dear Parish Councillors,

As you know we are trying to sell the shop, so far with little success. We're getting ever closer to the time when my parents are due to move and we are starting to get short on time. Due to the risks associated with buying a business in this uncertain economic climate the estate agents have suggested we submit a change of use request and sell it as a residential property. We don't want to do that.

We would like the Parish to discuss purchasing the shop as a community asset.

As a commercial business, what we earn doesn't really justify the hours we work, but as a volunteer operated, non profit community shop it could work. With the struggle facing many independent retailers up and down the country, more and more community shops are setting up and operating very successfully (several of which have won their regional title in this years rural oscars).

There are 3 immediate revenue sources that would contribute to village funds:

The shop, last tax year making a net profit of £20k.

The Post Office, paying a salary of £12k.

The house, could be separated off and let out, generating an annual rent of around £8k.

A potential income for the village of £40k.

There is obviously further potential for something like a cafe in the large barn in the back, which we know from Brooke House, could be very successful, and also provide a social hub for the older members of the village.

If this is something thats starting to take your interest, google community shop set up, there is lots of advice and suggestions on the internet of various different models.

For the community, and without using an estate agent, we would be happy to slightly reduce the asking price, and include residual stock and equipment. We'd likely make a slight loss on all the investment we've put into both the house, garden and shop, but would rather keep the shop in the community if we can.

It seems like a lot of money to try and raise, but lets not forget when Middleton were fund raising for the play park, donations were coming in not just from locals, but also from Lord Barnard, Morrisons and Middleton Forge. I'm sure a public appeal both online and in the local press would generate a lot of business as lots of people use this Post Office from villages aside from Cotherstone as the only other local Post Office is Barnard Castle.

Regards  
Adam Alston

### 2. Sources of information / inspiration

The Clerk has made a few initial searches for 'case studies' or models of how small rural communities might operate a shop and/or post office. Some are more recent than others, many are from other parts

of the country, and none of the communities will have identical shops/post offices or demographic characteristics to Cotherstone; however they are hopefully starting points for any exploration of the possibilities to explore.

Councillors may wish to take a look at:

- a. *A case study from the Oxfordshire Rural Community Council's 'Setting up a Community Shop' guidebook.*

**Appleton Community Shop Ltd**

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!'

b. Citizens Advice summary on community-run post offices

## Community-run post offices in the UK: What do we know?

The Future of the Post Office Network consultation sought to understand how communities could play a greater role in shaping how post office services are delivered in their local area.

The government's December 2017 response committed to "make setting up and running community-owned shops, with a post office branch, as straightforward as possible" - an essential task if communities are to support the network in future.

Using data from Post Office and the Plunkett Foundation, we undertook desk analysis of the approximately 350 community-run shops and 50 community-run pubs in the UK as of March 2017. Just under half - 187 - provide post office services.

The findings in this report are drawn from 163 survey responses - 93 from those that provide post office services - and 14 telephone interviews, as well as discussions with relevant stakeholders.

Citizens Advice is the official consumer watchdog for the postal market.



**Community-run post offices: good for consumers**

- They help maintain access to post office and banking services in rural areas and deliver wider social benefits to communities.

**They may not be right for all communities**

- They are community-driven, and work best in areas with skills, resources and social capital.
- They tend to be in less deprived areas that face significant barriers to accessing services and have poor access to banks and shops.

**Post Office should make it easier to set one up**

- Once up and running, most find it easy - but the application process can make it difficult.

**86%**

Providing post office services reduces social isolation in the community

**9 in 10**

Say that providing post office services increases their social impact

**187**

community-run shops and pubs offer post office services in the UK

**73%**

Develop skills and experience in the local community

**2 in 3**

Say they increase strength of the local economy

**96%**

are located in rural areas<sup>1</sup>

**9 in 10**

Say doing so has a positive impact on the strength of the local community

**2 in 3**

were established due to recent loss of local post office

**3 in 4**

Most have protected Community Status



1) data for England only

**What we will do next**

We'll work with the Plunkett Foundation and Post Office to produce guides and resources so that communities understand how they could help deliver local post office services.

We'll work with Post Office to make it easier for community-run enterprises to apply to run a post office.

Look out for more from us soon.




**Setting up a community-run post office can be challenging - Post Office could make this easier**

Once up and running, **4 in 5** say that it is very or fairly easy to run post office services alongside their wider business - the barriers are at the start:

- **3 in 10** found it difficult to get set up.

**Could other community-run enterprises support the post office network in future?**

Some communities with reduced access to post office services due to temporary closures or outreaches may wish to consider this model.

- **43%** of community shops who don't offer post office services would consider doing so if their local post office closed

*"It is a labour of love, but something we felt was important to the community"*

*"It is the focal point of the village"*

*"Be aware that it could be a lot of work for little return. That said it is a necessity for a small island community like ours."*

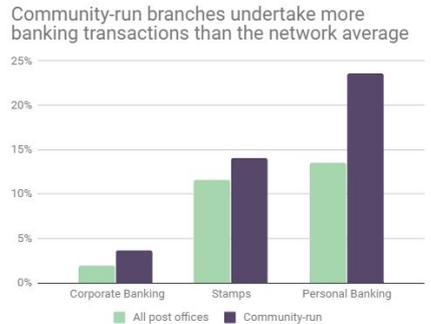
**Banking services are particularly valued**

**7 in 10** said that withdrawing cash from a bank account is in the top 3 services used by their customers. Analysis of Post Office data supports these findings further.

Community-run post offices tend to be in rural areas with poor access to local public and banking services - with a large older population and limited public transport.

We know that rural and older consumers rely on post offices to access banking - and local bank closures make post offices even more essential to these communities.

Community-run branches undertake more banking transactions than the network average



Service	All post offices	Community-run
Corporate Banking	~2%	~4%
Stamps	~12%	~14%
Personal Banking	~13%	~23%

- c. *A Locality Guide for Communities: Community-run post offices – case study Darnall Forum (Sheffield)*  
[See link.](#)  
<https://mycommunity.org.uk/wp-content/uploads/2016/09/Community-run-post-offices-Darnall-Forum.pdf>
  
- d. *Setting up a community-run post office – what you need to know (Plunkett Foundation)*  
[See link.](#)  
[https://plunkett.co.uk/wp-content/uploads/Setting-up-a-community-run-post-office\\_-what-you-need-to-know-1.pdf](https://plunkett.co.uk/wp-content/uploads/Setting-up-a-community-run-post-office_-what-you-need-to-know-1.pdf)
  
- e. *How to set up a community shop (Plunkett Foundation)*  
[See link.](#)  
[https://plunkett.co.uk/wp-content/uploads/Plunkett\\_How-to-set-up\\_Shop\\_final.pdf](https://plunkett.co.uk/wp-content/uploads/Plunkett_How-to-set-up_Shop_final.pdf)
  
- f. **Websites worth looking browsing:**  
  
[Bishops Caundle Parish Council – Community Store and PO](http://www.bishopscaundleparishcouncil.org.uk/community/bishops-caundle-parish-council-13548/community-shop-and-post-office/)  
<http://www.bishopscaundleparishcouncil.org.uk/community/bishops-caundle-parish-council-13548/community-shop-and-post-office/>  
  
[Tytherington Parish Council Village Shop and Post Office](http://www.tytheringtonpc.org.uk/wp/village-shop-and-post-office/)  
<http://www.tytheringtonpc.org.uk/wp/village-shop-and-post-office/>  
  
[Slaley Community Shop](https://slaleyshop.co.uk/WP/)  
<https://slaleyshop.co.uk/WP/>

## Recommendation

Councillors consider whether the Parish Council should take any action to explore the possibility of a community enterprise being established to operate the post office/last shop in Cotherstone