

# Planning Application for Change of Use East Boldre Community Stores Limited (EBCS)

Proposed expansion of retail area of existing shop to improve:

Financial Viability

Accessibility

## Our Organisation

East Boldre Community Stores Limited aims to safeguard the future of East Boldre's shop and Post Office, essential to the vitality and resilience of our village. Our goal is to establish a community run shop and Post office in community owned premises.

East Boldre finds itself in the bottom 40% of LSOA's (Lower layer Super Output Area) nationally in terms of the index of multiple deprivation. This is largely due to its ranking in terms of the indexes of deprivation for:

Housing and services – bottom 2.5% of LSOAs nationally (high house prices, few services).

Living environment – bottom 1% of LSOAs nationally

Furthermore, with 8.7% of households having no vehicle, and with just a skeleton bus service, the shop, while a convenience for many, is a lifeline for some.

East Boldre Community Stores Limited is constituted as a community benefit society (CBS). Unlike companies, a CBS trades for the benefit of the community rather than making profit for shareholders. Any profits are reinvested in the business with any surplus used for other community causes.

The Plunkett Foundation report the long-term survival rate of community shops is 92.5% compared to 44% for privately run small businesses. Adopting this community business model supports our aim of securing the long-term viability of this vital village amenity.

## Our Community Shop Proposal

East Boldre Community Stores intends to:

### Enter into a 125-year lease of almost the whole ground floor of the existing shop premises

- Almost doubles the retail space, allowing a wider product range, better accessibility and financial viability.
- The owner will retain a ground floor access area and convert the first floor to a self-contained two-bedroom flat. A separate planning application will be submitted for these changes.

### Transfer the existing, fixed remuneration Post Office contract from the existing Postmaster to EBCS

- Essential to financial viability of shop - otherwise shop would have to subsidise Post Office
- Allows us to cover opening hours with paid staff and preserve local employment.
- A Citizens Advice survey (July 2020) found consumer banking at PO counters has doubled in the past 3 years and for many people and businesses, PO banking is often the only remaining option. Vulnerable groups use PO banking most frequently, particularly those on low incomes & disabled people. A significant risk is that 70% of postmasters told CA that pay rates for banking do not cover the cost of providing the service.

The existing shop owner wants to retire as Postmaster and is keen for this transfer of ownership to happen as quickly as possible. We aim to be trading by March 2021 next year, a challenging timescale.

## Requirements for Expanding the Retail Area

The existing business is loss making and in order to ensure we can safeguard the vital shop and Post Office services for our village we need to ensure the financial viability of the business. Our plan is to increase the commercial space from about 45m<sup>2</sup> currently to about 89m<sup>2</sup> by expanding the retail area into what is currently part of the owner's residential accommodation. We have a multifaceted approach to return the shop to profitability, whilst covering opening hours with paid staff, which leads to this requirement for extra space:

Expand the retail area to offer a broader product range to increase the spend per customer. We aim to significantly increase the amount of local produce stocked by our business especially local cheeses and chilled goods. The additional refrigeration required needs extra space.

To generate additional turnover from campsite deliveries that require preparation space so that we can increase turnover without increasing footfall in our quiet, rural village.

This extra space will also enable us to improve the accessibility of the shop which currently suffers from a fairly steep entrance and narrow, cluttered aisles.

We are members of the Plunkett Foundation who advise community businesses. They suggest an ideal space of 100m<sup>2</sup> for community businesses with paid staff. This is evidenced by the recent planning application to provide space for Pilleys' community shop at Boldre War Memorial Hall (100m<sup>2</sup>).

Woodgreen community shop, across the forest, has about 177 m<sup>2</sup> of commercial space.

## Funding

To achieve our plans, we need to raise £[REDACTED] (£[REDACTED] capital, [REDACTED] revenue). We will start our capital fundraising with our community share offer at the beginning of October 2021

The share offer will play a key role in engaging the community with our project and having a truly 'invested' membership who are loyal to the business, in turn which will help to boost turnover. It will also demonstrate to funders that there is strong community backing for the project. We plan to launch our share offer at the beginning of October 2021 and aim to raise approximately [REDACTED] from this, once we have:

- Planning approval to expand the shop space which underpins our business case.
- Confidence in our funding strategy based on discussions with funders.
- A legal agreement in place regarding the purchase of the 125-year lease with the current owner.

A further [REDACTED] will be raised from a mix of local, council and lottery funding sources.

We will be submitting an application to the government's newly launched community ownership fund (COF) for funding by mid-August 2021. If successful, this funding would match this [REDACTED] raised through the share offer and elsewhere to provide the total capital funding required. The COF could also provide up to [REDACTED] of the [REDACTED] revenue funding needed, leaving a further [REDACTED] to be raised from other sources.

The terms of the COF fund align with our timescales, with the capital spend to be completed by mid-February 2022.

## Project Background

In 1986 NFDC gave permission (NFDC/86/32596) for extension and alteration of the Post Office/Barton Villa premises. This application reduced the size of the shop (then just newspapers and sweets) and Post Office, and increased the residential space.

At the time East Boldre had a separate grocer's shop at the property now called 'The Studio'. This stopped trading in 1996 (NFDC/96/60136) when it was converted to a graphic design studio. This left the village with just a single, small shop, that stepped in to add groceries to its product range without any increase in its retail area. This has led to the cramped business of today with narrow, inaccessible aisles. It lacks the space required to properly support the product range it offers.

Until recently the plan was for East Boldre Community Stores to rent 100m<sup>2</sup> space in the proposed community hub (planning application reference 20/00315).

Unfortunately, an increasing number of obstacles and changing circumstances have made this plan impossible.

The existing shop owner accepted an offer from a residential buyer in April 2021 and, without EBCS's intervention, it would have been sold.

The proposed community hub is not ready and no solutions for a temporary shop site could be found.

The existing salaried Post Office contract, essential to our business case, cannot be transferred to the hub.

The Village Hall site does not have a licence for a shop.

**Despite thorough investigations by the EBCS team, this proposal is the only option available to preserve our village shop and its Post Office.**