



ESSENTIAL STEPS

for setting up a new community owned pub in Scotland



Setting up a community owned pub is an excellent way to save a valuable community asset or create a new space for community activities. But where do you begin when considering setting up a community owned pub? Plunkett has pulled together our essential first steps for getting up and running in Scotland.

✓ **What is the situation of the pub?**

Is it still open and trading? If it is closed, is it owned by a private individual/family or a pub company – or has it already been sold to a developer? Is the pub on the market?

✓ **Make useful contacts**

Don't reinvent the wheel – you have enough to do anyway. Make contacts with e.g. Plunkett Foundation, Co-operative Development Scotland, Community Shares Scotland, the Community Pubs Network, other Scottish community owned pubs (and the English and Welsh equivalents).

✓ **Community consultation and engagement**

Find out what levels of community support you really have and what sort of pub the community wants in the future. You can engage on-line or physically through public events. Be looking for people who will want to join the Steering Committee – or will otherwise help out.

Keep on consulting and talking to people throughout the process, this will be vital to your success.

✓ **Types of pub**

Is your pub mainly serving drinks or is it food led – or is it a mix? Is it urban or rural? Is it a destination pub or reliant on tourist trade (perhaps with rooms)? Is the pub used for sport, music or performances?

Do you intend to directly manage the pub yourselves or let to a tenant? Are you linked to a local community company?

✓ Community owned pubs – other services

What other services could your pub provide that the community needs – a small shop, a coffee shop, a post office, meeting rooms, allotments or community gardens, electric vehicle charging points, a meals on wheels service, after school child care? You don't only need to provide traditional pub services.



✓ Business planning

Get hold of example business plans for community owned pubs much like yours will be. Describe your community and the local market and what your services will be to serve your community and market. Prepare some financial forecasts as early as you can. Set out how the pub will be managed, when it will be open and how it will be staffed. Have a plan for ongoing community involvement.

✓ Negotiating with the owners

Is the relationship friendly, hostile or corporate/professional?

Behave like a serious buyer – you are not asking for charity, you are looking to buy the pub. Ask for a viewing with a builder in tow, get a valuation done, make a formal written offer (through an advisor/agent if possible).

✓ Register your society (or other legal form)

Decide what legal form best meets your needs (such as a Community Benefit Society). Take advice from Plunkett, Community Shares Scotland or Co-operatives UK. If you are going for Scottish Land Fund (SLF) monies they have special requirements to be in the rules. Registration may take a few days or a few weeks – but you need to be registered to open a bank account.

✓ Share offer document and campaign

Get hold of example share offer documents for community owned pubs like yours will be. Share offer documents should be shorter and punchier than business plans – the aim is to inspire people with your story. How does your share offer fit with other funding (e.g. SLF, loan finance)?

Think about your share offer campaign. How are you going to reach the people you need to invest? Are they local, regional, national? What are the best channels?

There is a Standard Mark for community share offers – a badge of best practice.

The Plunkett Foundation is a charity that supports groups across the UK to set up and run life-changing community businesses that help tackle issues of isolation, loneliness, employment and general wellbeing. Thanks to funding from Scottish Government we've been able to offer support, training and networking opportunities to community pub groups in Scotland. If you'd like to explore the opportunities of setting up a new community pub or would like support and advice about how to ensure an existing community pub can continue to thrive, please contact info@plunkett.co.uk or call **01993 630 022**.

Plunkett advocates for and provides support to community businesses that improve wellbeing, provide equitable access to food and employment, and build a fairer and more sustainable economy. If you share our vision and want to support us, become a member today. With your help, we can continue to help rural communities create businesses that are innovative, inclusive and impactful.

www.plunkett.co.uk/become-a-member