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How to set up a Community Shop



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What are community shops?

Community shops are owned and run democratically by members of their community.

They trade primarily for community benefit and their interests are linked into community control. Community shops have open and voluntary membership, whereby members are part owners of the business and all members have an equal say in how the business is run, regardless of their level of investment.

There are many models for managing a community shop; the majority are managed and run directly by the community, mostly by a combination of paid staff and volunteers, and some by all volunteers or all paid staff only. A lesser number of communities decide to lease or rent the running

of the business to individual tenants or commercial operators once they have secured premises in community ownership. Each community will find a solution which works best for them, but the model promoted by the Plunkett Foundation is to employ a shop manager and a team of volunteers. A paid manager can help to ensure that the finances, stock ordering and control, all aspects of legislation, and staff cover is consistently managed, and a volunteer team will contribute to the vibrancy of the shop, inject a range of skills and ideas, and reduce staffing costs.





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Why are community shops important?

Community shops are an effective mechanism for safeguarding essential retail outlets in rural areas, but they also have wider social, economic and environmental benefits.

A community shop is more than a shop

Community shops become the hub of their community by virtue of their long hours, their usually central location, the fact that they are open to all the community and are able to host a wide range of services in addition to the sale of food and drink. As a result of the throughflow of customers, their volunteer base, membership meetings and task groups they stimulate social activity and help to create a sense of community. This social environment can give people an opportunity to be involved in community life, create informal support networks, and for some people provide a sense of belonging, purpose and self-worth. This is especially important for vulnerable or isolated groups in society such as older people, carers and those experiencing loneliness.

Strengthening communities and seizing opportunities

Around the country, villages have put their community shops to imaginative use, taking the opportunity of their community space to offer as many services as possible. For example, ways of improving health care and social wellbeing include installing or funding a village defibrillator; offering consulting space for visiting GPs and nurses; drop off points for prescriptions; first aid evenings and workshops; coordinating fitness classes or walking groups; home deliveries for the housebound; juicing and nutrition workshops; dementia awareness work.

Shops also provide space to host classes and workshops such as art classes, afterschool clubs, coffee mornings, knit and natter, carers groups, reading clubs, film nights, lunch clubs and farmers meet-ups.



Plunkett Foundation has been monitoring the success and usage of community shops for many years. Here are just some of the latest statistics (taken from Plunkett's **Better Business 2018** Community Shops report):

With an estimated 300-400 village shops closing every year, community ownership is helping to preserve vital outlets and services for rural communities. **The past five years have seen an average of 13 shops open under community ownership per year.**

Community shops particularly **benefit those who are disadvantaged** by lack of personal transport, limited physical mobility, and those seeking employment or volunteer opportunities.

Community shops **engage large numbers of the community** and stimulate social activity and community cohesion: they typically involve **177 members, 7 directors, 30 volunteers, and 4 staff.**

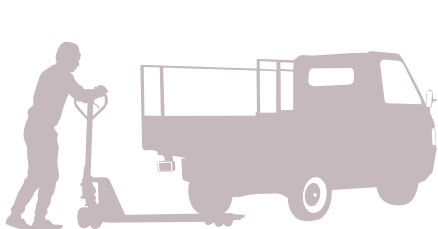
They have a positive impact on the **local economy**; they have average turnovers of **£162,000**, support local producers and suppliers and create employment.

Community shops become **community hubs** because they are usually the only retail outlet within a 4 mile radius, they have long opening hours, and they host other services: **59% host post offices, 43% have cafés, 48% offer home delivery, and 18% offer a prescription collection service.**

In addition to sourcing **local food with lower food miles**, community shops save rural residents car journeys to alternative food stores, **saving on average an 8 mile round trip.** Community shops collectively are estimated to **save 4 million miles of car journeys** a year.

Community shops are resilient forms of business – the **long-term success rate** of community shops is **94%** (by 2017, only 24 have closed since records began in 1992), and the five-year **survival rate** is **94%** compared to the estimated small business UK rate of 41%.

Community shops are often a **lifeline** to many other nearby settlements, and on average, **provide services** to between **three and four additional villages.** Therefore, an estimated **1,400 rural communities** are benefiting from the **346 community shops** currently trading across the UK.



How can Plunkett help?

1. Contact Plunkett Foundation as early as possible

Plunkett Foundation has worked with the majority of community shops currently trading and in the process of setting up.

Our advice line can provide information and advice to communities at all stages of their journey setting up or running a community shop, and signpost to other relevant organisations and sources of support. Alongside the advice line, Plunkett can offer free support to any community within the UK via a dedicated staff team, network of regional advisers, mentors and specialist consultants. Plunkett also hosts an online community shop Facebook Group and a website with advice sheets and a range of resources. In addition to this, Plunkett holds networking and training events for community shops.

By contacting the advice line at the outset, Plunkett will be able to advise you of the current support available, signpost you to the most relevant information and resources, and help to clarify the next steps you need to take to get your project off the ground.

2. How you can benefit from joining Plunkett Foundation

Plunkett Foundation is a membership organisation, and actively encourages the communities we work with to become members. This helps us to stay in touch with the community businesses we have helped to set up, and also to ensure that our support services remain relevant to all community businesses whilst they are setting up and when they are trading.

Becoming a member of the Plunkett Foundation gives shops access to a number of suppliers which can significantly reduce running costs. Suppliers are selected on the basis that they understand the background and the bespoke needs of a community business and that they are able to offer tailored services and competitive prices.

Membership also provides discounts on Plunkett events and training packages, as well as additional advisory support including an annual business health check. More information on membership can be found at www.plunkett.co.uk or by contacting membership@plunkett.co.uk.





How do you go about setting up or saving a shop as a community business?

1. Consult with the community

By consulting with the immediate community and surrounding area, you will be able to gauge the level of support there is for the project, and an idea of what the community would like the shop to offer. It will also help you to establish whether the community are willing to invest in the project, and if they are, how much.

By consulting with the wider community, you are creating the opportunity to get feedback on your ideas and the inclusion of new ones not yet considered. It will also give you the opportunity to identify people with relevant skills to get involved. This will give the shop venture much more ownership by the community, and therefore a stronger chance of being a success.

Questionnaires

A questionnaire is a good tool for consultation as it means you can reach all households in your catchment area, and allow people the time to respond in their own way. Plunkett has a sample questionnaire that is a helpful starting point. Questionnaires should be hand collected to ensure maximum response, in addition to offering a collection point. The local press, community magazines, newsletters and websites can be used to publicise the survey and its importance to the community – you could even use these methods to deliver the questionnaire itself.

Online surveys

Set up an online survey using the (generally free) online tools available, and publicise this through websites, Facebook pages, Twitter and any other social media available to you.

Other ways of consulting the community

Alternatively, you could organise a doorstep survey or an 'open day' in the community, perhaps in the village hall or community centre. Many communities may already have undertaken a community planning exercise, sometimes known as a Parish Plan. This can be a useful consultative document to draw on to evidence the issues that are important to those living and working in your community.





Other stakeholders

Ensure you contact other local businesses and community-led organisations as part of your consultation exercise. In addition to lending their support they may become valuable partners later on.

Hold a public meeting

A public meeting can be held to gauge support and raise awareness of the project. It should only be held, however, when you have something to say, and when you are confident you know enough about the background of community shops and your specific circumstances to be able to present the concept and the options to the wider community. Plunkett can help with this by providing presentation materials, facts and figures. It is also important to know exactly what you want from the meeting and that the chair person knows what, if anything, has to be decided at the meeting.

The public meeting is an ideal time to update the community on the results of your research to date (questionnaire results and other feedback) and so make sure you have some strong visual material to illustrate your data.

Meetings should be held in a recognised meeting place with plenty of room – such as a village hall or school. Weekends can often be the best day to attract the widest section of the community. Where possible, meetings should last no longer than 90 minutes and an agenda/time-table must be prepared in advance. Some people might not wish to speak publicly during the meeting, so circulate forms for people to express their views, indicate whether they would like to get involved, or whether they wish to make a pledge.

Potential funding bodies will require you to have undertaken a consultation when assessing your applications for grants or loans and request evidence of it, so take the time to summarise, record and publicise the results of your research, including any outcomes from the public meeting.

2. Form a steering group

Even though an actual business has not been established by this point, a committee or steering group is required to take on the responsibility of managing the project of setting up a new community shop. If there is a large group of people committed to the project, the committee also gives this larger group a focus and a voice.

Steering groups often form spontaneously, comprising those individuals who are the most engaged with the idea and who have been involved in the consultative process, but occasionally it is worth seeking people from the wider community by, for example, calling for people to step forward at a public meeting. A good mix of skills is important so it is best to make clear which additional skill sets are desirable or are not yet covered by the original members of the group. Skills needed include: business management, financial e.g. accountancy, HR, fundraising and PR, writing skills (for business plan and any grant applications), legal, and communications/social media etc.

The steering group is likely to provide the founder members for incorporating the community business and will become the basis (with a few additions or subtractions) for the first management committee (or board).

It is a good idea for the committee to set out its aims and objectives from the outset as well as allocating roles and responsibilities for its members in order to have a clear purpose, and a clear goal in sight.

The committee will need to assess carefully the viability of a community shop, exploring all the possible options as to how it can be set up and managed and how it will work to represent the interests or concerns of the wider community.

Committees should consist of a minimum of three people and a maximum of twelve. At the very least, a committee should consist of a Chair, Secretary and Treasurer. It is also good practice to have 4-6 others with specific roles to lead sub-committees, such as;

- **Business Planning** – set up the legal structure, develop business plan, start budgeting income and expenditure
- **Fundraising** – determine estimated set up costs, draw up a fundraising plan, open a bank account and commence fundraising
- **Operations** – decide whether the shop will be managed or leased, establish any terms or parameters for how the business will be run, consider what the shop will stock and sell and what other services it will offer
- **Communications** – keep the community involved and up to date with progress, recruit volunteers, and make the project fun! Social media can be an excellent tool for this.

In theory, the sub-committees, having spread the work load, then feed back into the main committee, but in reality, there will be cross over and dependencies across the sub-committee activity. For this reason, it is important to meet regularly and make sure that the correct information is presented and recorded at meetings so that committee members can make informed decisions.



3. Select a suitable legal structure

Community shops trade, employ staff, manage volunteers and enter into contracts and financial arrangements. They therefore require a legal entity to protect the individuals running the business by giving them limited liability, and they also require a legal structure to ensure that they are compliant with legal necessities such as tax, insurance, trading standards and employment rights.

We recommend that community shops adopt legal structures that enable genuine community ownership with equal and democratic control. We would expect this to include:

- They prioritise the interests of the wider community over the needs of their members or investors
- Voting control is vested in the members equally, not in proportion to their financial stake in the society: one member one vote
- They allow funds to be raised from community share offers (a successful form of fundraising)
- Any trading profit is reinvested for social or community benefit
- They include an asset lock.

During 2014 the Co-operative and Community Benefit Societies Act came into force, consolidating various pieces of legislation including the Industrial and Provident Society Act. The Community Benefit Society and its equivalent previous form are the most commonly chosen by community shops. Other suitable structures communities have adopted include Community Interest Companies, Companies Limited by Guarantee and Co-operative Societies.

A Community Benefit Society exists to benefit the wider collective interests of a community, rather than that of its staff, committee members or investors. This fits with the aims and objectives highlighted by most community groups that are setting up a community shop. A Community Benefit Society structure also emphasises its members and member involvement.

The added benefit of the Community Benefit Society legal structure is that it can issue community shares, which since 2012 have been responsible for raising an average £24,364 per shop towards set up costs.

Plunkett advises all communities to read Plunkett's **A Guide to the Essential Steps for Setting Up a Rural Community Business** and Co-operative UK's guide to legal structures **Simply Legal** to get an overview on the complete range of legal



structures that might be appropriate for them, and to undertake the 'select-a-structure' exercise on their website. As well as Plunkett's Model Rules for a Community Benefit Society, Co-operatives UK and other organisations will also be able to supply Model Rules for community businesses.

4. Understand and develop your governance

Governance as a term means the internal process of how decisions are made to ensure the accountability and strategic direction of the organisation. These processes are set out primarily in the governing document and supported by any additional policies or secondary rules.

Ideally all community businesses will have a governing document (sometimes called a constitution, agreement, rules or articles) which clearly reflects and sets out what type of organisation it is, what the group want the organisation to do, who can be part of the organisation (members), how decisions are made, what happens to any surplus made during the year and also what can happen to the assets should the organisation close, merge with another or is sold.

Governing documents will also include or reflect any specific requirements of a particular legal structure, so it is important to choose a governing document and legal form that are compatible. For example if you want to have an asset lock in your governing document, you need a legal form that allows for an asset lock, such as a Community Interest Company or a Community Benefit Society.

Governance and operations

The governance can be further defined through the creation of a shop handbook containing procedures, an organigram (organisation diagram) and job descriptions.

This should also include core values and mission statement, policies (see section 9) and training routines.

Governance and membership

Member owned organisations such as Community Benefit Societies seek to provide benefits for their community. The benefits of a larger membership include:

- Having a larger number of people who have a financial interest in the running of the enterprise and who are more likely to use it regularly
- A greater number of people who attend AGMs and committee meetings and positively contribute to the overall direction of the business
- A more accessible pool of people to draw on when committee numbers are falling, or when more volunteers are needed to help run the business.

Plunkett Model Rules require Community Benefit Societies to have their own membership strategy to ensure 'membership' remains at the heart of the enterprise, whereby the society continues to grow membership and engage its members.

Good governance is critical to the success of a member owned enterprise and it is essential that members are included in decision making through the election of the management committee at the AGM. A membership enterprise needs to ensure that new membership is encouraged and that systems and processes around governance and membership are in place.



5. Identify suitable premises

Community shop projects often first look at acquiring former shop premises but although they may on the surface seem the most suitable, they can also be very expensive, require refurbishment and offer little space for storage or additional community services such as a café or a meeting space. Ideally, the shop should be centrally sited, visible to passing trade, easy to find, have convenient access by foot and car, and good car parking. A good size to aim for is 500 sq ft of shop floor. If it is not possible or practical to purchase or lease an existing shop premises, look at other suitable options such as:

- **New builds** offer the advantage of being purpose built, larger than traditional village shops, with an ability to co-host other services such as cafes, meeting spaces and other commercial or residential space
- **Extensions to the village hall/community centre/school** provide good size premises with good parking, and ability to co-locate with other existing community activity
- **Portable buildings** are flexible and cheaper alternatives, and provide an effective mechanism to test the viability of a community shop before fully fundraising for permanent premises
- **Conversions of existing buildings** such as offices, workshops, farm buildings etc offer versatile and characterful premises for shops
- **The Public House** may be amenable to hosting a shop in a spare room, or offer to provide an outbuilding to convert, or even space in their car park for permanent or temporary buildings to be located.

Examples of looking for other options include:

Spaxton in Somerset already had a purpose-built shop that was winding down but as it was situated on a very busy road and there were major difficulties in acquiring the premises, the village clubbed together to build a new shop and post office, sited adjacent to the sports field and village hall, with plenty of parking.

When Ide Hill in Kent lost its Post Office, the villagers installed a shipping container on the village hall carpark and ran the shop from there, eventually raising the funds to build a beautiful oak-framed building to house the community-run Post Office, shop and café.

Looking for premises for a shop led the villagers of Beech Hill in Berkshire to design cupboards and cabinets to house a community shop and café in their 19th century Anglican church. During church services and weddings the shop can be shut away behind bespoke doors.

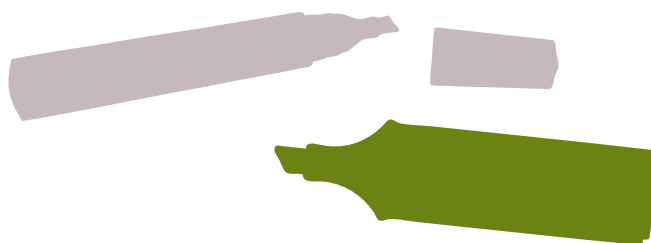
6. Work up a business plan

A business plan is a valuable tool for setting out your aims and objectives for your shop, defining what you want the shop to offer, and how the business will operate. Your business plan will also include financial forecasts for the shop, including the initial set-up costs and ongoing costs and from this, determine how much money the business needs to raise through initial fundraising and future sales in order to be a viable and sustainable business. You should see the plan as a live document which you revise and amend as the business develops.

A business plan should consist of at least 5 or 6 pages, and include a cash flow forecast as well as income and expenditure forecasts for the first three years. The business plan also needs to cover the details of the organisation's mission, its legal structure and membership, its products, operations, markets and plans for its development, as well as an assessment of the likely beneficial impacts the community shop will have on the community.

Your business plan will be needed to support any major grant applications and it will be important to show grant funders the kinds of social impacts your business will have, plus evidence that it will become self-sufficient. Likewise, should you be seeking loan finance, the business plan will need to evidence the fact you are confident that you can manage the repayments.

If you intend to issue a share offer to raise funds to purchase or refurbish your shop, your business plan also becomes the reference document for anyone considering investing in shares. To support your proposals in your share offer and to validate your claims, you should consider applying for the Community Shares Standard Mark which would involve scrutiny of your business plan, share offer and governing document by a licensed practitioner.





The Standard Mark is awarded to community share offers that meet the Community Shares Unit's standards of good practice, and is designed to protect the investor. A business plan that is to form part of a community share offer seeking the Standard Mark would need to demonstrate how and when the society will provide share liquidity to members and be in a position to pay interest (if interest has been promised). It would also need to provide evidence of market opportunity and customer base to justify sales forecasts and identify principal risks associated with the proposed business model, and provide credible contingencies to mitigate these risks.

- For more information on the Standard Mark see communityshares.org.uk

You may have someone on your committee or in the village who is experienced at writing business plans and will be able to help you. Plunkett can also help both with support from an adviser and by providing you with resources and examples from other successful community shops. For more information see Plunkett's guide: **An introduction to preparing a business plan for a community business**.

7. Raising the funds

All groups engaged in setting up a community shop will be faced with raising funds in order to start. Don't be daunted by the fundraising challenge: there are innumerable examples of community groups that, with the right plan in place, have gone out and raised significant sums of money, even in places where money is relatively scarce.

Community fundraising events and requests for donations are an important way of engaging with the community and gaining their commitment to the project. This should be seen as complementary to other forms of finance raising, and should be continued throughout the fundraising period to keep up the profile of the project. If you are seeking donations it is worth considering working in partnership with a village charity which could enable Gift Aid on donations.

Applications for grant funding are another traditional source of fundraising which make vital contributions to the project. Grant funding is becoming increasingly difficult to source, however, and is a competitive process. Make sure you find someone willing to invest the time involved in

applying for grants as it can be a prolonged and intensive process.

Grant funders often wish to see match funding from the village, so ensure that you have looked at your local options first: Parish Councils, village groups and charities can be very supportive and proving that you have local support will be viewed very positively by national funders.

Selling shares in your shop is a good method of raising finance from within the community and an important way of recruiting members. Co-operative and Community Benefit Societies enable the issue of "community shares" which have been a very important factor in the development of community shops. Shareholder members, as well as financially supporting the start-up, are buying into the vision of the community shop and are more likely to become your customers, your volunteers, and your longer term supporters who want to play an active part in the shop's future. As with donations and local funding, the amount that is raised from your community in this way should be highlighted when applying for grants and there are now some specific grant programmes designed to match the amount raised in community shares.

Be sure to seek guidance before you issue a community share offer (Plunkett can offer support) as although the issuing of community shares is an unregulated activity there are plenty of recognised best-practice examples which can improve the protection offered to the investor and to the society, as well as improving the outcome of the offer. For more information on community shares and the Community Shares Standard Mark, go to www.communityshares.org.uk.

As trading organisations with a good track record, community shops are increasingly relying on loans to finance their setup costs. There are a number of Community Development Finance Institutions (CDFIs) who have specific knowledge and understanding of community shops who can offer loans and support at an affordable rate. It is also worth considering a Public Works Loan with your Parish Council which is an affordable 'public' loan which can be made available for this type of community initiative.

Plunkett has two publications that can assist you with raising the finance you need: **Raising the Funds to Finance your Community Business** and **Funding a Community Business with Community Shares**.



8. Staffing and volunteers

Staffing your shop with the right people is a high priority and so it is worth taking the time to find the right skill sets. It is helpful to visit other community shops to talk to their committees and managers: this way you can learn from other people's successes and mistakes. Good contracts are essential and there should be a good understanding of roles and responsibilities, holiday cover and so on.

ACAS has a statutory Code of Practice on discipline and grievance procedures, providing basic practical guidance to employers, employees and their representatives and sets out principles for handling disciplinary and grievance situations in the workplace.

Recruiting a manager

Community shops usually employ a minimum of staff, such as a full-time or part-time manager, plus part-time sales assistants if the business plan demonstrates the shop will be able to afford them. Shops are usually open very long hours and so it is a good idea to assess which are the crucial times that a manager must be on the shop floor. If possible, before recruiting a manager, assess when your main suppliers will be delivering during the week. Those are the days the manager should be available, to accept deliveries, supervise the logging of stock on EPOS (if used) and shelf-stacking, and to make fresh orders. This will give you parameters when interviewing – if you know that Tuesday is an important day for deliveries and a candidate is never going to be able to work that day, then you have a problem.

The committee needs to draw up a job description and desired experience and skills, and stick to it. There may be reasons why you might employ someone that does not have all your desired attributes but they should have most of them! It is important to ensure the manager, once appointed, fully understands and agrees with their job description.

The manager will report to the management committee and it is worth making sure that there is one committee member assigned to this function, or wires can get crossed, especially if the other members of the committee visit the shop frequently.

Volunteers

Because the majority of community shops employ few staff, they rely on volunteers to help run the shop. This should be seen as a plus, not a minus: motivated volunteers can bring a business to life and engage customers.

In order to be effective, volunteers require careful and sensitive management and should feel included in the business. Volunteers should have a written role description specifying how much time they are expected to commit, to whom they report, any general duties and responsibilities, and any specific tasks they will be required to perform.

Volunteers can help in many ways including core roles on the shop floor such as working behind the till or stacking shelves. There are many activities such as maintenance, marketing, accounting, fundraising, social media and website development that benefit from strong volunteer support.

9. Policies and procedures

Volunteers and staff should all be familiar with the shop handbook mentioned in section 4, and everyone on the shop floor should be aware of the shop's policies and procedures such as cash handling, security procedures, hygiene, cleaning routines, record-keeping, accident and daybooks, opening and closing the shop routines, COSHH (Control of Substances Hazardous to Health) storage and so on.

There are a few policies and procedures that need highlighting however:

Cash handling and financial controls

Cash handling is an important issue and for the protection of both the business and the staff/volunteer force, stringent measures should be in place to ensure against loss and theft. Even the most careful and honest staff can introduce human error and it is vital to keep checks and balances, which will log the human errors and also flag up any mysterious loss of cash. Ideally two or more people should be involved every day in the procedures of cash handling from point-of-sale to banking, thus effectively checking each other. If the processes are clearly written down, records kept carefully and everyone is trained in the same way, this minimises the opportunities for theft as well.

If you are installing CCTV cameras, ensure there is one positioned directly above the till. Also ensure that the rules for the amounts of cash left in the safe overnight are understood and adhered to.

Likewise the committee must keep careful financial controls on the business as a whole, with the responsibilities for banking, bookkeeping and accounting clearly defined, authorisation processes for purchases and bill-paying agreed, and a comprehensive treasurer's report presented to the whole committee at every meeting.

Credit terms

Some community shops offer credit to their customers and there are quite sophisticated ways of doing this with EPOS systems. You can consider offering "reverse credit" which means the customer has to pay up front initially, and then can purchase without producing their wallet until that credit runs out. Whatever you choose to do, the cardinal rule is to be firm about sticking to your terms – no credit means no credit!

Alcohol sales

Ensure you have the correct licensing for selling alcohol. Any business that serves alcohol to customers must be licensed to do so and each country within the UK has different licensing laws. Local councils are responsible for issuing licences so it is advisable to contact them for the most up-to-date information and application forms. You will need to display prominently the notices concerning age limits on selling alcohol and the staff need to be aware and regularly trained.

Health and safety

Ensure you are compliant with all legal requirements and best practice trading processes. Health and Safety in the workplace is monitored by the Health and Safety Executive, but it is the role of Environmental Health Officers from the district council to visit shops, primarily to advise and then to ensure that correct practices are being enforced and dangerous practices are stopped. It is recommended that early contact is made with the Environmental Health Officers so that they have the earliest opportunity to advise you as your project develops.

All businesses that sell food need to be aware of and comply with food safety and hygiene regulations. These need to be applied to food storage, display, handling and selling. The Food Standards Agency has produced a special pack for retailers to explain food safety regulations – 'Safer Food, Better Business for Retailers' and is free and available to order from the Food Standards Agency at www.food.gov.uk

Risk assessment

When setting up the shop the committee will need to ensure all risks have been checked, such as a fire risk assessment for extinguishers, evacuation points and procedures, and that the wiring and electrical devices have been checked, all alarms are in place and working, and so on. These are processes that have to be done regularly and so it is important to keep records carefully to monitor when updates are due.

10. Setting up, sourcing suppliers and preparing to trade

Once you have secured your premises and funding, you need to consider 'the look' of the shop as well as the practicalities of layout, equipment and furnishings. Whatever look and design you do go for, remember, this is a community-owned shop and needs to appeal to the widest possible sector of the community. Ensure your aisles are wide enough for pushchairs or those in wheelchairs.

The range of goods and services you offer should be tailored to your demographics. Typically community shops source their core food goods from a number of suppliers - on average 19 suppliers - ranging from national to local wholesalers, suppliers and producers.

Considerations to think about when designing your stock include how many local suppliers you wish to use - and whether and how often they will deliver, what is their minimum order, what are their terms of credit and so on. Sorting out terms and conditions at the very beginning, even during the business planning process, is important. Community shops are often very proud of their local suppliers and it creates a point of difference from supermarkets and chain convenience stores.

Another important consideration is what sort of price range you are going to offer. This will depend on who you are catering for, but it is always possible to cover several bases by having budget lines alongside luxury lines.

Your stocking policy will include how you regard other items such as cigarettes and alcohol. Some shops choose not to stock cigarettes while others supply only a small range. They are a high value item but offer a low margin. Whatever you choose to do, make sure the policy is agreed before the shop opens!

How to register sales is another important point to consider - should the shop have an EPOS system? There is a wide range of equipment and software to choose from, starting with a basic electronic till and ranging up to a system of multiple tills with EPOS feeding into an accounting package. Your decision should be determined by your likely sales turnover. Again it is incredibly valuable to visit other community shops of a similar scope and size, and ask their advice. The system you choose will also have to be suitable for the people using it: if there are multiple volunteers working short shifts then a complicated system may not be ideal. You also need to decide how you are to monitor the sales, what kind of accounting software you are going to use and who is going to keep the books.



11. Checklist: have you thought of everything?

There will be many to-do lists drawn up during the months it takes to set up a community shop! In the final weeks before opening, it will be all hands on deck and the final checklist will include:

- **Insurances:** you will need insurances for building, contents, public indemnity, employer's liability
- **Equipment:** fridges will need thermometers and temperature recording charts. Consider taking out repair contracts
- **Point of sale:** an EPOS system takes longer than you imagine to set up as every item of stock has to be loaded on, so allow time for this. Is everyone who is going to use it trained adequately? Have the supplier's number handy for emergencies!
- **Chip and pin:** will you set up your till to take card payments? Remember you will need to pay a fee on each transaction. Make your card policy clear with a friendly sign, including your policy on offering cashback
- **Alcohol and cigarettes:** have you contacted the licensing officer? Do you have a trained staff member? Are you satisfying all legal requirements?
- **Health & safety:** have you been in touch with your EHO and do you have your hygiene certificate?
- **Finally, have you explored absolutely all of the community uses that your shop can host?** Is there room for a couple of little tables for people to have coffee? Is there space for a used-books library? Have you space for a community noticeboard? Have you thought about recycling initiatives such as refillable bottles?

12. Publicise the launch date and open for trading!

The official opening day is a celebratory event that all of the community should be invited to and encouraged to attend. This is your opportunity to show off all the hard work that has been going on, and the ideal opportunity to market the shop to your local community and the wider services you now offer.

It is always worth holding the official opening some weeks after trading has actually commenced in order to give yourselves time to iron out any teething problems. To mark this event, consider inviting a celebrity guest or local MP to officially open the shop, and remember to invite any organisation that has provided funding or advice along the way. Also invite neighbouring communities who may also be considering setting up a community shop. The local media are also normally very keen to be involved, and this is a really good opportunity to attract custom and supporters from further afield.

A weekend is often the best time for an event in order to get maximum attendance from the local community. Make use of road signs directing people to the shop, put up posters, balloons and bunting to emphasize celebration and achievement, and organise music, entertainment and, of course, some food tastings! Do contact Plunkett when you are ready to open as we have a range of templates and materials to help you promote your fantastic achievement; and we will also share your success with our networks.



HAMPSTEAD COMMUNITY SHOP



HALLOWEEN
PUMPKIN
START 6:00PM
BEST PUMPKIN COMPETITION
JUDGING 6:30 PROMPTLY

HALLOWEEN
Best Pumpkin Competition

PUMPKINS!
1.95-5.00
For CS
Thank you

Fruit & Veg Donations
We would love any excess produce you can offer.
In future we are hoping to develop a 'GARDEN TO PLATE' scheme in our new cafe.
See inside for details.

About Plunkett Foundation

The Plunkett Foundation helps rural communities UK-wide to tackle the issues they face, through promoting and supporting community business.

Community businesses are enterprises that are owned and run democratically by members of the community and others, on behalf of the community. They come in many forms, including shops, pubs, woodlands and anything which lends itself to community ownership. In addition to developing and safeguarding valuable assets and services, community businesses address a range of issues including isolation, loneliness, wellbeing, work and training.

Plunkett's role is to advocate and champion the concept of community business to ensure communities throughout the UK are aware of the model and its potential; feel empowered to take action themselves; and operate in a supportive

environment. Plunkett provides practical advice, support and training to help communities establish and run successful community businesses with long term survival rates.

Plunkett is proud of its roots; it was founded by the great Irish co-operative pioneer, Sir Horace Plunkett, in 1919. For almost 100 years, it has supported rural communities to thrive through community business and to improve the quality of life for all. Today, it represents the interests of over 600 rural community businesses that it has helped to establish and a further 400 in the process of setting up, as well as those who are just starting on the path.

Membership of Plunkett Foundation

Plunkett Foundation is a membership organisation, and we actively encourage those we work with to become members, and in turn, help us to make a difference to the lives of those living in rural communities.

Becoming a member of Plunkett makes a vital contribution to sustaining our service to help and support community businesses across the UK and, importantly, engages community businesses to help shape the development of our service as well as contribute to rural advocacy consultations.

Plunkett member benefits include a range of support from receiving information, advice, networking opportunities, discounted services, events and being part of a wider movement. We have a number of membership packages available, so do contact us to talk through the best membership for your stage of the community shop journey.

To find out more about Plunkett membership, email membership@plunkett.co.uk.

Contact us

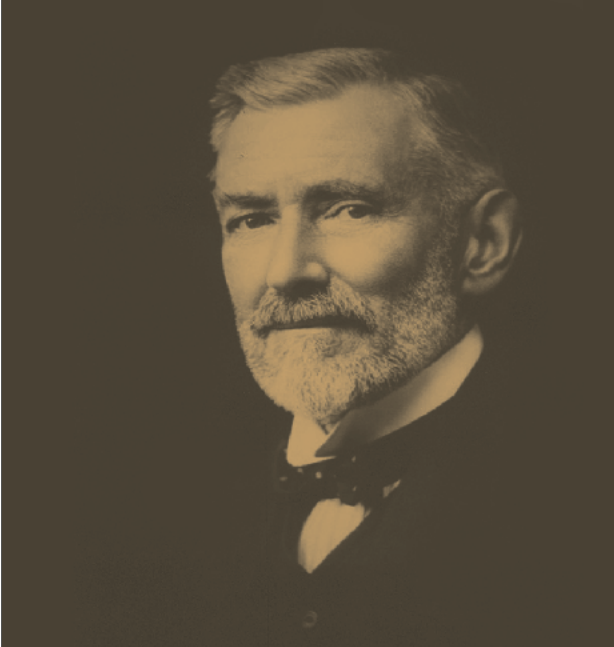
Please contact the Community Business Team to request support on setting up or running your community shop. We're always happy to hear from you!

Phone: +44 (0)1993 810 730

Email: info@plunkett.co.uk

Address: Plunkett Foundation, The Quadrangle, Woodstock, Oxfordshire OX20 1LH, United Kingdom.

www.plunkett.co.uk



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Plunkett Foundation is a registered charity, numbers CC 313743 (England and Wales) and SC 045932 (Scotland). It is a company limited by guarantee, registered number 00213235.



About the Plunkett Foundation

Plunkett Foundation was established in 1919 and we help rural communities UK-wide to tackle the issues they face, through promoting and supporting community business. Community businesses are enterprises that are owned and run democratically by members of the community and others, on behalf of the community. They come in many forms, including shops, pubs, woodlands, and anything which lends itself to community ownership. In addition to developing and safeguarding valuable assets and services, community businesses address a range of issues in rural areas including isolation, loneliness, wellbeing, work and training.

If you share our values, ask us about becoming a member

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