



# The Future of the Community Pub Sector

## A Roundtable Discussion Follow-up Paper

On Thursday 10th June 2021, the Plunkett Foundation hosted a roundtable discussion for key stakeholders in the community pub sector. Plunkett's strategy 'The future of UK community pub support' was circulated prior to the meeting.

### Discussion - 'What is needed to ensure the future growth and sustainability of the community pub sector?'

#### Meeting objectives:

- To champion the success of the community pub model
- To assess the likely demand for future support from community pub projects
- To explore the nature and scale of support required by community pubs
- To identify potential partners and investors to resource the future of community pub support.

The discussion was led by Greg Mullholland, Campaign for Pubs Campaign Director and Chair of the British Pub Confederation. Key speakers were Vidhya Alakeson, Chief Executive, Power to Change and James Alcock, Chief Executive, Plunkett Foundation.

The three speakers provided an insight in to the sector, the impact of the pandemic on both community pubs and the wider pub sector, and potential interventions required to ensure a strong resilient pub industry. Vidhya focused on the large scale positive impact of a multi-million project. Since 2016, 68 community pubs have opened, thanks to support from More than a Pub (funded by Power to Change and MHCLG), with the programme directly investing (through a combination of grants and loans) in 48 pub projects. James highlighted the important role community pubs play in localities across the UK – providing training, employment and skill development, reversing the decline of essential services, providing social interaction, and alleviating loneliness, isolation, physical and mental health issues, as well as reducing anti-social behaviour – before providing an overview of the Plunkett's community pub strategy and highlighting the role that Plunkett and other organisations can have in ensuring the community pub sector thrives.

Invitees were then invited to voice their opinions and discuss Plunkett's strategy 'The future of UK community pub support'. Discussions focused on the need for awareness raising activities, collaborative working, and provision of a unified support service; it also highlighted that there is significant need for investment.

#### Key elements for supporting the sector:

- **Awareness raising**
  - In the short-term the Community Ownership Fund provides an opportunity for substantial sector publicity. The original announcement caused a spike in enquiries at Plunkett, with a 100% increase on the previous month's figures.
  - There are still swathes of the public who are unaware of the community ownership model and the potential for it to address the issues they face. Plunkett cannot achieve mass awareness alone – this can only be achieved via collaborative action across the sector. The organisations present were supportive of this action, but more detailed practical steps now need to be co-ordinated.
  - Due to the success of the More than a Pub brand, the MTAP brand (and activity) will be maintained by Plunkett and used throughout the UK in line with Plunkett's UK remit.



- There is cross-organisation support for the legislative changes outlined in Plunkett's strategy, with a focus on the alignment of the Community Rights across the UK. A unified voice would give these asks greater power.
- **Capacity building support**
  - Plunkett will continue to provide a UK wide support package (under the MTAP brand) to assist communities seeking to set up and run a community pub. However, Level One support (which is what Plunkett is currently resourced to provide through various existing projects) is significantly lacking in capacity to meet demand. Further work is required to map alternative support available from other providers UK-wide to enable Plunkett to better signpost and co-ordinate support. All present are encouraged to clarify what support they are able to offer, and what other support they are aware of.
  - Level Two support (multiple corporates investing at lower levels collectively raising £150,000) was considered innovative and organisations present were asked to propose suitable corporate partners that could be approached.
  - Level Three of Plunkett's strategy (comprehensive and dedicated support programme) is the ideal level, but even so is unlikely to meet demands of both start-up and existing pubs longer term. The aspiration behind a community pubs project, therefore needed to be ambitious.
  - New approaches need to be taken to ensure more communities succeed at community ownership of their pub. This could be innovation such as the Level Four support (co-investment model), or the trialling of different ways of providing advice. It was felt that innovation was needed to focus on supporting community pubs in urban areas and areas experiencing more deprivation. These are the places where community pubs have been less prevalent. It was proposed that research is required to better understand the barriers faced by urban/deprived communities and what is required to break through these.
- **Investment or funding**
  - Community shares are a fundamental mechanism for raising capital for community pub projects, and should continue to be publicised and supported. Through MTAP, over £14m has been raised in community shares via approximately 14,500 shareholders.
  - Funding across the sector is limited, and even if Level Three of Plunkett's strategy is reached delegates felt that this will still not be sufficient to support the needs of new and existing community pubs – especially those in urban/deprived communities.
  - MTAP experience shows that small scale, early stage, bursary funding is a crucial part of the development of a sustainable and robust project. This small scale funding enables equal access to professional expertise and gives a community confidence in their project.
  - Loan finance will continue to be available for community pub groups through the recycled MTAP funding via Key Fund and Co-operative and Community Finance.
  - The Community Ownership Fund provides an opportunity for substantial investment in the sector – both in terms of capital grant funding, and potentially pre-development funding. However, concerns were raised that access could be unequal with those in high deprivation areas missing out if delivered on a first-come, first-served basis.

## Conclusions:

- Further investment is required to respond to the demands of communities setting up and running community owned pubs.
- The Community Ownership Fund has great potential to support community pubs, but it also carries risk if funding is invested without substantial business support/guidance.
- Collaboration is going to be key to raising awareness of the community business model, and securing future resources for the benefit of communities.



- Greater collaboration and signposting amongst existing support providers is required to ensure business support is joined up and complementary - not competing.
- More emphasis is needed on reaching urban and deprived communities and research is needed to better understand current barriers holding communities back in these places.

## Actions:

- **Plunkett**
  - To consider maintaining or extending the MTAP steering group to ensure there is continued collaboration on awareness raising, business support and development of new projects.
  - To consider establishing an alliance of organisations enabling greater collaboration on awareness raising, policy and advocacy, as well as infrastructure development.
  - To consider holding a second meeting in the autumn to review progress.
  - To circulate a live spreadsheet requesting input from attendees regarding known support available for community pub groups.
  - Circulate a survey asking how attendees can support future collaboration.
- **All Support Organisations and Funders**
  - To commit to collaboration ensuring a more connected support environment is created.
  - Keep in touch with Plunkett on ideas for taking forward the community pub strategy.
- **Plunkett & Power to Change**
  - To conduct research in to urban community pubs – to assess their potential to address problems and understand the barriers what is holding them back.



## Plunkett Foundation & Community Pubs:

Plunkett is a national charity that supports predominantly rural communities across the UK to tackle the issues they face through community business. Plunkett is driven to create more diverse, inclusive and equitable places in which everyone can participate and play a meaningful role in society, it is not about gentrification or the preservation of building. Plunkett's work helps people to overcome hardship - loneliness, bereavement, unemployment, skill deprivation - through assisting communities to set up self-sustaining community-owned businesses. The model of business should flex and develop with each community – community pub businesses are not the only answer. Plunkett does not just want the number of community pubs to increase exponentially without social change, but for more communities to identify and find solutions to the issues they face through community-owned business.

Community pubs are multi-service hubs that enable communities to overcome the issues they face by providing self-sustaining solutions. They provide training, employment and skill development, reverse the decline in essential services, provide social interaction, and alleviate loneliness, isolation, physical and mental health issues, as well as reducing anti-social behaviour. They are not just about improving an area or purely the provision of beer. The model works in all localities; although there are proportionally fewer in areas experiencing high deprivation and/in urban locations.

The Plunkett Foundation strategy 'The future of UK community pub support' is available by request from [info@plunkett.co.uk](mailto:info@plunkett.co.uk).