

From: Winsham Shop Management Committee
To : Mike Hicks

Date: 3/8/18

Additional Information for application 18/00001/FUL, 18/00002/LBC & 18/01705/ADV

Review of previously-considered location options for Winsham Shop and Post Office

We believe it would be useful at this point to share our review of previously-considered options to relocate Winsham Shop and Post Office to clarify why we believe The George is the best choice. As you are aware, some of the objections to our application suggest alternative locations, all of which have already been considered. In our view those making these suggestions do not fully understand, the complexity involved in managing, funding and successfully carrying out this type of community project.

Please find below what we consider to be the essential criteria for our new location and, in the attached paper, our assessment of all options considered before deciding that purchasing The George was the best available option.

1. **CENTRAL LOCATION:** To be located at the heart of the village, ideally on the main road in order to benefit from passing trade
2. **FINANCIALLY VIABLE:** To create a viable financial business model to secure a future that (at the very least) breaks even by acquiring a space to enable us to increase sales. It should be noted here that we are - and always have been - a not-for-profit organisation.
3. **FUNDED:** In order to attract funding, we need to own an asset that investors can be confident of investing in and know that there is a contingency plan to return their money in the event of failure. It is the investors, i.e. our community shareholders, who bear any risk - not the Parish Council, nor any other village group.
4. **AVAILABLE:** Property/land to be available to purchase or rent
5. **ACCESSIBLE:** To equal - or ideally improve on - existing location regarding parking and pedestrian accessibility for both customers and deliveries.

In December 2016 The Bell pub was a strong candidate, as it satisfied a number of the above criteria (points 1, 4 & 5, with an improved position for parking).

In order to give us the option to have time to raise funds to purchase The Bell, we secured our interest by having it classified by SSDC as an 'asset of community value' on 8 February 2017, ref. ACV42. At this point, the financial model had not been fully assessed, nor was it clear how much money could be raised and whether it was justifiable to spend these funds on The Bell.

During March 2017 when a private buyer put in an offer for The Bell, the facts are as follows:

- * We (Winsham Shop Management Committee) had raised the possibility of our buying The Bell with both the owners of the pub and the village (open sessions were held following a door-to-door leaflet drop, as well publicity via our village e:letter and parish magazine). At this point we had received pledges (not monies committed) of approximately £182,000
- * The Bell had been on the market for some time at a price of £345,000
- * We were then informed by the owners that they had received a credible offer near to the asking price, which we assumed to be around £330,000 plus.
- * We had by this point commissioned two independent expert valuations, one for the pub business and a structural one for the buildings.
- * Our conclusion, based on these expert opinions, was that we would only be able to justify an offer of around £250,000. It was also essential to ensure that we had significant additional funds over and above this amount in order to create a shop on the pub premises. At this point we had not completed our business case
- * We knew that there was no question of our being willing to pay close to the asking price, as we could not justify this price to potential investors. We were not prepared to exceed what our expert advisers told us The Bell was worth.
- * The results of our valuations and our position as stated above was shared with the owners of The Bell at the time of the offer they received from the eventual purchasers.
- * We were delighted to be informed that the property was to continue as a pub, which was the key issue for the village
- * We took the view that the gap between what the pub owners could get from their buyer and the maximum we could consider paying (which we assumed to be at least £80,000) meant that we could not stand in their way. We accordingly chose not to take up the option to claim it as an asset of community value and informed the then owners of this decision.
- * In addition, at this stage we did not have £250,000 and therefore could not legitimately make an offer without the funds to back it up
- * On the assumption that the sale would go through, we knew that buying The Bell was no longer an option for us. In the end the pub was purchased by a private buyer for £319,000 (Land Registry) - a sum far in excess of our perceived value, and which was - understandably - accepted by the then owners.

Following the sale of The Bell, in June 2017 we reviewed all our options within the village (see details on attached paper) and made an assessment that The George was our best

option. We then prepared our business case for the acquisition of this property.

In summary, The George was the most credible option as it satisfied all five criteria stated above. If change of use is not granted there is a real risk that Winsham will lose its shop as we do not believe any of the remaining options satisfy enough of these criteria for a project of this kind.

It is also worth noting that in creating our business case, and as stated within it, we have learned significantly from comparable projects in other villages, including our good friends, Sue Boer and the team at Kingsbury Episcopi (a project that required a massive £1.4 million in funding).

We also owe a considerable debt of thanks to the Plunkett Foundation, of which we are members, along with 450 comparable community-owned organisations all over the UK, who have provided us with seed funding and much valuable advice and support.

We would ask that you take these factors into account when considering your decision.

Many thanks, Winsham Shop Management Committee

Shop & Post Office location options as at June 2017

Background: The Bell project no longer being an option, we have agreed with our existing landlord (May 2017) that a new location would be preferable for both parties if a suitable site for the shop can be found, as existing building is not ideal for purpose and offers no room for expansion or increase in turnover. We have shared this problem with the village and asked for their suggestions (via Parish meeting, e:letter and parish newsletter May 2017)

We would prefer a financial model where we own our own building and do not pay rent.

We wish to build on the momentum generated by The Bell project and our capability to raise necessary funds. As at March 2017, £182,000 had been pledged in support for that project.

Our key criteria for selection of best site are as follows:

1. **CENTRAL LOCATION** To be located at the heart of the village, ideally on main road in order to benefit from passing trade
2. **FINANCIALLY VIABLE** To secure Winsham Shop's future by creating a viable financial business model that at a minimum breaks even. We are a not-for-profit organisation
3. **FUNDED** To enable sufficient funding through a mix of shares, grants and loans, we need to acquire an asset that investors can be confident

of investing in and ensure there is a contingency to return their money in the event of failure. It is the investors - i.e. our community shareholders - who bear any risk, not the Parish Council nor any other village group.

4. **AVAILABLE** Property/land to be available to purchase or rent
5. **ACCESSIBLE** To equal - or ideally improve on - existing location regarding parking and pedestrian accessibility for both customers and deliveries.

POTENTIAL OPTIONS

| NEW BUILD OPTIONS | PROS | CONCERNS | CURRENT STATUS/ACTION TAKEN |
|--|---|--|--|
| Land occupied by covered bus stop on main road adjacent to Davies Close | <ul style="list-style-type: none"> • Good central location /new build potential • Council-owned land /may be possible to assign to community ownership • Cafe would be great asset for recreation area | <ul style="list-style-type: none"> • Need to relocate bus stop • Impact on community space | Issue of getting investment for a purpose-built shop and its ownership status and ability to refund investors if it were to fail |
| Land by bus stop opposite the above, on the other side of the road (owned by Hammett family) | <ul style="list-style-type: none"> • Good location and potential for new build opposite recreation ground | <ul style="list-style-type: none"> • Would Hammetts be interested in selling? • Would change of use be required? | Rejected as Mr & Mrs Hammett unwilling to discuss potential sale of this piece of land |
| Former Victory Garage site, Church Street | <ul style="list-style-type: none"> • Location on main road | <ul style="list-style-type: none"> • Planning permission already granted for housing • Owner of land unlikely to donate • Issue of cost of land and build if available for purchase | Proven not to be an option. Mark Pike, the developer, was approached but not was not interested in discussing potential opportunity to site the shop on his land |
| New Balsom Close estate | <ul style="list-style-type: none"> • Potential for new build / do deal with | <ul style="list-style-type: none"> • Location – tucked away on edge of village | Rejected as tucked-away location on outskirts of village |

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| | owner/developer? | <ul style="list-style-type: none"> • Not central /not on main road • Issues of accessibility for deliveries • Land currently for sale for housing development • New build – how to fund • Owner of land unlikely to be willing to negotiate as trying to sell land | <p>would severely impact on trade</p> <p>Limited access for deliveries</p> <p>No building or planning permission for shop in place</p> |
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| EXISTING BUILDINGS | PROS | CONCERNS | CURRENT STATUS /ACTION TAKEN |
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| <p>‘Milestones’ (detached bungalow) Back St</p> | <ul style="list-style-type: none"> • Available as currently up for sale £329K • Detached /good plot /potential for parking • Good-sized footprint with utilities in place • Central location close to existing shop | <ul style="list-style-type: none"> • Overpriced for our purposes • Needs considerable work to convert • Would need change of use • Impact on Back Street neighbours • Not on main road but close by. ?could be overcome with signage | <p>Not an option as too expensive – do not believe we could make business case work at this asking price</p> <p>Owner was contacted to see if he would be willing to support village project and sell at reduced price as he had owned it for many years. He was not interested in as confident of selling at the asking price</p> <p>Now sold to new owners- UNAVAILABLE</p> |
| Existing Jubilee Hall | <ul style="list-style-type: none"> • Central location • Already community-owned space | | <p>The Jubilee Hall is currently working well in terms of being well-used and financially well run. It is not an option to use existing space</p> |

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| Jubilee Hall extension | <ul style="list-style-type: none"> • Central location • Already community-owned space | <ul style="list-style-type: none"> • Slightly worse than present for parking and deliveries • Issue of access owing to raised height of where extension would be sited at the eastern side of the hall. Difficult for deliveries and disabled /pram customer access • Potentially expensive build to fit in with required look and feel • Impact on surrounding households • Issue of how to fund as not an asset investors could own | Rejected as option. In discussions with chairman, it was concluded that this was not a viable option to pursue due to access issues for both customers & deliveries, and ownership issues. |
| Winsham Resource Centre/Band Hut | <ul style="list-style-type: none"> • On main road • Community-owned land • Good sized foot print • Some potential for parking | <ul style="list-style-type: none"> • Not central • Dangerous lack of pedestrian access- no foot path leading to it on main road • Too far out of village • Issues of ownership & funding | Rejected due to poor location and access Issues of ownership & funding would need to be overcome |
| EXISTING BUILDINGS Continued | PROS | CONCERNS | CURRENT STATUS /ACTION TAKEN |
| Previous Slade offices, Fore Street | <ul style="list-style-type: none"> • Available for sale at £100,000 • Asset that could be owned • Right size • Potential to make financial model work | <ul style="list-style-type: none"> • Not central • Lack of access for both customers and deliveries | Rejected due to location Now sold UNAVAILABLE |
| Sports & Social Club | <ul style="list-style-type: none"> • Lots of space • Community-owned asset • Managed by two village groups /leased by Parish Council | <ul style="list-style-type: none"> • Not a central location • Access for delivery vehicles is a major issue. The Bookers lorry (40 ton artic) would not be able to access • No pavement for | Rejected for its location as not central, lack of access and negative impact on residents of Bakersfield. Also issues of how this would be |

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| | | <p>pedestrians via main road</p> <ul style="list-style-type: none"> • Would require significant development and extension of existing building, requiring funding • Issues of ownership, governance and how to fund | funded and attract investors |
| The George | <ul style="list-style-type: none"> • Current renters due to move / owner may be interested in sale –was last on the market in 2015 • Good size • Central location • Former commercial property run as a pub • Potential to use upstairs space to generate extra income • Courtyard area potential for cafe • In good internal condition • Little change to footprint required | <ul style="list-style-type: none"> • No private parking but could argue no different to shop's existing situation • Would need to apply for change of use • Grade 2 listed building | <p>Preferred option to pursue business case and share prospectus :</p> <p>CENTRAL AVAILABLE (contacted owner and he is willing to sell for fair price)</p> <p>FUNDING Likely to be achievable as ownership of building would be a solid asset</p> <p>FINANCIALLY VIABLE</p> <p>Considerable potential for increased revenue</p> <p>ACCESSIBILITY Similar to existing shop for customers, an improvement for deliveries</p> |