



Village Meeting

***Save The Pub
Campaign***



25 November 2017



Agenda



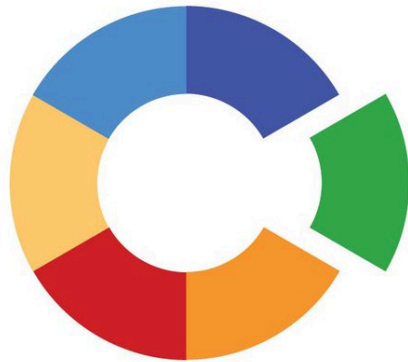
1. Introduction & Meeting Objectives
2. The Business Plan
3. Community Pub Vision
4. Funding & Governance of the CBS
5. Any Questions and Next Steps



Objectives of Today's Meeting

- Explain What We Have Been Doing
- Planning Status
- Explain the Business Plan
- Introduce the Community Pub
- Explain how we believe this can be Funded
- Ask for your Input and Pledges to Get Involved
- Outline the Draft Timetable before the Pub Reopens

Experienced Community Pub Advisors



pub is the hub

- National charity helps save community pubs
- Bernard Lee
- Patron: HRH Charles

plunkett
foundation

- Foundation focused on improving rural lives and communities
- Extensive experience saving village pubs

Independent Pub Valuation:

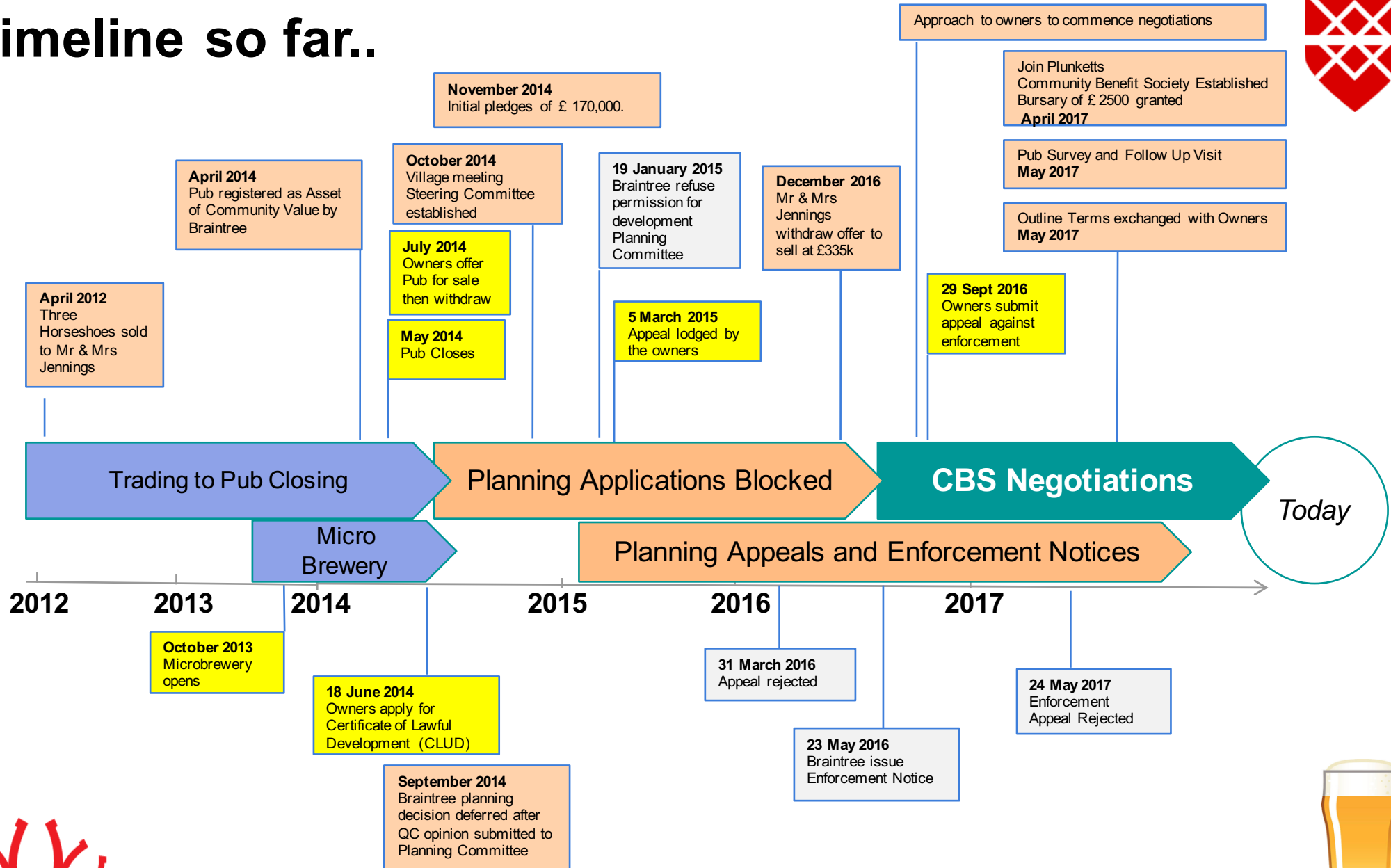
MJM Hughes Ltd

**a professional
Pub trade
consultancy**

- Undertook an independent valuation of Three Horseshoes, with agreement of the Jennings



Timeline so far..



Helions Bumpstead Parish Council Supports the Three Horseshoes Community Purchase



Parish Council Actions

- PC Registered the Pub as an Asset of Community Value (ACV)
 - 15 April 2014 Until 15 April 2019
- Submitted Arguments to Braintree District Council Opposing:
 - The 'Permitted Development' of the pub to a shop
 - The Appeal of Braintree's Refusal of the 'Permitted Development'
 - The Appeal of the Enforcement of Planning Inspector's Decision
- PC is working closely with CBS group and supports the Pub Purchase,
- No Current Plan for a Financial Contribution though Technically Possible through Power of Competence

Legal Position

- Residential Occupation of the Pub Must Cease by Nov. 27...
 - *...but Braintree Will Not Enforce This While Negotiations by the Community to Purchase the Pub Proceed Smoothly*



PC is Currently Holding £529.40 Donated to the Pub Fund in Trust



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Pub Revenues and Operating Costs



Revenues

- Drink
 - Alcoholic
 - Non-Alcoholic (including coffee, etc..)
- Food
 - Meals
 - Snacks
- Events / Hire



- **“Fair Maintainable Trade” (FMT)**

Operating Costs

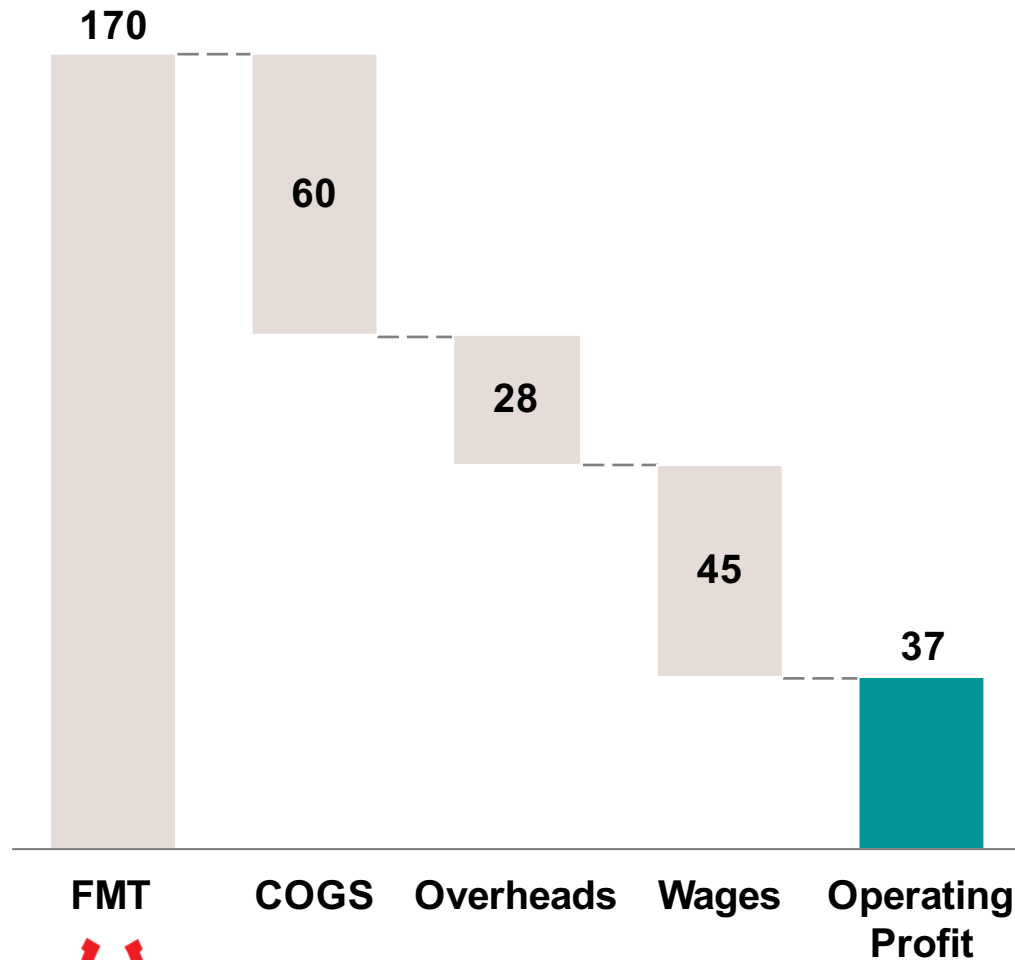
- Costs of Goods Sold (**COGS**)
 - Wholesale buying of beer, wine, etc...
 - Food supplies
- **Overheads**
 - Utilities, Services & Rates
 - Insurance
 - Maintenance, Cleaning and other Sundries
- **Staff wages (Manager)**
 - Bar staff
 - Chef



Potential Operating Profit of the Pub



Example Values per Year (£ 000s)



Estimates we have received on likely FMT have been in the range of £140k-190k per year...
... generating Operating Profit of between £30-40k per year

Operating Profit pays for:

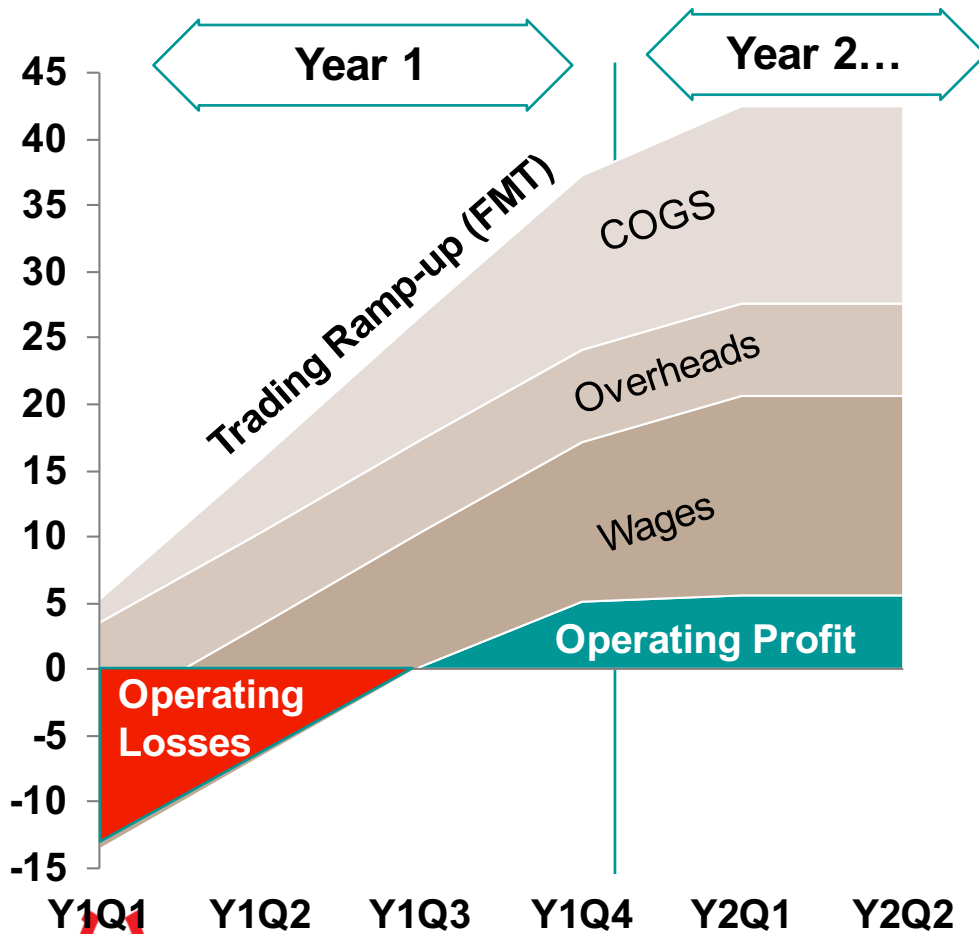
- Bonuses to Staff
- Improvements to the Pub
- Interest / dividend payments to the CBS Investors



Start-Up Period to be Op Profitable c. 9-12 months



Example Quarterly Financials (£ 000s)

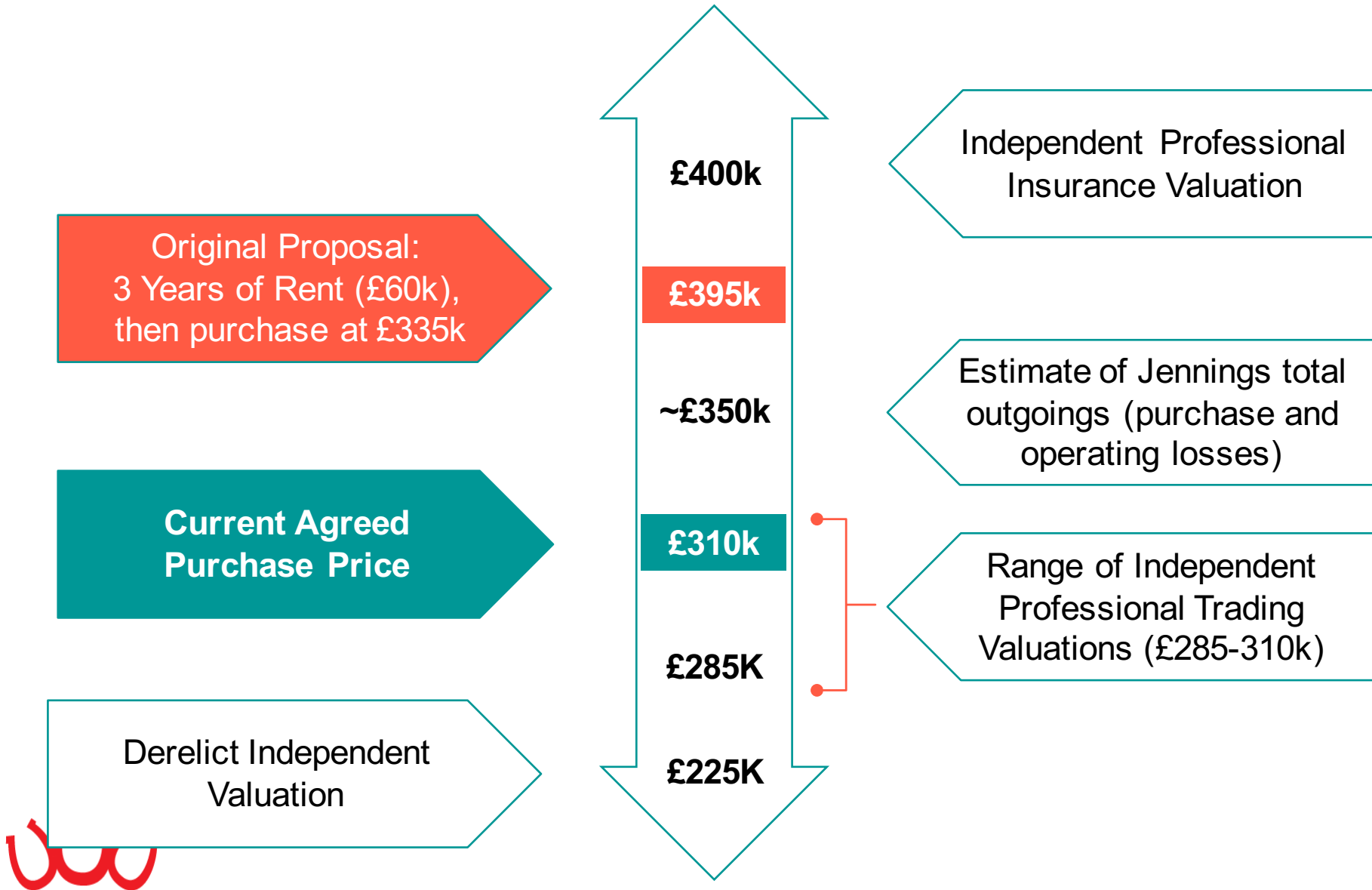


We expect the pub to only become operationally profitable after the first 9-12 months ...

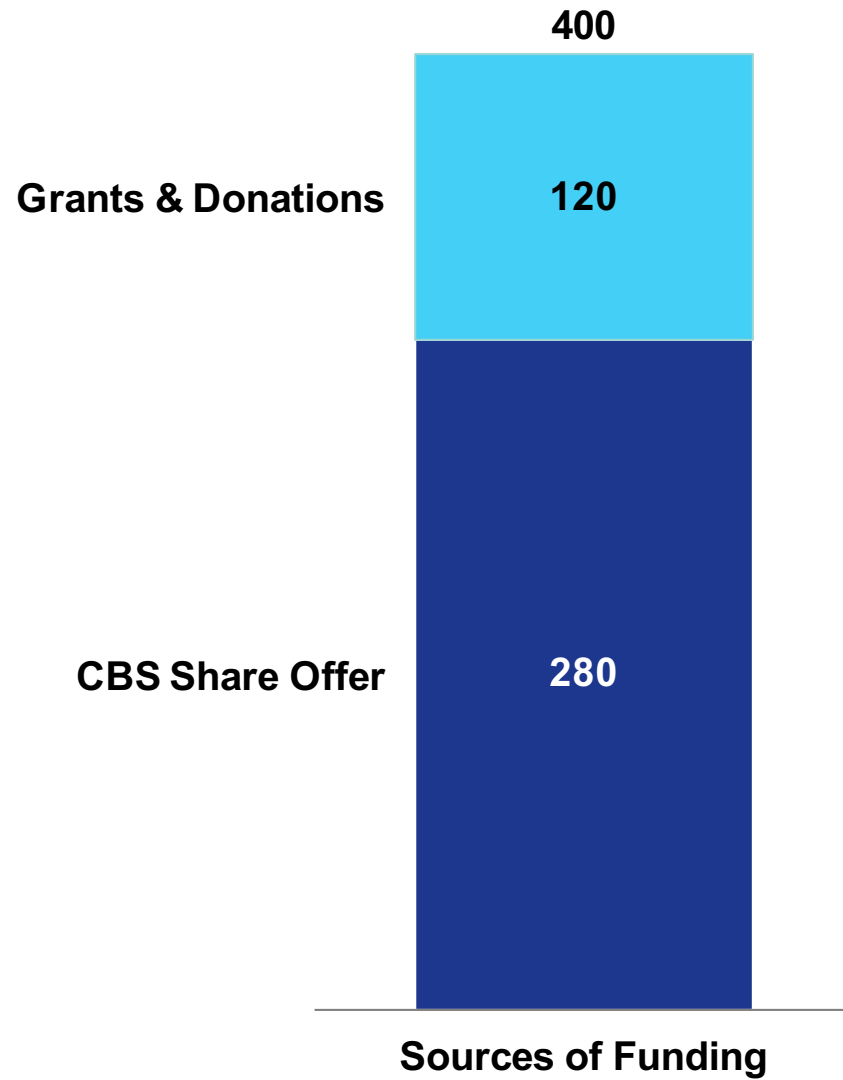
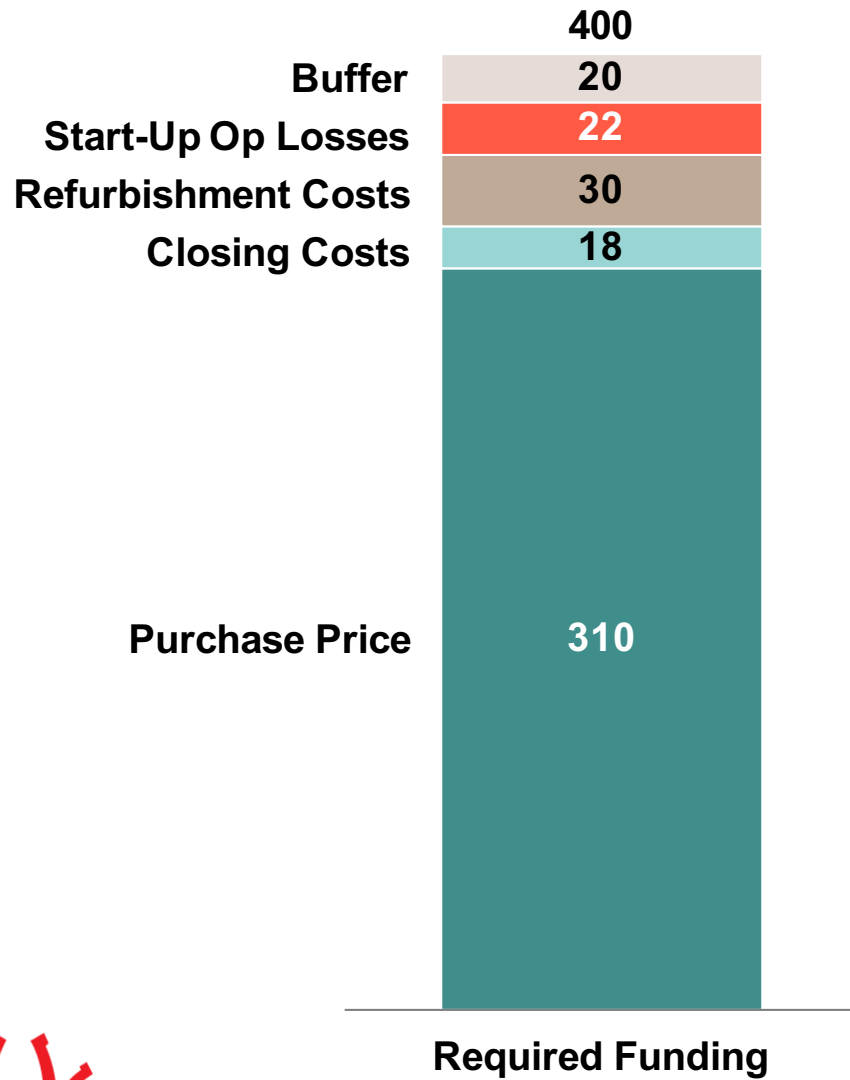
... depending on how quickly we can all make sure that trading becomes re-established



Negotiations on Purchase Price



Fundraising Requirements



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The Pub Vision – A Community Pub for Helions



We now have the legal structure to buy the pub for the community

- *The pub becomes owned by “Members” who are shareholders*
- *The benefits of the pub go back into the community*
- *It is owned by the Community for the benefit of the Community*

Key to the community pub is that we establish:

- ❖ *an inclusive community pub environment*
- ❖ *respect the wishes of the community in the way the pub is used*
- ❖ *prioritise community cohesion and addressing social isolation*



What is a Community Pub



- 1st Coop Pub Opened in 1988.
- c.46 Pubs are owned by 9,000 Shareholders
- 6 New Pubs Opened in 2017 (to date)
- 90 Pubs in the Plunkett Pipeline
- 100% Survival Rate

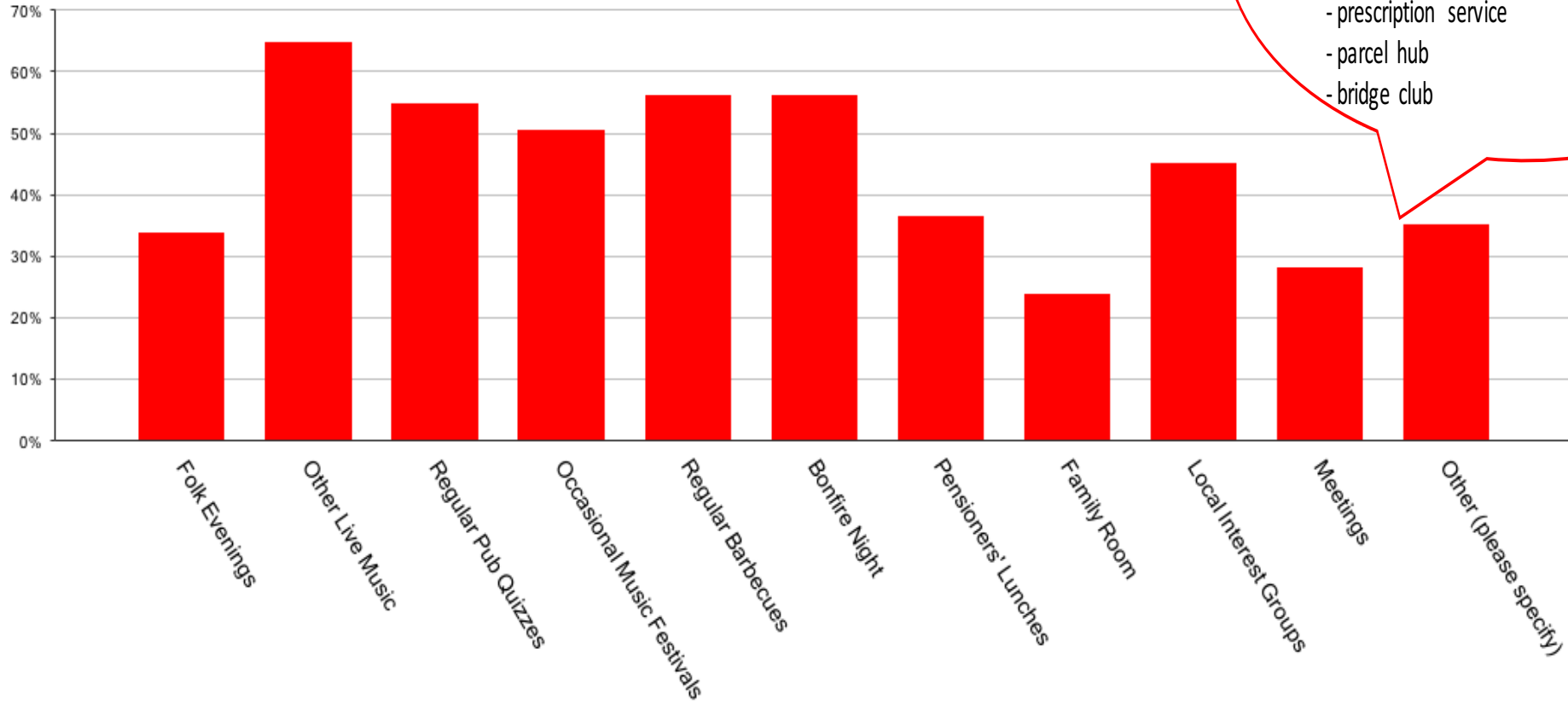
**We plan to visit a nearby Community Pub in
January 2018**



Your Ideas – on Additional Services

- Wine Tastings
- Gourmet Events
- Darts Team
- Pizza Pop Up
- Social Events (coach trips with lunch)
- Gourmet Pop Up Dining
- Gog Magog style frozen food service
- prescription service
- parcel hub
- bridge club

What additional services would you most like to see the pub offer ?



More Ideas.....!



Using the outdoor units for micro-brewery

After school club

Prescription Service

Parcel Collection Service

Outdoor Cinema

Shepherd Huts for B&B

Race Nights

Quiz Nights

Hub for the University of the Third Age

Exhibitions

Board & Card Games

Encourage walkers, cyclists, bikers & visitors

Support local sports teams and new clubs



*****A family friendly, inclusive and sociable place*****
*****The pub to be open for reliable hours over the day *****
***** provide an opportunity for new villagers to integrate *****



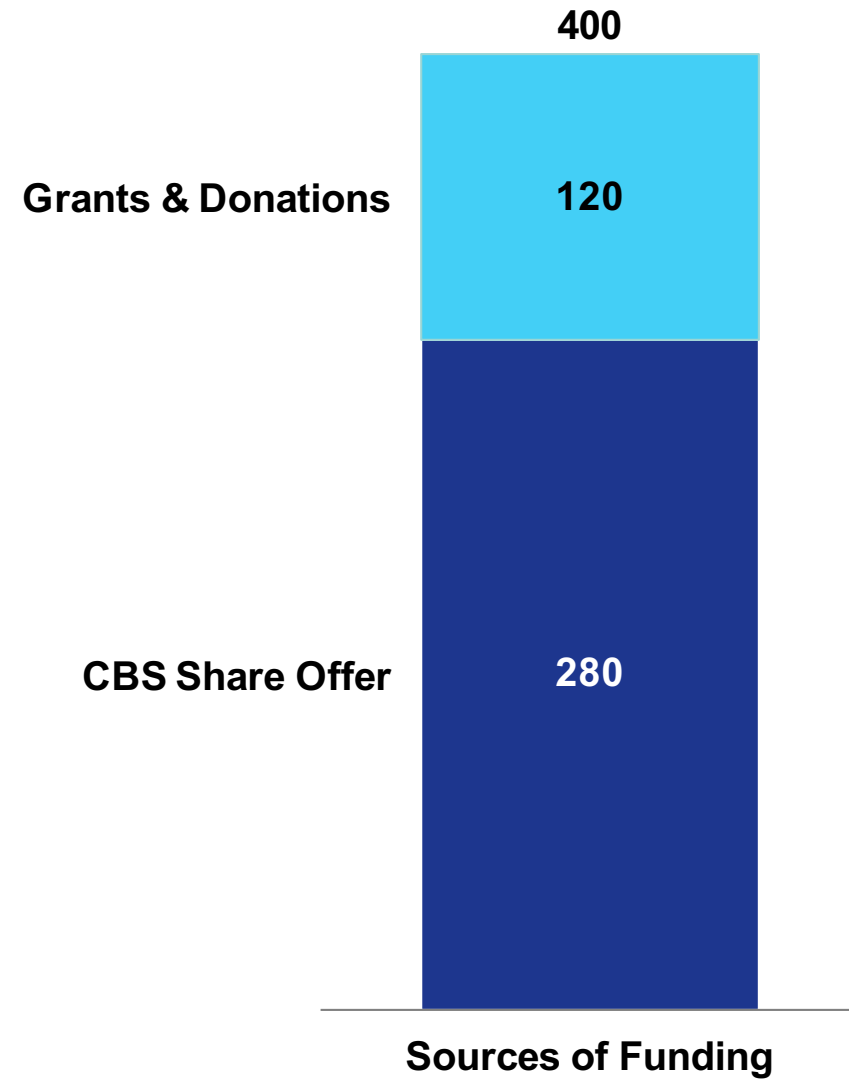
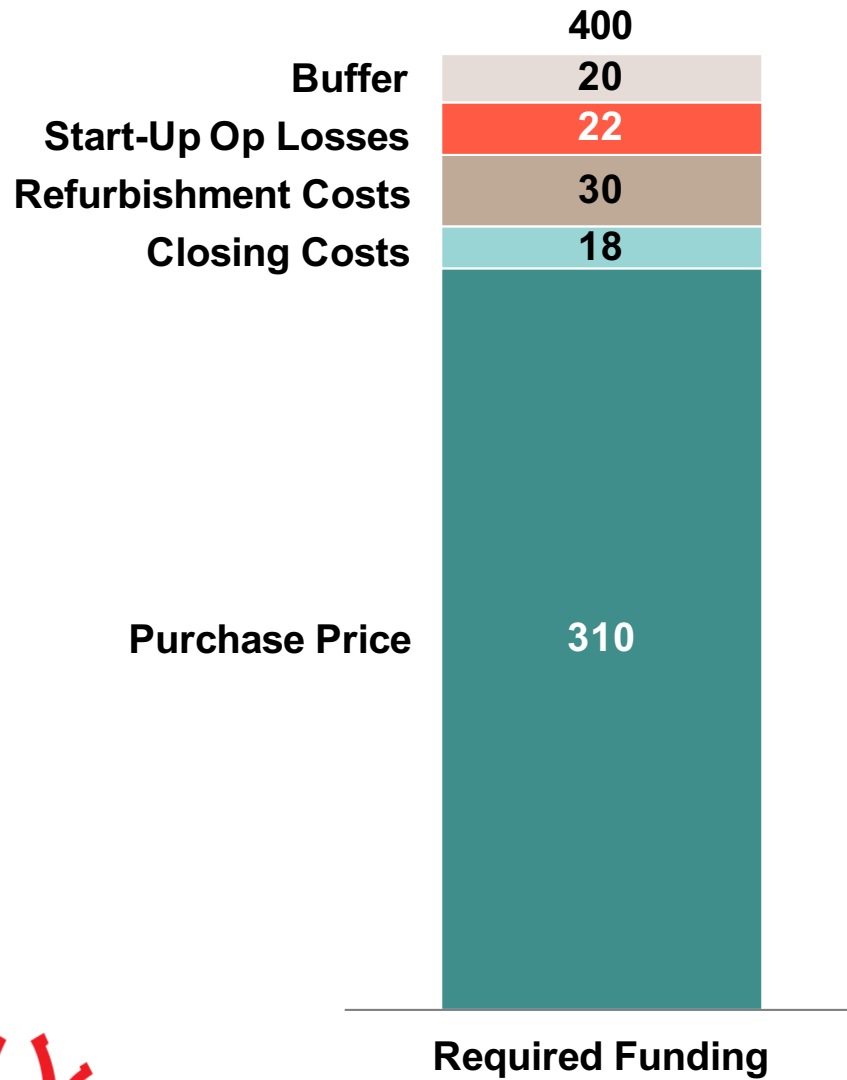
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Recap: Fundraising Requirements



Buying the Pub - Community Shares



- ❖ The CBS Interim Committee Issues a Share Offer following the **Plunkett Model Rules**
- ❖ **These are not like ordinary shares**
 - Must be held for 3 years & withdrawn subject to the discretion of the CBS Committee
 - The shares cannot be sold
 - They do not go up in value
 - This is a 'social investment' but shares may pay out some modest interest (2% above base rate maximum of 5%) if funds are available
 - The value may reduce if the value of the business falls significantly
 - Each shareholder's liability is limited to the original value of their shares
- ❖ **Shareholders are "Members"**
 - Democratic: One Member – One Vote (irrespective of shares held)
 - The Annual General Meeting elects the Management Committee
- ❖ A **Min & Max** Share offering will be set out in the share document but a min of £100
- ❖ **Inheritance:** shares can form part of an inheritance, transferred to the nominated beneficiary
- ❖ An **"Asset Lock"** ensures the pub can only be used for community benefit



Buying the Pub: Access Grants & Social Loans



Grant	Loan	Conditions	Provider
✓	✓	Social Impact	Plunkett
✓	✗	Support for Specific Investment	Pub is the Hub
✓	✗	Employment Rural Tourism	Suffolk Council “Wool Towns”
✓	✗	Specified Projects Match Funding	Essex Council Community Initiative Fund

Minimise loans and spread ownership as widely as possible

Donations also welcome

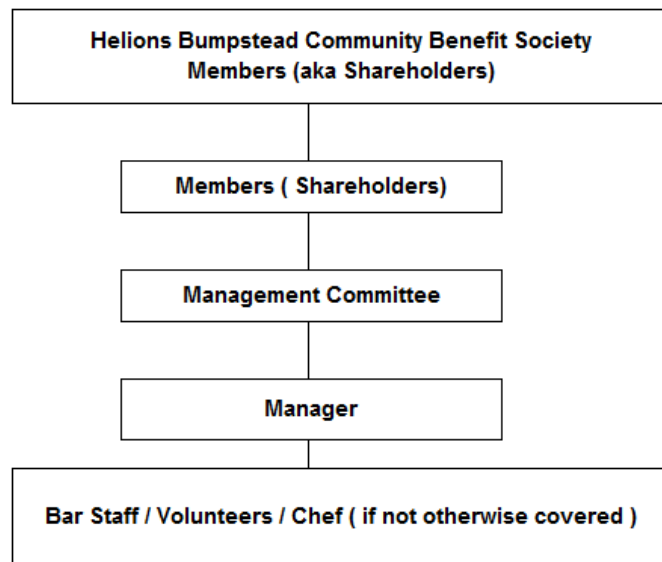




How would the Pub be run ?

74% of community pubs are owned 26% Rented

65% of owned Pubs are Managed vs 36% Tenant



- ❖ We have expert support in recruitment from Bernard Lee, from Pub is the Hub
- ❖ A manager could be incentivised by focusing on community initiatives but needs close oversight from the management committee
- ❖ Alternatively to get the pub open quickly we could go for a 'soft opening' initially run by volunteers ?



pub is the hub



The Current Pub Interior



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Any Questions & Next Steps



- ❖ We will share the key parts of today's presentation
- ❖ We need to survey the level of interest by relaunching “Pledge Survey”
available today and by email – please respond by 20 December
- ❖ Between now and middle of January 2018 the group will be:
 - Building the detailed business plan
 - Firming up grants
 - Confirming the share offer structure
 - Seeking advanced approval from HMRC
 - Liaising with the Mr & Mrs Jennings
- ❖ Join us to visit a nearby Community Pub planned for 1st half of January:
- ❖ Give us your suggestions & priorities for our pub



Contacts



By Email: Helionspub@hotmail.com

Twitter: @Helionspub

Website: Helionscommunitypub.co.uk

Facebook: Save The Three Horseshoes

Contact any of the current committee



Why Pledge and Invest Now?



Secure the future of pub for the Village



Improve the desirability of the village to live



Tax Relief is available on your Investment



Modest return on investment



Invest in a property with future value



Help revitalise the heart of the Village!



Pick Up a Pledge Form !!



SAVE THE THREE HORSESHOES PLEDGE FORM 2017



We have a unique opportunity to invest in our 'village pub' and secure its future. The importance of the village pub as a central social hub for a range of activity (not just drinking!) is increasingly recognised and we should not allow our village pub, the Three Horseshoes, to go the way of so many others.

If the pub is to be saved for the future it will need your help. As explained at the village meeting on 25 November, as a community we currently have the opportunity to purchase the Three Horseshoes. The purchase will need to be funded largely through perpetuity and be able to develop it to run as a 'community hub'. The purchase will become Members of the Helions Bumpstead Community Benefit Society and have a say in how the Society is managed by electing a committee to run it on the Members behalf. The more of us who can contribute to this project, the greater the likelihood of success - there are many other successful examples of this model working. We are researching grants available from national and regional networks, however we estimate that we will need to raise £285,000 through this share offering, in order to purchase, refurbish and restart the pub.

We are aware of tax relief schemes that can provide between 30% and 50% tax relief on share investment in such schemes, but the tax relief will only be available on money provided for this initial share offering and not afterwards, additionally other such schemes have also provided modest dividend payments to shareholders. More information will be provided on this in the final share offer document and you will be encouraged to seek independent advice on how you may personally take advantage of this; but in principle for every £100 you invest, you may be able to reclaim £30 to £50 from the tax man.

To finalise the business plan and share offer we need to assess how much we are all willing to invest or donate. To help us gauge the level of support at this stage we would be grateful if you could fill in the boxes below.

This is a non-binding agreement in advance of the formal share release. No money changes hands and this is not a final commitment. We anticipate the minimum investment will be £100 (with a maximum amount to be determined) and all shareholders will have one vote and consequently the same say in how the society is run.

Your pledges will be kept confidential within the Helions Bumpstead Community Benefit Society management committee.

Please write the level of your PLEDGE here:

Please write the level of your DONATION here:

Please return your form to: Helions Bumpstead Community Benefit Society Limited, c/o Sages End Cottage, Sages End Road, Helions Bumpstead, CB9 7AW by 20 December 2017

Please also provide your contact details so we can be back in touch when we launch the share offer or able to accept your donations. Your details are kept secure and not disclosed outside of the Community Benefit Society.

Name: _____
Email: _____
Home address: _____
Phone number: _____
Preferred contact: _____

Email Phone Post

MANY THANKS

