



**BUSINESS PLAN FOR
THE HIVE**

Prepared by The Hive Live Ltd. 2019

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1. Executive Summary

This business plan presents a proposal for the purchase of de bees Winsford and transforming into The Hive as a community-owned cultural venue. The existing venue's activities will be diversified to create a varied programme.

Our vision is to create a cultural focal point for Winsford which will act as a catalyst to re-ignite the economy and sense of community. Besides from hosting cultural events daily, from gigs and concerts to cinema, theatre, poetry, dance and exhibitions, the venue will be open 7 days a week as a vibrant social meeting place with a cafe bar and street food offering.

Bringing de bees into community ownership and will ensure the success and sustainability of the business by enabling the community to develop the facilities to meet their needs, rather than serving the financial demands of disinterested and distant owners.

Community ownership will also ensure the business works alongside existing businesses rather than competing directly with them.

To enable the purchase and operation of this facility The Hive is being reconstituted as a Community Benefit Society for the Benefit of the Community. This Society is known as The Hive Live Limited, and is a form of co-operative Capital to purchase the building (freehold) and update the premises will be raised through a community share offer. Shares will be nominally £1, and the minimum shareholding will be £20. The maximum individual investment allowed is £25,000. Purchase of shares would confer 'membership' of the co-operative, giving members control over the business through the election (annually) of a Board of Directors and voting rights on significant issues at regular meetings. All members will have an equal vote, regardless of the size of their shareholding.

Directors (and shareholders) would have the protection of "limited liability".

The aim is to open de bees as The Hive cultural venue as soon as possible after taking possession after completing essential works. The Society will be working in partnership Winsford based hospitality co-operative CI (WV) Ltd who will operate food and drink concessions on a turnover split agreement.

The society will also be working in partnership with Warrington and Vale Royal college, Winsford Academy and South Cheshire College in delivering inspiring work experience for students with The Hive mentoring program. Works to extend the trading area, essential refurbishment and redecoration of trading areas and office/project areas would be paid for from grant funding and volunteer input as appropriate.

A marketing strategy is presented which will encourage usage by local people, visitors staying in the area, and day-trippers. A risk analysis has been conducted. The high-impact risks would be failure to raise the requisite capital for the purchase, insufficient usage, or failure of the venue.

2.Introduction

Business Plan Purpose

This business plan has been developed to support the development of a community cultural venue for Winsford and The Weaver Valley. The venue will house facilities including a coffee bar, and a street food shack, professional stages, recording and rehearsing rooms, a project office and meeting spaces as well as a courtyard with outdoor bar.

Structure of the document

This business plan sets out the proposals for the realisation of this community facility. The plan is divided into the following sections: Section 1 – Executive Summary	Provides a one page summary of the business plan
Section 2 – Introduction	Sets out the purpose and structure of the business plan
Section 3 – Project Development	Gives more detail about the context for the project including the history and development of the project to date, background to the local area, community consultations and need for the project.
Section 4 – The Vision, Aims & Objectives For The Project	States the overall vision for a new Community venue and explains the underlying aims and objectives and how these support the local needs identified in section three.
Section 5 – The Project Proposals	Explains the plans for the new Community venue in more detail, including capital costs and implementation plans.
Section 6 – Building and Renovation	Looks at the main costs for repair, renovation and conversion.
Section 7 – Marketing plan	Outlines key activities to encourage use of the facilities.
Section 8 – Management and Operation	Describes the ongoing management and operating plans for the facility following opening.
Section 9 – Financial Forecasts	Summary five year revenue forecasts for the operation of the Community venue.
Section 10 – Risk Analysis	Identifies the key risks associated with the project, with avoidance and mitigation strategies designed to prevent and minimise each risk assessed to be a significant threat to the project.

3 Project Development

This section explores the local history and context for the project. It details the local census area statistics, which give a flavour of the composition of the area. It goes on to outline the current difficulties associated with operating a cultural venue within the town at present and explains the various consultations and community involvement in the development of plans for a new facility.

3.2. The Background to de bees

de bees opened 21 years ago as a music/comedy venue and nightclub, for many years it was extremely successful but licensing reform together with increasing rents and rates has made the business increasingly unsustainable. As a result cultural events have all but disappeared from the programme and opening hours have been limited to late evenings 2 days a week.

As a result of the threat of de bees closure the Hive began discussions about how to prevent the permanent loss of the venue and a meeting of the Hive members was arranged to explore the options for saving it. This meeting took place with only a few days notice on 26th Feb 2019 and was attended by about 12 members of The Hive. The meeting concluded with the formation of a steering group to explore options.

The steering group has developed a business plan and share offer document to bring the venue into the ownership of the people of Winsford, support to form a co-operative to purchase and run the venue according to the needs of the local community has increased with every meeting.

de bees opened 21 years ago as a music/comedy venue and nightclub attracting thousands of visitors to Winsford from around Cheshire as well as providing a popular destination venue for the local community to come together and be entertained. For many years de bees was an extremely successful thriving venue regularly hosting profile bands such as The Levellers, Cage The Elephant and Catfish and the Bottlemen alongside comedians such as John Bishop, Alan Carr, Jason Manford and Russell Kane.

There then followed a long period of under investment by pub co owners which led to the venue reducing its programme of cultural activity and hours of opening to weekend nights in the main. Despite this de bees remains at the heart of and home to Winsford's thriving music scene, to this day the venue still regularly hosts local giants like The Luka State and Deja Vega and continues to kickstart careers such as Tom Walker who GQ just called "Britain's breakthrough artist of 2019", in the article he remembers de bees as his first paid gig!!

We believe that community ownership, so that the day to day operation of the venue can be shaped by the community it serves, will secure the future of the venue to serve future generations of Winsford residents.

Local Consultation

With online polls via The Winsford Community Forum and a meeting on March 20th 2019 local residents were given the opportunity to have their say as to what they would like the venue to be able to provide for them as a community.

The aim of this was to create a focus for gathering and acting on suggestions for utilising the building. When asked the question on the online poll " what activities would you like to see in a community owned cultural venue? " (options were created by users of the poll) The following results were recorded 3 days after the poll was published;

Small scale cinema - 678 residents
Bowling alley - 391 residents
Stage for live gigs, concerts, comedy, theatre, dance etc - 330 residents
Children's entertainment - 125 residents
Social meeting place with cafe bar - 118 residents
Bingo sessions - 111 residents
Comedy Club - 72 residents
Youth club - 57 residents
Dance classes - 53 residents
Gaming stations and tournaments - 52 residents
U18 disco - 51 residents
Recording facilities and rehearsal rooms - 44 residents
Craft fairs - 38 residents
Art Gallery space - 35 residents
Night club - 26 residents

also requested by at least 10 residents; Book club, motivational speakers, art classes and fitness groups.

It is clear that there was a lot of interest in a community venue for Winsford and for lots of activities. The public meeting concluded that although bowling alley was very popular the building was not fit for purpose but that the venue could easily accommodate regular film nights alongside a wide programme of arts and entertainment activity as suggested by the community.

The Hive met with local schools and colleges to discuss the Hive's events and learned that students are obliged to complete two days a week work experience according to new government guidelines and that meaningful opportunities that Hive projects would generate would be of great value.

The Hive has subsequently held several public meetings which have been attended by over 50 local residents. The latest meetings have been open and the whole community invited through the Winsford community forum which has 12000 local members.

The vast majority of these suggestions could be provided through the community purchase of de bees building and land although some renovation will be needed.

The Local Community

Winsford only became a town – as such, in 1894, but it is the successor to a long and distinguished history. The two main parts are Over and Wharton, which are separated by the River Weaver. Both settlements were mentioned in the Domesday Book in 1086. “Over” is a pre Roman name indicating a settlement on a hill.

The hilltop road following Delamere Street and Swanlow Lane contains some of the oldest buildings in the town, some dating back to the 17th century. The development of Winsford started after 1721. In that year parliament gave permission for locks and other improvements on the River Weaver to allow sea-going vessels to reach Winsford Bridge, during the nineteenth century Winsford’s salt works formed a boomtown.

The town experienced a major expansion in the late 1960s and 1970s with its designation as an Expanded Town under the Town Development Act 1952 to take overspill from Liverpool. This saw the development of two new industrial areas on both sides of the town, new estates of council and private housing and a new shopping centre with a library, sports centre, civic hall and doctors' surgeries.

The expansion led to a mix of people in the town, comprising the original Cheshire residents and a large wave of migrants from Liverpool and Manchester, there was (and to some extent still is) some friction between “Old” and “New” Winsfordians.

With the loss of many old landmark buildings and facilities and the change in population Winsford’s cultural identity has suffered as has its image. The town centre has few shops of note and many empty units, the levels of aspiration are generally very low. Winsford suffers with large pockets of deprivation and almost a third of children in the town live in poverty.

A survey by Cheshire West and Chester Council places some areas in the top 2% most deprived in England, and others in the top 5%. Crime is high: the rate of almost 1,000 crimes per 100,000 population every month is the highest in Cheshire and compares with other heavily deprived areas in England such as Middlesbrough and Burnleys.

3.4. The Current Position

Developing a Sustainable Business

Despite there being a thriving community scene of groups and active volunteers in Winsford, it is clear that its businesses and services are under threat. It is a challenge for any leisure or arts focussed businesses to survive in such a location without a community developing around it. The community that the Hive has helped to build is the town's creative community which will have a home in the new venue, especially with the Hive mentoring programs with local students being based on the first floor alongside a recording studio and rehearsal rooms.

It has become increasingly clear during the development of this business plan that in order to become sustainable the venue needs to host a wide range of activities attracting the whole community at one time or another and that it needs to be an accessible social space as much as a venue in order that the community feels comfortable meeting there at any time. The venue would support the local economy, providing local employment, as well as purchasing local produce, goods and services, supporting local food producers and other service providers.

To progress this proposal, The Hive steering group set up in the wake of the February 2019 announcement about de bees have:

- Applied for registration with the FCA The Hive Live as a charity community benefit society. (previously not for profit social enterprise)
- Worked with CI (WV) Ltd and other key partners to develop a business case and sustainable model for operation.
- Sought confirmation from HMRC that investors will be eligible for tax-relief under the (Seed) Enterprise Investment Scheme.
- The steering group has been supported in this by Co-operative and Mutual Solutions and CI (WV) Ltd.

The Future

There are now over 60 examples of communities that have saved their local pub by taking it into community ownership and offering a different business model, involving either voluntary or professional management. In all of these models the income from the business can be invested back into the pub or other facilities or activities in the locality. For community shareholders, there is the knowledge that their investment is being put to worthwhile causes as well as offering some small financial reward through a dividend (or interest).

Community ownership of the venue would encourage greater community participation in the staging and support of promoted activity so that the project could be a real catalyst for community engagement and the building of a positive cultural identity for the town which would have a regenerative effect.

4. Vision, Aims & Objectives

4.1. Introduction

This section sets out the overall vision for the new Community Pub and explains the underlying aims and objectives for the project. These are linked to, and directly support, the local needs and demand identified in section three.

4.2. The vision for the project

The vision for the project is: To develop a community venue for Winsford together with a programme of events that will be a central focal point for cultural life and act as a catalyst to re-ignite the economy and sense of community in Winsford.

4.3. Project aims and objectives

The project aims and underlying objectives which underpin this vision have been developed based on the local needs identified in section 3. They are as follows:

Aim One: To provide a flexible, multi-purpose community facility that enables participation in social, cultural and leisure activities by the whole community

Objectives:

- a. To provide a community facility in the town offering somewhere to go, eat drink and be entertained as well as somewhere for the community to hold events, perform, exhibit or learn new skills.
- b. To facilitate access to cultural activity and entertainment for all local residents whilst promoting social inclusion.
- c. To provide economies of scale by locating the Hive mentoring program and facilities in the same building as the venue and cafe bar.

Aim Two: To stage community events and festivals

Objectives:

- a. To provide resources and necessary organisation in order that students under the guidance of Hive mentors plan and put on festivals and events.
- b. To provide platforms for students to gain meaningful work experience staging events and festivals.
- c. To forge a mutually beneficial relationship between The Hive and local educational establishments.
- d. To showcase our local creative community to help improve the areas cultural identity

Aim Three: To Create valuable work experience opportunities

Objectives:

- a. To provide working space for students and mentors to meet and deliver projects.
- b. To provide platforms for students to gain meaningful work experience staging events and festivals.
- c. To forge a mutually beneficial relationship between The Hive and local educational establishments.

Aim Four: To further the development of creative/cultural industry in the local area

Objectives:

- a. To provide locally rooted cultural services.
- b. To provide ongoing opportunities for local people who seek employment in cultural industries to remain locally rooted.
- c. To create an identifiable local scene that improves the cultural identity

5 Business Proposals

5.1. Introduction

This section explores the plans for the new community venue and Hive project in more detail. It also provides a breakdown of the capital costs of the project.

5.2. The Business Proposals

The vision we have for de bees is for it to become 'The Hive' and for the venue to become the heart of the Winsford community through the provision of various services which are:

As a performance/dance venue

de bees is presently the only dedicated performance/dance venue in Winsford providing the only stage for local community to take to or to host visiting artists. The need for continuation is great as is the opportunity for extending the program involving more of the community, from tea dances to rock concerts and poetry to punk.

As a cafe bar serving quality beverages and street food.

We want the venue to embrace the community and therefore provide food and facilities for the whole family and all tastes. The street food offering will be made affordable for students during the day offering quality 'fast food' and the offering will be themed according to the nature/style of events.

As a project office for The Hive's events and activities

The first floor of the building would house a working office for directors and working groups where projects, events and venue management are coordinated.

As a working place for Students on work experience

The Hive projects will all delivered by students working on modules under mentor supervision, the work experience will be coordinated with local colleges but requires working space in order for students to work without college supervision. The student working space will be situated alongside the Hive office and recording/rehearsal space and be accessible 7 days a week.

As a facility for musicians to rehearse and record

There are few rehearsal rooms available in the area, there are no recording facilities. The dedicated recording and rehearsal rooms will bring much needed affordable facilities for the community to further the creation and production of music. The project has its own record label Pollen8 that will distribute and market music created by the community. The Hive will base an internet radio station in the studio which will both promote activity and give residents the opportunity to host shows, interviews debates whilst locally generated music finds an audience.

As a venue for exhibitions

There is no dedicated gallery space in Winsford, space will be created in order to display locally created art, design and photography in order that residents may feel the presence of all aspects of our creative community to improve cultural identity.

(Continued)

As a venue for classes and workshops

There is a shortage of spaces in Winsford to hold dance classes and workshops which limits the offering to the local community, The Hive will offer affordable space for groups wishing to run commercial classes and Hive will programme a range of culturally driven accessible workshops.

As a venue for local makers markets

The Hive will feature an outdoor courtyard (already built within de bees) where people can eat drink and be entertained, the space will be used to host regular craft/maker orientated fayres to further expose our creative community and to help further cultural industry locally.

As a cinema

There is no cinema in Winsford and no venues that show films. The Hive will feature a programme of independent, cult and locally produced films as well as offering children a Saturday matinee whilst parents can relax and socialise in the cafe bar.

As a Bingo Hall

Since the bingo hall called house for the last time 3 years ago local residents especially the elderly have lost the place they used to commune which has ended many relationships and furthered disconnection and loneliness. The Hive would incorporate bingo nights into the programme to help bring this community back together again.

As a place to meet / daytime venue

for Winsford residents who currently do not have anywhere within easy walking distance to meet, hold events and chat. Community groups will be able to book The Hive for either for one off events or regular weekly or monthly activities.

As a venue for business network meetings.

The Hive is located a short distance from a large industrial estate, Cheshire police headquarters and CWAC authority offices. We will install the equipment expected for a business network meeting plus free wifi. We believe that The Hive, with its character will be a competitive venue there is a shortage locally for such facilities.

As a venue for gaming tournaments

Many young people socialise online through gaming interfaces an entire subculture has grown but these young people find little reason to commune in public. The Hive will coordinate gaming tournaments and facilities for gamers generally and will create an online following through broadcasting of gaming on Twitch.

As a resource for visitors

we want the building, not only to meet the needs of local people, but also travellers who currently pass through the area. The venue is situated within the Weaver valley close to the river, walkways and cycleways.. We would hope that by offering good quality but reasonably priced food and providing a welcoming vibrant venue and attractive venue for walkers and cyclists, especially at the weekends we can build up a good outdoor clientele. The Hive will promote all local activities to encourage further visitor spend locally.

As a resource for regeneration of Winsford

attracting more visitors to the town can only be a good thing as it will provide more income and employment for the community.

Business Model

We believe that the best way of achieving our aims for The Hive is to buy it and operate the venue as a community venue. We have formed a co-operative which is able, through a share issue, to purchase the pub for the village and members of the co-operative.

A co-operative - The Hive Live Limited - has already been established as a legal entity to enable this to happen.

Whilst the co-operative would shape the operation of the venue and program all events and activity the bar and food concessions would be provided by CI (WV) Ltd a local employee owned co-operative. They would order the stock, employ the staff and deliver a quality service for visitors to The Hive.

The co-operative can focus on making sure that The Hive provides what the community wants. The benefits of this are:

- The local community would own the building in perpetuity
- People will feel more committed to the facilities offered by the venue
- Setting up a co-operative may allow us to attract grant aid
- Purchasing shares may provide a modest annual return by way of interest payable to members
- This approach is based on a replicable model which has been implemented more than 60 times around the county

Shares issue by The Hive

As a means of raising the required capital, shares in the project will be issued by The Hive Live Limited and will be made available in May 2019. Unlike shares on the stock market these shares cannot increase in value so trading in the shares is solely between the The Hive and the individual investor.

It should be noted that shares can decrease in value if the The Hive were to dissolve but this is mitigated by the majority of the investment being locked into the capital of the building itself. It is also intended to apply for Seed Enterprise

Investment Scheme and Enterprise Investment Scheme tax reliefs which will give 50% and 30% tax relief respectively on the value of their shares for UK based individual taxpayers. The cost of each share is £1 but, for practical purposes, the minimum amount which can be invested is proposed to be set at £20, which is lower than the average share offer as we want more of our community to be able to afford to become a part owner. There will be a maximum investment of £25,000 per member.

Owning a share automatically entitles the member to having a say in how the community society is managed. Being a co-operative, each member would retain one vote no matter how many shares they own. The membership will elect a Board of Directors that will, amongst other things, advise the members on what they think the annual level of interest should be.

There is a tie-in period associated with the shares (except at the board's absolute discretion if a member faces a crisis) of at least 3 years in order to maintain the level of capital. After that there will be a period of notice required prior to any withdrawal. The Directors will have discretion in exceptional circumstances to allow shares to be withdrawn sooner than the requisite time.

6. Building & Renovation

6.1. Introduction

This section sets out some of the key headings for repair, renovation and conversion costs. A survey of the building has been undertaken and the results of this have been incorporated into the costs. In terms of the building's condition, there are no immediate major items necessary other than items of routine maintenance (e.g. gutters, minor roof repairs) but in the medium term, allowances for major repairs must be included below.

Immediate works required - approx £15K

The full survey has indicated work that is required prior to opening is minimal but includes:

Kitchen - Although the kitchen is adequate as it stands, an allowance has been included for any improvements to ensure that food can be produced compliant to current food hygiene standards and to enable growth of the food business.

Outdoor decking - Some parts of the decking are becoming unsafe and require repair/replacement.

Urgent decoration - Some areas require immediate redecoration

6.2.Short Term Works Required - Approx £55K

The following are areas of work which would be addressed as soon as funds, potentially including grant funding or via volunteer input, allows but planned for July 2019:

Coffee/bar, Furniture and Fittings, Redecoration, Toilets - Some work required to bring them up to standard.

Repairs - General routine maintenance work (e.g. gutters to be cleared minor roof repairs)

Venue - some sound and lighting, film projection equipment, some sound proofing, decoration and refurbishment.

1st Floor - Refurbishments to create working spaces for The Hive and students on work experience from local colleges alongside facilities for rehearsing and recording and broadcasting.

Offices/workspace - Office equipment, IT hardware and software for student/Hive work spaces.

Rehearsal room - soundproofing

Medium Term Works Required - Approx £30K

Medium term works will be completed as soon as possible, planned for Oct 2019.

Extending Cafe Bar - Building an extension to the trading area to further encourage use as a socialvenue which will help to introduce more people to our creative community. The extension will be glazed and attractive to lure passers by on the busy roundabout to pay a visit! We have been offered professional assistance from local builders and discounts on supplies in order to achieve within budget.

Roof/gutters/windows/external stonework and pointing - General repairs.

Plumbing and heating - Generally upgraded.

Although grant funding to purchase buildings is limited, funding opportunities may be more available to fund repairs and renovations and we will continue to seek these funding opportunities to support these works.

7. Marketing Plan

Introduction

The marketing plan for The Hive is based on three fundamental aims:

- To increase the number of customers using the facilities (building the customer base)
- To increase the frequency with which customers use the facilities (building customer loyalty)
- To increase the value of each visit made (building customer value)

The target market segments that we hope to attract through the marketing proposals are: - Local people, including families, young people, older people, school parents – both from Winsford and The Weaver Valley area in Cheshire.

To enable the committee to gain a full understanding of what facilities the local community required in The Hive, a series of well attended events were held to encourage the community to put forward their ideas of what facilities they wanted in The Hive. As a result, many varied proposals were put forward. The proposals were then sorted by most popular and it is these most popular ideas that will be considered for viability and sustainability during the initial months of opening.

Ideas not considered suitable or viable at the initial stage may be considered for inclusion at a later date i.e. stage 2. Proposed methods for achieving the marketing objectives in the early days of operation of the business are outlined below. The marketing plan will be updated regularly in conjunction with the management team as the business grows and develops.

Research

Between The Hive's directors and management team have many years of valuable experience working and living amongst the community and together have formulated a full and detailed picture of life in the Weaver Valley, what we have what we don't have what we want and what we don't want as a community.

Open Winsford has polled residents wants and needs on The Winsford Community Forum, 1500 people participated and aside from building a new town centre improved entertainment facilities was selected more times than any other when polled on what they wanted to see in the town centre residents voted for improved entertainment facilities above all else.

Increasing the number of customers

This will be done through an extensive outward facing marketing campaign incorporating all forms of media including:

Print media - Articles in the run up to the launch of the venue under community ownership will be placed in local print media, for example, The Mid Cheshire Guardian series (where there is also an on-line version), plus others to ensure good coverage across mid Cheshire. Additionally, the committee can rely upon a team of local volunteers to carry out periodic leaflet drops to every home within the village. This will ensure a regular update to all residences about events and activities. The aim of the marketing campaign will be to create awareness and interest in the facilities, by emphasising the community aspect of the project - the first of its kind within the East Cheshire area. The ultimate goal of the activities will be to convert readers from a general awareness to active interest in visiting.

Social Media

Mirroring the print media campaign, the social media campaign will help raise awareness amongst potentially different demographic to the printed word, generating awareness and interest amongst a younger, and more geographically diverse audience. Website articles (on our own, and other websites) will be used, along with a facebook group, YouTube page and specific marketing articles to special interest groups such as cyclists and walkers.

The collection of email addresses given by people who have expressed an interest in being informed about the project as well as from customer feedback will enable email shots to be carried out again to maintain awareness in events and activities and offer incentives. The Facebook page will be designed to be a storytelling page keeping stakeholders up to date with events via invites and improving awareness by using the Contact app for whatever service or activity the end user is interested in.

Specific detail and photographs will be used to describe each activity, be that a daily menu and ales on offer, a business or social event with available equipment for hire and a monthly event calendar. A monitored contacts page will ensure that any enquiries are dealt with efficiently. The Hive operates a marketing app, Collect. This enables people who sign up to be contacted about activities, events or offers which particularly interest them. If some people like live music, they can receive a targeted e-mail about live music, if someone likes cinema, they can receive a targeted e-mail about new films shown and so on.

Local Businesses, Groups and Clubs

We will seek to work with local businesses, groups and clubs to raise awareness of the project amongst their customers, users and visitors. This will be done through the attendance of business network events, leaflets / posters within local businesses, and through giving talks and presentations to local groups.

Increasing the frequency of visits

Creating a welcoming and attractive atmosphere

Having attracted customers initially through the door, our main marketing tool will be to create a great impression and build a positive reputation to encourage repeat visits, working in partnership with employee owned co-operative Cornerstone Inns will help us ensure that the hospitality our visitors receive is delivered by people share our social mission and genuinely want to create great experiences. Their expertise in handling problems experienced at times will help to make The Hive a safe and respectable environment in order that it remain accessible to the whole community. We will invest in the fabric of the building on an ongoing basis to provide the kind of environment that our customers will expect.

Events & Activities

A series of activities and events aimed at engaging all sections of the local community, as well as visitors have already been developed and will be extended once The Hive opens with improved facilities for both organising events and staging them. be developed, including regular day and evening events with something for everyone. Each event and activity, whilst designed to meet local community needs, will also increase the frequency of visits by a wider customer base. Organising events and activities to provide what the community wants will be coordinated by The Hive.

Promotions

One off promotions will be used to generate interest, especially at off-peak / traditionally quiet times. These will be developed in conjunction with Cornerstone using their Contact app.

Tripadvisor and other online travel forums

Maintaining a watching brief on review websites such as Tripadvisor will enable the venue management to respond to any negative reviews / comments quickly and directly, showing the wider potential customer base that we are engaged and committed to improving services. All comments will be reviewed and where appropriate replied to. If corrective action is deemed necessary, this will be taken. The aim will be to achieve a rating of 4/5 within 6 months.

Increasing the value of each visit

Increasing the time spent in the Community venue

One way to increase the value of each visit made by customers is to increase the amount of time spent in the facility; people popping in for a drink may be persuaded to stay for a meal or the entertainment by prominently displaying an eye catching and tempting menus and notice boards, whilst those visiting to use the venue may be enticed to stay for a bite to eat after smelling the freshly brewed coffee. Newspapers and second hand books could be used to encourage longer dwell times. Good wifi connections can also encourage visitors to stay longer, particularly those who do not have access to this elsewhere e.g. tourist visitors. Ultimately, creating a comfortable and pleasant environment, that meets the needs of the customer, will encourage longer, more valuable visits.

Competition

Chester and other big city attractions.

Strengths

Diverse offering and opportunity for unique experiences.
Anonymity away from eyes of friends, family and neighbours.

Weaknesses

Expensive prices and taxis required.
Tend to be for special occasions.

The Salty Dog - Quality bar and music venue in Northwich

Strengths

Credible amongst creative community.
Well run with an excellent programme of gigs.
Good socialising space as well as gig room so has built a community of users.

Weaknesses

Very small gig room 50 - 75 people.
Northwich local community focused.

Northwich Memorial Court - Large performance venue Northwich

Strengths

Purpose built high spec touring venue for large scale shows and events.
Council developed and supported.

Weaknesses

A concert hall more than community venue.
Very expensive to hire.
Occasion led, not community building venue.

8. Management & Operation

8.1. Introduction

This section describes the ongoing management and operating plans for the Community venue following opening.

8.2. de.bees (The Hive)

The community asset will be owned by The Hive Live Limited established as a charity community benefit society. We have chosen this legal model because it emphasises the social benefit of the project, whilst giving directors the protection of limited liability. It guarantees an "asset lock" that ensures the assets of the society will be used for the benefit of the community and cannot be disposed of for the private profit. The Co-operative rules have been approved by the Financial Conduct Authority and are available separately.

Management & Operation of the Community venue

Strategic Direction

The strategic direction of the venue will be overseen by the elected board which has been set up specifically for this purpose.

We have established a broad membership drawn from across the local community which is to be furthered through the purchase of community shares. The Members (shareholders) will elect a Board of Directors at its Annual General Meeting, the board also meets monthly or more frequently when need arises.

Board
members are selected to the finance committee. Members are engaged in strategic planning at regular member meetings, also some members work alongside the board on working groups; marketing & promotions and fundraising.

Before every board meeting we hold a member surgery that offers advice to the board and at every member meeting there is an open 'ideas' forum to ensure that all members have the opportunity to identify creative solutions to increasing capacity and competitiveness and solving problems.

The current board is made up of:



Chris Howarth (Chair)

A local resident who has recently retired from a senior corporate position and has time to commit to The Hive. Chris is a recording artist and music is his passion, he is also a successful investor and businessman and brings a wealth of experience and expertise to the board including his experience on the board of trustees of another local charity.



Andrea Taylor (Treasurer)

is a Winsford resident who has strong and valued experience in the banking sector, as well as being an active member of the creative community as a talented performing musician at numerous venues.



Alice Johnson

a lifelong resident of Winsford and a landlady of a local pub. Alice has a degree and a masters degree in art, is a practicing artist and runs a small gallery in The Red Lion pub where she also coordinates a programme of entertainment six days a week.



Neil Walker (Secretary)

is a Winsford resident who has helped to direct operations at Hive events and festivals over the past 9 years and as a director of the company which serves the local community with experience of general business and financial matters.



Martin Moseley

Resident in Weaver Valley, professional band and event promoter, festival organiser and hospitality specialist working in the industry for many years.



Andy Kirwan

is a lifelong Winsford resident with 15 years' experience booking a programme of entertainment at de bees and for The Hive's community festivals, he has helped to build a thriving local music scene in Winsford encouraging and supporting young bands and artists with whom he has been a constant for 15 years. Experienced professional club and festival DJ for over 10 years. 15 year's experience designing flyers and posters for events and festivals.



Martina Horrill

Resident of Winsford for most of her life Martina has volunteered for the Hive for the last 8 years leading on the organisation of the craft and maker markets which feature at Hive events



Damon Horrill

has lived in Winsford for over 20 years, 25 years' experience in the operation of venues and pubs and has employed up to 100 local people consistently over the past 21 years. Won best Community Pub Operator in 2016 and 2018 at the prestigious Public Awards. Founding director of The Hive and lead organiser of up to four annual events/festivals for the last 9 years.



Mark Curzon

A lifelong resident of Winsford and perhaps the most celebrated entertainer the town has ever known. Mark performs most days in one local venue or another but also happens to be a fantastic artist and filmmaker. He is a champion of Winsford and a keen mentor to young artists and filmmakers.

Day to day operation

The day to day operation of the bar and food concessions will be undertaken by Cornerstone Inns - CI (WV) including:

- Ordering stock
- Stock management
- Employing the host and staff
- Organising rotas

The host will be responsible for:

- On site management of the hospitality team
- Liaising with the Committee on the ethos of the venue and the way customers are served.

The committee and the co-operative will be responsible for:

- Strategic direction of the venue.
- Management of the building itself and repairs and refurbishment
- Consulting and involving the community to make sure that The Hive continues to provide what the people of Winsford needs
- Employing project coordinators, venue caretaker/manager, security and cleaners and organising schedules.
- Business admin and financial management.
- Employing/engaging mentors to help students run Hive projects including the management of the venue.
- Organising community activities, events and festivals and providing the facilities to enable others to organise events
- Selling tickets and admissions to events at the venue.
- Raising further finance if necessary

Financial Forecasts

9.1. Introduction

This section outlines the anticipated income and expenditure forecasts for a five-year period following opening. The main income of the Society will be from sales of tickets and admissions for events and programmed activity at the venue.

A significant part of total income will come from the revenue share agreement with Cornerstone Inns (CI (WV) Ltd. As part of its management of the day to day bar and food operations of the venue Cornerstone will collect the monies taken through the tills. The Society will receive 30% of the turnover as its revenue share with a 'floor' revenue share of £100,000 pa which the Society will receive as a minimum.

The more successful the Society and Cornerstone Inns make The Hive, the more income we will both receive. Both partners have agreed on a revenue share as the most transparent means of revenue sharing. As Cornerstone Inns uses electronic tills it is easy to be certain what has gone through the tills. A profit sharing arrangement would be much more open to interpretation as to what the profits of the business are.

9.2. Capital

Shares

Target £250k @ 3% interest from 2020

(Minimum requirement £150K - to purchase the building without renovation works)

Loan of £100k @ 6.25% interest over 10 years

Grants/Fundraising - £50K

Purchase Price

£250k plus VAT (300K total) Offer based on independent valuation and comparables.

Refurbishment Work

£15k initial

£55K short term works

£30K medium term works

Should £250K be raised from community shares offer then works can be completed without delay, however should only £150k be raised then works will be delayed until funds are made available.

Sales/Income

30% of the turnover of the bars and food concession.

There will be an 'open book' arrangement. Cornerstone Inns operates an on-line accounting system and the Treasurer (or other nominated person by the Society) will be given an access to be able to check on income which passes through the tills.

In 2017 and 2018 de bees turned over approx £350K whilst opening just Friday and Sat nights giving a revenue share of £105K It has been agreed that the minimum revenue share will be £100K.

Cornerstone Inns will pay the revenue share to the Society no later than the 7 th day of the month following a month's end.

Expenditure

Please see breakdown on P&L Forecast

10. Risk Analysis

We have considered the key risks for the proposed community take over of de bees:

- The capital is not raised. The community purchase does not go ahead and all monies are returned in full to people who have bought shares.
- A catastrophic failure of the business. de bees/The Hive would be sold and the money from the sale used to refund shareholders as far as possible. Assuming people have claimed EIS tax relief, so long as the venue was sold for at least £250k people should get all their money back. However, we cannot hide from the fact that this is an 'at risk' investment and people might lose some or all of their money
- The relationship with Cornerstone doesn't work out or Cornerstone collapses, this is unlikely as Cornerstone has shared objectives and is a community owned business already running successful pubs but the Society would look to take on the host and other staff and trade as a directly managed venue.
- A major repair not picked up in the survey becomes apparent in a few years time. We would then have a trading track record on which to raise finance. If the repair was unaffordable, then we would close the business and seek to sell the building.

APPENDIX ONE

Marketing The Share Offer Itself

The team knows that it needs to promote the community share offer to the community of Winsford and further afield to people who have an in or connection to our community and de bees.

Our strategy is to:

- Use Hive facebook pages, twitter and YouTube
- Use the 12000 strong Winsford Community Forum and Open Winsford engagement platforms.
- Make use of the Cornerstone mailing list of nearly 6000 active members of the local community.
- Hold a launch meeting and follow up informal Q and A sessions in de bees
- Secure coverage in the mid Cheshire Guardian series and national media and secure coverage on local radio and regional TV
- E-mail the share offer document and updates on progress to all the people who have given us their contact details
- Distribute flyers and posters to promote the share offer, all Cornerstone pubs will distribute and display promotional material.

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