

Normandy Community Shop and Cafe Limited



Business Plan

Version 3.0
FEBRUARY 2021

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Change Log

Version	Date	Changes
1.0	27/7/2020	First published version
2.0	04/12/2020	Updated following cost review meeting
3.0	14/02/2021	Revisions following revised quotes and meetings with potential funders

Outstanding Issues

- None identified

Introduction

The Normandy Community Shop and Cafe Business Plan has been carefully prepared by the Normandy Shop and Cafe Management Committee, who are passionate about achieving this project. Following an initial village meeting, a group of enthusiastic villagers came forward and formed the Management Committee. This committee invited the whole community to meet together as part of the Community Shop Forum Group.

The information in this document has been gathered from different sources. At the beginning of our journey we became members of the Plunkett Foundation, who offer their knowledge, experience and resources to support community projects. With their support, and following discussions with other community shops, we have built up our vision and developed the business plan.

With the outbreak of the coronavirus, these are exceptional times. This document has been prepared in line with the restrictions imposed and some of our activities have had to be adapted or rescheduled. The country as a whole has had to adapt to a world where people are more than ever appreciating local services and their local community. It is clear that community shops are going to play a larger role in our communities over the coming years.

Executive Summary

Normandy Community Shop and Cafe (“the Shop & Cafe”) is set up as a Community Benefit Society, established to provide the village of Normandy with a local general store and cafe, based upon the needs demonstrated by a village survey undertaken in 2019. The village has been without a general store since 2002 and there is a strong desire within the growing community of Normandy to establish a village shop, owned and run by the village to meet the needs of those living in and around Normandy.

Normandy is a small but widespread neighbourhood with a mixed demographic. Many elderly residents, young parents and those working from home can easily become isolated. An accessible shop and cafe will greatly relieve the sense of loneliness that these situations can create.

- The village shop will provide villagers with a facility to shop without the long drive to grocery shops in other villages.
- The café will provide a place for people to meet up socially and will act as a focal point for the village.
- Funds to create the shop and café will be raised by a combination of grant funding and community shares, which will mean that it will be owned and run by the community and for the benefit of the community.
- The shop will be stocked with a preference for locally produced goods and will seek to source goods that are produced using high welfare standards and are ecologically friendly and fair trade. As a group, the Management Committee feels a responsibility to help the environment in any way possible and, by providing local, well-sourced items the aim is to achieve this.
- The shop building will be a purpose-built single storey building that is light and airy. The appearance of the building will be sympathetic to the surroundings and will be ‘timber-clad’ to fit in with the rural nature of Normandy.
- A number of options have been considered for the building and the preferred solution is a sturdy timber frame clad with a finish that resembles wood but is actually made from a material that is cement fibre based, giving improved insulation, reduced maintenance and

increased longevity.

- Along with the seating inside the building, there will be a patio area where customers can sit and enjoy the surroundings.
- The overall cost of the building is commensurate with a structure that will be an asset to the village of Normandy for years to come. The funds will be raised by the sale of shares to the community along with grant support, sponsorship, donations, and fundraising events.
- The community share offer provides an opportunity for villagers to contribute financially to this valuable community facility with the expectation of a social dividend rather than financial reward. Each share holder will be entitled to a vote at the annual AGM on matters relating to the business.
- All profits from the shop and café will be used to ensure the ongoing success of the business. If extra funds are available, these will be used to support other projects for the community.
- The exact timing of opening the shop and café will be determined largely by the availability of funding. The initial aim was to open in Summer 2021, but delays introduced as a result of COVID-19 mean that this timescale may slip.
- The community share issue is being run in March 2021 to allow investors to take advantage of the Social Investment Tax Relief Scheme (SITR) which is scheduled to end in April 2021.
- The main focus for grant funding is Surrey County Council's "Your Fund" scheme. The aim is to be one of the first beneficiaries of this scheme. The project aligns perfectly with the long-term vision of Surrey County Council as laid out in their "Vision 2030".
- In the survey, the community demonstrated their willingness to volunteer to work in the shop. This model is used by many successful community shops throughout the UK. Community shops are found to be more resilient than traditional small businesses, with a success rate of over 95% compared to 45% for traditional stores (Source: Plunkett Foundation)

Our Vision

The Normandy Community Shop and Cafe will be purpose-built, owned by the community, run by the community, for the benefit of the community. It will be a modern, attractive, and environmentally friendly focal point for the village.

The aim is to sell local produce, alongside everyday items, to cater for household day to day needs and the odd treat! As well as providing a community meeting place, the Shop & Cafe will welcome and encourage other visitors to the village, who typically include running and walking groups, cyclists and dog walkers.

Long Term Sustainable Vision

The Shop and Cafe will:

- Provide products and services the village would like, 7 days a week
- Support local businesses (food producers and service providers) within the village and neighbouring areas
- Provide a meeting place for villagers to meet socially in an attractive location, which will also help to reduce isolation for the elderly and infirm
- Have a positive impact on the health and wellbeing of the community as a whole
- Reduce the need to travel to other villages and help the village be more sustainable
- Be built to be ecologically and environmentally friendly
- Contribute to a stronger community
- Be a lasting asset that the village of Normandy can be proud of.

Welcome to Normandy

The village of Normandy is made up of a patchwork of hamlets, including Flexford, Christmas Pie, Willey Green, Wyke, Pinewood and Normandy itself. Wood Street Village is 3 miles to the east of Normandy village, Pirbright is 3.3 miles to the north, Ash and Ash Vale are 3 miles to the west, and Wanborough 2.4 miles to the South.

Based in a rural location and within the greenbelt, Normandy village attracts walkers, runners, cyclists and horse riders as well as larger activity groups using the Christmas Pie and Jubilee Trails. There is a growing primary school, as well as numerous children’s nurseries, with regular traffic of parents and carers coming into the village daily.



The Parish of Normandy is 16.37 square kilometers within the borough of Guildford, Surrey. The village has a population of around 3,200 living in over 1,400 households and is almost exactly 50% male/female (information from the local Fairlands Medical Practice Demographic, dated 2019). Normandy currently has a Village Hall and a Royal British Legion Hall, two churches, a well-established charity (The Therapy Garden), numerous sports facilities, a car showroom, motorcycle shop, a farm shop - but has no village shop, public house or cafe. With a growing younger population in the village and more and more people working from home, as well as those who are retired, the shop promises to be well supported as a local place to shop, meet and work.

Community Survey and Involvement

A survey was carried out in October 2019. The results of the survey demonstrate strong support for a shop & cafe and indicate the villagers' willingness to help with the set-up and volunteering in different capacities and contribute towards such a venture.

The results of the survey can be found in Appendix I

The survey was completed and returned by over 30% of the households in the village, with an overwhelming majority supporting the need for a local shop, along with other facilities such as somewhere to meet socially. There was also a willingness to contribute to the building of the shop, and a large number of people were seen to be willing to volunteer in setting up and running the shop.

Community Engagement

From the outset, the Management Committee have sought to ensure involvement from the whole community in planning the project and ensuring that the end product matches their needs.

Specific areas of the project are addressed through work streams, each of which is led by a member of the Management Committee. These work streams bring in other volunteers with specific skills or expertise, when required. An example of this is the Location and Premises work stream which has been able to enlist the services of two local architects with retail experience, who have been able to advise on the design and practical aspects of the locations and buildings under consideration.

It was planned to hold Community Forum meetings, at which interested members of the community would be invited to hear the latest plans and give their views. Unfortunately, the pandemic has prevented these from taking place so, in their absence, a Covid safe Pop-Up cafe was run each week during the summer of 2020. This allowed the Management Committee to liaise with visitors, to update them of the latest plans and discuss their wishes. In addition to these, an Ambassador programme has been set up using virtual focus group meetings in order to 'spread the word' and inform villagers of the project's progress whilst also listening to feedback.

Ongoing Communication

The Management Committee already achieves a high level of engagement with the community and looks for every opportunity to expand its reach. Social media has created an established group of

supporters who are updated on a regular basis. Active accounts have been set up on Facebook, Twitter, Instagram and the Nextdoor App. Normandy has an excellent following on Nextdoor – over 40% of the households in the area are subscribed.

The current Coronavirus Pandemic has clearly slowed the progress of communication, in terms of face-to-face interaction. The scientific news and guidance are constantly being monitored to be able to plan future social events.

Without physical events being possible, the communication strategy has been to regularly share information and start to get the villagers involved on social media platforms. A Normandy Village Shop & Cafe website was launched at the end of June 2020. In order to include those without access to computers, information is also displayed on village notice boards and articles written in The Villager Parish Magazine. As much as possible the Communication Team and Management Committee are spreading the shop news by talking over the phone with potential suppliers, meeting people when walking and sharing updates with friends and family in the village.

The communication and marketing plan is constantly reviewed, to reflect the current social distancing situation, with the intention of being ready with a communication toolbox when social distancing is eased and physical Community Forum meetings and focus groups can be held. If this proves to be impossible, more virtual meetings will be set up using Zoom to ensure that the community has the means to give feedback on plans and ideas.

Project Achievements to date

Quarter 1 – 2020:

- The community's appetite for a village shop and cafe was confirmed by discussing plans, and mutually beneficial information, with other community pillars in the village, Parish Council, Friends of Normandy Wildlife and our Surrey County Councillor
- News advertised in the quarterly Villager Magazine and the monthly Parish Magazine
- A database of those who wished to be informed and have shown an interest in supporting and offering their volunteer services in the future, was created.
- Facebook, Instagram, Nextdoor and Twitter accounts created with a prepared schedule for announcements

Quarter 2 – 2020:

- The launch of share fundraising was reviewed, subject to discussions on whether this is the right timing due to the current economic situation.
- Communication copy was prepared to launch conversations with businesses and sponsors
- The Normandy Shop & Cafe website was developed and launched. The shop website is a key access point to all the information available and plays a major role in people finding out how to buy shares and get involved.
- Launched website communications and noticeboards to guide people to our site
- Specific events were planned to announce on website
- Sponsorship of the site discussed with sponsors and suppliers

Quarter 3 – 2020:

- The Normandy Village Pop-up Cafe was run at the local cricket club over 5 weeks. This was very well attended with excellent feedback and acted as a vehicle to engage the community, heighten exposure and create confidence that the shop & cafe will happen.
- Planning Permission was applied for.
- Planning permission was granted – 64 positive comments on planning website and no negative comments at all – a rare event with planning applications!
- Delays due to Covid-19 pandemic
- An outline marketing plan for the shop & cafe was prepared

Quarter 4 – 2020:

- In the light of the pandemic a decision was made to delay the launch of the Community Share Pledge Scheme
- A detailed marketing plan was produced to include incentives to use shop, free services etc.
- A successful Pop-Up Cake Sale was run at the local Cricket Club
- Planning was undertaken for the Community Share Launch in March 2021
- The Community Share Pledge Scheme was launched for potential share investors to register their interest and the amount that they would be willing to invest
- First applications for Grant Funding were submitted

Quarter 1 – 2021:

- Planned and launched the Ambassador programme
- Increased contact with residents through social media
- Community Share Launch

Market Review

Demographic highlights of Normandy's residents

The Parish of Normandy is almost exactly 50% male/female. 33% of the population is aged between 35 and 54 years and 60% of this group have dependent children. In total 16% of the population of the Parish are under 16yrs of age. 23% of the population is aged over 65. Three quarters of the population live in households with more than one resident. Average income for the area is £53,900 per household, taken from HMRC 2014-15. There are a growing number of elderly residents who increasingly find it difficult to travel far from home, and due to the lack of social and retail facilities in the village spend a lot of time alone. The shop & cafe will help eliminate this social isolation and increase community cohesiveness for the whole Parish.

Other market opportunities

- **Drivers passing through** – The shop & cafe will be located close to the busy Guildford to Aldershot road at Manor Fruit Farm, which has parking facilities to allow drivers passing by to pick up groceries and to stop and visit Normandy's open spaces.
- **Walkers, cyclists and riders** – Normandy provides an excellent location for cyclists, ramblers, dog walking and horse-riding. The village is often used as a meeting point for organised groups and events, in addition to casual visitors involved with these activities. Research has shown that this creates further demand for food-on-the-go throughout the day.
- **New way of living** – since the start of the Coronavirus Pandemic, the country has changed its outdoor activity approach and more people want to walk and enjoy the countryside. There are also significant changes in working practices, people have become more aware of their locality with an increase in working from home. This is unlikely to change for the foreseeable future, if at all. The cafe will provide an opportunity for those working from home to meet up with business associates. With the lockdowns, Normandy has seen an increase in the number of visitors taking advantage of the green spaces, for a walk or a cycle ride, and this is expected to continue to flow as people enjoy healthier lifestyles. A shop & cafe would benefit from these new passing visitors.

Competitor review

- **Supermarkets and convenience stores** – the nearest convenience stores are in Wood Street, Fairlands and Ash Vale. Each of these is over three miles away. To the east are Wood Street and Fairlands. Wood Street has a small shop and Post Office; Fairlands has a row of shops including a

small Budgens store and other services, such as a barber's shop. Ash Vale, to the west, has a Co-op store and other shops, a chemist and Chinese takeaway. These are all over 3 miles away. Also, to the west, 2 miles away, is Pinewood Stores, which is a very small, multipurpose shop with limited parking. Given the distance to travel to any of these shops, we see that the proximity and convenience of a shop in Normandy, along with the cafe as a meeting place, gives us a competitive edge and will be especially useful to those villagers without their own transport. None of the larger supermarkets are present within a five-mile radius of Normandy, these being found in Guildford, Aldershot or Farnham – we see the time to travel to any of these means that they are likely to be used for weekly shopping, rather than the local convenience that we will provide.

- **Farm Shops** – whilst the local farm shop at Hunts Hill Farm could be considered as a competitor, we have taken great care in including the owners in our planning. They have indicated their willingness to support the shop and cafe by providing a selection of their products. They will focus on their key strengths in providing fresh meat and butchery to their existing clients. Backhurst Animal Feeds has been established in the village for many years, the owners have also shown interest in supplying basic animal feed, with a possible card display for purchasing larger items to be collected or delivered. Further away, Rokers is a farm complex selling animal products, but also having a cafe that provides a meeting place for people in the area – Rokers is a drive of 3 miles away.
- **Home delivery services, grocery shopping online** – An increasing number of homes are now using the online shopping and delivery services that are readily available from the major retailers. There are many older residents in Normandy, who do not use online shopping, and those who also have the need for a place to go for their last-minute shopping. We plan to expand our services to include home delivery and using the Normandy Community Bus as a 'shuttle' from the outer reaches of the area.

By offering a community hub as well as excellent local produce, Normandy Village Shop & Cafe will differentiate itself from these existing retail businesses.

How the shop will fulfil community needs

- When we surveyed the village in 2019, close to 60% of the respondents said they would use the shop regularly (over twice a week). In order to satisfy this demand, the shop needs to provide a comprehensive range of goods and services.
- 81% of respondents wanted bakery products such as fresh bread, cakes and pastries as well as local produce. The Normandy Shop will showcase local produce and fresh baked goods alongside everyday items.
- More than half of respondents wanted fresh fruit and vegetables, and meat and dairy produce available.
- Useful services will be provided such as cash-back, stamps and phone top-ups. 90% of respondents want postal services and more than 57% want a tearoom to be part of the offer.
- The village shop will also provide a social hub for all ages, young and old: to meet, to volunteer, to learn new skills and shop. We will hold focus groups to ascertain what the different age groups would like to have available.
- Normandy village has a significant population of elderly residents, many of whom live alone and are restricted in their ability to go shopping and visit places for social interaction. Methods will be developed to address these issues through the delivery of goods to their door, as well as using the existing community bus service to pick up residents from their homes to allow them to meet up with friends at the shop & cafe.
- Normandy village also benefits from The Therapy Garden, a charity set up to give a sense of purpose to children with special needs; to reduce the isolation of a young person with autism or someone older living with dementia. Normandy Shop & Cafe shares the aims of the Therapy Garden in seeking to reduce isolation and give opportunities for all to build confidence. We will work with The Therapy Garden in two ways: by stocking produce that is grown by their service users and also looking to provide opportunities for The Therapy Garden and its service users to work alongside us to gain experience and opportunities to practice their social interactions in a safe environment.

Location and Design of the building

One of the first tasks was to identify the best location for the shop and cafe. Given the wide spread of the Normandy Parish, it was important to find a place that would be convenient for the majority of residents.

Having ruled out the use of existing retail buildings on the grounds of cost and location, the team moved on to finding a location for siting a new building. This would need to be a prefabricated 'ecological, log-cabin-style' construction. This type of structure has been seen to be successful in other community shops visited.

This presented two possible locations, both of which were sited close to the junction of Glaziers Lane and Guildford Road, which is as close as possible to the centre of the Parish. Finally, the site on Manor Fruit Farm was selected as the preferred location. This decision is based on discussions with Normandy Parish Council, Guildford Borough Council Planning Officers and the Friends of Normandy Wildlife Group, ensuring the location chosen is not detrimental to the natural surroundings. A key consideration is also the facilities that contribute to village life that are already readily available on the Manor Fruit Farm site.

As indicated above, the shop will be an 'ecological log-cabin-style' building. Given the location of the building and the desire to make it as accessible as possible, several designs have been considered, resulting in the choice of a custom-built building with a timber construction and cement-fibre-based cladding.

A team of local architects and building experts have been helping to design an economical, and secure premises, to be built sympathetically, taking into consideration the shop surroundings.



The building will be of a timber-like construction, single storey under a tiled pitched roof and

positioned in the NW corner of the car park on an east/west axis with the long front facing due south. To the west of the proposed building a deck will span the adjacent drainage ditch to create an external seating area. This will be available not only for the patrons of shop but for all visitors to the village. A further milling area is proposed adjacent to the entrance. Being south facing it will maximise the available sunshine.

Given the rural nature of the environment and the surrounding buildings, it was considered that the building should have a timber-clad appearance, as are those within the Therapy Garden and nearby Bowls and Archery club buildings. Having reviewed several options from a simple log cabin preconstructed off-site through to a traditional build with timber cladding, we have arrived at a preferred solution that uses a proprietary material that uses a fibre cement weatherboard that is timber-like, aesthetically pleasing, resistant to rot and easy to maintain.

The design will position the entrance at the centre of the south elevation with a gable roof feature above to assist in way finding. The gable will extend beyond the face of the building to provide protection to those entering, particularly the less able who may need a little more time to enter the building.

As the proposed Shop and Cafe will form an integral part of the village centre, it is anticipated that many of the visits will be combined ones with the other facilities. This will limit the number of extra car journeys made and hence the demand for extra parking over and above that already available will be limited. There will also be cycle racks to accommodate the many cyclists who are regularly seen riding throughout the village.

Plant containers will be included to help identify areas, provide a degree of protection to the car park and to the drainage ditch and create additional colour and interest. Raised planters will allow for maintenance by less mobile volunteers. The presence of planting around the building can also be linked to the activities of the Therapy Garden. The plants will be kept below 600mm above ground so as not to provide hiding places nor interfere with existing CCTV installation.

Sustainability

Sustainability is a major requirement for this community building and the following are our goals in planning the structure and surroundings:

- Reuse of a previously surfaced car park

- Partial timber structure from a Forestry Stewardship Council (FSC) or similar accredited source
- A fully electric building so no fossil fuels and the consideration of being supplied from 100% renewable sources
- Photovoltaic Panels and potentially Mechanical Ventilation Heat Recovery (MVHR) utilising excess heat from freezers and such like
- A high degree of insulation to prioritise Fabric First principles
- Dual flush toilet and low flow taps.
- Water butts to aid the maintenance of the proposed plants
- Water based paints wherever practical
- LED and other low energy lighting
- Sourcing materials locally and maximising off site construction.

The sustainability approach is to continue during the operation of the shop and café:

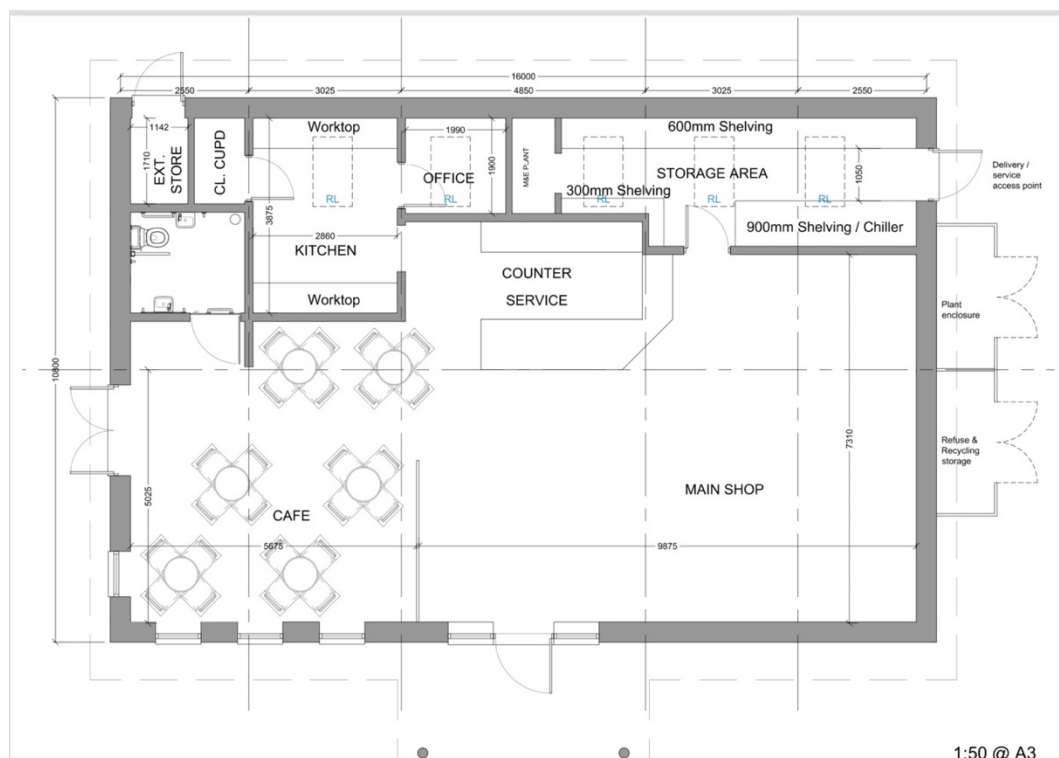
- Any appliance such as freezers and dishwashers will prioritise 'A' rated items
- Fresh food will be locally sourced
- Fairtrade products will be prioritised
- Providing staple foods will reduce the need for residents to journey further afield
- Our aim will be to reduce the use of plastics and use recyclable materials where possible

Accessibility

The approach will be via the existing and new dropped kerbs from the car park and the path along the culvert. Two additional Accessible parking bays will be provided close to the entrance. The entrance to the shop will have a flush threshold and the shop will have a level floor. Being single storey there will be no vertical circulation issues. The shop will have a single unisex WC which will be fully accessible, and a drop-down baby change mat will also be provided.

Building Interior

To the left will be the cafe area, with a counter-service area towards the rear of the building. There will be open rafters giving the building a light and airy feel. Tall windows will be located at the front left-hand side of the building with patio doors leading to the side of the building onto a patio which joins onto the large area which is planned to be designated the 'village green' for Normandy. This will give a bright and airy feel to the cafe area.



The kitchen, office and storage area will be situated to the rear of the building. The shop area of the building will have pleasing rustic-looking shelving as shown below. This shows off the quality produce we plan to stock and contributes to the rustic appeal. This 'look and feel' has been shared with members of the local community who are very supportive of this approach.



Products and Services

The shop will offer everyday essentials and good quality local produce, primarily designed to meet the needs of the local community.

Core Services & Ranges:

- **Fresh:** Fruit and Veg – locally produced (The Therapy Garden growing specific produce to stock the shop, among others)
- **Chilled:** Fresh meat, dairy, cured meats, processed meats, sandwiches, pastries, cold drinks
- **Ambient:** Bakery, oils and dressings, sauces, herbs and rubs, beers and wines, flour, sugar, cereals, coffee and tea, jams and pickles, confectionary, household cleaning items
- **Frozen:** Ready meals, desserts, free flow vegetables, fish, free flow pastries, ice-creams
- **Daily purchases:** milk, eggs, emergency cleaning products, toiletries, pet food, newspapers, lottery tickets, non-alcoholic and alcoholic beverages
- **Post office:** standard postal services – initially we will provide limited postal services but will go on to consider setting up a local post office.
- **Cafe:** Fresh bean-to-cup coffee, teas, hot chocolate, sweet pastries, tray bakes, homemade cakes, sandwiches. Once the cafe has been established light lunches such as quiches, ploughman lunches, jacket potatoes to be added.
- **Local crafts:** greeting cards, gifts, paintings, pottery
- **Other Local produce:** Honey, Hunts Hill Farm selection of meat, Hogs Back Brewery, egg producers, Greyfriars Vineyard.

To date, a number of local suppliers have said they would be willing to give their support by providing items such as eggs, meat produce, animal feeds, honey and fresh vegetables. Discussions are being held with a number of other suppliers keen to showcase their products.

Sales, pricing and promotional framework

- Pricing will reflect a fair price for locally sourced, high quality products. The shop will not be competing directly with supermarkets or larger convenience store chains on price.
- Promotional focus will be on supporting the community's local economy through locally sourced goods and products.
- For certain items, loyalty rewards will be encouraged, particularly with purchase of drinks in the cafe.

Opening times

The shop will be open seven days a week, from 8am to 6pm from Monday to Saturday with reduced hours of 8am to 2pm on Sundays and Bank Holidays, and the café will also be open for the same hours.

These are the hours that were stipulated in the Planning Application approval, although the trading hours will be reviewed after the first year of trading to ensure that the business fully supports the needs of the community. The most important thing is providing a full seven days a week service reliably to the whole village.

Governance

Organisation and Legal Structure

The society is registered with the Financial Conduct Authority as Normandy Community Shop and Cafe Limited under the Co-operative and Communities Benefit Societies Act 2014, Registration Number: 8331

As such, the shop is set up as a not-for-profit organisation, with trading profits re-invested in the Shop and/or donated to the community, supporting various local projects for the benefit of the village as agreed by the Management Committee.

Normandy Community Shop and Cafe Limited is governed by rules that are binding on its members, these Society Rules were based on a standard set from the Plunkett Foundation with minimal updates. A copy is available on the website: <http://www.normandyshop.co.uk>

As a Community Benefit Society, the purpose is to carry out business for the benefit of the community. Assets owned by the Society are locked into the Society and will be solely for community benefit. The Society is regulated by the Financial Conduct Authority.

The Society is run by the Management Committee, which has overall responsibility for the shop. The Society has limited liability, so members are protected up to the limit of their investment in the event of the Society's insolvency. The Society is run democratically, and all members of the society have one vote, regardless of the amount invested; this ensures that all have an equal say. Members of the Management Committee are elected at the Society's AGM, with elected members standing down on a three-yearly cycle, with the option to stand again.

All members of the Management Committee will need to stand for re-election at the end of the first year. Officers of the Society are elected by the Management Committee.

Management Committee

The community asset will be owned by the Normandy Community Shop and Cafe Limited, a Community Benefit Society. This legal model was chosen to reflect the desire to make this a community-owned venue, giving everyone an interest in the project by issuing Community Shares, whilst giving the 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 private profit. The society rules have been approved by the Financial Conduct Authority and are available separately.

The founding Management Committee is a group of volunteers with a wealth of experience and talent in key areas for establishing the shop, including project management, marketing, PR, communications, business planning and development, fundraising (grants and events), market research and IT.

All Committee Members live in Normandy village and all firmly believe that the community needs, and would benefit from, the shop and cafe and that, between them, they have the capability to establish a successful venture.

The Management Committee will:

- Be obliged, under the constitution of Normandy Community Shop and Cafe Ltd, to stand down at the first AGM when individuals may offer themselves for re-election
- Be selected by members' votes at the AGM each year
- Provide an annual report of activities and finances to all members and prepare the annual return of the Normandy Community Shop and Cafe Ltd
- Provide monitoring information as required by any grant bodies
- File Accounts with the Financial Conduct Authority (FCA)

There are currently nine members of the Management Committee; each of them has been involved in the project from the outset. The members of the Management Committee are:

Bob Hutton – Chair – Bob is an experienced business and IT services manager with significant experience of managing projects in both the private and public sectors. Bob only moved into Normandy just over four years ago but has already contributed to the community as a member of the Normandy Parish Council, and as the initiator of the current project.

Gary Phillips – Vice-Chair – Gary brings 30 years’ experience in public sector IT implementing numerous IT projects using PRINCE2 methods as well as managing business critical systems and databases. He also has 16 years’ experience in charity governance having been Chairman and Vice-Chairman of a National Charity for 9 of those years. He has lived in Normandy with his wife and 2 sons since 2005.

Karen Dunn – Secretary – Karen has a live events and communication background and has worked across many industries, including charity events. Karen has supported various school and village events over the past 10 years. Karen has lived in Normandy for nearly 20 years and enjoys Normandy village life.

Jan Drake – Treasurer – Jan worked for McColl’s newsagents and convenience stores for many years, as a Project Manager both in Finance and IT. She has lived in Normandy for 10 years and loves walking her dogs around the rural countryside.

Briony Howarth - Briony has a background in sales, retail, and social media management, spanning 15 years. She has lived in the village with her family for 5 years and is an active member of various village groups including the Normandy Running Group and the WI and supports the local school with their events.

Paul Howarth - Paul has worked with Large Global enterprises for over two decades. Designing and delivering complex digital transformations with Machine Learning and AI insights, working with many business sectors, from Wealth management, commodity trading, insurance and also Public sector. Paul has a passion for artisan and single origin coffees and has been learning how to develop excellent brewed coffees. From selecting at the harvest process, the roasting profiling of green coffee beans, right up to delivering a profitable business for roasting beans, with a view to creating a local coffee shop outlet to introduce everyone to exceptional coffee.

Jill Spain has 20 years' experience teaching Business, Management and IT courses in Further & Higher Education. Prior to this she worked for several years for a publishing company and before moving into teaching, worked for a company that traded in Bulgaria, Russia and America. When she left teaching in 2011, she started her own event management business, which she ran for five years alongside her craft business, which she still runs. Jill has lived in Normandy for 39 years.

Neil Aust has 27 years' experience working in backing operations and IT, delivering global projects and programs, before a major career shift in 2007, returning to his "roots" in farming. Neil volunteered as a County Show steward for the Surrey County Agricultural Society from 2003 to 2018 and has been on the management board of the Surrey Smallholders Association for 4 years. He now runs a farming and contracting business based in Normandy, where he has lived with his wife since 2001.

Pat Tugwell has 30 years' experience in Teacher Training and Cookery at a variety of levels in Further and Adult Education. She has worked for a number of years planning and organising events for Wyke School, for the Normandy Branch of the Royal British Legion and has been Vice-Chair of Normandy Parish Council. Whilst serving on the Parish Council she was responsible for organising the Annual Village Fete. She is President of one of the very active WI Groups in the Village. Pat has lived in the village for 25 years.

Funding and Community Share Issue

Over the following pages, and in a subsequent Appendix, an illustration of the funds required to start up the business can be found. A plan has been developed to raise a significant proportion of this through a Community Share Offer, supported by grants from local and national funders and through local events and sponsorship. Later a total breakdown of capital costs is included.

An estimated total of £375,000 will need to be raised.

Grant Funding

The attention of most grant funders has turned, understandably, to supporting charities and businesses that have been affected by the coronavirus pandemic, so other opportunities have been looked for. One of these has been launched by Surrey County Council in the form of their 'Your Fund' scheme, which is their plan over the next five years to support Community Ventures with capital funding for large projects.

Community Vision 2030 and "Your Fund"

The shop & cafe project has been submitted as a candidate to Surrey County Council (SCC)'s "Your Fund" funding scheme, in which SCC are committing £100million over the next 5 years to community investments that will benefit the communities of Surrey. The shop & cafe project strongly aligns with the vision that is shown in Surrey County Council's "Community Vision 2030" and has already received favourable comments from the "Your Fund" project team. Strong backing has been given by the community and the shop & cafe will result in a reduction in traffic and an increase in social cohesion within the village and surrounding areas. Plans therefore focus on raising a large proportion of the capital costs for the project from this fund. For more information use the links below:

<https://www.surreyca.org.uk/your-fund-surrey/>

<https://www.surreycc.gov.uk/council-and-democracy/finance-and-performance/our-performance/our-organisation-strategy/community-vision-for-surrey-in-2030>

The next two pages demonstrate the ways in which the project, and the resulting community shop & cafe, align with this vision. The statements in the Vision are shown as headings, with responses underneath.

COMMUNITY VISION FOR SURREY – MEETING THE OBJECTIVES

COMMUNITIES ARE WELCOMING AND SUPPORTIVE.

The addition of a community shop and cafe will provide a focal point for the village; both current residents and newcomers to the village will feel that there is a heart to the village and that they are welcomed and supported.

EVERYONE HAS A PLACE THEY CAN CALL HOME

Normandy currently is a collection of houses where connections occur between individual households, but there needs to be a place all the villagers can call 'home' and which provides the facilities they need on a day-to-day basis.

JOURNEYS ACROSS SURREY ARE EASIER AND SAFER

The aim is to reduce the number of journeys required by villagers. The shop and cafe will be within easy walking distance for many villagers, thereby supporting those without transport. It is also planned to assist the elderly by utilising the existing community bus service to pick up residents from their homes, as well as making home deliveries.

EVERYONE GETS THE CARE AND SUPPORT THEY NEED

Connections with local care and support groups within the community are planned. An example of this is the relationship with the Therapy Garden, which offers social and therapeutic horticulture to adults with a range of physical disabilities, learning difficulties and mental health challenges. The shop will stock and sell the produce they grow and will offer opportunities for their clients to volunteer in the shop and cafe.

The shop & cafe will work closely with The Therapy Garden, a charity located right next to where the shop & cafe is to be built.

The Therapy Garden's Charitable Aims are:

"to have a positive and significant impact on the lives of people facing challenges in life. Whether by giving a sense of purpose to children with special needs; or by reducing the isolation of a young person with autism or someone older living with dementia. Whether by building confidence in adults recovering from a stroke; or by helping to equip young people who have additional learning needs for a possible future in the workplace. We change lives for the better and we do this by creating a safe place to enjoy the power of gardening and to connect with nature."

Opportunities are being discussed with the Therapy Garden to stock the produce they grow, to involve members of their clients where possible and potentially give them the opportunity to volunteer in the shop or cafe.

BUSINESSES IN SURREY THRIVE

Given the support that has been received from the community to date, confidence is high that the venture will succeed, providing opportunities for employment, work experience, delivering a service to the community with the possibility of using profits to fund other community-based projects. Local suppliers will be supported, contributing to their success, when stocking the shop.

RESIDENTS LIVE IN CLEAN, SAFE AND GREEN AREAS

The shop & cafe building is being designed with the aim of being as green as possible. The aim will be to meet and, in some cases, surpass current environmental requirements. The location is away from roads and any pollution.

EVERYONE LIVES HEALTHY AND FULFILLING LIVES

Manor Fruit Farm, the proposed location for our building is already the home to green spaces that are used for fitness training and other sporting activities such as archery and bowls clubs. It will be a central meeting place for ramblers, dog walkers and cyclists. Healthy produce, snacks and smoothies will be stocked.

CHILDREN & YOUNG PEOPLE FEEL SAFE & CONFIDENT

The shop and cafe will be located at Manor Fruit Farm, which already houses a frequently used playground, with families often seen playing in the safe environment close to the Village Hall, where children's activities are run on a regular basis. The playground is within sight of the proposed shop and cafe, so parents will be able to keep an eye on their children playing, while enjoying a coffee and a cake.

CONNECTED COMMUNITIES THAT GROW SUSTAINABLY

The shop & cafe will help connect the community by creating a communal space for people to socialise and meet. It will be a warm and friendly space where people know each other and look out for each other. It will also have Internet access to enable visitors to keep up to date with local news and connect with their friends.

EVERYONE BENEFITS FROM EDUCATION & EMPLOYMENT

Paid employment is envisaged for at least one permanent shop manager, with the remaining workforce being volunteers from the community. Opportunities will also be provided for work experience for interested locals and will support anyone aiming to achieve their Duke of Edinburgh's Award. As the shop & cafe grows it is hoped that weekend part time work can be offered to local teenagers.

The Community Share Offer

As a Community Benefit Society shares can be offered to the community so that all residents have the opportunity to invest and become members. This is a recognised form of funding for community projects.

The share offer is important to the success of the shop, as it will not only provide a large portion of the funding required, but it will mean that the community has a vested interest in the success of it.

In the results of the survey 80% of the respondents (460 households) thought a shop was either very important or important to Normandy. If each of the households in Normandy were to invest £100, £140,000 would be raised. However, not all households can or will invest and some may want to invest more, particularly as Social Investment Tax Relief (SITR) has been applied for, which is covered later in this document.

Our target is £90,000 to be raised in community shares. Any funds received, over and above this would be extremely beneficial, with a maximum figure set at £140,000.

The formal launch for the share offer will be held in March 2021. Subject to the situation with lockdown, the intention is to hold a village event or meeting which will be an opportunity to find out more about the plans, shop design, suppliers and how the shop will be run. This is all dependant on social distancing policies and alternative creative methods of sharing this may well need to be put in place such as a village community Zoom meeting.

Cost of Shares

The shares will cost £10 each. Each investor can buy a minimum of 10 shares (£100), up to a maximum of 1,400 (£14,000). Regardless of the number of shares owned, each member will have an equal right to vote at each AGM, on how the shop is run, and is also eligible to vote and stand for election on and for the Management Committee.

Return on investment?

The primary reason for the shop is to benefit the community and this should be the main reason for investing. However, there is future potential for the shop to pay interest on members' shares and refund the share capital at the discretion of the Management Committee and voted on by the

members at the AGM, providing the performance of the shop allows.

To enable the business to build up sufficient reserves, our rules state that no withdrawals can be made in the first 3 years of trading. The two exceptions to this are as a result of death or bankruptcy. From the 4th year of trading onwards, shareholders may request to withdraw their investment by giving 3 months' notice in writing. However, withdrawals are at the sole discretion of the Management Committee having regard to the current and future needs of the business.

After 3 years of trading, it is anticipated that there will be greater clarity on the level of reserves required to continue having a shop in Normandy. In anticipation that some investors may wish to withdraw some of their share capital and that the level of trading is in line with the needs of the business, the Management Committee may be in a position to allow some withdrawals from year 4 onwards and will agree and publish the terms of a withdrawals policy for members at that time.

Tax relief

There are tax relief schemes available to members of Community Benefit Societies, all designed to encourage investment in community projects. The Management Committee have been informed by HM Revenue and Customs that from their perspective, the scheme will be eligible for **Social Investment Tax Relief (SITR)**.

Note that this scheme has a 'sunset clause' whereby, unless specifically extended, the scheme will close in April 2021. Unless the scheme is extended (there are several groups lobbying the Chancellor of the Exchequer to extend the scheme given the significant benefits that can be gained by communities), only shares bought before 5th April 2021 will be eligible for this relief. The Management Committee are monitoring this, and our local MP has agreed to lobby the Chancellor.

For this reason the community share issue will be run to conclude in time for investments to be made before 5th April 2021, which means that, unless other changes come along, investors will be able to claim 30% tax relief on their investments.

Under the SITR scheme, investors may be able to claim 30% tax relief (income tax or capital gains) on their share purchase. This is regardless of the rate of tax they pay, provided they have paid sufficient tax to cover the amount being reclaimed. This will include tax paid in the year in which the investment is made and the preceding year. The business has to trade for 4 months before a formal

application for qualification for the relief can be made by the business. The relevant form will then be provided by the Society to the investors, enabling them to make the appropriate claim to HMRC for tax relief at that time.

EXAMPLE Providing the investor is a taxpayer, then an investment in shares of £500 will cost £350 after the tax has been reclaimed. For the tax relief to be retained the shares have to be held for a minimum of 3 years.

This generous support by the government to investors in small start-up businesses recognises the risk involved. It is hoped that this will encourage strong interest in supporting this share issue.

Please note the amount of tax relief, if any, is decided following an application to HMRC and cannot be guaranteed by Normandy Community Shop and Cafe Ltd

Capital and Start-up Costs

The next page shows the Capital & Start-up Costs with all figures listed excluding VAT. Associated notes are shown below.

Building & Access. The major cost here is the building itself. The cost for this has been provided by our preferred supplier, who will build the shell once the foundations have been installed. Alongside this we show the cost of preparing the ground for the building and the installation of services. It is currently a tarmac-surfaced car park area with some services (electricity and water). The figures include preparing for and laying concrete, laying a footpath, connecting services and some landscaping. The building will be 16.0m x 10.0m and mainly constructed onsite. The cost includes the manufacture of the panels, delivery and erection on site. These costs also include the roof, wall coverings and an insulated floor.

Fixtures, fittings and Equipment. This shows the capital costs for fitting out the shop. These have been built up from a detailed analysis of the shelving and equipment that is needed. This has been built up in discussion with other similar community shops and cafes.

Other pre-opening costs.

Throughout the build phase, there will need to be work carried out by legal and financial organisations, for which an allowance has been included.

A contingency of £40,000 to the overall project has been added, to cover unexpected costs that cannot be foreseen at this stage. This includes, for example, any additional work to remedy any issues uncovered during the ground analysis which will be carried out before the foundations are laid.

The start-up costs also include allowance for initial stocking of the shop and café and an element of working capital.

Finally, an allowance is included for pre-trading expenses, such as insurance and energy. Wages are also included for 6 weeks prior to opening and training in Health & Safety and Environmental Health.

Working stock enables the shop to be stocked before more favourable credit terms can be agreed.

STARTUP COSTS SUMMARY

Building & Access:

	£
Cost of building (exc VAT)	£ 182,625
Site preparation - External Paving & Access & Signage	24,800
Services	23,000
Electrics and security	5,000
PV (Solar Panel)	7,500
Internal fitting	3,000
Decking, external	3,200
Planning, Building Regs, Surveys	5,462
Total Building and Assets	£ 254,587

Fixtures, Fittings and Equipment

Counter & Shelving	8,670
Freezers, Fridges,	11,410
Coffee-making machine	2,049
Tables and chairs	583
Shelf-edge labelling	6,500
EPOS, Scales	1,017
Computers	669
Security & Alarm Systems	5,701
Telephone/Broadband (initial installation)	60
Kitchen fridge/freezer	9,332
Dishwasher	479
Fire Equipment	2,964
External costs - cycle racks, seating	1,651
Miscellaneous (Chairs, Pricing Gun, Baskets etc)	2,314
Total Shop Equipment	£ 53,399

Total Capital Items	£ 307,986
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Legal and Financial	2,000
Contingency	40,000
Working Capital	10,000
Initial Stock	12,000
Pre-trading Expenses (insurance,wages, power etc)	5,000
Total Start-up costs	£ 376,986

Cash Flow Forecast

A cash-flow forecast for the build and equip phase is shown overleaf. The values in this table are inclusive of VAT, which allows the impact of being charged and subsequently reclaiming VAT.

According to advice received from a chartered accountant it should be possible to reclaim the VAT on building costs, fixtures & fittings and vatable opening stock. This is reflected in the Cash Flow forecast for the Start-Up phase and is in line with the experience of other community shops. The figures show this as part of a quarterly VAT return with repayment being paid one month later.

The timing of the income from Your Fund, if it is granted, would be agreed to allow neutral cash flow. A draft proposal for the phasing of the funding is included to show how a neutral cash flow can be achieved. Towards the end of the build phase there will be a cash shortfall before the final tranche of VAT is returned. If this cannot be avoided, it will be addressed through either an overdraft agreement or a short-term loan.

CASH FLOW SUMMARY	Q1 (£K)	Q2 (£K)	Q3 (£K)	Q4 (£K)	Total
Building & Access:					
Cost of building	22	131	66		219
Site preparation	15	15			30
Services	14	14			28
Electrics and security		6			6
PV (Solar Panel)			9		9
Internal fitting		4			4
Decking, external			4		4
Planning, Building Regs, Surveys	3	3			7
Building and Assets Total	54	173	79		306
Fixtures, Fittings and Equipment					
Counter & Shelving			10		10
Freezers, Fridges,			14		14
Coffee-making machine			2		2
Tables and chairs			1		1
Shelf-edge labelling			5	3	8
EPOS, Scales			1		1
Computers			1		1
Security & Alarm Systems			7		7
Telephone/Broadband (initial installation)			0		0
Kitchen fridge/freezer			11		11
Dishwasher			1		1
Fire Equipment			4		4
External costs - cycle racks, seating			2		2
Miscellaneous (Chairs, Pricing Gun, Baskets etc)			3		3
Fixtures, Fittings and Equipment			61	3	63
Total Capital Items	54	173	139	3	369
Legal and Financial		2	1		2
Contingency		19	29		48
Working Capital			12		12
Initial Stock			14		14
Pre-trading Expenses			3	3	6
Total Start-up costs	54	194	198	6	452
Costs to date	54	248	446	452	452
INCOME SUMMARY					
Income					
Community Shares	90				90
Your Fund		158	129		287
Other Income					0
Loan			28	(28)	0
VAT Refund		9	32	33	74
Total Income	90	167	189	162	451
Total Income to date	90	257	446	451	451
OVERALL CASH POSITION	36	9	0	(0)	0

Preparation for Going Live

Following delivery and installation of the building, other preliminary work will be carried out and required equipment will be purchased and installed.

Equipment

The main capital items of equipment needed will be:

- Internal fit-out: shelving, storage cupboards, work kitchen, restroom facilities, work counters, cafe counter, tables and chairs, signage internal/external
- Communications: broadband, comms and IT equipment
- EPOS till and credit card machine
- Initial stock for shop & cafe
- Freezer(s) and dairy chiller(s) (some producers will provide fridges and freezers)
- Coffee machine

Shop and Cafe Operations

The shop and cafe operations will be made as efficient as possible making the most of appropriate technology such as a modern Electronic Point of Sales System (EPOS), Electronic Shelf Labelling (ESL) and Management Information Systems (MIS) ensuring the Shop can respond to the community's needs and trends quickly and allowing staff and volunteers to spend maximum time on customer service and engaging with the community as the venue will be a community social hub as well as a business.

Staffing

The shop and cafe will be run by a full-time paid manager who will report to the Management Committee and attend Management Committee meetings and will be supported by a team of volunteers from the community. The role will include management of stock (including ordering and stocktaking), volunteer training and rota scheduling, support and managing staff and volunteers, daily cash flow, marketing and initiatives and local supplier relations.

Volunteers

The role of volunteers is crucial in the success of the shop and cafe as a community venture. They will be highly visible in demonstrating that the business is community owned and supported. Their presence will give a sense of ownership and contribution to the business.

The volunteers will support the business by carrying out a number of functions, within the shop and cafe including operating the tills and stacking shelves, serving in the shop and cleaning. In addition, there will be opportunities for volunteers who can offer practical skills such as basic maintenance of the building and equipment. All volunteers will be trained and supported by the paid manager and will be requested to commit to a minimum of 4 hours a week on a regular basis. Work-experience placements will also be offered which will be supervised by paid staff.

The 2019 Shop survey showed a strong positive reaction to volunteering, with 102 people saying that they would consider volunteering in the Shop.

There will be a Staff and Volunteer Handbook detailing procedures and the Food Standards Agency booklet, 'Safer Food Better Business for Retailers' will be in the shop and used for reference on good practice. Staff will receive training and briefing on health & safety, food hygiene, and compliance with age-related legislation. Training will continue, on an on-going basis as required.

Operating Revenue and Costs

The table overleaf shows the detailed Profit & Loss forecast for the first three years operations. Thorough research has been undertaken with a number of other community-run shops who have now been trading for several years and shared their sales, margins and costs information. All sales are net of VAT. All operating expenses are comparable with those provided by similar community shops. Associated notes are below.

- 1. Margins.** All the shops visited have said they would have liked more space for the cafe and as a result it has been decided to set aside a significant amount of cafe space which will enable achievement of greater margin and sales in this part of the business. Weekends are envisaged to be particularly busy as cyclists and ramblers visit the shop. The survey shows people want to buy local produce in the shop which helps increase margin on the cost of goods, in comparison to goods sold in supermarkets.
- 2. Sales.** Net of tax. These sales are based on the research undertaken with other local community run shops.
- 3. Wages.** This includes pension, Employer NI contributions, and H&S and Environmental Health training. The salary currently covers one full-time Manager being paid around £24K basic salary to cover 35 hours. The shop will be staffed by volunteers, but it is hoped that when the enterprise is in profit there will be the opportunity to add paid supervisors.
- 4. Utilities.** Includes light, heat, water and telephone / broadband.
- 5. Sundries.** These are a little higher in the first year as other shops have stated that items arise which are hard to plan for such as subscriptions, additional training and other set-up costs.
- 6. Bank Charges.** Bank charges of 2% on 65% of transactions have been included; this anticipates the mix of cash and card transactions normally encountered by local shops.
- 7. Depreciation.** The Management Committee will develop a prudent reserves policy. Reserves will be needed to fund the longer-term future of the shop, to re-invest in the fixtures and fittings, and to buy back shares if any investor wishes to withdraw after three years. Funds will also be set aside for the possibility that, were the shop to fail, the land would need to be reinstated to its previous state. Depreciation assumes six-year life on Fixtures and Fittings and thirty-five years on Premises.
- 8. Rent and Rates.** It is expected, at the time of going to the community with the share offer, the shop will pay a nominal rent to Normandy Parish Council and assurance has been given that the business is likely to benefit from Small Business Rate Relief and therefore no business rates will be payable.

Profit and Loss – Years 1 to 3

	M1	M2	M3	M4	M5	Year 1	Year 2	Year 3
SALES	11,305	11,305	11,305	11,305	11,305	56,525	142,443	149,565
COST OF GOODS SOLD	7,658	7,658	7,658	7,658	7,658	38,288	96,486	101,311
GROSS PROFIT	3,647	3,647	3,647	3,647	3,647	18,237	45,957	48,254
GROSS PROFIT %	32%	32%	32%	32%	32%	32%	32%	32%
Staff Costs incurred								
Salaries	1,560	1,560	1,560	1,560	1,560	7,800	16,068	16,550
Employers - NI	191	191	191	191	191	956	1,968	2,027
Pensions	47	47	47	47	47	234	482	497
Other Staff Costs	125	125	125	125	125	625	1,288	1,288
Total Staff Costs incurred	1,923	1,923	1,923	1,923	1,923	9,615	19,806	20,361
Property Related Costs								
Rent	25	25	25	25	25	125	258	265
Rates	0	0	0	0	0	0	0	0
Insurance	75	75	75	75	75	375	773	796
IT Costs	85	85	85	85	85	425	876	902
Security	100	100	100	100	100	500	1,030	1,061
Heat & Light	250	250	250	250	250	1,250	2,575	2,652
Phone & Broadband	100	100	100	100	100	500	1,030	1,061
Water Rates	75	75	75	75	75	375	773	796
Repairs/Maintenance	125	125	125	125	125	625	1,288	1,326
Total Property Related Costs	835	835	835	835	835	4,175	8,601	8,859
Other overheads								
Credit Card Charges	73	73	73	73	73	367	757	780
Professional Fees	83	83	83	83	83	417	858	884
Printing, Postage & Stationery	60	60	60	60	60	300	618	637
Marketing	67	67	67	67	67	333	687	707
Loan Repayments	0	0	0			0		0
Miscellaneous	83	83	83	83	83	417	858	884
Total Other Overheads	367	367	367	367	367	1,834	3,778	3,892
Fixed and Other Costs	1,202	1,202	1,202	1,202	1,202	6,009	12,379	12,750
TOTAL EXPENSES	10,782	10,782	10,782	10,782	10,782	53,912	128,671	134,422
PROFIT AND LOSS	523	523	523	523	523	2,613	13,772	15,143
						5%	10%	10%
Interest	0	0	0	0	0	0	0	0
Tax	99	99	99	99	99	496	2,617	2,877
Depreciation	806	806	806	806	806	4,028	8,056	8,056
Amortisation	0	0	0	0	0	0	0	0
EBITDA	(283)	(283)	(283)	(283)	(283)	(1,415)	5,716	7,086

Project Timescales

The early phases of the project, up to March 2020 involved investigation and idea generation and subsequent formation of the Community Benefit Society. From that point onwards, the effects of the pandemic began to hit progress. Communication and community involvement has continued throughout the lockdowns.

In the summer of 2020, an agreement was reached with Normandy Cricket Club to use their pavilion to run a series of Pop-Up Cafes, which were very well attended and appreciated.

Planning permission was applied for in September 2020 and granted in November 2020. It is worthy of note that the planning application received 64 comments, all of which were supportive – not the normal experience on planning applications.

Planning the community share issue and seeking grant funders then began. For many months now, grant funders have been focussing, understandably, on supporting business directly affected by the pandemic. An early meeting was held with members of the Community Projects Fund (now Your Fund) project team, and our project was one of the first entries on the Your Fund Map.

Going forward, the dates for building and opening the shop and cafe are largely determined by the success of our fund-raising and the associated timescales. Subject to the timing and availability of funding, our preferred timetable is shown overleaf.

There is a lead time for delivery of the building of 10 weeks, and there is then a build time on site of around six weeks. This makes the aim of opening in late summer 2021 challenging. It is possible, given winter ground conditions, that some of the work may need to be deferred into 2022.

Overall Timetable

Milestone	Date
Village Shop Survey carried out	October 2019
Management Committee created	December 2019
First Community Forum Group held	January 2020
Applied for Community Benefit Society status	January 2020
Community Forum held – bimonthly at least thereafter	January 2020
Granted Community Benefit Status by FCA	20 February 2020
First formal CBS Management Meeting (monthly thereafter)	March 2020
Major project communications take place – The Villager, Facebook, website	March 2020
Pop up cafe	July/August 2020
Application for planning permission	September 2020
Planning permission granted	November 2020
Community Share pledge scheme launched	November 2020
Community events launch throughout Q1 2021	January–March 2021
Community Share Scheme opens	March 2021
YourFund scheme application opens	March 2021
Community Share Scheme closes	April 2021
YourFund main application opens	April 2021
Groundwork on site begins (*)	May/June 2021
Installation of shop/café building (*)	July - August 2021
Pre-opening preparation (*)	August – Sept 2021
Shop and Cafe Launch (*)	End September 2021

Dates shown in red are indicative and subject to availability and timing of funding.

Risk Assessment & Contingency

A number of risk factors for the business have been identified which reflect, not just the risks during this period of set-up, but also the ongoing risks once the shop is operational. They include Governance, Law & Regulation Compliance, Financial, Environmental or External, and Operational. Many of these are medium or low risks and are mitigated against by planning ahead and by considering and employing techniques and practices that reduce the risk.

High risks include:

- Inadequate funding i.e. failure to raise sufficient capital at the outset. If the share offer does not raise enough funds, money will not be taken from investors' accounts as Crowdfunder only gives the money to the shop once the target is met. If only a part of the grant from Surrey County Council's "Your Fund" scheme applied for is awarded, then the project may proceed but further funding would need to be sought or the size and scope of the project would have to be reduced. If the grant is not awarded, then the project, as it stands, will not run. In that case, a meeting would be held with investors to determine whether they wish to proceed with a reduced project or to have their money returned to them.
- Poor trading leading to insolvency - If the shop became insolvent then it would have to close. All those who have invested/donated will receive their money back from any remaining funds, once creditors have been paid. The land for the shop will be leased from Normandy Parish Council, so in the event of the shop failing, the Parish Council can either take over the building or request that the land be reinstated to its former state.
- Dependency on a volunteer workforce: The recruitment and retention of a volunteer workforce is known to be a large potential risk, a message that comes clearly from all community shops and the Plunkett Foundation. To mitigate this risk, the Society is embarking on a community engagement programme which includes recruiting people to work in the shop. In the shop survey 102 people said they would volunteer in the shop. However, it is also appreciated that volunteers will need to be retained and that more will need to be recruited, as there is a potential for a considerable turnover. Recruitment will take many forms: by word-of-mouth, village clubs and organisations, Nextdoor (the community social media site to which over 40% of Normandy households are members) plus the Normandy Community Shop and Cafe website, and Facebook page. All ages will be included, and will be found from the local school, churches, village societies and retired members of the

community. It is important that the volunteer staffing reflects and represents all members of the community. Part of the recruitment process is to encourage ownership of the project, not just through buying shares, but through a sense of community involvement, a desire to put something back into the community and pride in contributing to a community venture. Volunteers understand that they will go through an induction process to gauge what they are comfortable with carrying out. Training will be given before the shop opens and there will be experienced members of staff (voluntary or paid) on hand to help.

- Theft or damage and vandalism: The risk of theft, damage and vandalism is a real one and therefore a number of security measures have been agreed with the Parish Council (the shop's Landlord) including the installation of CCTV, an alarm, outdoor sensor lighting, shutters on the windows and doors, plus the picnic benches already on the field, will be concreted in place close to the front doors to mitigate the risk of ram raiders. These elements have all been reviewed and approved by a representative from both Herts County and Thames Valley police forces. An asset register and regular stock checks and inspections will inform of petty theft, particularly of goods and money. The shop and its systems will be audited at least annually and any recommendations for changes will be followed up.

Summary

This Business Plan demonstrates that Normandy Village is ready for a village shop & cafe. Interest and enthusiasm within the community is high and support for the project is strong.

The proposed funding strategy is not over-ambitious and there is a strong commitment to raise the amount of money required to put the shop & cafe in place. The whole village will be encouraged to become involved in planning the products and services to ensure all community needs are considered.

The Management Committee believe that all the plans - technical, timeline and cost - are realistic and achievable.







Community shops are booming, with over 360 now established in villages across the UK, owned by the local community and run to meet the local needs. They are highly successful with a 94% success rate, compared to a 46% success rate for commercial general stores. (*source Plunkett Foundation*). The effect of the Coronavirus lockdown has underlined the increased need for Community Shops as a facility within rural areas.

Appendix I – Survey Results

Close to 88% of respondents indicated they feel it is important to have a village shop in Normandy.

Do you think it is important to have a village shop in Normandy?				
			Response Percent	Response Total
1	Strongly Disagree		2.39%	11
2	Disagree		0.87%	4
3	Neutral		8.91%	41
4	Agree		25.00%	115
5	Strongly Agree		62.83%	289
			answered	460
			skipped	11














Close to 85% of respondents indicated they would use the shop at least once a week.

If a new village shop were opened in Normandy, how often would you or any member of your household use it?				
			Response Percent	Response Total
1	Daily		14.90%	69
2	2-3 times a week		44.92%	208
3	Once a week		24.41%	113
4	Once a fortnight		3.46%	16
5	Occasionally		10.80%	50
6	Not at all		1.51%	7
			answered	463
			skipped	8

There was a broad spread of products that people would buy, but local produce, fruit & veg, bakery items and meat and dairy came top.








What products would you be most likely to buy?			Response Percent	Response Total
1	Newspapers/magazines		55.39%	257
2	Ready meals		18.75%	87
3	Local Produce		68.53%	318
4	Frozen food		18.53%	86
5	Fresh fruit & vegetables		76.29%	354
6	Meat and dairy		65.73%	305
7	Greeting cards/wrapping		41.38%	192
8	Bakery		81.03%	376
9	Pet food		14.66%	68
10	Sweets/ice cream		41.81%	194
11	Household goods		30.39%	141
12	Beers, wines & spirits		45.47%	211
13	Stationery		15.95%	74
14	Packed groceries - tins, packets		42.03%	195
15	Craft items		9.27%	43
16	Cigarettes/tobacco		6.90%	32
17	Gifts		10.34%	48
18	Cleaning materials		29.31%	136
19	Coal/logs		9.70%	45
20	Toiletries		29.31%	136
21	Sandwiches		18.53%	86
22	Organic/Fair Trade products		27.59%	128
23	Other (please list as many as you like below)		17.46%	81
			answered	464
			skipped	7

Postal services were in demand, as was a tea-room, coffee shop.

If the shop were able to offer other services, which services would you be most likely to use?				
			Response Percent	Response Total
1	Postal Services		90.04%	416
2	Deliveries		30.09%	139
3	Advertisement board		31.39%	145
4	Tickets for local events		25.54%	118
5	Photocopying		10.82%	50
6	Internet		1.30%	6
7	Dry cleaning		36.58%	169
8	Shoe repairs		18.83%	87
9	Photo processing		8.87%	41
10	Delivery collection point		33.98%	157
11	Tea room/coffee shop		57.58%	266
12	E-top ups for mobile phones		9.09%	42
13	Other (please specify):		11.47%	53
			answered	462
			skipped	9

At what time of day would you be most likely to use the shop (please tick as many as you like)?				
			Response Percent	Response Total
1	Before 8am		15.00%	69
2	8am – 12 noon		66.74%	307
3	12 noon – 2pm		42.39%	195
4	2pm – 6pm		63.26%	291
5	After 6pm		43.48%	200
			answered	460
			skipped	11

There were plenty of people who would offer to volunteer to be involved in running and working in the shop, to join the Management Committee and to raise and contribute funds.

Would you or anyone in your household be interested in helping a community shop project in any way, by:			Response Percent	Response Total
1	Joining the steering group		20.23%	35
2	Helping with fundraising		19.65%	34
3	Providing professional advice/services (please list profession/skills in next question)		16.76%	29
4	Be involved in running the shop/volunteering		58.96%	102
5	Making a donation		22.54%	39
6	Buying a share		24.28%	42
7	Making a loan		3.47%	6
			answered	173
			skipped	298

