

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Countryside and Rural Affairs
Date:	13 June 2019
Title:	Rural Communities Fund – Hursley Village Store Grant
Report From:	Director of Culture, Communities and Business Services

Contact name: Lisa Wood

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Purpose of this Report

1. The purpose of this report is to introduce and seek approval for the Rural Communities Fund (RCF) application from Hursley Community Shop Association Ltd, reference CG00017279. The application is for contributions to support the internal refit and improvement of the Hursley Village Store and Post Office.
2. Detailed information regarding the application has being reviewed by the RCF Team with summary information and supporting recommendations collated in Appendix 1 - Summary Assessment Form.

Recommendation

3. It is recommended that the Executive Member for Countryside and Rural Affairs approves the RCF award of £11,378.46 to Hursley Community Shop Association Ltd to support the application as referenced above.

Executive Summary

4. This report seeks to outline an application for funding (£11,378.46) from the Rural Communities Fund (RCF) 2019/20, under the Funds 'Rural Retailers and Community Enterprises' theme.
5. The Hursley Community Shop Association Ltd who own and manage the store, have provided a detailed business plan as part of their application. This sets out the nature and aims of the community run business, demonstrating its value to local residents and its integration within and benefits to the local rural economy.

6. All necessary supporting documents have been received by the County Council, including written letters of support by the Parish Council, the Hursley Village Community Association, and County Councillor Jan Warwick.

Contextual information

7. The Rural Communities Fund offers small grants to support Parish Councils, groups and organisations in rural Hampshire and small market towns. The overall priorities of the scheme are to build community resilience and encourage self-help. Applications are accepted to support one of four themes. Funding approval is sought for one application received under the retailers and community enterprises theme. The aim of this theme is to help them grow, increase their productivity and ultimately improve the services that are offered to communities in rural areas. Applications are fully assessed against the grant scheme criteria and eligibility criteria (see Appendix 2).
8. Hursley is a rural Parish, approximately 5 miles south of Winchester, with just under 1000 residents. Following the announcement at the Hursley Parish Council meeting on 21 May 2018 that the village shop was to close, a Parish survey revealed that the majority of residents deemed the Hursley Village Shop to be their most important local amenity.
9. Hursley Community Shop Association Ltd (HCSA) was set up in September 2018 to respond to this Parish feedback directly, and to save the shop and post office from closure. The HCSA completed the purchase of the shop in December 2018, and it has since operated with the support of, and for the benefit of the community.
10. Connections to local producers such as the village butchers improves the range of products available, whilst integrating within and helping build the local rural economy.
11. A further local partnership arrangement with Sparsholt Village shop has also been arranged with the benefits in procurement from economies of scale, and for joint research in expanding both businesses.

Finance

12. The HCSA have raised a total of £162,552 in match funding. To date these substantial matched funds have been devoted to the purchase of the shop, and the initial major internal works such as re-wiring, moving the toilet facilities, and installing a kitchenette.
13. The proposed Rural Communities Fund contribution (£11,378.46) will cover the internal refit costs for the shop, including flooring, shelving, chillers, EPOS

system, and external repair works to the window frames and awning, which have been fully and properly costed. Their financial shortfall to complete the project is £11,378.46, equating to just over 6.5% of the total project costs.

14. The RCF has a total availability of £100,000. £30,000 is currently available from the Rural Retailers and Community Enterprises theme of the Rural Communities Grant. This would leave £18,621.54 remaining for 2019/20 if this grant is approved.

Performance

15. The 3-year Business Plan submitted by HCSA sets out their performance targets and demonstrates the achievable success of the shop if they are able to complete the works as outlined in their application.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Rural Delivery Strategy – rural delivery funding Hampshire County Council’s Rural Delivery Strategy	<u>Date</u> March 2018 March 2014
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents	
<p>The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)</p>	
<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

The project is expected to have a high positive impact to all members of the community, and people living in rural areas, and as such no negative impacts are anticipated.

Appendix 1

Rural Communities Fund 2019/20 – retailers & community enterprises

Grant assessment form

Grant reference no.:	CG00017279
Organisation name:	Hursley Community Shop Association Ltd
Project title:	Hursley Village Shop
Project location:	Hursley Village, nr. Winchester
Total project cost:	£173,930.46
Amount requested:	£11,378.46
Match funding:	£162,552.00
AMOUNT RECOMMENDED:	£11,378.46

Eligibility checklist	Yes/No
Does the project/activity take place in a rural area/village with a population of less than 5,000 residents?	Yes
Does the application demonstrate how the project will grow the business and provide value for money?	Yes
Does the application demonstrate how the project will enhance the local community?	Yes
Does the application prove the business is not in direct competition with another business in the same village?	Yes
Does the application have support from the Parish/Town Council?	Yes
Does the organisation demonstrate that without HCC support the project/activity would not be able to proceed at all or to the extent outlined in the application?	Yes
Will the project make a financial difference to the business (ref. accounts and financial forecast)?	Yes
Have all documents been submitted in line with the criteria (e.g. business plan, parish council support, freeholders' consent and lease, planning and other permissions, quotes, financial accounts)?	Yes

Project summary
<p>Hursley village is the largest settlement in the rural Parish of Hursley, approximately 5 miles south of Winchester, with just under 1000 residents. The private owner of the Hursley Village Shop announced at the Parish meeting on 21 May 2018 that he intended to close.</p> <p>A survey by the Parish Council was conducted to qualify the local need and value of the service provided. With 75% of parish households responding, 84% deemed the Hursley Village Shop to be their most important local amenity. It also identified that a café facility would be of huge benefit to support vulnerable members of the community and improve social isolation.</p>

As a result, the Hursley Community Shop Association Ltd (HCSA) was set up in September 2018 to save the shop and post office from permanent closure, and to operate it for the benefit of the community. The purchase of the shop by the HCSA was completed on 21 December 2018.

Through volunteers the shop opens for 10.5 hours per day (weekdays), and 10 hours at the weekend. As well as providing general produce it provides an added extension for local products, one example being the local butchers.

A partnership arrangement with Sparsholt Village shop has also been arranged to benefit from economies of scale with purchasing, and for joint research.

Whilst the shop is proving a success under the HCSA, further investment and a refit is required.

Contributions are as follows:

Purchase of shares in HCSA – owned by the local community	£102,000
Parish council support	£8,000
Hursley Village Community Association	£3,000
Cllr Jan Warwick	£1,000
Own funds committed (trading surplus)	£3,000
Donations	£2,400
EU/DEFRA Fieldfare Grant	£13,152
30 volunteers totalling over 4000 hours to date	£30,000
Total	£162,552

The work of 30 volunteers (totalling over 4000 hours to date) will continue to cover the proposed opening hours as detailed in their application. This future match funding contribution has not been included above but is a considerable additional benefit.

The proposed Rural Communities Fund contribution (£11,378.46) will be targeted to the internal refit costs for the shop, including flooring, shelving, chillers, EPOS system, and external works to the window frames and awning, which have been fully and properly costed. Their financial shortfall to complete the project is £11,378.46, equating to just over 6.5% of the total project costs.

Officer comments and recommendation

The Hursley Community Shop Association Ltd have provided a very well thought out application, and an extremely thorough and realistic business plan, demonstrating a clear benefit to, and involvement of, the local community.

They have provided all relevant associated supporting documents, including written letters of support by the Parish Council, the Hursley Village Community Association, and Cllr Jan Warwick, along with their substantial financial contributions listed above.

In recognition of the demonstrable value of the shop to the community, its propensity to promote local produce, and support the community as a whole, as well as the extensive match funding provided by the local community (£162,552), it is recommended that the full amount requested is supported (£11,378.46), to be confirmed at the next EMCRA Decision Day on 13th June 2019.

Officer name: Lisa Wood

Date: 07/05/2019

Rural Manager comments and recommendation

The project proposal meets the aims of the 'rural retailers' theme within the RCF. It is well supported by the business plan which presents a robust locally led solution to maintaining a highly valued community asset.

As well as providing services to a significant number of residents I am pleased to see the 'café' style facilities being incorporated. The added value of such a service helping build social cohesiveness and in tackling isolation.

The wider partnerships with the Sparsholt and local suppliers also demonstrate a more robust connected approach, with direct benefits to and integration within the local rural economy.

Officer name: Sam Jones

Date: 18/05/2019

Local member comments

Councillor Jan Warwick has provided full written support. She has also declared her involvement with the HCSA as a Committee Member, providing further voluntary support and advice.

Appendix 2

Rural Communities Fund - rural retailers and community enterprises scheme guidance

Introduction

The 'rural retailers and community enterprises' theme of the Rural Communities Fund provides funding for retailers and community enterprises in rural Hampshire.

The priorities of the theme are to:

- Help retailers grow and increase their productivity by enhancing the services they offer and providing new ones.
- Help develop both new and existing community enterprises that have a retailing element and show potential to develop into a profitable business that will impact positively on the local area, community and economy.
- Support the introduction or expansion of local products and locally produced food and drink into rural retailing outlets, in particular through collaboration with Hampshire Fare and other local businesses and producers.

Grant criteria and eligibility

- Applications must include a short three year business plan (template provided in the Supporting Information Form).
- Projects must demonstrate how they will grow their business and provide value for money.
- Projects must show how they will enhance the local community.
- Projects must prove that they are not in direct competition with another business in the same village.
- Projects must be in an area/village with a population of less than 5,000 residents.
- Successful applicants must complete the project and all purchases within 12 months and send all information required to claim the grant.

Funding criteria

We can provide grants of between £1,000 and £10,000. Eligible businesses/enterprises must contribute a minimum of 50% of total eligible costs. Therefore, the total minimum project cost would be £2,000 (achieving a grant of £1,000).

For commercial businesses, the match funding cannot be sourced from any other grant making authority. Successful applicants will receive 50% of the grant upfront and the final 50% when the project is complete.

For community enterprises, the match funding can be sourced from other grants. Successful applicants will receive 100% of the grant upfront, however any unspent funding must be returned when the project is complete.

Who can apply

The scheme is open to any retailing business/enterprise selling any of the following:- food/drink; essential fresh produce; locally sourced food (applicants are encouraged to consider becoming members of Hampshire Fare). Craft industries may be considered if a positive impact on other local food retailing businesses can be demonstrated.

Eligible businesses/enterprises include:

- Retailing businesses or community buildings comprising post offices
- Village shops
- Village markets
- Butchers
- Bakeries
- Farm shops

- Cafes and tea rooms
- Newsagents
- Mobile facilities
- Pubs
- Community owned woodlands (if comprising a retail element such as a café)
- Pop up shops/cafes

What we can fund

- Introducing/increasing the range of locally produced high quality foods
- Improvements to sales area e.g. food counters, shelving, lighting, heating etc.
- Internal modernisation e.g. flooring, internal fit-out, energy saving devices etc.
- External appearance e.g. signage, shop front improvements, window blinds etc.
- Development of parking facilities e.g. creating additional parking or improvements to layout of existing parking
- Development of local delivery services
- Security e.g. CCTV, alarms etc.
- Developing websites and advertising (to support the eligible retail activity)
- Upgrade of equipment to improve business efficiency e.g. improved energy efficiency, stock control (e.g. epos systems)
- Retail advice and guidance, marketing and promotion e.g. we encourage applicants seeking to improve the efficiency of their business to get independent advice and a grant can be used for reports/business plans to help do this in the first instance, as well as to implement the recommendations made (as a second application)
- Projects supporting creative locations for essential services, such as shops within pubs, village halls, churches or parish halls etc.
- Setting up a community enterprise that will develop rural retail services
- Collaborative projects with local producers and other local retailers

What we can't fund

The scheme will not fund:

- Businesses within population areas of more than 5,000 residents. Priority will be given to smaller settlements with limited services.
- Like for like replacement equipment or any general maintenance. We will only fund items that will add new value to the business/enterprise.
- Running costs e.g. staff costs, purchase of stock or perishable items
- Standard computer equipment
- Non-independent commercial organisations (i.e. with more than one outlet)
- Loans