



CAPEL DEWI COMMUNITY SHOP

SIOP GYMUNEDOL CAPEL DEWI

Business Plan

January 2013

Church Hall
Capel Dewi
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Executive Summary

Capel Dewi has a population of approximately 400, in 250 homes. It is around three miles from the nearest town, Llandysul, Ceredigion. There is a very limited bus service, no retail premises and the nearest convenience store is in Pont Siân, three miles away.

Dolen Dewi, the Capel Dewi community association has spawned the new initiative of a community shop. Dolen Dewi approached the Plunkett Foundation for advice and assistance with this vision. Plunkett is the only national organisation supporting the development of community-owned village shops in the UK. With support from Plunkett, a grant application was made to the Village SOS Big Lottery fund, requesting a sum to cover the start up of the shop and to support it in its first year. This included money for renovations to the old kitchen of the church hall, where the Shop will be situated, money for the fitting out of the shop and a salary to fund the post of part-time Project Coordinator for 12 months (actually held by two people, job-share).

Capel Dewi Community shop will be a not-for-profit community project. It has been set up solely to answer the need for a shop in the village of Capel Dewi and to provide a 'hub' for the community. It is reliant upon a volunteer workforce, coordinated initially by the two paid, part-time Project Coordinators.

Legal Status

Capel Dewi Community Shop is being established as an Industrial and Provident Society, registered with the Financial Services Authority. A management committee will be appointed to act on behalf of the Members. A Member can be any member of the community, and beyond, who buys a Share in the company. A Share entitles the Member to a vote at the Annual General Meeting or any such meeting called by the Committee.

Customer Need

During 2012, the local community group, Dolen Dewi, had the vision of opening a Community Shop in Capel Dewi. The last commercial shop in the village closed over ten years ago.

There have been varying opinions as to whether a community shop would be viable, but on completion of a village survey, most people were encouraging and willing to support, if not to volunteer, at the project.

There are no other shopping opportunities in the village and residents travel at least three miles to buy the most routine items.

The Committee is aware that it faces competition from 'local' convenience stores and national supermarket chains further afield. There is also the inevitable impact from on-line grocery shopping. To this end it is acknowledged that Capel Dewi Community Shop must have its own identity to offer a unique shopping experience as well as simply being there for those 'store cupboard essentials'.

Work Done to Date

- In November 2012 the two part-time Project Coordinators were appointed. The Legal status has been agreed and is being established.
- Renovations of the old kitchen are underway and estimates have been obtained for shop fittings, phone reconnection, insurance etc.
- Suppliers are being contacted to assess interest and terms and conditions of supply.
- Contact has been established with the Ceredigion County Environmental Health Department to ensure compliance with all legislation.
- The Community is being kept informed via newsletter of all project developments.

- A social evening for volunteers has been organised and new volunteers are continually sought.

Aims

- It is hoped that within the first twelve months the Shop will have become an established part of village life and be running efficiently with a loyal workforce of volunteers.
- It is intended that in this time it will be obvious that the business is viable and, if not already self-supporting, will be capable of becoming so.
- By encouraging input from the Community as 'workers' and having a small 'coffee shop' area it is hoped that the Shop can also operate as a central 'hub' for the village and information point for visitors.
- That the Shop will stock a good range of basic priced and branded goods.
- That the range will include healthy (low sugar, low salt) food and drink options.
- Stock will include environmentally friendly products, organic and Fairtrade goods as part of the normal range.
- A realistic, good value pricing structure will be maintained.
- Locally-grown foods and goods produced locally, within a 30 mile radius, will be stocked where possible, providing they are of comparable quality with goods from elsewhere and at a reasonable price.
- Stock and Suppliers will be constantly monitored to be sure the best deals and the most appropriate items are available.
- The Community is encouraged to recommend suppliers and suggest new lines of stock for the consideration of the Shop Committee.
- The Shop will accept surplus produce from local gardeners providing it is of good quality.
- The Shop will always comply with food Health and Safety measures, as required by the County Council Environmental Health dept.
- Where possible, stock will be obtained from organisations operating on principles consistent with the Shop project i.e. not-for-profit, democratically run, community-focussed.

- Should any profit be made by the shop, this will be ploughed back into the community as small grants to local organisations.

Financial Data

Start-up costs have been met by the Village SOS Big Lottery grant. It is intended that initial stocking costs will be covered by the purchase of Shares by, and altruistic donations from, the Community.

Known running costs are: Rent, electricity, telephone/broadband, accounting services and, from the second year, a shop manager's wages.

It is intended that the shop will become self supporting, although it is acknowledged that this may take some time.

It is anticipated that the shop could take up to £350 per week, based on five days trading per week. Assuming a gross margin on sales of 18% this would result in an operating surplus of £63 per week or £3276 per year.

It is intended to run the shop using robust accounting procedures, providing monthly management accounts.