



Business Plan

Ogwell Community Hub Limited CBS

Abbotsridge Drive Community Shop

1 and 1A Abbotsridge Drive, Ogwell
Newton Abbot, TQ12 6YS

2024-2029

www.ogwell.shop

<https://www.facebook.com/profile.php?id=100079627731533>



V 1.1 April 2024

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Executive Summary

The Ogwell Community Hub Limited Community Benefit Society is seeking to acquire and renovate the neighbourhood shop and bring it back into use for community benefit.

Community-run shops increasingly provide more rural areas in Devon with access to daily food and convenience needs as well as community hubs helping build social connections.

Following several years of engaging with the community and the owners of the former shop unit we have negotiated an agreement to purchase the unit and bring the shop back into use with the community. With the help of the Department of Levelling Up, Housing and Communities' Community Ownership Fund (COF) we plan to purchase the freehold of the corner shop, refurbish it and rapidly bring it back into use as a convenience retail unit and community hub. The cost of the freehold of the shop free hold has been agreed at £315,000 and the refurbishment has been costed at around £80,000. We are seeking a government grant of around £365,000¹. In order to receive the grant from government we are required to raise match funding of around £80,000. We are working toward this through community shares issue, and community fundraising (quiz nights, dinners and events). The Parish Council has been very supportive of this work.

Re-opening the shop will deliver significant benefits to the community including

- | | |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Social Benefits: | A place for community interaction;
A parish hub on the estate side of the parish;
Encourage health and social connections through walking to shop and offer of good quality food;
A focus for connecting with elderly and housebound households. |
| Environmental Benefits: | Reduced delivery miles from supermarkets;
Reduced energy use in building operations through improvements to building fabric and glazing;
Through purchasing support local enterprises with specific environmental objectives (local food and craft enterprises). |
| Economic benefits: | Work experience for young people,
Opportunities for local suppliers;
Employment of shop manager
Creation of additional commercial/community space. |

The project has been organised in four phases in order to minimise risk and ensure a quick commencement of work and opening of the shop before the end of the calendar year (subject to confirmation of COF funds). The phased delivery consists of

Preparatory Phase: early community engagement, preparation of bid, costed schedule of works, share offering, agreement of purchase

Phase 1: Shop Refurbishment and Opening

¹ Includes a request for £50k revenue to assist with start up costs including shop manager and initial stocking.

Phase 1A: construction works to shop

Phase 1B: opening and ongoing operation of shop

Phase 1C: decoration of flat above and short term let

Phase 2: Redevelopment External and potential Change of Use (COU) of flat from residential to commercial/community space.

Phase 2A: Final scheme design & Planning Submission

- **Externals – off-street parking, commercial waste storage & recycling point**
- **Change of Use/Conversion of garage and flat above to employment/community space, following community engagement to confirm final uses and layouts**

Phase 2B: construction of changes of use and externals as permitted

Phase 3: ongoing operation

OCH has been a member of the Plunkett Foundation since 2020 and their support in refining our approach and critically reviewing our plans for the community shop has been invaluable. Our project has the support of the community, Ogwell Parish Council, the District Council and local councillors, and our Member of Parliament.

1 Introduction & Background

Ogwell Community Hub Limited Community Benefit Society is registered with the objectives of establishing and operating a successful community shop and hub providing service for the people of Ogwell and the surrounding area, and to provide opportunities for volunteering, social interaction and an outlet for local food suppliers and producers.

Our vision & mission for the Ogwell Shop project is:

To reinstate and run an economically viable and sustainable village shop owned and managed by the community, which is mainly staffed by local volunteers and operates exclusively for the benefit of the community.

The shop will provide an attractive, welcoming and valued focal point for the village, servicing and actively supporting the community and its visitors.

But our plan is more than just a shop. It's a chance for people to meet and businesses to sell. It's a chance for that first work experience for a young person. It's a chance to bring pride and neighbourliness onto the Ogwell estate.

This Business Plan provides a summary of the plans for our shop. It sits alongside a number of policies and technical documents which the Ogwell Community Hub Limited management committee has produced.

1.1 Who We Are

The Ogwell Corner Shop project is being developed and will be run by Ogwell Community Hub Limited (OCH) which has been established as a Community Benefit Society, registered with the Mutuals Public Register, [Registration Number: 8648](#).

OCH has been working for several years to find a way to introduce activities and services into a rural fringe parish which is devoid of any local service hub. The OCH group has been working for several years to introduce activities and services into a physically divided community with rural and urban challenges.

Since the group's inception work to provide a shop and service hub has been a major priority and over the past 4 years the group has been working to identify opportunities to bring the community together and re-introduce services to local residents. Top of the residents' wish list is to provide a local shop in the Parish. Since the closure of the "corner shop and newsagents" at 1 Abbotsridge Drive the almost 1.200 households of the Parish are without access to neighbourhood retail.

1.2 Our area and community

Ogwell sits on the rural urban fringe of the large market town of Newton Abbot. The Parish is largely rural, but most of the residents live on the modern rural/suburban estate which is home to around 900 households, with several hundred households in the old part of the village East of Canada Hill and dispersed across the countryside of the parish.. There is a primary school on the estate. The smaller settlements of East and West Ogwell are more rural in nature and have very limited access to services.

In the parish there are 2,570 Residents living in households plus around 650 adult males living communally in Channings Wood Prison.

The usual residents (excluding prison population) of the Parish are fairly evenly split between children, retirement age and young/older working age:

	Resident population	%
65 years and over	576	22.3%
40 - 65	899	34.8%
20s & 30s	576	22.3%
children & teenagers	533	20.6%

These Parish households are roughly equally split between families with children, working age families including some with adult children, and households with residents over retirement age. Around 25% of households are one person households.

The parish has far more family households with children (38%) than the district as a whole where only 24% of households have dependent children, and fewer pension age households. This is a key driver for a local shop; busy families can quickly access everyday needs, and children will grow up understanding that a walk to the shop can be fun and easy, rather than having to drive or use a delivery app to access food.

The community Primary School, with an enrolment of around 400 pupils, is located 50 meters from the shop and the passing trade of these hundreds of families twice daily and was traditionally a big source of turnover for the shop. Many children from outside the parish attend the Primary School, and close to 10% of the children are eligible for free school meals.

The Parish is not an area of high deprivation, however, 44% of Households in Ogwell Parish are deprived in at least one dimension, with Access to Services being the most common dimension of deprivation. The largest employment sites in the Parish are the Prison and the Primary School. In addition, there are some agricultural-based activities and some rural commercial activities.

At the 2021 Census there were around 460 residents who worked mainly from home. This includes both home-based workers and tradespeople who work out of their homes, but as the 2021 Census took place around times of Covid lockdowns it can be assumed that a large number of these were office workers who are able to telecommute at times.

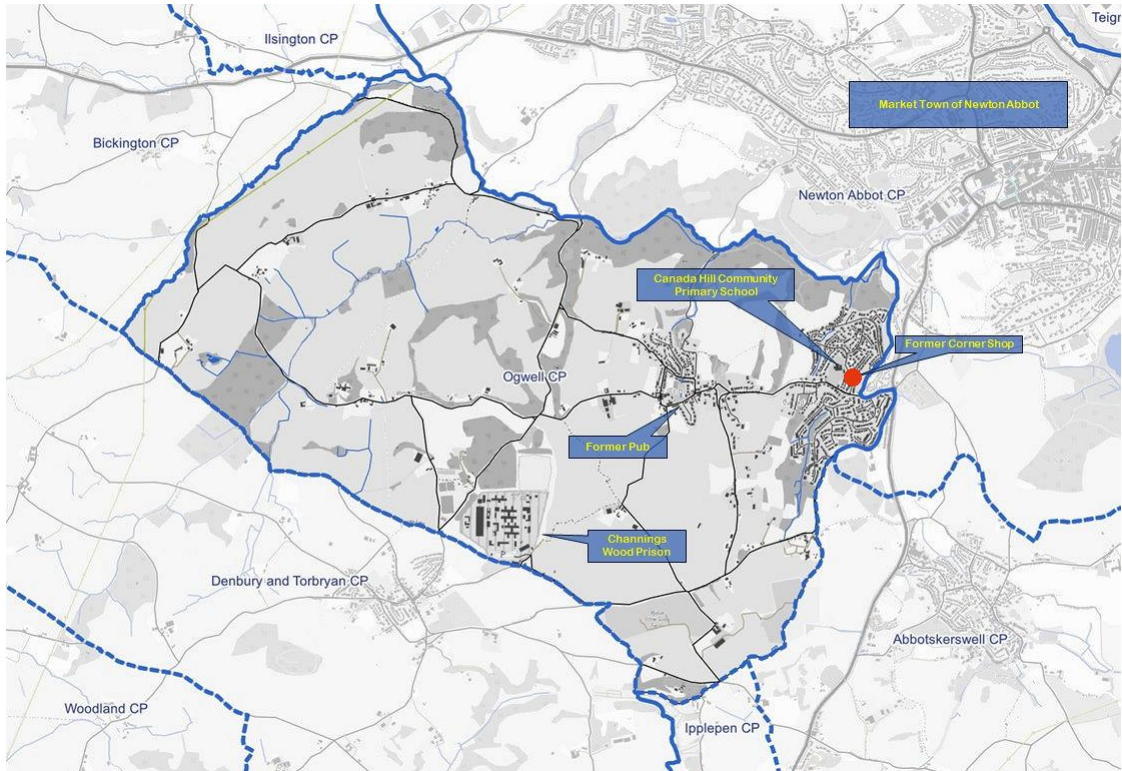


FIGURE 1 PARISH OVERVIEW

1.3 About the Shop at 1 Abbotsridge

In the middle of the last century East Ogwell was served by shops including a bakery and a grocer, but with the passing of time (and coming of the car) these shops began to close until there were no services or shops left.

When a large estate of 1000 homes was planned for the rural fringe of the market town of Newton Abbot in the 1970s, a local shop was an important requirement. By the mid-1980s the shop at Abbotsridge Drive was a local fixture serving families living on the estate and the daily visitors coming to the primary school next to the shop. The Shop operated successfully for about 25 years until the current owners ceased trading. Since then, the shop has been closed and left empty, turning into an environmental eyesore and a gloomy feature of the area.

With the help of COF funding, we propose to purchase the freehold of the corner shop building, refurbish the shop and bring it back to use. We have set out a phase programme of works to enable quick turnaround from derelict shop to active community shop and hub.

1 Abbotsridge Drive, East Ogwell, Newton Abbot, **TQ12 6YS**
 Land Registry Title Number: DN 236868
 Shop Unit: 76m2 (EPC "C" rating / 71 Environmental Rating)
 2 Bed flat above 82m2 EPC "E" rating / 53 Energy Efficiency rating)
 Large garage/storage and parking



FIGURE 2 – IMAGE FROM GOOGLE STREETVIEW APRIL 2022 © GOOGLE

An asset at Risk

The circumstances of the owners have meant there has been no option for the shop re-opening since closure in 2014. In 2019 and 2021 planning applications were submitted to convert the shop to residential. The district planners were able to refuse the conversion applications and defend that decision at appeal. This was based on a local plan policy about loss of services, and the more recent changes to use class order which states that a shop more than 1km from any other retail, rather than being classed in planning as a shop (class E) is classed as F2 Community Use. This planning support provides some protection from loss of the unit, but as the current owners have no intention to reopen the shop that ‘protection’ is moot.

The owners have shown no interest in marketing the shop unit, and the significant refurbishment costs would make the unit commercially unattractive. The owners have made it clear that they would only consider leasing the shop for a significant commercial rent (valuation / negotiations between Aug 2023 and Jan 2024 have ruled out this option.).

There are no alternative options for the siting of a shop other than purchasing a dwelling and seeking to convert this through planning. However, this would be resisted by neighbouring properties and the location of the shop, next the primary school and along the bus route, was originally planned as the ideal location.

It is worth noting that the shops in the adjoining Parishes of Abbotskerswell and Denbury have also seen their shops close. The model of community-run shops is strong and growing across rural parts of Devon.

1.4 Features of the Project

A newsagent or corner shop is something most people are familiar with, though in rural communities and on large modern estates even this simple level of service is now rare.

But local people are stepping in to address this. In 2020 there were more than 400 community shops trading, and the Plunkett Foundation estimates a high long-term survival rate remains high at 92.5% - even during and following the challenges of Covid.

In our area of South Devon there are more than a dozen community-run shops serving rural and suburban communities. These shops provide the expected daily necessities and brands. But alongside this a wider range of goods are offered – often fresh local foods and unique products. In addition to reduced food miles, the use of local suppliers provides stronger connections within communities. And by taking on profitable mainstream convenience store, like good quality self-serve takeaway coffee or small selection of pre-prepared hot takeaway these community can be economically profitable.

The Ogwell Community shop has visited and explored dozens of community shops to see what works best and is becoming an active member of the community shops network.

Our unique trading position being on a large estate, next to a primary school, but being a part of a larger very rural parish presents opportunities. A key feature of our operational cost plan is to provide deliveries, which will also provide engagement with housebound and elderly residents.

We propose to use an electric cargo bike for close delivery and a larger electric delivery cart for connecting to the more rural areas (over a steep hill on narrow lanes). An electric cargo bike can be ridden by unlicensed riders and just as a paper route used to be an important first job we hope community teenagers can help with deliveries, being paid by a small delivery charge and tips.

An on-road electric delivery cart for larger deliveries (and collections) will require vehicle licensing and must be driven by a licenced driver and there are already numerous retired people volunteering to drive “the golf cart” for deliveries and checking in on remote, rural neighbours.

2 Engagement, Need and Demand

2.1 Policy Context

Though not currently trading, the lawful use of the corner shop is as retail (Class F2 Community Use). The flat above is a standard use class C3 residential. A planning opinion was sought early on to determine if planning permission would be required for basic refurbishment, and it was confirmed that the Phase 1 scope of works does not constitute operational development.

Ogwell Community Hub hopes to engage with the community in Phase 2 to explore options to convert the flat into community or commercial space, but initially the flat will continue to be rented to generate income to cross-subsidise the shop during initial trading.

2.2 Community Engagement Undertaken

Following considerable engagement and surveys preparing the Ogwell Neighbourhood Plan (during 2014-2018) it was clear that there was a strong community demand for a local shop. With there being no local groceries or services, this was one of the top well-being priorities in the plan. This led to a specific policy WB02 Local Shops setting out protection for any existing premises and in principle support for future development of shop facilities.

Following this the Ogwell Community Hub group was created to work on creating opportunities for the community to come together and to work to bring about a community service hub.

The Ogwell Shop logo was designed by students at the neighbouring Canada Hill Community Primary School during early engagement in 2020.



2.2.1 ONGOING ENGAGEMENT

The Ogwell Parish magazine is delivered to every household in the parish at least 6 times a year free of charge, and regular updates on the activities of the Ogwell Community Hub CBS are reported. Contact details for the Community Hub are listed in each issue of the magazine.

In preparation of the COF bid for community ownership all properties in the immediate vicinity of the corner shop were contacted directly to invite discussion on the project. Several neighbours replied directly to express relief that the shop would be refurbished and re-opened.

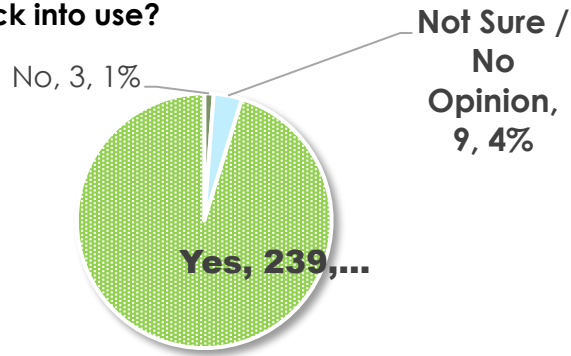
First Shop Survey

In March 2020 the Ogwell Community Hub group carried out a community consultation exercise to better understand requirements and potential for a shop. Surveys were delivered to all households of the parish and there were 308 responses (roughly 30% response rate) – all with positive responses. This first survey sought specific answers about shopping preferences. A long list of potential items for a local shop was provided and the most desired items identified were fresh milk, fresh fruit, vegetables, and fresh bread.

Second Shop Survey

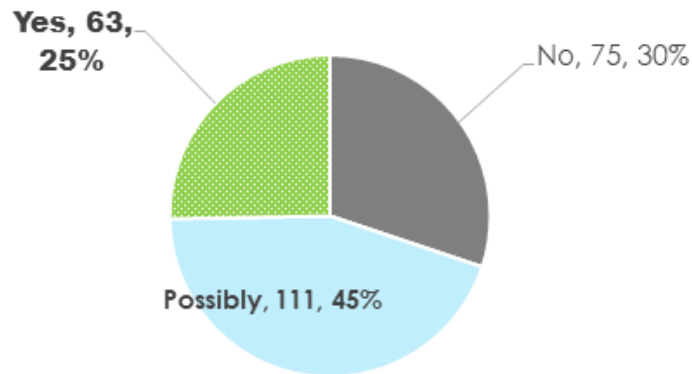
A second survey was circulated on social media in October-November 2023. This was circulated on social media in order to reach households with close connections to Ogwell but who may not reside within the Parish. In 15 days, there were 265 responses to this and 95% specifically said they supported bringing the “Ogwell corner shop” at 1 Abbotsridge Drive back into use.

Do you support the effort to bring the Ogwell corner shop back into use?



To further judge the level of support we asked if respondents would be willing to volunteer to help out in the shop. There were 63 people who said Yes and a further 45% of respondents who might be willing to volunteer.

would you be **willing to volunteer to take on a shift at the till, or other helping out, a few times a month?**



This survey asked an open-ended question: **Name three of the most important things you think a local shop/hub should have:** and the most mentioned items were:

milk	158
bread/bakery items	133
basics/essentials	65
newspaper	38
veg	26
sweets	21

coffee/tea	21
alcohol/wine	21
locally sourced	20
parcel/post	10

At the end of the survey there was an open-ended field for any other comments, and half the respondents left comments. Most were positive and supportive (see Annex with extract of comments). There were also specific issues raised, such as parking and how would house-bound people access the shop. The latter issue confirmed the importance of a key part of our plans which is to have an electric delivery vehicle to make deliveries to homes around the Parish. We've already had several volunteer drivers.

Responses came from the new estate around the Abbotsridge shop, but also further afield (most likely parents of children attending the primary school adjacent to the shop).

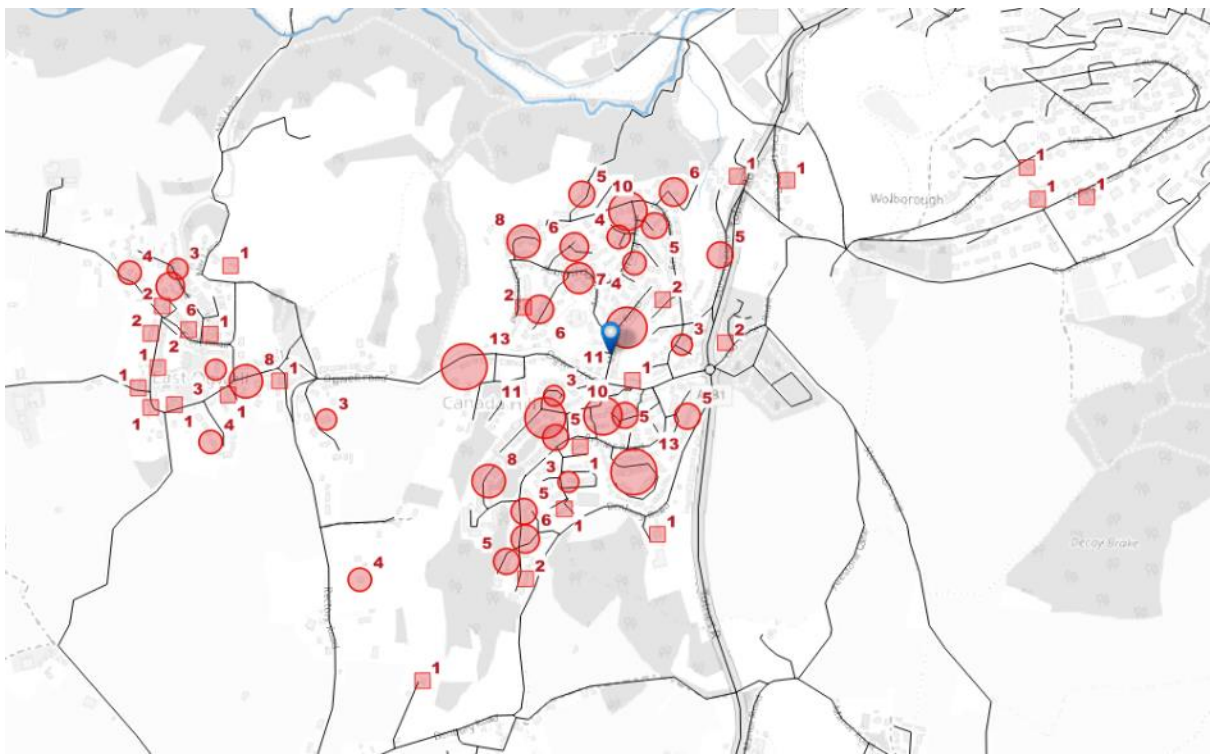


FIGURE 3 EXTRACT OF MAP OF LOCATION OF RESPONSES TO 2023 SURVEY

Direct Engagement

Finally, before preparing a bid to COF and agreeing to progress with proposals for the Abbotsridge Shop Purchase, all households in the immediate vicinity of the shop were sent a letter with summary information and inviting residents to speak to someone from the group to discuss any issues.

The response from neighbours was fully positive as the derelict shop is becoming an eyesore. We spoke with everyone contacting us and will ensure that as plans develop there is ongoing engagement and information. **The proposed shop will be part of the community, and being a good neighbour will be one of the ongoing principles of operation.**

2.3 Our Response to Need & Demand

Community demand is evident from the responses to our two community-wide surveys and ongoing engagement. Additionally, the trading reports of the shop in the 90's and 00's shows that the shop can be viable. The figure below highlights the more the 1000 homes that are within walking distance to the shop. Added to this are just over 300 students who come to Canada Hill Primary School next door each day, of which a substantial number come from outside the Parish.

Whilst the Ogwell Parish does not suffer from extreme deprivation the community suffers from lack of services. Older residents in particular have limited opportunities near to home to interact with and engage with others. The hope is that the community hub can provide these important links. A key part of our business plan is to provide a delivery service, via an efficient electric vehicle, to housebound residents and to those that find the large hills and narrow country lanes difficult or dangerous to walk. The delivery can be an informal way of ensuring elderly and housebound residents are receiving any attention they require.

Young people, residents and local school children, need to understand a community is made of more than just houses and deliver vans. A generation of young children in Ogwell are growing up not even knowing that one can walk to a shop to buy a pint of milk. The health and social consequences of this are self-evident, and tragic.

Local businesses are also an important part of the need. Our Parish is home to farmers, fishmongers and crafts people who would welcome a chance to connect with local residents and provide their goods with minimal overheads. We have had enquiries from service providers (eg, hairdressers) who have already expressed interest in taking up commercial space if that could be provided in the mid to long term.

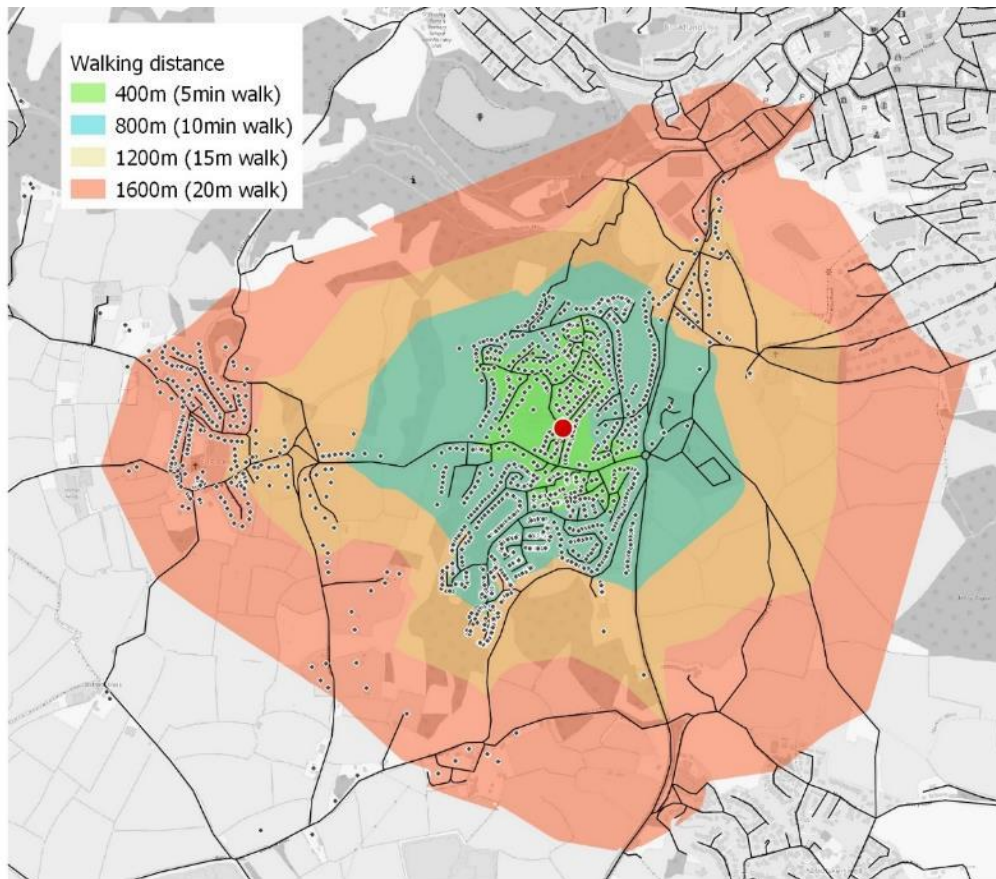


FIGURE 4 - MAP SHOWING THE WALKING CATCHMENT FOR THE SHOP

2.4 Equality, Diversity and Inclusion

Being in rural Devon there is limited racial and ethnic diversity in the Parish; 98% of residents are White, and just 5% of residents were born outside the UK. Rather than ethnic challenges, the exclusions and divisions in the community are

- Geographical: a large hill separates the suburban housing estate from the rural parish including the old village of Ogwell
- Socio-economic: 20% of households are in private and social rent on the modern and in general are less well integrated with the social life of the rural parish. The primary school works with families experiencing personal and financial difficulties, and while the community hub will not provide direct services, it hopes to act as signposting and where there are urgent needs for support working with other agencies to provide support.
- Divided by Age: the estate features more children and working families than the rural part of the parish, but the modern estate also features a large number of bungalows and there are 107 households that are single older persons households. This group has limited opportunity for social interaction.

2.5 Competitor and Partner Analysis

With the very recent closure of the shop in the neighbouring village of Abbotskerswell, there are no retail outlets that meet the criteria of being a direct competitor with the Abbotsridge Drive shop. However, in the evolving landscape of retail, the community shop in Ogwell faces a diverse range of indirect competitors, each with its own strengths and market positioning.

The major supermarkets in Newton Abbot (Asda, Sainsbury's and Tesco) all have online ordering and delivery services, catering to the growing consumer preference for convenience and digital shopping experiences. This trend is reinforced by the pandemic-induced shift towards online retail. The supermarket's comprehensive inventory and digital presence draw customers seeking a one-stop-shop solution, potentially impacting the footfall to smaller, specialized convenience stores such as Abbotsridge Drive. We are very aware of the challenges that must be navigated to remain competitive with larger retailers, particularly in terms of pricing and product range, to retain and grow market share in a landscape increasingly dominated by e-commerce.

Other indirect competitors include smaller, chain-owned "local" supermarkets in Newton Abbot and the garden centre near Ipplepen. The latter hosts a traditional butcher, high-end grocery outlet and bakery onsite and benefits from the consumer trend of valuing food provenance and quality.

The Abbotsridge Drive shop's location is its key strength; being situated centrally in a medium-sized housing development and adjacent to a school provides an accessible customer base and route to market. The truly local, community-owned convenience shop has been proven to be a viable commercial model and we have visited and/or examined the books of more than a dozen similar community shops in our area of South Devon to help form our business plan and cost estimates. The personalized service and unique offerings of these smaller vendors can also create a loyal customer base that values the shopping experience over the convenience of online ordering, and we intend to capitalise on this in developing our sales strategy.

Partnerships

Close working with partners provides a significant boost and reassurance that we are on track to create a successful community enterprise.

OCH has been a member of the Plunkett Foundation since 2020 and their support in refining our approach and critically reviewing our plans for the community shop has been invaluable.

We have also joined a network of Devon community-run shop groups through a group established by Devon Communities Together (the Community Council of Devon).

Our project has the support of Ogwell Parish Council, the District Council and local councillors, and our Member of Parliament. Each of these has experience which can be called on for advice and support as our work progresses.

3 Resources

3.1 Governance

We are a community benefit society, registered with the FCA. As such we hold annual meetings and produce annual returns. We have appointed an accountant and suitably qualified persons to provide annual accounts review/Independent Examiners Report.

Work to date has been undertaken by a committee of local residents, and we welcome any residents wishing to take an active role to join the group. Once the shop project is operational, and there is an established community-wide membership through shareholding, we will create a sub-committee structure to work on individual issues like volunteer coordinating, shop stocking and sales, and work on Phase 2 of the project.

All meetings have a written record and minutes can be provided to anyone who requests. Regular updates are provided at the public Parish Council meetings.

Annual returns are available on the government's FCA website.

3.2 Membership and Engagement

Formal membership is through purchase of at least 1 £25 share in the Community Shop. Based on expressions of interest we are starting from an initial membership of at least 50 residents. However, as a community enterprise we consider we have a duty to all residents and those connected to the community.

In addition to the engagement described in section 3 above, we have an adopted engagement plan, provided as an annex to this document. This engagement plan will be regularly reviewed by the committee with input from stakeholders who will, in time, include all those people visiting the shop.

Our adopted Communications Plan is appended to this document as an Annex.

3.3 Our Board Members

MEET THE TEAM

A Management Committee of Parish residents is leading on the plans for the neighbourhood shop on Abbotsridge, alongside working to bring a parish pub back into use. This group includes people with a range of experience and professions and a **proven track record in delivering complex capital projects and community infrastructure.**

Core Team Members Include:

Paul Martin (Chairman)

Paul is a retired teacher with considerable experience in community outreach. Paul has been instrumental in establishing Ogwell Community Hub and the Ogwild biodiversity group. Ogwild has a large number of regular volunteers and has recently

won the Devon Local Nature Partnership Wildlife Community of the Year Award. Paul is a Parish Councillor.

Mary Elkington

Mary is a chartered town planning consultant and director of Figura Planning Limited. She has experience in delivering large scale community infrastructure projects, and as a principal officer for Teignbridge District Council Mary led on community infrastructure projects and worked with the team delivering the multi-million pound renovation of Newton Abbots Public Library and delivery a major transport schemes.

Alex Fitton

Alex is owner/manager of a gourmet cheese and wine shop in Exeter (Pullo) and has considerable experience in retail; Director of Trouvaille Food & Drink Ltd.

Stella Llewelyn

Stella is a retired solicitor and former finance partner and head of conveyancing at a large south devon firm. Stella was involved in the setting up of the community shop at Broadhempston Parish (South Devon). She is a former chairman of the Parish council and hall committee and current chairman of the tennis club and church warden.

Ruth Maker

Director & Company Secretary of Technique Property Services Ltd and Technique Property Steering Ltd whose work includes an extensive project portfolio including commercial buildings, water treatment works, service reservoirs and waste water works. Ruth is Chair of Governors at Canada Hill Primary School.

Steve Renyolds

Steve is chairman of the Parish Council. Steve retired from Barclays recently after 43 years most of which was spent as a Relationship Manager/Director and Business Development Director, working with SME businesses across the South West. Steve is a Fellow of the London Institute of Banking & Finance and currently acts as Treasurer, Newton Abbot & District Recreational Trust Ltd and Bar Chairman of subsidiary trading company Coralwharf Ltd - providing sporting, social and recreational facilities for the wider community. He also is Chairman of Havencare Homes and Support Ltd one of the leading Care organisations in Plymouth, South Devon and Cornwall for supporting people who have a learning disability and behaviours that challenge.

Stuart Robinson

Stuart served in the Royal Navy for nearly 30 years holding operational roles at sea including Command and appointments ashore in the Ministry of Defence and Defence Acquisition. Joining defence industry in 2003, he gained broad experience in commercial practices, sales and programme management before retiring as Director Business Development of Thales UK Underwater Systems in 2021.

4 Refurbishment Capital Project

4.1 Feasibility Work Undertaken

Over the past few years Ogwell Community Hub have been engaged in a range of technical work preparing to fund and deliver the local shop project. Work undertaken to date includes:

Project Alternatives

Preparatory work involved more than a year of exploring options for creating a community hub and shop. The only public buildings in the parish are the church, village hall, pub, school and the closed shop at Abbotsridge. All but the shop are located “over the hill” remote from the estate where most people live, but a scheme to use part of the pub and a delivery service to provide some services was considered. However, a fire in 2021 destroyed the pub and whilst recent negotiations with the brewery about future use of part of the old pub are positive, this option is unlikely to be possible for several years. Purchasing a home on the estate and converting it into a shop would be expensive and it is unlikely that neighbours would support such a change. There are no alternative opportunities.

Project Feasibility

A number of community shops were visited and their trading figures were explored in detail. The model for community-run shops is that a manager, usually part time, provides oversight of stocking etc and volunteers in the community take shifts working in the shop. In some cases volunteers take on specific stocking duties (eg responsible for daily collections for local bakery). Based on the turnover and books, and the fact that these shops stay in business over the long haul made it clear that a shop would be economically sustainable in our community. Having had a large number of potential volunteers respond to our surveys further confirms the project will be supported.

Valuations and negotiations

Initially three agents were instructed to value the shop unit for commercial lease to underpin negotiations with the owner. Once it was clear a leasehold acquisition of the shop unit would not be reasonable, further valuations were instructed for the sale of the freehold of the shop including the flat above. Lawyers have been instructed and have advised on the agreement to purchase the property.

Architect and builder estimates

A surveyor (condition survey) and architect have been appointed to produce schedule of works for phase 1 works and produce a cost-schedule for the refurbishment. Costings and estimates for work packages have been produced to inform the business plan and bidding for funds.

Planning appraisal

An appraisal has been conducted to determine how the shop can be brought back into use quickly without requiring planning activity. De-risking planning has driven our phased approach of securing funding to refurbish the shop and bring it back into use quickly followed

by ongoing engagement and project planning for more comprehensive external changes and possible change of use for shop and garage.

4.1.1 COMMERCIAL VIABILITY

Our financial and operational business case, set out in Section 6 was informed by reviews of other community shops and calibrated with turnover from the Abbotsridge shop before closure. The following table shows the ranges of operating figures from 10 Devon community shops whose books were explored in detail. This is background information was used to produce the robust financial forecasts set out in Section 6 of this document. Not all shops made a profit in **every** year but all were operating successfully. Some shops made sufficient profit to contribute significant sums to Parish and community projects.

Annual cost/turnover for sample of Devon Community-run shops	Maximum from Sample	Minimum from sample
Wages	£26,286	£12,737
Rent	£2,004	£100
rates and water	£688	£688
Light and heat	£8,441	£2,556
Wastage	£1,230	£1,230
Insurance	£1,062	£316
Repairs and renewals	£5,154	£82
Equipment maintenance	£2,101	£678
Telephone	£2,391	£331
Post and stationery	£1,124	£111
Licences and subscriptions	£1,219	£101
Cleaning	£923	£555
Waste disposal	£749	£109
Sundry expenses	£1,277	£7
Accountancy	£3,428	£580
Advertising	£738	£0
Bank or credit card	£3,183	£1,259
SALES	£256,708	£127,600

4.2 Asset Ownership

We have an agreement to purchase the Freehold of the full shop property which includes a garage and small 2 bed flat above. This is currently organised as two separate titles with a freehold and leasehold, but in registering the purchase these are being brought into a single freehold title. The property includes a small verge (presently weeds and rubbish but will be landscaped and tended by volunteers).

The building title carries a restrictive covenant that the shop unit can only be operated as a shop – this presents no problems as our intended use of the shop unit continues to be operated as a shop. There is a covenant tying the flat above to the operation of the shop, and legal advice is that this can be amended/discharged in the even a change of use is sought

for the shop. However this does not present a risk to the shop project as interim and continued rental of the small flat can continue to ensure the shop trades in profit.

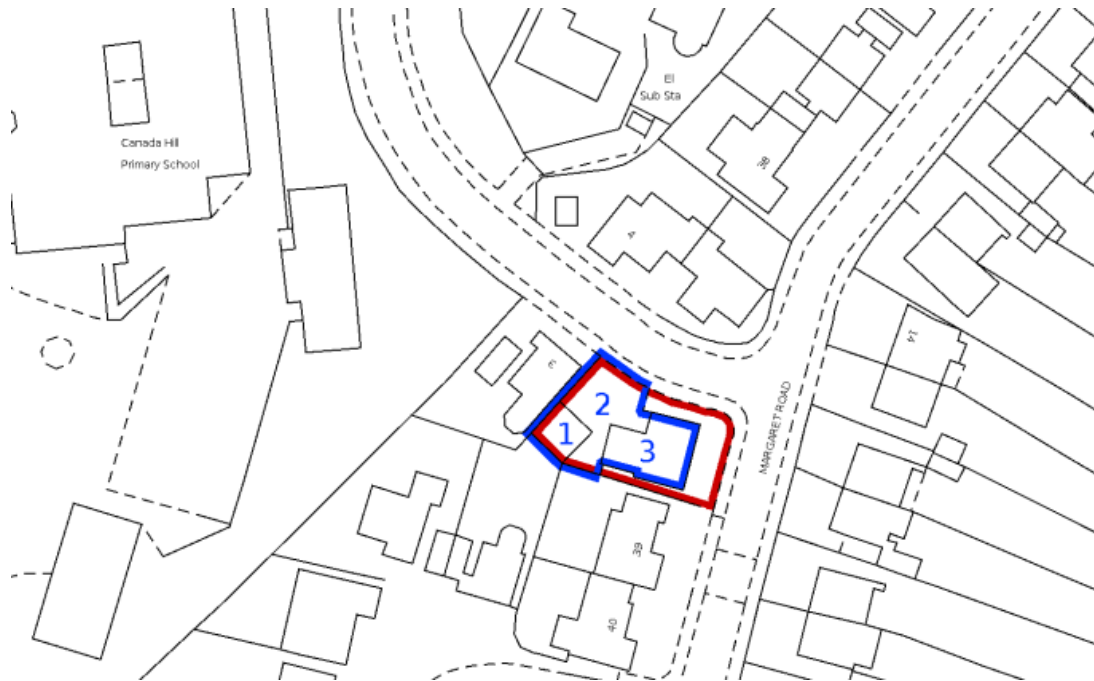


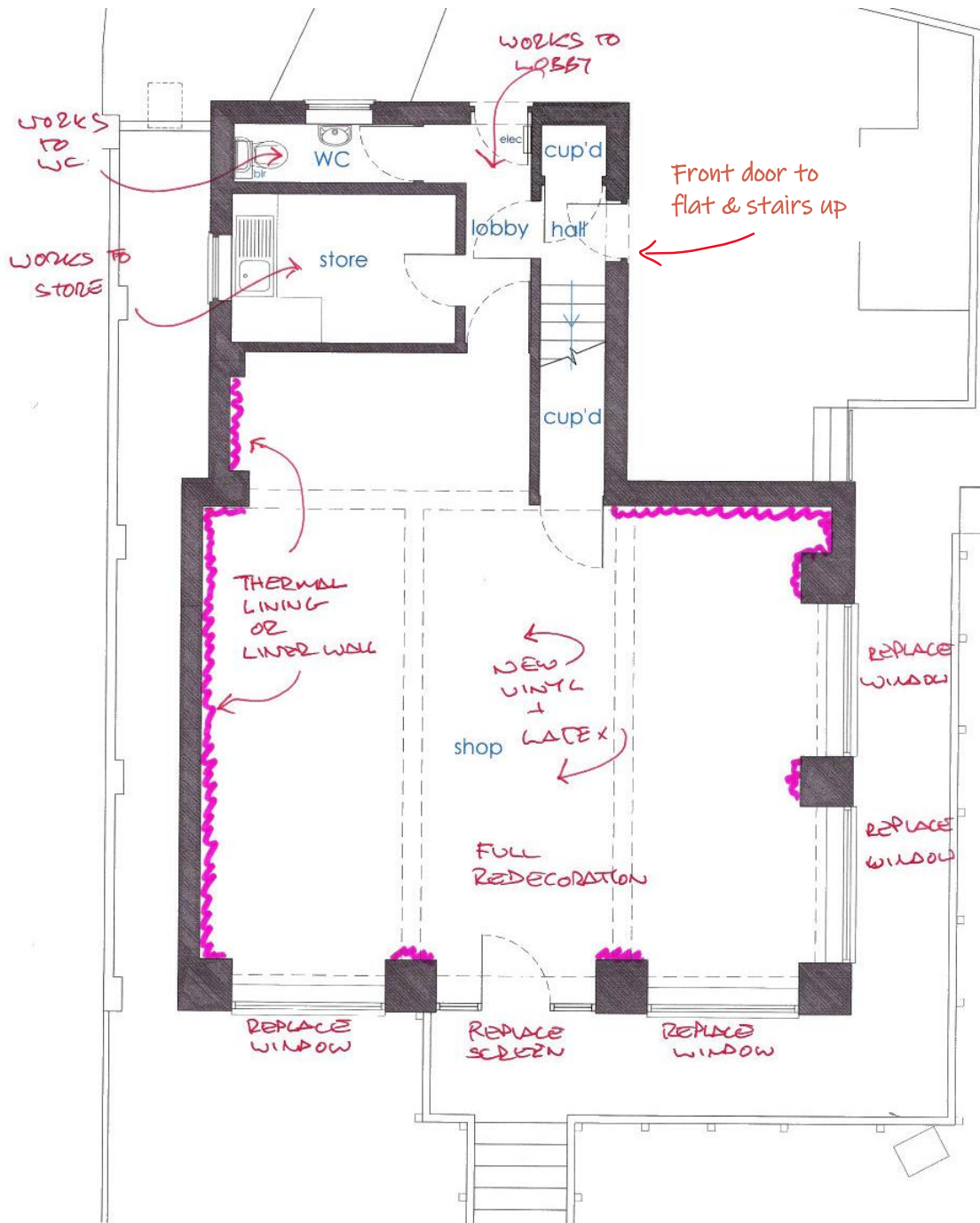
FIGURE 5 EXTRACT OF LAND REGISTRY TITLE PLAN

1 IS GARAGE, 2 IS HARDSTANDING AND 3 IS SHOP/FLAT UNIT ©HMLANDREGISTRY

4.3 Phase I design

The refurbishment is focused on making the shop serviceable and safe, restoration of the access stairs and ramps (currently blocked off and unsafe), shop-fitting (chillers, shelving etc) and basic decoration/improvements. Replacement of glazing is required as there are some broken windows and the wood around the large shop windows is rotting.

There is no central heating in the shop (waste heat from the chillers has been adequate for winter heating in the past). Standard air purifiers and extractor fans will be adequate for ensuring thermal comfort, though Phase II may involve heat pump and mechanical ventilation with heat recovery for the whole building.



ground floor plan



The entire building requires painting and soffits and guttering will need to be replaced. This is required to protect the asset and make the shop a clean, safe and welcoming building.

As noted the plan in Phase 1 involves continued renting of the flat for a period of time whilst the shop is refurbished and trading commences. The flat will require re-decoration but this

will be done by community volunteers. Flooring and glazing replacement will involve modest costs which are estimated on a per-square-foot basis.

4.4 Capital Costs and Funding

The proposed capital budget for Phase 1 of the project is £398,520 comprising purchase of the property and refurbishment costs:

Figures provisional.
final quotes/
estimates pending.

Purchase of 1 Abbotsridge Drive	
Freehold Purchase of 1 Abbotsridge Drive	£315,000
Cost of purchase (legal fees, searches etc)	£3,850
Stamp duty (mixed use property)	£5,250
Shop Refurbishment Capital Costs	
External Works	£20,500
Shop Unit Refurbishments	£8,620
Shop Fit Out (fixtures and fittings)	£38,500
Contingency and delivery oversight (10%)	£6,800

The full schedule of work and costing have been worked up on published prices and quotes/estimates for various work packages, though as of April 15th further quotes and updates are still expected.

The key cost items in the above refurbishment costs include:

External Works

- Replace Soffits
- Paint N and E elevations
- Access Ramps – refurbish stairs, ramps and replacement railings with (lower maintenance, higher safety)
- Replace Awnings on windows to East
- Replace missing signage
- Landscaping – minor changes to area to left (S) of stairs to create space for bike rack

Shop Unit Refurbishments

- Replace shop glazing with triple glazed windows
- Internal insulation to external walls (thermal efficiency)
- Internal light fixtures (commercial grade)
- Flooring – resurface with easy maintenance flooring eg lino (GF 76m2 / 775ft2)
- Electrics – refurb & ensure suitable for chillers and office equipment
- Shop WC replacement

Shop Fit Out

- Fridges
- Freezer
- Shelving/display cabinets
- Key points for electrics etc
- Indoor air filtration

Our detailed financial forecasts and cashflow details for years 1-5 are available as a separate document. In consideration of detailed financial proposals, we have apportioned our 20% match funding across the range of expenses.

4.4.1 REVENUE FUNDING REQUEST

We intend to request the full £50,000 revenue support grant available from the community ownership fund. Detailed profit/loss sheets provide comprehensive data on expected revenue expenditure and we have assumed in our business case that the full £50k would be available. Nominally our preferred use for the startup revenue grant is as follows:

Ogwell Community Hub Shop Project REVENUE FUNDING	
Setup Revenue Costs	
£1,500	business equipment (PC, Printer)
£1,200	Point of Sale setup and licence (year 1)
£2,800	electric cargo bike
£1,500	business equipment (PC, Printer)
Initial operating revenue costs	
£15,000	Stock for initial sales
£24,996	12 months salary/NI for part time manager
£5,000	Electric and telecoms (first 12 months)
£2,250	Estimated 1 st year Bank Charges

5 Operational Business Case

The overarching business case for the Ogwell Community Hub is to support the local community and deliver well-being, social, environmental, and economic benefits. However, detailed financial modelling supports a robust business case and demonstrates that the shop will trade successfully.

5.1 Revenue Finance Overview

An abridged summary of forecasts for the cashflow for the first years of trading are shown in the table below:

Cash flow Forecast (EXC VAT)	Year 2024- 25	25-26	26-27	27-28	28-29
INCOME					
Shop Sales	£37,500.00	£150,000.00	£180,000.00	£210,000.00	£210,000.00
Share Issues	£45,000.00	£0.00	£0.00	£0.00	£0.00
Setting Up Grant	£8,945.00	£0.00	£0.00	£0.00	£0.00
County/District Grants	£1,400.00	£0.00	£0.00	£0.00	£0.00
Fund raising	£202.00	£0.00	£0.00	£0.00	£0.00
COF Grant	£68,416.00	£0.00	£0.00	£0.00	£0.00
COF Revenue Grant	£18,000.00	£0.00	£0.00	£0.00	£0.00
Total Receipts	£179,463.00	£150,000.00	£180,000.00	£210,000.00	£210,000.00
EXPENDITURE					
Purchases (Stock)	£43,125.00	£112,500.00	£135,000.00	£157,500.00	£157,500.00
Salaries (Inc. NI & Pension Cont)	£8,332.00	£25,000.00	£25,000.00	£27,500.00	£27,500.00
Heat Light Power	£1,998.00	£3,996.00	£4,000.00	£5,000.00	£5,000.00
Telephone / Internet	£498.00	£996.00	£1,000.00	£1,000.00	£1,000.00
Repairs / Maintenance	£80.00	£240.00	£240.00	£240.00	£240.00
Insurance	£950.00	£950.00	£950.00	£950.00	£950.00
Licences / IT Costs	£348.00	£696.00	£700.00	£800.00	£800.00
Legal / Professional	£8,530.00	£0.00	£0.00	£0.00	£0.00
Accountancy	£300.00	£2,100.00	£2,100.00	£2,100.00	£2,100.00
Office Stationery / printing	£415.00	£500.00	£500.00	£550.00	£550.00
Cleaning / Waste	£332.00	£996.00	£1,200.00	£1,225.00	£1,225.00
Advertising	£200.00	£240.00	£250.00	£250.00	£250.00
Bank Charges	£752.00	£2,250.00	£2,250.00	£3,150.00	£3,150.00
Sundries	£240.00	£360.00	£600.00	£600.00	£600.00
Wastage	£150.00	£360.00	£500.00	£500.00	£500.00
Capital Expenditure	£85,520.00	£0.00	£0.00	£0.00	£0.00
Total Expenditure	£151,770.00	£151,184.00	£174,290.00	£201,365.00	£201,365.00
Profit/Loss	£27,693.00	-£1,184.00	£5,710.00	£8,635.00	£8,635.00
Opening Balance	£0.00	£27,693.00	£16,309.00	£22,019.00	£30,654.00
Income	£179,463.00	£150,000.00	£180,000.00	£210,000.00	£210,000.00
Expenditure	£151,770.00	£151,184.00	£174,290.00	£201,365.00	£201,365.00
Balance carry forward	£27,693.00	£26,509.00	£22,019.00	£30,654.00	£39,289.00

When the shop was modelled with significant rental costs, for the shop unit, it was not possible to operate regularly in profit based on our conservative estimates of turnover.

In the basic cash flow forecasts we have not included rental from the flat which would return around £8,500 per annum (less renting costs). With this the shop will comfortably operate in profit, but excluding this from the basic cash flow forecast gives us significant headroom.

Sensitivity testing

We have based sales assumptions on an average number of visits and an average spend per visit. This has been sense-checked against the known trading figures of the shop from the 00's.

We have used standard profit margin assumptions based on reported convenience profit margins including:

General Groceries	30%
Bread & Cakes	35%
Confectionery	25%
Alcohol	22%

You will note we have forecast a modest profit throughout the period. We intend to retain these profits to create a prudent reserve to provide resilience against future business downturns or unforeseen events. Surpluses achieved thereafter will be used for further improvements to the shop, potential interest payments to members and wider community benefits.

6 Operational Plans

When last trading successfully the shop was open 6 days a week from 8AM to 6PM and Sunday mornings. Over the years there have been periods of more and fewer opening hours. Our intent is to operate core hours initially until customer demand becomes clearer.

The School breakfast club runs at the school each morning from 7.45 a.m. to 8.45 in term time, and staff begin arriving before 7:30. We plan on being open these earlier hours during term time and anticipate that a profitable takeaway gourmet coffee service will be welcome for busy parents and residents off to commute.

We know from surveys the types of products which will be most in demand. Changing behaviours mean there is less demand for newspapers and magazines which are now available on-line (through Devon Libraries and paid subscriptions). Any provision of newspapers will only be following clear demand from customers, though we may be able to make arrangements for elderly residents who do not access news on-line and have a need of print journalism. We will not be stocking cigarettes or vapes as we want to support healthy living in the community.

Ogwell community hub limited has adopted an initial suite of policies to covering A breakfast club runs at the school each morning from 7.45 a.m. to 8.4 a number of issues and these are available on request.

- Communications & Engagement Plan
- Staffing
- Partnership working

7 Risk Management

7.1 Approach to Risk Management

The project has been organised specifically to minimise risks in all phases. We have set out risk register along the phase plan for project delivery:

- **Preparation and Bidding**
- **Phase 1A: construction works to shop**
- **Phase 1B/1C: opening and ongoing operation of shop**
- **Phase 2A: Final scheme design & Planning Submission**
- **Phase 2B: construction of changes of use and externals as permitted**
- **Phase 3: ongoing operation of community hub**

Each phase has specific risks that need to be considered, and this business plan provides more detail on the earlier stages of the project. Significant risks for later stages have been identified and will be expanded and monitored in more detail as the project progresses.

The Management Committee will ensure specific risk tracking is assigned to an appropriate member of the Committee or staff/team member for ongoing management. The Risk Register will be reviewed regularly by the committee as a whole with changes of status and updates discussed at each committee meeting.

7.2 Risk Register

Project Preparation and Bid Risks

Risk	Impact	Probability	Mitigation/Comments
Community Ownership Fund bid is unsuccessful.	High	Medium	<ul style="list-style-type: none"> ● Work closely with Advisors (Plunkett) to ensure robust and evidenced bid. ● Assess whether project can proceed without COF funding. ● Determine dates for further bid submissions. ● Risks loss of shop as owner will continue to push for conversion of retail unit to residential. ● Shareholder funds will be refunded in the event the shop project does not progress.
Share offer fails to generate sufficient interest to achieve matched funding.	High	Medium	<ul style="list-style-type: none"> ● Develop Communications Plan and Key Messages. ● Hold open public meeting. ● Ensure share prospectus. distributed effectively. ● Ensure offer is compelling. ● Parish Council fill shortfall through PWLB.

Freeholder withdraws from property purchase proposal.	High	Medium	<ul style="list-style-type: none"> • Ensure Freeholder recognises the benefits of proceeding with OCH proposals. • Provide regular updates on project progress to Freeholder.
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Phase 1A: Shop Refurbishment Capital Project

Risk	Impact	Probability	Mitigation/Comments
Unable to get quotes for building and shop fitting work.	Medium	Low	<ul style="list-style-type: none"> • Canvass & get quotes from potential bidders early. • Provide updates to potential contractors to ensure availability. • Already working with Architect, surveyor and builders
Emergent defects discovered during building work increase costs.	Low	Low	<ul style="list-style-type: none"> • Ensure contingency funding is retained to deal with any emergent defect. • Provide “float” in schedule for building works. • Already working with Architect, surveyor and builders
Contractors delay or cost overruns in the refurbishment works	Medium	Medium	<ul style="list-style-type: none"> • Fixed price instructions on any major work package, reserving percentage payment for final satisfactory completion. • Delivery project management oversight by suitably qualified persons.

Phase 1B/1C Operational Risks

Risk	Impact	Probability	Mitigation/Comments
Insufficient volunteers available to staff the shop effectively.	Low	Low	<ul style="list-style-type: none"> • Communications Plan to address recruitment. • Maintain register of potential volunteers. • Keep volunteers updated with project progress.
Staff turnover is high and causes planning issues	Low	Low	<ul style="list-style-type: none"> • Ongoing communication with staff. • Employment terms require sufficient notice period.
Interruption to stock supply from wholesaler.	Low	Low	<ul style="list-style-type: none"> • Maintain list of alternative suppliers for key product lines. • Good stock management discipline.
Loss of community goodwill and poor reputation.	Medium	Low	<ul style="list-style-type: none"> • Staff training in customer focus. • Ongoing liaison with neighbours, residents and local businesses. • Customer ‘dialogue’ and promotional activity (eg annual customer survey). • Use of funds approved by members.

			<ul style="list-style-type: none"> Careful management and planning of parking and access..
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Phase 2A: Final Scheme Design & Planning Submission

Risk	Impact	Probability	Mitigation/Comments
Competing visions for external re-design (of ramps, awnings etc)	Medium	Low	<ul style="list-style-type: none"> Work through competing ideas through community engagement. Strongly support suggestions likely to deliver ongoing benefits.
Conversion of existing residential areas to commercial use not approved by TDC Planning Dept	Low	Low	<ul style="list-style-type: none"> Early discussions with TDC Planning Dept. Engage architect and professional planning consultant to ensure plans are feasible and deliverable.

Phase 2B: Construction of Changes of Use and Externals as Permitted

Risk	Impact	Probability	Mitigation/Comments
Cost and schedule overruns impact on ongoing project feasibility.	Medium	Low	<ul style="list-style-type: none"> Ensure project and construction activities are well managed.

Phase 3: Ongoing Operation of Community Hub

Risk	Impact	Probability	Mitigation/Comments
Project lacks direction and community benefits are lost.	Medium	Low	<ul style="list-style-type: none"> Ensure OCH Ltd Committee maintains ongoing oversight of operations and project vision. Identify and predict evolving community needs.

8 Future Plans

This Business Plan focuses on the initial work acquiring the Abbotsridge shop and bringing it back into use. Phase 2 of the Abbotsridge project will build on that success to provide more services on the estate through expanded community hub services.

The Ogwell Community Hub group serves the whole community. The Corner Shop is a desperately needed project that directly serves the largest settlement in the Parish, but the group is also working to bring the remaining part of the old village pub back into use. If successful, the Jolly Sailor function room and skittles alley can be restored as a village-run café/pub with shop space. This would work in conjunction with the Corner shop – sharing staff, purchasing, accounting etc. With our electric delivery vehicle, we can share and optimize stock across the area.

ANNEXES

A Certificate of registration

B Communications Plan

C Selected comments from shop project community survey

A shop in Ogwell would be fantastic. The old shop is currently an eyesore and could be something great. Good luck!

A shop in the village would be brilliant especially for elderly residents who currently have to go all the way into town to Asda as the nearest shop.

Although I don't live in the area, when I'm at my daughters or on school run it would save having to go to town

A community shop would be a most valuable asset to the village. If run properly it would attract custom from both East and West Ogwell and from the growing number of pupils and parents coming to Canada Hill School.

I live (near) the shop and was very sad when it closed. It would be great if it became a meeting place for the older residents and parents at drop off and pick up times. If people come in for a coffee they will inevitably buy something else.

A great idea to use the shop. Just for simple basics, perhaps bread milk etc , newspapers and maybe some local businesses can sell items there.

A local shop is vital to the village and in my opinion be well supported.

Create opportunities for Ogwell youth

For non drivers this would mean so much. It's costly just popping into town for milk and time consuming.

Having a shop close by would be excellent, I would probably use it primarily to pick up food essentials during the week rather than a supermarket or maybe a bottle of wine at the weekend etc.

A community shop is essential for our village (I include the East side of the hill as part of 'the village'). We have many young families, some deprivation so people can't afford cars and many elderly who struggle to catch a bus into town in all weathers. Having basic supplies available would be an absolute game changer. Although fresh and 'artisan' commodities will be great, and local produce is preferred, there should be an economy range for those facing hardship in the current economic climate

It also needs to be a hub for a chat, information and exchange of ideas and hobbies.

I think this is a fantastic idea, we have just moved to the area and keep saying the only thing missing is a shop. The old shop is a real eyesore and I think it would do really well trading as its right on the school road. It would also reduce pollution because Ogwell residents wouldn't need to drive to asda for top up shops, therefore would help environmentally. I think a community shop is a great idea, having a hub in East Ogwell is much needed. I would love to see this funded.

I would absolutely love to see the village shop reopen. It gives the area a sense of community and kinship. I have a small child and find it really annoying to have to get in the car to go to town if I run out of something like milk. I think a lot of people would much rather support a local shop.

I would definitely support the shop reopening, but fear parking would be an issue, especially delivery lorries etc. I would hope the shop would stay open til 8:00 at the earliest as working full time , it would not be in my interest if it closed at 6:00. The community shop in Broadhempston is wonderful , I wish you success. It's an eyesore in its current state!

I would love to see this shop use the fresh local produce that comes from the near farms. Not just your average corner shop, people's expectations of what they can now buy in a corner shop have change so for this to work it hast to have something to draw people to the shop. Local crash bread, local eggs maybe a milk station rather than milk in a plastic bottle.

<i>It is an absolute eye sore would be nice to see it up and running</i>
<i>It would be lovely to have this convenience of a local shop within walking distance of homes on the most eastern part of ogwell, especially with cost of fuel, car parking charges, etc all rising</i>
<i>Ogwell is really missing a local shop to save the community travelling to outer towns/villages which would also help reduce our carbon footprint in being able to walk to the shop to pick up the basics.</i>
<i>Our village is screaming out for this shop to reopen</i>
<i>Please bring the shop back, Ogwell desperately needs this. Bring the hub of the community back. I hate going into town for odd bits. Much rather walk and support local.</i>
<i>The community is calling out for the community shop. It will be a central pillar in our day to day as well as a general convenience. It will enable socialisation amongst different generations as well as provide a means to limiting as much commuting as it will be in walkable distance for so many. I wholeheartedly welcome this improvement to the community - Ogwellians are missing out without this option/service.</i>
<i>The location of the shop is perfect to walk to and grab essentials rather than get into the car! Would love to see it open.</i>
<i>The location of the shop is poor and only visible from one side of the Ogwell Rd. It won't serve the estates off Reynell Avenue and would be difficult to tell residents of that estate it exists. Parking is poor and the shop corner is difficult to access. Whilst we need to discourage driving this will be inevitable.</i>
<i>The shop would also be a great opportunity to offer hot drinks (eat in or takeaway) as well as sweets etc. The school run would be great!</i>
<i>The village would benefit tremendously from this</i>
<i>This is especially important for Ogwell now that Asda is charging for parking because it costs you every time you need to nip in just for milk, small goods etc.</i>
<i>To have a shop near to the school would be so beneficial and prevent many of us having to travel into town unnecessarily to pick up basics. Therefore reducing congestion on the Totnes Road.</i>
<i>We are absolutely desperate for the shop to return! We would be regular users. We live on Margaret Road and really, really want the shop back!</i>
<i>With a village the size of Ogwell I think it is imperative to have a shop - we currently drive to Abbotskerswell village shop when we've forgotten something or realise we've run out of milk in order to support a local shop</i>

D Adopted Equality and Diversity Statement