

Community Retailing Network

'08

Annual Report



*meeting local needs through
community ownership*

Chair's Report

It's been an exciting and productive year for the Network and our members. Thanks to financial support from the Esmée Fairbairn Foundation and the Co-operative Fund we were able to recruit a Co-ordinator in January 2008, and this started our year with the resources we needed to make a difference.

Over the year we have increased contact with our members, improved our understanding of their needs, made links with interested and supportive bodies, raised our profile, and worked with a growing number of communities thinking about community ownership – all things that we were not able to do before.

2008 brought unease for us all initially over the increasing costs of food and fuel, followed by concern about a recession. Thankfully our community shops have managed to survive and continue to prosper, although those with petrol pumps have seen a significant impact.

A positive outcome of the credit crunch seems to be a revitalised interest in more ethical and co-operative ways of doing business – something that community owned shops have long been a part of.

The trend in closures of local shops, post offices and fuel stations sadly continues. But with a better profile for the Network, and the success of established community shops, we have seen a clear growth of interest in community ownership.

Although 2008 saw the Big Lottery Fund's 'Growing Community Assets' programme come to a close, community ownership of assets is still high on the agenda and there has been an increase in the support and allocation of funds towards social enterprise and co-operative models.

We have had a number of highlights throughout the year including the opening of Uig Community Co-op's ambitious extension, launching our first newsletter, getting our website up and running, and welcoming Papay Community Co-op as a new member. On behalf of the Community Retailing Network Board I am therefore delighted to present our first annual report and would like to thank all those who have made it possible.

Norman MacDonald

Chair of the Community Retailing Network



Eid Community Co-op, Shetland

Activities and achievements

2008 has been a steep learning curve for the Network, with some of our targets achieved in full and progress made on most. Our work has concentrated on three main areas, and the following sections highlight some of the activities undertaken for each:

1. Assisting existing community retailers

By supporting existing community shops we aim to help them develop their businesses further and assist them in their long-term viability.

Providing and sharing information

Key Activities:

- ▶ **Best Practice Group (BPG)** – established a number of years ago, the BPG gives the managers of the community shops the opportunity to meet as a group to discuss difficulties and opportunities. The meetings are also used to facilitate the link between the community shops and The Co-operative Group.
- ▶ **Information bulletin** – introduced in 2008 and sent out bi-monthly, the bulletin keeps members informed of Network activities, legislation issues, retail news and funding opportunities, and highlights ideas and issues from around the shops and further afield.

Training

Keeping up to date with the relevant training and accessing it from remote areas can be difficult, and was therefore identified as an area where the Network could help.

Key Activities:

- ▶ **Training sessions** – two sessions delivered for members – one on Food Hygiene and one on Wastage.
- ▶ **Training Needs Analysis** – a TNA template for community shops has been developed which will enable us to co-ordinate a suitable training programme in 2009.

New trading opportunities

Key Activities:

- ▶ **Store is the Core** – a 3-year project funded by the Carnegie UK Trust and managed by the Plunkett Foundation/Rural Community Shops. It is designed to test out the feasibility and value of diversifying existing community retail outlets by adding on a further enterprise or service. For example, Uig Community Co-op has recently added on a laundrette and council service point to its core shop business. The project is due to finish in December 2009 and will provide conclusions about the pros and cons for community shops in adopting a multi-service model.



Papay Community Co-op, Orkney

Papay Community Co-op provides a range of services for local residents and the many people that visit the island each year. These include the only shop and fuel on the island, a guest house, guided tours and a school transport service.



Uig Community Co-op, Western Isles

Uig Community Co-op opened its new extension in 2008, which in addition to increasing the shop area also houses a laundrette, council and other services access point with video conference facilities, a seating area with microwave and coffee facilities, new delivery and storage space and cold room, public toilet and staff office. The shop has become the biggest employer in the area with 2 f/t and 9 p/t staff.

- Northern Periphery Programme – Retailing in Rural Areas.** The Northern Periphery Programme aims to help peripheral and remote communities on the northern margins of Europe to develop their economic, social and environmental potential.

Recognising the difficulties that many countries face in keeping their rural shops, and the knock on effect that this has on communities, Retailing in Rural Areas aims to support the survival, development and growth of rural retail shops.

Thanks to funding from Consumer Focus Scotland, and support from Community Food & Health Scotland and The Co-operative Group, the Community Retailing Network is a partner in this 3-year project together with organisations from Finland, Iceland, Faroe Islands, Ireland, Norway, Sweden and Greenland.

- Local Opportunities** – we have explored a number of potential opportunities including promoting healthy eating through the Scottish Grocers Federation Healthy Living Programme; sourcing and marketing more local food and crafts; supplying local businesses and schools; home delivery; and linking with local tourist accommodation.

2. Identifying and supporting emerging retailers

This year for the first time we have had the resources to offer support to emerging community shops.

Key Activities:

- Information and advice** – much of the support has so far included providing information, helping with funding sources and linking up with local support and development bodies. One of the Network's key resources is the advice and experience of the members themselves, and a number of emerging community shops have been able to make good use of this.
- Community Retailing Start-up Guide** – while still in progress, this will comprise a set of guidance sheets on all aspects of setting up, running and developing a community owned shop.



Eid Community Co-op, Shetland

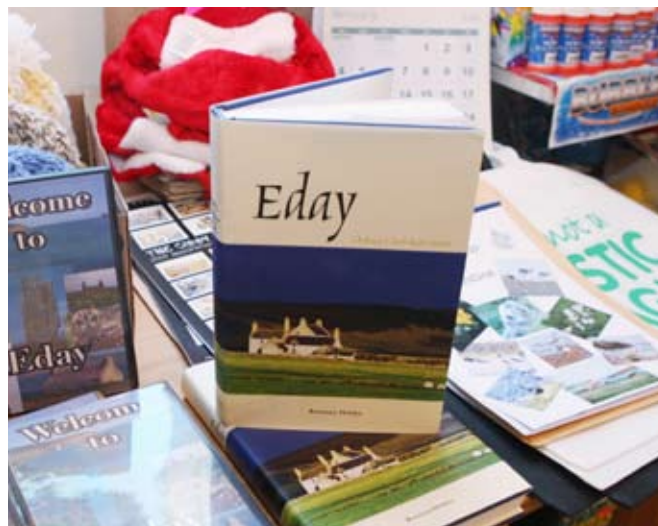
From its population of 200, Eid Community Co-op has 186 members – a clear demonstration of the strong local support for the services it provides, which include a well stocked shop and a post office. With the help of grant funding and £10,000 raised through local shares, new premises were renovated in 2006, allowing the shop to improve and expand.

3. Developing and promoting the Network

Developing the support we can offer and raising our profile has been a key part of 2008. Funding from Co-operative Development Scotland enabled us to carry out valuable marketing work including creating a logo and identity for the first time.

Key Activities:

- ▶ **Shop Talk** – the first edition of our newsletter was launched in November 2008 and has given us a means of introducing community retailing and the Network to a wider audience, as well as highlighting the issues and successes.
- ▶ **Website** – our new website (www.communityretailing.co.uk) is up and running and will provide a valuable source of information on all aspects of community shops.
- ▶ **The Co-operative Group** – the support that The Co-operative Group offers to community shops in Scotland through its corporate membership scheme is key to the viability of our current members. We were therefore delighted to be awarded funding from the Co-operative Fund to carry out a review of the scheme and look at its possible extension to the rest of the UK. This will undoubtedly lead to improvements in its delivery and the support material provided.
- ▶ **Working with others** – making links with other support bodies and networks has been an important part of the year and we have met and worked with a wide range of organisations.



Eday Community Co-op, Orkney

Eday community shop includes a post office, fuel pumps and a good range of food, household goods, toys and gifts. Ordering the bulk of its goods through the Co-operative Group the shop is estimated to account for 90% of the islander's food shopping and has become a vital part of the local economy.



Barra Community Co-op, Western Isles

Established in 1981 to increase employment opportunities and services at a time when people were leaving to look for work, the community co-op's shop in Castlebay is the local national lottery agent and offers a wide range of non-food stock including toiletries, paint, hardware, cookware, seeds, gifts, souvenirs, cards and toys.

Finance

Summary of 2008 accounts

2008 was a year of much increased activity for Community Retailing Network Ltd., with a grant of £46,150 from the Esmée Fairbairn Foundation allowing the employment of a Co-ordinator and development of a full programme of activity.

A further grant of £28,067 will be payable by the Esmée Fairbairn Foundation in 2009, and we gratefully acknowledge their support.

Grant funding of £26,250 was also received from the Co-operative Fund, but this is not shown in the 2008 accounts as it is earmarked for a feasibility study to be carried out in 2009.

We also gratefully acknowledge a grant of £3,000 from Co-operative Development Scotland towards marketing costs.



Harris Community Co-op, Western Isles

Opening its doors in 1979, Harris Community Co-op is one of the largest and longest running in the Network. It employs 8 staff and includes a large retail store, fuel pumps, craft shop, tearoom, tourist information point and an exhibition area currently showing Harris Millennium Tapestry.

Income & expenditure account

INCOME	
Grants received	49,150
Membership fees	550
Bank interest	417
Total	50,117
EXPENDITURE	
Salary & consultancy costs	25,615
Board/Best Practice Group expenses	6,347
Travel/accommodation	4,783
Office/telephone/postage	1,521
Marketing	9,757
Professional fees	323
Miscellaneous expenses	343
Total	48,689
BALANCE SHEET	
Assets	
Bank account	29,971
Liabilities	
Accrued expenses	1,645
Prepayments	26,250
Net assets	2,076

Future plans

As well as continuing to build on our three main areas of activity, some of the things we have planned include:

- ▶ Introduction of regional forums to complement the BPG and help engage emerging shops and regional agencies in the Network.
- ▶ Exploring ways of enabling Network members to work together to achieve economies of scale.
- ▶ Developing Key Performance Indicators to assist community shops in keeping track of their business.
- ▶ Delivering a community retailing conference.



Ollaberry Community Co-op, Shetland

When their only local shop was threatened with closure, the Ollaberry community decided to take action and set up their own shop. With grant funding, support from the Co-operative Group and £12,000 raised from local shares, the shop opened in 1993 and has grown into a very successful business.

A bit about us

The Network aims to support and promote sustainable community-owned shops.

We do this by helping new shops to set up and existing ones to grow. The Network enables community retailers to share ideas and resources as well as offering practical support.

We are a company limited by guarantee with one part-time member of staff and a Board of voluntary directors elected by our membership.

Our members are successful enterprises that are:

- ▶ Owned and run by the community
- ▶ Meeting local needs by providing a shop, post office, fuel or other services
- ▶ Providing jobs for local people
- ▶ Improving access to good quality, fresh food
- ▶ Offering outlets for local produce
- ▶ Acting as a focal point for the community
- ▶ Viable through trading income
- ▶ Able to buy directly from the Co-operative Group



Eriskay Community Co-op, Western Isles

Set up almost 30 years ago following the closure of the only shop on the island, Eriskay Community Co-op provides a wide range of food, toys, household goods, crafts and gifts. The store also runs the post office and supplies the local school with fruit, vegetables and free milk.

The **co-operative**

C:DS
co-operative
development
scotland

ef Esmée
Fairbairn
FOUNDATION



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retailing
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*meeting local needs through
community ownership*

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