



Proposed Community Owned Café and Pub

Frequently asked questions

The building

Why should the Community not buy the old Hullavington Arms building?

Either building would need to be renovated. The Old Stables is feasible to buy and renovate using the Community Ownership funding and match funding. The old red-brick railway pub would cost more to buy, as well as to renovate. Also, the operating costs of The Hullavington Arms were much higher and therefore it was financially less viable. Many feel The Old Stables would also make a more attractive environment.

Isn't The Old Stables much smaller?

The Old Stables does have a smaller 'built volume' and floor area. However, the Planning Application currently under consideration provides for the same number of covers – in other words the number (40) of people able to be seated for food service. The smaller volume and floor area will reduce the bills for heating and lighting.

Will there be outside space?

Yes, the area in the front of The Old Stables will be a seating area.

Is 'Change of Use' allowed already or will the Community Benefit Society have to apply for it later?

The current tenants have applied for Full Planning Permission for the relocation of the pub to The Old Stables building. At the time of writing, the outcome of the Application is awaited.

If the current tenant's planning application for residential use at Hullavington Arms passes prior to The Old Stables opening, could there be an objection to The Old Stables as a café and pub?

No. Their planning application was for both.

Where is the planned car parking for The Old Stables and is it shared with occupants of the Hullavington Arms?

The plans that are accessible on the Wiltshire planning website indicate dedicated parking for the residents of the new residential units plus independent parking for the Old Stables.

Will The Old Stables require a separate planning application following the approval of the one currently pending?

The current tenants' application may be sufficient for our needs if approved. At the time of writing we don't know when this will be. It is possible that we may need to make our own planning application, which would be simpler and less extensive.

Are we buying the freehold and what does asset lock mean?

We are planning to purchase the freehold of The Old Stables and some adjacent land for access. An asset lock is a legal clause that ensures that the assets of the society cannot be cashed in or transferred for private gain. It is a fundamental feature of the proposed Society and will have permanent long-term consequences.

How much of the frontage can be used?

Highways own most of the frontage and are happy for that area to be used for outside seating.

The proposed services

Will I just be able to go there for a drink with friends?

Certainly. Apologies the survey didn't make that clear. It does now.

Who will run the Community-owned Café and Pub?

If the community buys The Old Stables, the Society's Management Committee will be in overall control. A professional manager will take care of day-to-day operations.

Are there any plans to meet the needs of smokers?

The Society will aim to meet the needs of all customers and smoke-free laws will apply at The Old Stables as they do for all cafés, pubs and restaurants.

The Community Benefit Society

Why do we need to form a Community Benefit Society?

To purchase and operate the relocated pub we will need a proper legal structure. At the moment, we are just a group of individuals. We therefore intend to set up a society in which the community can invest by buying shares. This will enable everyone who supports our aim to have a say. It is also a condition of the government's Community Ownership Fund scheme

that only corporate bodies can apply for grant funding. A Community Benefit Society is considered to be the most appropriate form of corporate body because:

- One-member one-vote - all shareholders have a say
- Any member can stand on the Management Committee.
- For the benefit of the whole community.

How do I become a member of the Community Benefit Society?

People become CBS Members by buying one or more shares. Here are some key points about the shares:

- One-member one-vote - all members will have an equal vote regardless of how many shares they hold
- Shares can be cashed in at face value at the discretion of the Management Committee
- Shares cannot be bought or sold
- No dividends - unlike a company, profits cannot be distributed to members as dividends. Any profits must be used for the benefit of the community
- The Society may (but is under no obligation to) pay interest to shareholders – only from trading profits, at the discretion of the Management Committee and subject to approval at a shareholders' Annual General Meeting.

Can I buy shares if I don't live in the Hullavington Parish?

Yes. Share ownership is open to any person or organisation who meets the membership criteria.

Will I be able to get my money back?

You may be able to recoup your initial investment in the future by selling your shares back to the Society. To give the business a chance to establish itself we will need to agree an initial period during which the buying back of shares will be closely restricted, but thereafter the expectation is that there may be profits to fund withdrawal within parameters agreed by the members.

What if a big business buys shares? Will they have a greater say in how The Old Stables runs?

No, it's one member one vote no matter how many shares a member holds. To encourage a large membership, we propose shares to be priced at £25 each. The aim is to be as inclusive as possible.

Can businesses provide services to renovate The Old Stables as a donation or a share pledge?

Yes! If you run a local business and you are able to contribute to the renovation, your contribution (if given for "free" or at a discount) can be treated as match funding.

What is an Asset Lock?

An asset lock is legal clause that ensures the assets of a Community Benefit Society are used for the benefit of the community. If a CBS is sold, converted, or amalgamated with another legal entity, its assets must continue to be used for the benefit of the community and must not be distributed to members.

Is the Community Benefits Society a Charity?

No. it is distinct legal entity that exists to serve the broader interests of the community. Unlike co-operatives its benefits are not limited to members only.

Finance

How will we pay for the relocated pub?

If we can demonstrate enough community support, we will apply to the government's [Community Ownership Fund](#) (COF) for financial support. The COF exists specifically to support communities groups to take ownership of assets and amenities at risk of being lost – like our pub. The purchase and renovation of the relocated pub could be financed mainly by a grant of up to £250,000 of capital funding and up to £50,000 of revenue funding. The COF requires the community to match-fund 20% of the value of the project; so if Hullavington was awarded the full £250,000, we would need to raise an additional £62,500 ourselves.

Is there a minimum % of interest that needs to be demonstrated?

Unofficially, yes. Successful bid outcomes appear to have between 25% to 30% response rate to surveys. We have exceeded that percentage for non-Wellington Place homes. The reason for not including those homes in our figures is that the military population is transitory and unlikely to buy shares. We would of course wish to have them as valued customers

How can we raise the necessary match funding?

- Community investment – Members of the community can help to provide the match funding by buying shares in the Community Benefit Society. Community investment will also be a key indicator of community support. The greater the community investment, the greater the chance of our application to the COF being successful.
- Grants from other funders, loans and/or donations.

Why isn't the current owner covering the cost of the renovation?

If we buy The Old Stables in its current state, the price of the shell will reflect that state. If we buy it renovated, the price would reflect the renovation cost and the community will have no say in that renovation.

Is the 20% match-funding relative to the cost of acquisition?

It is relative to the capital cost of the project, which includes acquisition and renovation plus fitting out. It is the minimum required by the Community Ownership Fund and match-funding over 20% will increase the chance of approval.

If we raise more than 20%, is that ours or is it offset against the potential £250,000?

We need to raise more than 20% of the capital cost of the project because the cost of purchasing, renovating and fitting out will be high. It won't be offset. The £250,000 we are bidding for will be less than 80% of the cost.

Timing

When is this going to happen?

To make this happen, we need to move quickly. The funding opportunity is available for a limited period only and we will have to comply with the application timetable set by the government scheme. The plan is broadly as follows:

- Submit an Expression of Interest to the Community Ownership Fund (COF) –
Deadline: 26 Feb 2024
- Get a professional valuation of the proposed relocated pub by the end of March
- Agree the purchase, subject to contract, with the current owner, register as a Community Benefit Society and submit our Application for funding to the COF –
Deadline 29 April 2024
- Decision expected by the end of August.

Could an election impact upon the project?

It already has impacted on the project. We have been formally advised not to expect any more funding rounds after this round four.

How can I help?

You can help in a number of ways:

The more people that are able to pledge to buy shares and the wider the section of the community that is actively involved in the enterprise, the greater is the likelihood that it will be a success.

Some may not be interested in purchasing shares and may prefer to make a donation to the project instead, so you can say that this would be very warmly received. Please complete the survey form so we can assess the level of support. No money changes hands at this stage and this is not a final commitment. More financial information and details of the proposals will be provided in due course to enable those interested to decide whether to invest in some shares.