

REVIEW REPORT TO ALAN BETHUNE

REVIEW OF LISTING AS AN ASSET OF COMMUNITY VALUE

East Boldre Post Office and Stores, Main Road, East Boldre, Brockenhurst SO42 7WD

1.0 INTRODUCTION

- 1.1 The Localism Act 2011 ('the Act') gives local groups a right to nominate a building or land for listing by the local authority as an "asset of community value" ('ACV'). An asset can be listed if a principal ('non-ancillary') use of the asset furthers or has recently furthered the local community's social wellbeing or social interests (which include cultural, sporting or recreational interests) and is likely to do so in the future.
- 1.2 East Boldre Post Office and stores, Main Road, East Boldre, Brockenhurst SO42 7WD ('the Property') was nominated as an ACV by East Boldre Community Stores Ltd ('EBCS'). On 1 November 2021 Manjit Sandhu, Executive Head of Operations, acting under delegated powers from the Council, decided to list the Property as an ACV pursuant to Section 88 of the Act.
- 1.3 The owner of the Property, Mr Ian Evans ('the Owner'), has requested a review of the Council's decision to list the Property as an ACV. As the Owner has not requested an oral hearing, the Council may decide whether or not to include an oral hearing in the review process (Assets of Community Value (England) Regulations 2012 ('the Regulations'); Schedule 2, 7(2)). This review will therefore proceed by written review. The Council's Executive Head of Financial and Corporate Services, Alan Bethune, will undertake the review. He was not involved in the original decision and has delegated authority from the Council to determine such matters.

2.0 BACKGROUND

- 2.1 EBCS lodged a nomination of the Property for listing on the ACV list on 6 September 2021. A copy of the nomination dated 5 September 2021 is at **Appendix 1**.
- 2.2 The report prepared for the Executive Head of Operations, is attached at **Appendix 2** ('the Report'). This included EBCS's nomination, a plan of the Property, together with two emails from the Owner dated 6 and 8 October 2021 in response to the notification of the nomination. EBCS was accepted as being entitled to make the nomination (see paragraph 3.2 of the Report).
- 2.3 The Owner is the freehold owner of the Property. The Property is presently used as a post office and retail shop and the Owner also runs the post office. EBCS, as a registered society for the benefit of the community under the Co-operative and Community Benefit Societies Act 2014 (registered by the Financial Conduct Authority on 8 October 2020) intend to take over and run the Property - see section 3.0 of the Report which addresses the nomination and EBCS's intentions as regards the Property.
- 2.4 The decision to list the Property as an ACV was made, and all parties were notified, on 1 November 2021.

- 2.5 On 19 November 2021, the Council received a request from Ken Parke Planning Consultants ('the Consultants'), acting on behalf of the Owner, for service of the "*paperwork and documents relating to the ACV nomination/designation...*". After obtaining the Owner's authority and making appropriate redactions, the Council served those papers on the Consultants on 29 November 2021. Nothing further was heard from the Consultants and on 22 December 2021, the Owner submitted a request for a review of the decision to list the Property as an ACV – **see Appendix 3** – he did not request an oral hearing.
- 2.6 Under paragraph 9 of Schedule 2 of the Regulations, the Council must complete the review by the end of the period of eight weeks beginning with the date it received the written request for the review or such longer period as is agreed with the Owner in writing. That eight week period will expire on 16 February 2022.
- 2.7 Having considered the Owner's written request to review the decision, the Council has not sought EBCS's comments. The Owner's assertion in his email of 22 December 2021 that "*...it is unlikely that the only interested group, and I, will not be able to agree on sale price and further my opinion that the funding process in any event will fail.*", does not engage EBCS's arguments for listing the Property as an ACV nor do they require EBCS's response.

3.0 SUMMARY OF RELEVANT LEGISLATION

- 3.1 Under the Act, an asset is of community value if in the opinion of the local authority,
- (i) an actual current use of the building or other land that is not an ancillary use, furthers the social wellbeing or social interests of the local community; and
 - (ii) it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community (Section 88 (1) of the Act).
- "Social interests" include cultural interests, recreational interests and sporting interests (section 88(6) (a)-(c) of the Act).
- 3.2 Land can also be nominated as an ACV which has furthered the social wellbeing or social interests of the local community in the recent past (s.88(2)(a) of the Act) and it is realistic to consider will do so again during the next five years (s.88(2)(b) of the Act).
- 3.3 Neither the Act nor the Regulations give an express definition of what use "furthers the social wellbeing or social interests of the local community". It is for the local authority to decide depending on all the circumstances of the particular case.
- 3.4 If the local authority is satisfied the nomination is valid and the nominated asset is land of community value, then the local authority must add the land to its list of assets of community value.
- 3.5 An owner is entitled to seek a review of the decision pursuant to Section 92 of the Act provided the request is made within 8 weeks of notification of the decision. The request for the review in this case was made within this time limit and is valid.
- 3.6 This review comprises a review of the written representations made by the Owner and other documentation listed in the Appendices below by the Executive Head of

Financial and Corporate Services of the Council, who is an independent senior officer of the Council not involved in the original decision.

4.0 SUMMARY OF THE REVIEW

4.1 The review will consider a number of matters, including those set out in headings A – C below.

A. Is the Property within the Council's area?

4.2 The Council can only list assets of community value in its area. There is no dispute that the Property is within the area of New Forest District Council.

B. Is the nomination valid?

4.3 The Council was satisfied that the nomination was valid for the reasons explained in the Report. The Owner made no complaint about the validity of the nomination and the view of the Council remains that the nomination was valid.

C. Is the Property of community value?

4.4 The Council must list the Property as an ACV if, in the opinion of the Council, an actual current use of the building or other land that is not an ancillary use –

- furthers the social wellbeing or social interests of the local community; and
- it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community (Section 88 of the Act).

4.5 “social interests” can include cultural, sporting or recreational interests (Section 88(6) (a)-(c) of the Act).

4.6 Neither the Act nor the Regulations give an express definition of what use “furthers the social wellbeing or social interests of the local community”. It is for the local authority to decide depending on all the circumstances of a particular case. Examples of possible uses could include a village shop, pub, community centre or allotments.

4.7 The Council accepted that the Property should be listed as an ACV as set out in the Report, attached at **Appendix 2**.

4.8 The Owner has sought a review of that decision in his email of 22 December 2021 (**Appendix 3**) and his comments are summarised in paragraph 5 below.

5.0 SUMMARY OF OWNER'S CASE

5.1 In his email of 22 December 2021, other than referring to negotiations of the sale of the Property, the Owner only states that he is “...*yet to instruct a professional representative...*”. Therefore, since the listing of the Property as an ACV, the Owner has made no assertions or raised any arguments against the listing of the Property as an ACV.

5.2 In reply to receiving notice of the ACV nomination in September 2021, the Owner's email of 6 October 2021 commented expansively and this is referred to at section 4 of the Report. However, in his request for a review, the Owner has not expressly

referred back to those comments, or his email of 8 October 2021. Those comments have, of course, previously been taken into account in the original considerations as to whether the Property should be listed as an ACV.

- 5.3 The Owner's submissions do not specifically challenge the validity of the ACV listing.

6.0 CONSIDERATION OF OWNERS' SUBMISSIONS

- 6.1 The Owner has previously questioned (as referenced at section 4 of the Report) whether there will be enough custom to allow the Property to continue long term as a going concern and also raises his unease about possible adverse effects on his ability to sell the Property either to EBCS or otherwise. However, as explained in section 4 above and 7 below, these are not valid challenges to the decision to list the Property as an ACV.
- 6.2 Perhaps the closest the Owner comes to challenging the legitimacy of the Property's nomination is when he states in the email of 6 October 2021, that "*...I believe the application should fail in its inability to comply with section 88 of the Act*" (see paragraph 4.4 of the Report). However, he does not expand or explain why he believes that.
- 6.3 It has been found that if an asset can "*...provide a meeting place for members of the local community and it does encourage social interaction...That is sufficient to meet the statutory requirement*" and if it is "*realistic*" to think that use can continue, then that will satisfy the required criteria (Adams v Asfield DC & Anor UKFTT CR-2017-0010 [2018]).
- 6.4 Given the very thorough and comprehensive business plan that EBCS has submitted, it would seem realistic that it will continue to provide a meeting place for social interaction and with an intention of doing that "*during the next five years*" (see paragraph 3.2 above).
- 6.5 Therefore, since the email responses to the nomination dated 6 and 8 October 2021, the Owner has not submitted any new evidence to question the validity of the Council's decision to list the Property. So as not to repeat the same text, his previous arguments can be reviewed at section 4 of the Report. Those arguments however, were not considered to be persuasive in refusing to originally list the Property as an ACV.

7.0 DECISION

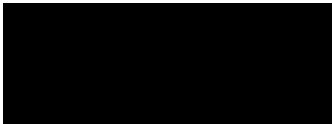
- 7.1 The Council is satisfied the nominated Property is within its area and that, for the reasons explained in the Report, the nomination is valid in accordance with the Act. The Owner has raised no substantive objection in respect of those matters.
- 7.2 The issue in this Review is whether the Property is an ACV pursuant to s.88 of the Act, as described in section 4.C of this report. A nominated property must be listed as an ACV if the actual current use of the property, which is not ancillary, furthers the local community's social wellbeing or social interests (which includes cultural, sporting or recreational interests) and is likely to do so in the future.
- 7.3 Plainly the use of the Property is as a post office and stores and this is not an ancillary use. The Ministerial Foreword to the "Community Right to Bid: non statutory advice

note for local authorities” starts in its first sentence: *“From local pubs and village shops to village halls and community centres, the past decade has seen many communities lose local amenities and buildings that are of great importance to them”*.

- 7.4 When making its decision, there is no requirement in the Act that the primary use of the property must be for the benefit of the local community, but that in the opinion of the local authority the actual current use of the property (which is not an ancillary use) furthers the social wellbeing or social interests of the local community.
- 7.5 The local authority must make its listing decision based on local context and all the circumstances. When considering whether a nominated asset furthers the local community’s well-being, the local authority should consider the use of the asset and the role it plays within the local community.
- 7.6 There is some variance in the respective opinions of EBCS and the Owner on the issue of extent of local custom and resulting social interaction (sections 3 and 4 respectively of the Report). However, there seems little doubt that, as the only local community shop and post office, it provides a service to the local community.
- 7.7 It is not unreasonable to think that the Property will continue to be used in a way that will further the social well-being or social interests of the local community.

8.0 REVIEW CONCLUSION

- 8.1 I am therefore satisfied that it is not unreasonable to think that the Property will further the social interests or social wellbeing of the local community as required by the Act. I therefore confirm the Council’s original decision to list the Property as an asset of community value.



A BETHUNE

**ACV Review: Mr A Bethune, Executive Head of Financial and Corporate Services
NFDC**

Date: 15.02.2022

Appendix 1 - EBCS nomination (5 September 2021)

Appendix 2 - Report on nomination; incl EBCS’s nomination; plan of the Property; and emails from the Owner (6th and 8th October 2021) in response to the notification of the nomination

Appendix 3 - Email from Owner (22 December 2021) requesting review of the ACV listing



Community Right to Bid

Assets of Community Value Nomination form

Part A - About the group making the nomination

A1. Organisation's name and address

Name of organisation
East Boldre Community Stores Limited

Address including post code
Dane End
Heath Lane
East Boldre
SO42 7WF

A2. Contact details

Name
Mike Hawker

Position in organisation
Founding member and Treasurer

Address including postcode
[REDACTED]

Daytime telephone number
[REDACTED]

Email address
[REDACTED]

Fax number

A3. Type of organisation

Description	Please tick all that apply	Registration number (if applicable)
Town or Parish council		
Body designated as a neighbourhood forum under the Town and Country Planning Act		
Unincorporated bodies with at least 21 individual members and which does not distribute any surplus it makes to its members		
Charity		
Company limited by guarantee which does not distribute any surplus it makes to its members		
Industrial and provident society which does not distribute any surplus it makes to its members		
Community interest company	/	8481
Other – please detail		

A4. Local Connection

For groups other than town and parish councils, please confirm and provide evidence (see A7) that the group is wholly or partly concerned with the area covered by New forest District Council or a neighbouring local authority area

The Community Benefit Society has been formed with the purpose of operating the village post office and stores.

A5. Distribution of surplus funds

For groups other than town and parish councils, please confirm and provide evidence (see A7) that any surplus made by the group is wholly or partly applied for the benefit of the area covered by New Forest District Council or a neighbouring local authority area

East Boldre Community Stores Limited operates with an asset lock which ensures that any surplus can only be used for the benefit of the local community

A6. Membership of unincorporated bodies

For unincorporated bodies please confirm that at least 21 members are included on New Forest District Council's register of electors and provide their names and addresses below

n/a

A7. Your organisation

Please provide a copy of the following as relevant to your organisation	Please tick documents provided
Memorandum of Association (model rules)	/
Articles of Association	
Companies House return	
Trust Deed	
Constitution / Terms of reference	
Standing Orders	
Interest Statement for Community Interest Company	

Part B - About the asset being nomination for inclusion in the list of assets of community value

B1. Name and address of asset being nominated

Name
East Boldre Post Office and Stores

Address including post code
Barton Villas
Main Road
East Boldre
SO42 7WF

B2. Maps and drawings

Please provide information which helps to clarify the exact location and extent of the asset being nominated. This could include:

- Where the land is registered, the Land Registry Title Information document and map with boundaries clearly marked in red (less than one month old). Provision of Land Registry information is not essential but it may help us to reach a decision on the nomination more quickly.
- a written description with ordinance survey location, and explaining where the boundaries lie, the approximate size and location of any building/s on the land and details of any roads bordering the site
- a drawing or sketch map with boundaries clearly marked in red – websites which might help you in plotting boundaries include: <http://maps.google.co.uk/>

Please see attached planning application and related drawings

B3. Current use of asset

What is the current main use of the asset?

Retail shop and post office

Do you consider that the **current** and **main** use of the asset furthers the social wellbeing or cultural, recreational or sporting interests of the local community and is likely to continue?

Yes

Yes

No

If yes, please explain how it does so and produce supporting evidence, e.g. what groups and people use the nominated asset and what events take place there, including any letters of support from groups or person using the asset (and why it is considered that that will continue). If not, go to B4

Please see attached business case.

This is the last shop in a village with limited public transport. The shop provides a vital service to those residents without cars (8%) or with more limited mobility.

The Post Office provides cash withdrawal and other services which are increasingly unavailable to rural communities.

The shop provides employment for two local people and is a focal point for many.

Over what period is this main use of the asset anticipated to continue?

>25 years

Does the local community have legal and authorised use of the land or property?

No; but obviously access it when open

B4. Questions for assets not currently used for community benefit

If the main use of the asset does not currently further the social wellbeing or cultural, recreational or sporting interests of the local community, did it do so at some stage in the recent past?

Yes

No

Please provide details of how the asset was used in the past and dates of this usage including any supporting evidence

How do you anticipate that the asset would return to furthering the social wellbeing or cultural, recreational or sporting interests of the local community?

When do you consider that the asset could realistically return to furthering the social wellbeing or cultural, recreational or sporting interests of the local community (please include timescales)?

B5. Optional information to help us consider the nomination (it is not essential to answer these questions but they reflect part of the criteria we which will be used to consider the nomination. Any information you can supply will help to speed up this process.

Is the asset used wholly or partly as a residence? Please provide details.

Yes. The shopkeeper lives on the site.

See layout plans from planning application

Is the asset covered by the Caravan Sites and Control of Development Act 1960? Please provide details.

No

Is the asset defined as operational land under section 263 of the Town and Country Planning Act 1990, owned by statutory undertakers such as utility companies? Please provide details.

No

B6. Further information

Please provide any further information to support why you feel that New Forest District Council should conclude that the asset is of 'community value'

Please see the attached business case.

The last village shop and post office is a convenience for many but a lifeline for an otherwise excluded minority.

Our community benefit society has looked exhaustively for other sites but none are available.

B7. Owner and occupier details (Please provide all information available to you)

	Name	Address	Please delete as appropriate
Owner/s	Mr Ian Evans	Barton Villas Main Road East Boldre SO42 7WF	Current/ Last known/ Not known/ Not applicable
Lawful occupiers			Current/ Last known/ Not known/ Not applicable
Holder/s of freehold estate (if not the owner)			Current/ Last known/ Not known/ Not applicable
Holder/s of any leasehold estate			Current/ Last known/ Not known/ Not applicable

By signing your name here (if submitting by post) or typing it (if submitting electronically) you are confirming that the contents of this form are correct, to the best of your knowledge.

Name
Mike Hawker

Title
Mr

Signature

Date
5 September 2021

Please send your completed form to:

**Community Right to Bid,
Legal Services Manager
New Forest District Council
Appletree Court
Beaulieu Road
Lyndhurst
SO43 7PA**

Email: andrew.kinghorn@nfdc.gov.uk

The Council may disclose your name and address to other parties in order to ensure procedural fairness, taking into account the purpose of establishing, exercising or defending legal rights or in response to a Freedom of Information request.

DECISION NOTICE

THE LOCALISM ACT 2011 Section 88

Decision on the nomination of an asset of community value.

East Boldre Post Office and Stores, Main Road, East Boldre, Brockenhurst SO42 7WD

I, Manjit Sandhu, Executive Head of Operations of the District Council of New Forest, pursuant to delegated powers, have considered an application made by East Boldre Community Stores Ltd to nominate East Boldre Post and Stores as an asset of community value. Having considered the application I have decided that the application should be accepted for the following reasons:

In the opinion of the local authority, the actual current use of the Property or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.

It therefore meets the criteria set out in the Localism Act 2011 to be eligible for listing.

Signed: MANJIT SANDHU

Manjit Sandhu
Executive Head of Operations

Dated: 1 November 2021

REPORT TO MANJIT SANDHU

Application to nominate East Boldre Post Office and Stores as an asset of community value

1.0 INTRODUCTION

- 1.1 This report relates to an application made to the Council by East Boldre Community Stores Ltd (“EBCS”) to nominate East Boldre Post Office and stores, Main Road, East Boldre, Brockenhurst SO42 7WD (“the Property”) as an asset of community value (“the Application”). The report reviews the Application, the criteria against which a decision has to be made, the result of consultations and makes recommendations.

A copy of the Application is annexed to this report.

2.0 BACKGROUND

- 2.1 The Application to nominate the Property as an asset of community value (‘ACV’) is made pursuant to the Community Right to Bid, arising out of the Localism Act 2011 (“the Act”). Under the Act, the Council must make a decision on the Application before 1 November 2021 which is 8 weeks from receipt of the nomination. If the Council accepts that the Application meets the criteria set down in the Act, the Property must be added to the Council’s published list of ACV, registered as a local land charge and registered against the freehold title to the Property.
- 2.2 If the Property is listed as an ACV, the owners must notify the Council if they wish to dispose of the Property. The Council would notify community interest groups of the proposal. If such a group expresses an interest in the Property, a moratorium period of 6 months on the sale is imposed to allow the community interest group to prepare a bid and raise finance.
- 2.3 However, if there is a sale of the land on which a business is carried on, together with a sale of that business as a going concern ie still operating as a post office, then that disposal is exempt and is not affected by the moratorium requirements (section 95(5)(f) of the Act). In those circumstances, the owner would not have to advise the Council of the sale.

3.0 THE APPLICATION

- 3.1 The Application was made by East Boldre Community Stores Ltd (‘EBCS’) and was received by the Council on 6 September 2021. The Council is the proper decision-making authority to determine the Application and delegations have been granted to the Executive Head of Operations to make a decision on the matter. The Application is valid under the criteria laid down by the Act and the Property is not within one of the exceptions laid down in the Act.
- 3.2 EBCS is a society registered as a society for the benefit of the community under the Co-operative and Community Benefit Societies Act 2014 (registered by the Financial Conduct Authority on 8 October 2020). A copy of the body’s registration seal and rules are attached to the Application. EBCS will be non-profit making and any surplus is reinvested in the business or distributed to community causes as determined by the membership. Given its status and its ‘local connection’ (ie the body’s activities are wholly or partly concerned with the local authority’s area – regulation 4(1)(a) of the Assets of Community Value (England) Regulations 2012; and that any surplus it make

is wholly or partly applied for the benefit of the local authority's area – regulation 4(1)(b); EBCS is therefore entitled to nominate the Property for ACV status.

- 3.3 The Property is currently owned freehold by Mr Ian Evans ('the Owner') who also runs the Post Office. The Application makes no reference to a separate occupant or tenant of the Property. The Property is presently used as a Post Office and retail shop. EBCS intend to lease the whole ground floor from the Owner. The rear of the lower ground floor is currently part of the separate residence (which comprises lower ground floor and whole of the 1st floor, part of which is above the Property), and is divided from the Property by a separating wall subject to the Owner's comments on 8 October 2021 in his email (attached), where he said that "...an open used internal door separates it".
- 3.4 The Application contends that the current and main use of the Property furthers the social well-being or cultural, recreational or sporting interests of the local community and that it is likely to continue to do so in the future with EBCS's planned developments.
- 3.5 EBCS has included a detailed Business Plan in the Application which provides details of key objectives (section 1.1) about the planned use of the Property by the local community and details the planned building and business changes EBCS intends to implement once it takes over the running of the Post Office and stores. EBCS sets out plans on financial viability and the community business model (para 1.1.2) and how it aims to work with the community to advance those plans.
- 3.6 At section 2, EBCS highlights its vision for 'Social Outcomes' as a result of EBCS's business model including: the building of 'community resilience' during difficulties which were brought into focus by the Covid pandemic (para 2.1); local connections (para 2.2) that set out its intention to target provision of paid local employment and to collaborate with local suppliers and other community businesses to develop a New Forest based contact network; social inclusion which will result as a consequence of development of a community shop (para 2.3); galvanising community cohesion (para 2.4) and reduction of social isolation (para 2.5).
- 3.6 At section 3, EBCS reviews the current business model operated by the Owner and its deteriorating profitability, together with the Owner's attempts to sell as a going concern, culminating in the Owner's attempt to sell solely as residential property. This, EBCS say, would have led to the village losing its last remaining shop and Post Office.
- 3.7 Amongst other subjects, EBCS sets out the 'Community Need' of the village shop and post office, both current and future at section 4 and addresses potential for demand at paragraph 4.2. Section 6 sets out its plans for Organisation and Structure of the shop operation (shop organisation at para 6.2) and the Post Office (para 6.3).
- 3.8 The rest of the plan is set out: Section 7 - Details of the 'Target Market'; Section 8 - EBCS's research into the market, including visits to and advice from other local shops; Section 9 - 'Marketing Strategy'; Section 10 - 'Skills Development'; Section 11 – 'Operations and Logistics' (details of the proposed physical layout of the developed premises); Section 12 - 'Environmental Initiatives'; Section 13 - 'Financial Forecasts'; Section 14 - 'Metrics and Targets'; Section 15 – 'SWOT Analysis of Community Shop Business Proposal'; Section 16 - Business Risk Register'; Section 17 - 'Partner Organisations'; Section 18 - 'References'; and Section 19 - Appendices

4.0 THE OWNER'S COMMENTS

- 4.1 In his email dated 6 October 2021 (attached), in reply to notice of the Application, the Owner provided extensive comments. On the issue of community use, he said that

"Having owned the business for over 20 years I can say that for the first few years my older customers taking their time in the shop would occasionally and totally unplanned see other customers known to them and chat together for a few minutes. However, those many older traditional customers have either left the village or passed away. What I see now are customers who want a quick service and to be in and out as quickly as possible".

- 4.2 In respect of his attempts to attract a more varied use of the Property he said that *"Approximately five years ago at considerable personal cost I carried out a total refurbishment of the business. Prior to doing this I verbally surveyed nearly every customer asking what additional services they would like to see in the shop. Taking note of feedback I made many changes, but the main change was to incorporate a cafe within the shop, this had been mentioned numerous times. The space allocated reduced my sales area but confident of its success I purchased tables, chairs, cutlery, tableware and a significant amount on a state of the art coffee machine. The take-up of the cafe by the village was appalling and average tea/coffee sales were less than 10 sales a week! After eighteen months I gave up the idea and closed the cafe. Had this idea worked then yes the shop my have well been proved to increase social interaction by it was made undoubtably clear that this was not required or need in the village".*
- 4.3 Addressing financial viability of the Property as a going concern, he said that *"Your decision should also consider the financial capability of the shop. Having carefully reviewed my accounts (available at Companies House) over the last nine years the business has made a loss for seven of these years. The annual purchases of the business are in decline year on year inspite of numerous changes I have made to try and make the business profitable. Major influences on this type of business are increasing demand for supermarket home deliveries, competition between supermarkets leading to their prices being cheaper than a cash and carry. The recent pandemic has lead people to use home delivery and now they continue to do so. (My purchases over the last six months are 50% down on 2019 comparison). Further the increasing number of homes being purchased as second homes is devastating for this business".*
- 4.4 He goes on to describe his attempts to sell the Property and also his efforts to facilitate EBCS's objectives of taking over the running of the business of the Post Office and stores:
"Further I have tried to sell the business, with four different agents, as a going concern between 2014 and 2019 with no success whatsoever. However, during 2019 the village formed a save the shop group with the intention of renovating the village hall and it accommodating the shop and post office. I agreed to continue running the business until planning permissions were granted or refused. During this time (nearly 3 years) I was assured that once permission was granted by NPA permission to return my home and business to it former full residential status. This was a fact confirmed by both the save the shop committee and the head of NPA. However, to my disappointment when permission was granted for the rebuild it was discovered that other New Forest bodies would need to give permission. The main body being the Verderers and it is only recently clear that they would never give permission to operate a business on New Forest land...I have already verbally agreed with the committee that I will again continue to run the business giving six months and perhaps longer for them to raise funds to purchase at a price to be agreed. Further I believe the application should fail in its inability to comply with section 88 of the Act". The section 88 referred to by the Owner, is the section in the Act concerning whether land is

considered to be of community value or not, although he does not specify at that point in his email why the Property does not comply.

- 4.5 The Owner concludes his email of 6 October 2021 by saying that:
“As I come now more familiar with this Act I realise the grave consequences on me personally on its future salability [sic]. Further...the one thing that the committee wants is the time to raise money and buy...[the]...property. But as I have already stated I am happy to give them ample time exceeding what the Act could impose. An ACV property listing [h]as severe and far-reaching consequences for myself in terms of unrestricted ability to dispose of my home as I see fit. The imposition over time could render the property to be more illiquid causing future potential sales to fail”.

5.0 LEGAL POWER AND DELEGATIONS

- 5.1 The Council must consider the nomination and decide whether to list the Property as an ACV.
- 5.2 The Council has put in place delegated powers for the Executive Head or Chief Planning Officer to make the decision in consultation with relevant heads of service and portfolio holder(s).
- 5.3 The legal criteria to make the decision are laid down in the Act and supporting regulations. The Council must decide whether the Property is of community value.
- 5.4 The Property is of community value if, in the opinion of the local authority an actual current use of the building or other land that is not an ancillary use (ie it is not a subservient, subordinate or incidental use) furthers the social wellbeing or social interests of the local community, and it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community. “Social interests” include cultural interests, recreational interests and sporting interests.
- 5.5 In the event of the Council deciding to list the Property as an ACV, the owner can appeal against that decision, firstly to the Chief Executive and ultimately to the court (the First Tier Tribunal). The owner is able to claim compensation for those losses and expenses which were unlikely to have been incurred in relation to the Property had it not been listed. This can include delays in entering into a binding agreement to sell the land which is caused by relevant disposals being prohibited by the regulations.

6.0 CONSULTATIONS

- 6.1 A number of consultations have been made as summarised below.
- 6.2 The Owner was informed of the Application and invited to provide comments, which have been summarised in section 4 above.
- 6.3 The East Boldre Parish Council were informed of the Application and were invited to provide comments. It confirmed that *“In our view the Shop/Post office is a vital community asset. It is relied on by many vulnerable people and of the limited mobility, overall, it provides a vital service to our community and significantly enhances the social well-being of our residents. It also performs a vital social duty in that the elderly or vulnerable people have an eye kept on their wellbeing. In addition, it provides people that are lonely with somewhere they can have contact with people. It is also an amenity to the wider village”.* It went on to say that the Property gave environment benefits as the nearest shop is ¾ mile away and, with only *“extremely restricted bus services”* the Post Office provided essential services eg electric meter card credit; it

also allowed withdrawal services which were important given withdrawal of bank services. It considered that *“During the height of the Covid pandemic the shop was a vital hub for the community for provisions as well all the important services of the Post Office”* The Parish Council also agreed with the points made in the Application and considered the benchmark modelling and *“extensive business case”* as a *“highly detailed and professionally informed plan”* which was *“achievable”*

- 6.4 The Chief Planning Officer and Executive Head of Resources respectively, were informed of the Application but have not provided any comments.
- 6.5 Portfolio holder for Planning, Regeneration & Infrastructure, Cllr Diane Andrews was informed of the Application and she had no comments to add. Portfolio holder for Partnering & Wellbeing, Cllr Mark Steele, said that he *“...cannot see a down side [of the Application]”* but was concerned in case it failed *“...either financially or through dissolving membership”*.
- 6.8 Ward Members, Cllr Holding & Cllr Harris were informed of the Application. Cllr Holding gave no response. Cllr Harris replied *“I very much support this initiative. I have been working to help support the team in many ways”*.
- 6.9 Service Manager for Estates & Valuations, Andrew Smith, was notified of the Application and had no comment to make.
- 6.10 Executive Head for Governance & Housing, Grainne O'Rourke, was notified of the Application and had no comment to make.

7.0 CONCLUSION

- 7.1 It therefore seems there are no direct objections to the nomination. The Owner, from his own experience, apparently does not feel that the community is truly invested in the use of the Post Office and stores as a focal meeting point eg his disappointment in the lack of commercial interest in the new cafe. He also has concerns about the commercial viability for the Property as a going concern in light of the decreasing revenue during his tenure as Postmaster.
- 7.2 However, he has clearly been working with EBCS to try and facilitate the changeover to EBCS's operation of the Property as a Post Office and shop which it hopes to implement by March 2022.
- 7.3 From the comments received during the consultation period referred to in section 6, it is clear that there is a current community use of the Property as Post Office and shop and that there is some benefit to the community. Indeed, whilst revenue might inevitably have been adversely affected during the Covid period (and before that in the Owner's submission), there is also some evidence that its existence became essential for the community due to lack of, or distance to, alternative sources (eg Post office services, cash withdrawals, shopping essentials).
- 7.4 The detail and comprehensive business plan that is part of the Application goes some way in illustrating the efforts behind EBCS's proposal to operate a community owned shop. Therefore, it seems *‘realistic to think that there can continue to be non-ancillary use of the Property which furthers (whether or not in the same way) the social wellbeing or social interests of the local community’* (as per s88(1)(b) of the Act).
- 7.3 Also, it has been found in Tribunal decisions that foreseeable *‘long-term viability’* is not necessary, *“Nor...is commercial viability the test. Community use need not be and often is not commercially profitable.”* (Gullivers Bowls Club Ltd v Rother D.C [2014]).

7.4 Taking all elements mentioned above, the current application given by the nominating body set out in section 3 indicates the Property does fulfil the criteria for listing summarized in paragraph 5.4 above.

7.5 On balance the Application appears to meet the legal criteria set out in the Localism Act 2011 for the Council to accept the nomination, for the reasons explained above

8.0 RECOMMENDATION

8.1 It is recommended that you as an Executive Director of the Council decide this Application pursuant to delegated powers as follows:

- (1) In the opinion of the local authority, the actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community. It does therefore meet the criteria set out in the Localism Act 2011 to be eligible for listing.

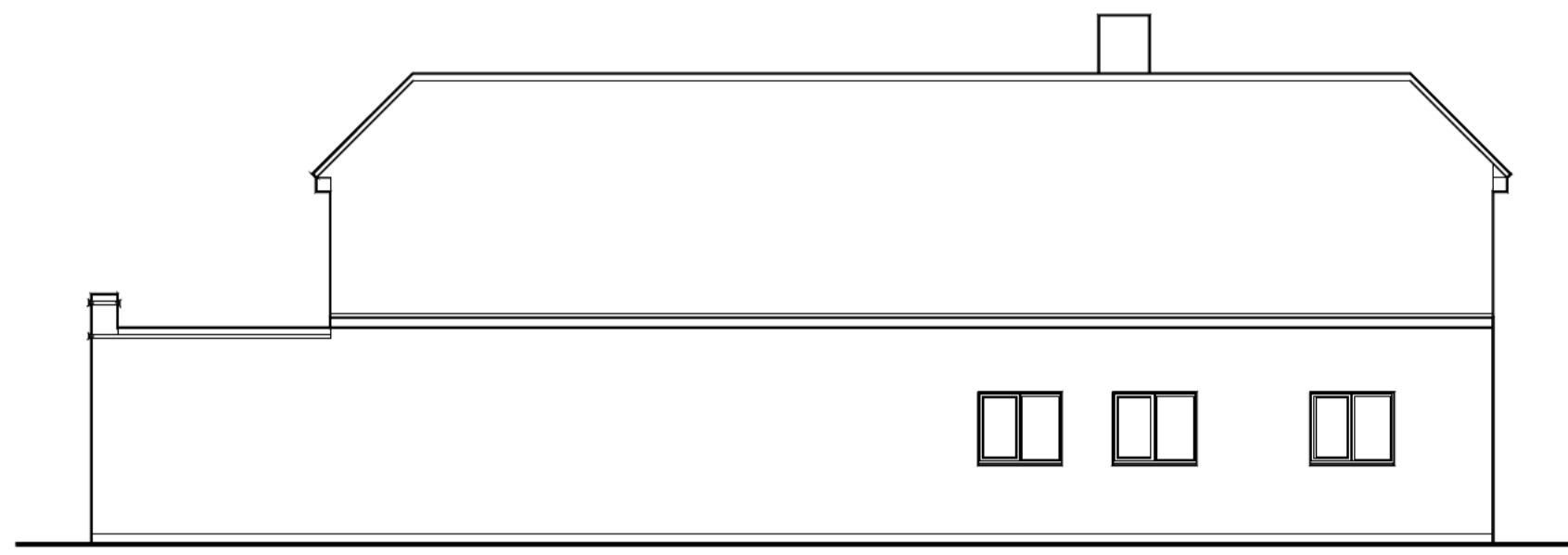
For further information contact:

Richard Davies
Solicitor
Tel: 023 80285298
E-mail: richard.davies@nfdc.gov.uk

Background Papers:

Application by EBCS Ltd dated 5th
September 2021

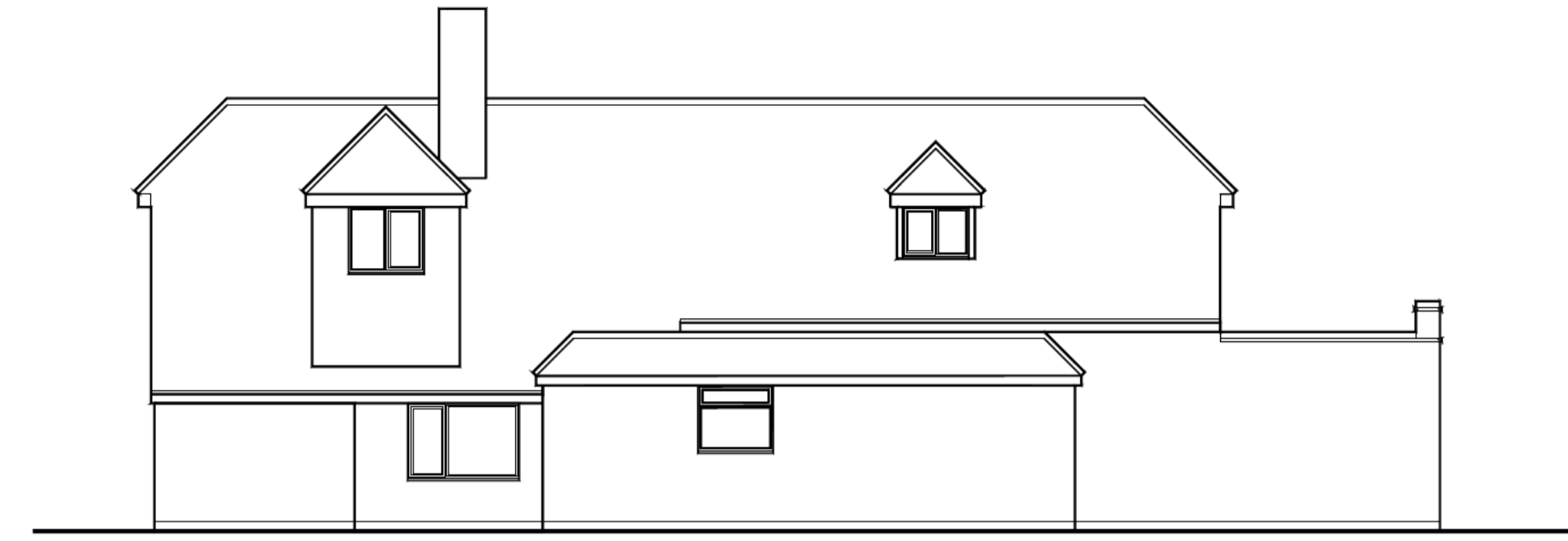
Two emails from Owner dated 6th and 8th
October 2021



EXISTING SIDE ELEVATION 1:100



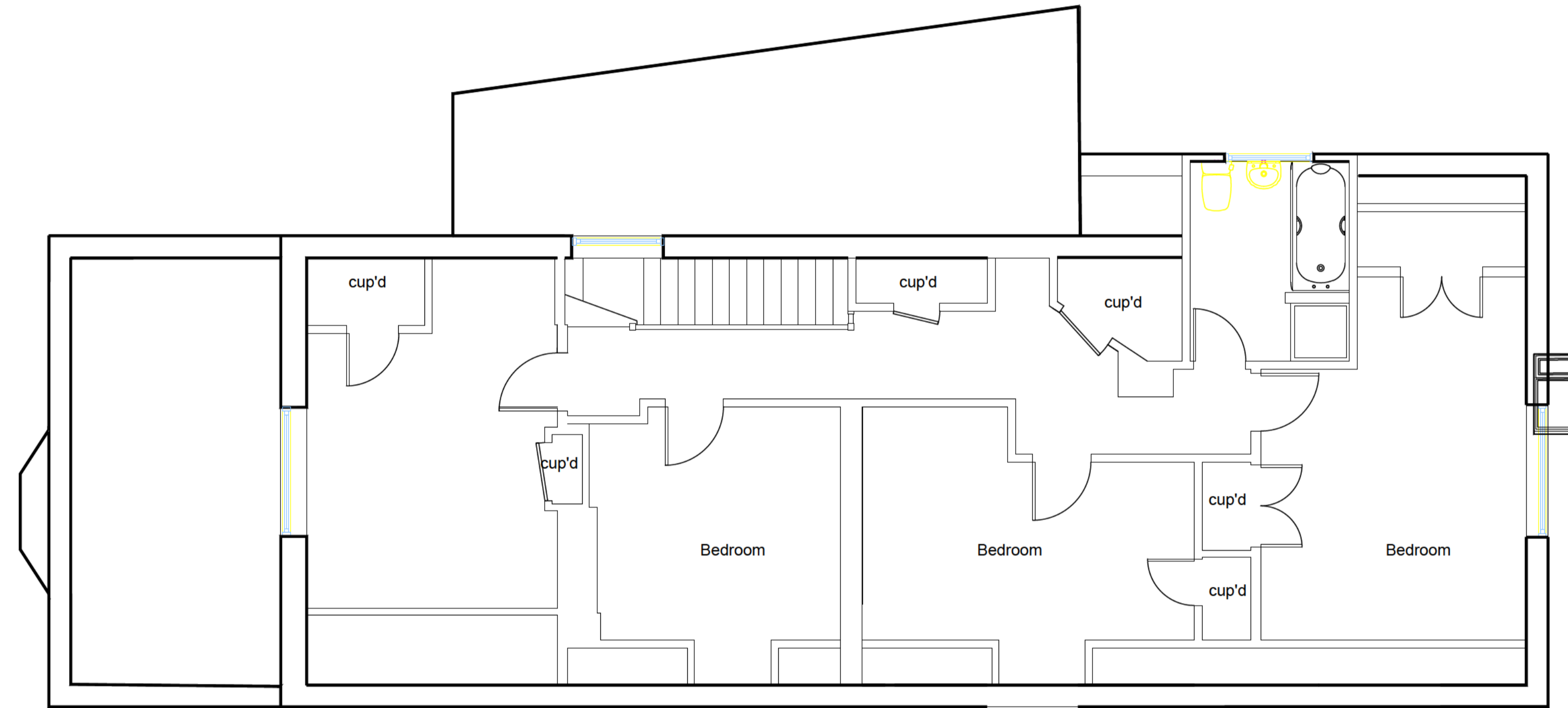
EXISTING REAR ELEVATION 1:100



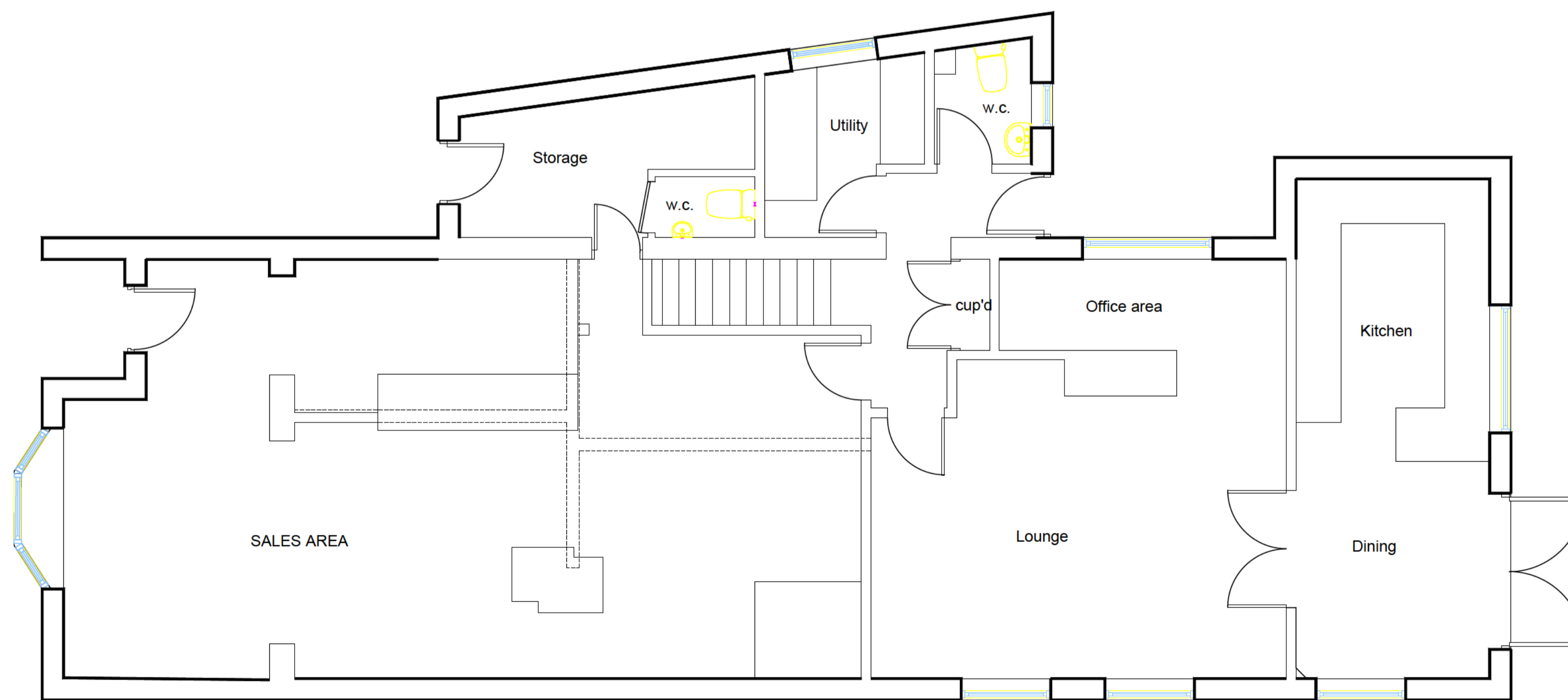
EXISTING SIDE ELEVATION 1:100



EXISTING FRONT ELEVATION 1:100



EXISTING FIRST FLOOR PLAN 1:50



EXISTING GROUND FLOOR PLAN 1:50

Scale Bar 1:50



DR3

PROPOSED ALTERATIONS

at
 East Boldre Post Office
 East Boldre Road
 East Boldre
 Brockenhurst
 SO42 7WD

Client
 East Boldre Community Stores Limited

EXISTING PLANS AND ELEVATIONS

BUILDING PLANS & ESTIMATING

9 The Close
 Holbury
 Southampton
 Hampshire
 SO45 2PG

Email [REDACTED]
 Tel [REDACTED]

SITE LOCATION PLAN
AREA 2 HA
SCALE 1:1250 on A4
CENTRE COORDINATES: 437266, 100751



Supplied by Streetwise Maps Ltd
www.streetwise.net
Licence No: 100047474
06/08/2021 13:18

DR2

EAST BOLDRE POST OFFICE
MAIN ROAD
EAST BOLDRE
SO4Z 7WD

Co-operative and Community Benefit Societies Act 2014

Registration of new society

The following society has today been registered by us under Co-operative and Community Benefit Societies Act 2014 as a Community Benefit Society:

Society: **East Boldre Community Stores Limited**

Registration number: **8481**

Registration date: 8 October 2020

Address: Dane End, Heath Lane, East Boldre, Brockenhurst, Hampshire, SO42 7WF

Financial year-end date: 31 March

Date: **08 October 2020**





Plunkett Foundation

Model Rules for Community Ownership

Version 5

June 2019

Rules sponsored by the Plunkett Foundation

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7	CHANGE
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10	START-UP PROVISIONS
11	TRANSITION PROVISIONS
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1 INTRODUCING THE SOCIETY AND THE RULES

Name

- 1.1 The Society is called **East Boldre Community Stores Limited** and it is called “the Society” in these Rules.

Registration

- 1.2 The Society is registered under the law as a society for the benefit of the community with the ***Financial Conduct Authority***. Its registered office is

**Dane End, Heath Lane,
East Boldre, Brockenhurst,
Hampshire, SO42 7WF**

Why the Society exists

- 1.3 The Society exists in order to carry on business for the benefit of the community. This is the Society’s Purpose.

Commitments

- 1.4 The Society is committed to:
- 1.4.1 trading for the benefit of the community, and not for anyone’s private benefit;
 - 1.4.2 retaining profits and applying profit to advance the Society’s Purpose.

Governing documents

- 1.5 These Rules set out the way in which the Society is owned, organised and governed.
- 1.6 In addition to the Rules, the Management Committee may make other provisions concerning how the Society operates, such as a code of conduct for the Management Committee. Such provisions must not be inconsistent with the Rules.
- 1.7 In the Rules
- 1.7.1 words starting with a capital letter (like Rules) refer to something specific, and the Appendix at the end of the Rules identifies the rule which makes this apparent; and
 - 1.7.2 words which are highlighted in italics (like ***partner***) have a special meaning and the Appendix lists all of these words and explains what they mean.

2 GOVERNANCE

Overview

2.1 The Society has Members, a Management Committee, and a Secretary.

Members

2.2 Membership is the means by which the Society is owned by the community. Membership provides Members with access to information, a voice in the Society, and the opportunity to be elected to a representative role in its governance.

Information

2.3 Members are entitled to receive information, about the Society, and its business as provided for in the rules. Information may be sent or supplied by electronic means to those members providing prior consent to the Society to receive information in this way.

Voice

2.4 Members have a voice in the Society's affairs as provided in the Rules, by

2.4.1 attending, speaking and submitting motions to be considered at Members' Meetings;

2.4.2 voting at Members' Meetings;

2.4.3 electing representatives to the Management Committee at Members' Meetings.

Representation

2.5 Subject to qualification criteria, Members may stand for election to the Management Committee.

Management Committee

2.6 Subject to the Rules, the Management Committee manages the affairs of the Society and may exercise all of its powers.

2.7 The Management Committee is collectively responsible for everything done by or in the name of the Society, but on that basis it may

2.7.1 delegate any of the powers which are conferred on it under these rules, to any person or committee consisting of members of the Society, on such terms and conditions as they think fit;

2.7.2 delegate to any employee responsibility for day-to-day management of some or all of the Society's business;

2.7.3 authorise members of the Management Committee to deal with specific matters;

2.7.4 make use of the services of volunteers.

2.8 The Management Committee may, with the approval of a resolution of the Members at a Members' Meeting, arrange for the management of the business of the Society to be carried out by a third party.

Secretary

2.9 The Secretary is secretary to the Society, and acts as secretary to the Management Committee.

3 MEMBERS

- 3.1 The Society shall encourage people to become Members, and to that end, the Management Committee shall
- 3.1.1 maintain a Membership Strategy for that purpose;
 - 3.1.2 report to the Members at the Annual Members' Meeting on the state of the Society's membership and on the Membership Strategy.
- 3.2 The Members of the Society are those whose names are listed in its Register of Members.
- 3.3 Membership is open to any person (whether an individual, a corporate body or the nominee of an unincorporated organisation) who completes an application for membership in the form required by the Management Committee and:
- 3.3.1 is over **16** years of age;
 - 3.3.2 supports the Society's Purpose;
 - 3.3.3 pays for the minimum number of shares required by the Rules;
 - 3.3.4 agrees to pay an annual subscription (if there is one); and
 - 3.3.5 whose application is accepted by the Management Committee.
- 3.4 The Management Committee may refuse any application for membership at its absolute discretion.
- 3.5 A Member which is a corporate body shall appoint a representative to attend Members' Meetings on its behalf, and otherwise to take part in the affairs of the Society. Such appointment shall be made in writing, signed on behalf of the governing body of the corporate body.
- 3.6 The Management Committee may divide Members into constituencies, based on geography, the nature of their interest in the society, or any other relevant factor. If Members are divided into constituencies:
- 3.6.1 the Members in each constituency will be able to elect at least one representative from amongst their number to the Management Committee;
 - 3.6.2 no person may be a Member within more than one constituency; and
 - 3.6.3 the Secretary shall make any final decision about the constituency which a Member belongs to.

Cessation of Membership

- 3.7 A person ceases to be a Member of the Society in the following circumstances:
- 3.7.1 they resign in writing to the Secretary;
 - 3.7.2 being an individual, they die;
 - 3.7.3 being a corporate body, they cease to exist;
 - 3.7.4 being a nominee of an unincorporated organisation, the organisation replaces them as its nominee;
 - 3.7.5 they are expelled from membership under the Rules;
 - 3.7.6 the Secretary removes them from the Register of Members, after completing procedures approved by the Management Committee on the grounds that:
 - 3.7.6.1 the Society has lost contact with the Member; or
 - 3.7.6.2 the person no longer wishes to continue to be a Member.

- 3.8 A Member may be expelled by a resolution approved by not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting. The following procedure is to be adopted.
- 3.8.1 Any Member may complain to the Secretary in writing that another Member has acted in a way detrimental to the interests of the Society.
 - 3.8.2 If a complaint is made, the Management Committee may itself consider the complaint having taken such steps as it considers appropriate to ensure that each Member's point of view is heard and may either:
 - 3.8.2.1 dismiss the complaint and take no further action; or
 - 3.8.2.2 for a period not exceeding twelve months suspend the rights of the Member complained of to attend Members' Meetings and vote under the Rules;
 - 3.8.2.3 arrange for a resolution to expel the Member complained of to be considered at the next Management Committee Meeting.
 - 3.8.3 If a resolution to expel a member is to be considered at a Management Committee Meeting, details of the complaint must be sent to the Member complained of not less than one calendar month before the meeting with an invitation to answer the complaint and attend the meeting.
 - 3.8.4 At the meeting the Management Committee will consider evidence in support of the complaint and such evidence as the Member complained of may wish to place before them.
 - 3.8.5 If the Member complained of fails to attend the meeting without due cause, the meeting may proceed in their absence.
 - 3.8.6 A person expelled from membership will cease to be a member upon the declaration by the Chairperson of the meeting that the resolution to expel them is carried.
- 3.9 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting.

4 MEMBERS' MEETINGS

- 4.1 Every year, the Society shall hold an Annual Members' Meeting, within six months of the close of the financial year.
- 4.2 Any other Members' Meetings are Special Members' Meetings.
- 4.3 The Management Committee (except where otherwise provided in the Rules) convenes Members' Meetings, and decides the date, time and place of any Members' Meeting and of any adjourned meeting.

Annual Members' Meeting

- 4.4 The functions of the Annual Members' Meeting shall include:
 - 4.4.1 receiving from the Management Committee the Annual Accounts for the previous financial year; a report on the Society's performance in the previous year, and plans for the current year and the next year;
 - 4.4.2 receiving from the Management Committee a report on the state of the membership and the Membership Strategy;
 - 4.4.3 appointing any financial Auditors, and external Auditors of any other aspect of the performance of the Society;
 - 4.4.4 declaring the results of elections of those who are to serve on the Management Committee;
 - 4.4.5 Any other business included in the notice convening the meeting.

Special Members' Meetings

- 4.5 Special meetings are to be convened by the Secretary either by order of the Management Committee, or if a written requisition signed by not less than 12 Members or 10% of all Members (whichever is less) is delivered, addressed to the Secretary, at the Society's registered office.
- 4.6 Any requisition must state the purpose for which the meeting is to be convened. If the Secretary is not within the United Kingdom or is unwilling to convene a special meeting, any member of the Management Committee may convene a Members' meeting.
- 4.7 A special meeting called in response to a Members' requisition must be held within 28 days of the date on which the requisition is delivered to the registered office. The meeting is not to transact any business other than that set out in the requisition and the notice convening the meeting.

Notice of Members' Meetings

- 4.8 Notice of a Members' Meeting is to be given at least 14 clear days before the date of the meeting, by notice prominently displayed at the registered office of the Society's places of business, and such other places or in such other manner as the Management Committee decides.
- 4.9 The notice must state whether the meeting is an Annual Members' Meeting or Special Members' Meeting, give the time, date and place of the meeting, and set out the business to be dealt with at the meeting.

Procedure at Members' Meetings

- 4.10 Members' Meetings are open to all Members. The Management Committee may invite particular individuals or representatives of particular organisations to attend a Members' Meeting.
- 4.11 Before a Members' Meeting can do business, a minimum number of Members (a quorum) must be present. Except where these Rules say otherwise a quorum is present if 5 Members or 10% of the Members entitled to vote at the meeting (whichever is greater) are present.

- 4.12 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall be dissolved if it has been requisitioned by the Members. Any other meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such time and place as the Management Committee determine. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Members present during the meeting is to be a quorum.
- 4.13 The Chairperson, or in their absence another member of the Management Committee (to be decided by the members of the Management Committee present), shall chair a Members' Meeting. If neither the Chairperson nor any other member of the Management Committee is present, the Members present shall elect one of their number to be Chairperson.
- 4.14 The Chairperson may, with the consent of the meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place. But no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice of an adjourned meeting needs to be given unless the adjournment is for 21 days or more.

Voting at Members' Meetings

- 4.15 Subject to these Rules and to any Act of Parliament, a resolution put to the vote at a Members' Meeting shall, except where a poll is demanded or directed, be decided upon by a show of hands.
- 4.16 The Management Committee may introduce arrangements for Members to vote by post, or by using electronic communications.
- 4.17 On a show of hands and on a poll, every Member present is to have one vote. Where postal or electronic voting arrangements have been introduced, every Member who has voted by such method shall also have one vote. In the case of an equality of votes, the Chairperson of the meeting is to have a second or casting vote.
- 4.18 Unless a poll is demanded, the Chairperson of the meeting will declare the result of any vote, which will be entered in the minute book. The minute book will be conclusive evidence of the result of the vote.
- 4.19 A poll may be directed by the Chairperson of the meeting or demanded, either before or immediately after a vote by show of hands, by not less than one-tenth of the Members present at the meeting. The Chairperson of the meeting shall decide how a poll is taken.
- 4.20 Unless these Rules or an Act of Parliament say otherwise, all resolutions are to be decided by a simple majority of the votes cast.
- 4.21 A resolution in writing signed by all the Members for the time being entitled to vote at a Members' Meeting shall be valid and effective as if it had been passed at a Members' Meeting duly convened and held. Such a resolution may consist of several documents in the same form each signed by one or more Members.

5 MANAGEMENT COMMITTEE

Composition of the Management Committee

- 5.1 The Management Committee shall comprise not less than three and not more than **10** persons, who shall mainly be elected by and from the Members. Not more than one quarter of the Management Committee may comprise persons co-opted by the Management Committee.
- 5.2 If Members are divided into constituencies, the Management Committee shall include persons elected by and from the Members in each constituency, and the Management Committee shall strive to ensure that its composition appropriately reflects the various constituencies.
- 5.3 If the size of the Management Committee falls below three, it may act only for the purpose of calling a Members' Meeting, the business of which shall be the election of new members to the Management Committee, and not for any other purpose.

Elections, appointments and removals

- 5.4 Elected members of the Management Committee hold office for a period commencing immediately after the Members' Meeting at which their election is declared, and ending at the conclusion of the third Annual Members' Meeting after that.
- 5.5 Co-opted members of the Management Committee serve until the next Annual Members' Meeting.
- 5.6 A person retiring from office shall be eligible for re-election or re-appointment.
- 5.7 Elections shall be carried out in accordance with procedures determined by the Management Committee.
- 5.8 Only a Member over the statutory minimum age may be elected or appointed to serve on the Management Committee.
- 5.9 The Management Committee will adopt a code of conduct, and every member of the Management Committee must comply with the terms of such code of conduct.
- 5.10 A member of the Management Committee shall immediately vacate their office if they:
 - 5.10.1 resign their office in writing to the Secretary;
 - 5.10.2 cease to be a Member;
 - 5.10.3 become bankrupt or subject to a disqualification order made under the Company Directors Disqualification Act 1986
 - 5.10.4 are removed from office by a resolution passed by a two-thirds majority of those voting at a meeting of the Management Committee, on the grounds that in the opinion of the Management Committee, they are in serious breach of the Management Committee's code of conduct or have not performed the duties which they agreed to perform or which they could reasonably have been expected to perform and it is not in the interests of the Society that they should continue in office.
 - 5.10.5 are removed from office by a simple majority of the Members in a Special Members Meeting, the notices for which specified that the question of the Director's removal was to be considered
- 5.11 The Management Committee shall elect from amongst themselves a Secretary, Chairperson Vice-Chairperson and a Treasurer. These officers shall have such functions as the Rules or the Management Committee specify, and they shall serve until they are removed or replaced by the Management Committee, or until they resign.

Meetings of the Management Committee

- 5.12 The Management Committee shall hold such meetings as it considers appropriate to discharge its roles and responsibilities.
- 5.13 Every meeting of the Management Committee shall be chaired by the Chairperson, or in their absence the Vice-Chairperson, or in their absence another member of the Management Committee chosen by those present.
- 5.14 Three members of the Management Committee shall comprise a quorum.
- 5.15 Members of the Management Committee may be counted in the quorum, participate in and vote at meetings of the Management Committee by telephone, video or other electronic means.
- 5.16 Unless the Rules provide otherwise, in the event of a decision to be made by a vote at meetings of the Management Committee, the decision shall be decided by a majority of votes. Each member of the Management Committee shall have one vote, and in the event of a tied vote, the Chairperson of the meeting shall have a second or casting vote.
- 5.17 A resolution signed by all the members of the Management Committee has the same effect as a resolution validly passed at a meeting of the Management Committee. Each member of the Management Committee may sign a separate copy of the resolution and send a signed copy to the Secretary by email or other electronic means.

Disclosure of Interests

- 5.18 A member of the Management Committee shall declare an interest and shall not vote in respect of any matter in which they, or their spouse or *partner* or immediate relative, have a personal financial or other material interest. If they do vote, their vote shall not be counted.

Remuneration

- 5.19 Members of the Management Committee are not entitled to any remuneration, but they may be reimbursed for reasonable expenses incurred in connection with the Society's business.

Secretary

- 5.20 The Management Committee appoints and may remove the Secretary, and decides the terms of the appointment and whether any remuneration is to be paid.
- 5.21 A person does not have to be a Member in order to be appointed Secretary, and a member of the Management Committee may be appointed Secretary. However a person employed to carry out other services may not be appointed Secretary.
- 5.22 The Secretary
- 5.22.1 has the functions set out in the Rules and any other functions which the Management Committee assigns;
 - 5.22.2 acts as Returning Officer at and is responsible for the conduct of all elections described in the Rules;
 - 5.22.3 has absolute discretion to decide any issue or question which the Rules require the Secretary to decide.

6 REPORTING

Preparation of Accounts

- 6.1 In respect of each year of account, the Management Committee shall cause Annual Accounts to be prepared which shall include:
- 6.1.1 a revenue account or revenue accounts which singly or together deal with the affairs of the Society as a whole for that year and which give a true and fair view of the income and expenditure of the Society for that year; and
 - 6.1.2 a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Society.

Auditors and Audit

- 6.2 At the Annual Members' Meeting where, as a result of the provisions of the Co-operative and Community Benefit Societies Act 2014 the Society has the power to decide not to appoint an Auditor or Auditors to audit its Annual Accounts, a resolution shall be put to the Members to decide whether or not they wish to exercise the power.
- 6.3 Where required by law or the decision of the Members, the Society shall appoint in each year a qualified Auditor or Auditors to be the Auditors, and the following provisions shall apply to them.
- 6.3.1 The accounts of the Society for that year shall be submitted to them for audit as required by the law.
 - 6.3.2 They shall have all the rights and duties in relation to notice of, and attendance and right of audience at Members' Meetings, access to books, the supply of information, reporting on accounts and otherwise, as are provided by the law.
 - 6.3.3 Except where provided in the Rules, they are appointed by the Annual Members' Meeting, and the provisions of the law shall apply to the re-appointment and removal and to any resolution removing, or appointing another person in their place.
 - 6.3.4 Their remuneration shall be fixed by the Management Committee in accordance with the Act.
- 6.4 The Management Committee may fill any casual vacancy in the office of Auditor until the next following Members' Meeting.

Presentation of Accounts

- 6.5 The Management Committee shall present the Annual Accounts and reports of the business and affairs of the Society to the Annual Members' Meetings.
- 6.6 The Management Committee shall lay Annual Accounts before the Annual Members' Meeting showing respectively the income and expenditure for and the state of the affairs of the Society as at the end of the Society's most recent financial year (or of such other period as the Management Committee may decide).

Publication of Accounts and Balance Sheets

- 6.7 Subject to the law, the Management Committee must not cause to be published any revenue account or balance sheet unless it has previously been audited by the Auditors unless the power in 6.2 not to appoint Auditors has been exercised and in its place an audit has been substituted by an accountant's report or lay auditors' report. Every revenue account and balance sheet published must be signed by the Secretary and by two Members acting on behalf of the Management Committee.



Copy of Balance Sheet to be Displayed

- 6.8 The Society must keep a copy of the last balance sheet for the time being, always displayed in a conspicuous place at its registered office together with the report of the Auditors if appointed.

Annual Return to be sent to Financial Conduct Authority

- 6.9 The Society must, within the time allowed by legislation in each year, send to the **Financial Conduct Authority** a general statement in the prescribed form, called the annual return, relating to its affairs during the period covered by the return, together with a copy of:

- 6.9.1 the Society's financial statements for the period included in the return; and
- 6.9.2 the report of the Auditors thereon if Auditors have been appointed.

and the most recent annual return of the Society shall be made available to any Member by the Secretary on request in writing free of charge.

7 CHANGE

Alterations to Rules

- 7.1 No new rule shall be made, nor shall any of the Rules be amended, unless it is approved by a two-thirds majority of the votes cast at a Special Members' Meeting.
- 7.2 Notice of such a Special Members' Meeting shall specify the Rules to be amended, and set out the terms of all amendments or new rules proposed.
- 7.3 No amendment to any of the Rules and no new rule shall be valid until registered.
- 7.4 The Management Committee may change the situation of the Society's registered office. The Society will send notice of any such change to the **Financial Conduct Authority**.

Restriction on use

- 7.5 Pursuant to regulations made under section 29 of the Co-operative and Community Benefit Societies Act 2014:
- 7.5.1 All of the Society's assets are subject to a restriction on their use.
- 7.5.2 The Society must not use or deal with its assets except:
- 7.5.2.1 where the use or dealing is, directly or indirectly, for a purpose that is for the benefit of the community;
- 7.5.2.2 to pay a Member of the Society the value of their withdrawable share capital or interest on such capital;
- 7.5.2.3 to make a payment pursuant to section 39 (proceedings on death of nominator), 40 (provision for intestacy) or 36 (payments in respect of mentally incapable persons) of the Co-operative and Community Benefit Societies Act 2014;
- 7.5.2.4 to make a payment in accordance with the Rules of the Society to trustees of the property of bankrupt Members or, in Scotland, Members whose estate has been sequestrated;
- 7.5.2.5 where the Society is to be dissolved or wound up, to pay its creditors; or
- 7.5.2.6 to transfer its assets to one or more of the following:
- (a) a prescribed community benefit society whose assets have been made subject to a restriction on use and which will apply that restriction to any assets so transferred;
- (b) a community interest company;
- (c) a registered social landlord which has a restriction on the use of its assets which is equivalent to a restriction on use and which will apply that restriction to any assets so transferred;
- (d) a charity (including a community benefit society that is a charity); or
- (e) a body, established in Northern Ireland or a State other than the United Kingdom, that is equivalent to any of those persons.
- 7.5.3 Any expression used in this Rule which is defined for the purposes of regulations made under section 29 of the Co-operative and Community



Benefit Societies Act 2014 shall have the meaning given by those regulations.

Transfers of Engagements

- 7.6 The Society may, by special resolution passed at a Special Members' Meeting in accordance with the Rules and in the way required by the law, amalgamate with or transfer its engagements to any **society** or convert itself into a **company**. Nothing in this Rule shall entitle the Society to amalgamate with, transfer its engagements to or convert itself into a type of body that is not listed in Rule 7.5.2.6.
- 7.7 The Society may also accept a transfer of engagements and assets from any **society** by resolution of the Management Committee or of a Members' Meeting, as the Management Committee shall decide.

Dissolution

- 7.8 The Society may be dissolved by an Instrument of Dissolution or by winding up in the way required by the law. If on the solvent dissolution or winding up of the Society there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred in accordance with the provisions above headed "Restrictions on use".
- 7.9 Subject to those provisions, such assets shall be transferred to one or more community organisations that support the objects of the Society chosen by the Members at a Members' Meeting, which may include any society established by the **Plunkett Foundation** for the purpose of the creation, promotion and development of community-owned enterprises.

8 SHARE CAPITAL

- 8.1 The Society has shares of **£15** each.
- 8.2 Application for shares shall be made to the Management Committee, and is subject to any maximum permitted by law. Shares shall be paid for in full on application or at the discretion of the Management Committee, shares can be paid in tranches over a period of not more than one calendar year. If the shares are not fully paid for at the end of the year the Society may terminate the membership and return all monies to the member.
- 8.3 The minimum shareholding shall be **1** share/s. The Society may from time to time make a public share offer, and any such offer may specify a minimum number of shares.
- 8.4 Shares are not transferable except on death or bankruptcy, and are withdrawable at the sole discretion of the Management Committee in accordance with the Rules as follows:
- 8.4.1 shares may be withdrawn by Members who have held them for a minimum period of three years or such other period as the Management Committee decides;
 - 8.4.2 application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee;
 - 8.4.3 the Management Committee may specify a maximum total withdrawal for each financial year;
 - 8.4.4 All withdrawals must be funded from trading profits, reserves or new share capital raised from Members, and are at the absolute discretion of the Management Committee having regards to the long term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit. If any withdrawal is to be funded from reserves, the Management Committee must be satisfied that:
 - 8.4.4.1 as a result of such withdrawal there will be no ground upon which the Society could then be found to be unable to pay (or otherwise discharge) its debts; and
 - 8.4.4.2 the Society will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the withdrawal.
 - 8.4.5 all withdrawals shall be paid in accordance with the Society's policy on share withdrawals. If no such policy exists, all withdrawals shall be paid in the order in which the notices were received, up to a maximum total withdrawal specified for the financial year, following which no further withdrawals may be made until the following financial year;
 - 8.4.6 except where a Member intends to terminate their membership, they shall not be permitted to withdraw shares leaving them with less than the minimum required by the Rules;
 - 8.4.7 the Management Committee may in its absolute discretion waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;
 - 8.4.8 the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall apply to all notices of withdrawal which have been received and remain unpaid at the time. Where the suspension is for a fixed period, it may be extended from time to time by the Management Committee;

- 8.4.9 during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;
- 8.4.10 the Society may deduct such reasonable sum to cover administrative costs of withdrawal from the monies payable to a Member on the withdrawal of shares.
- 8.5 The Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, subject to the following:
- 8.5.1 any payment of interest must be from trading profits and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit;
- 8.5.2 the rate of interest to be paid in any year is to be approved by resolution of the Members at the Annual Members' Meeting, and shall not exceed 5% or 2% above the base rate of the Bank of England whichever is the greater;
- 8.5.3 the Management Committee may decide that interest shall not be paid in relation to holdings of shares below a minimal level.
- 8.6 On the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.
- 8.7 In the event that a Member resigns from membership, is removed from the Register of Members, or is expelled in accordance with the Rules, shares held by them at the date of resignation, removal or expulsion shall thereupon become a loan, repayable to the former Member by the Society. The terms of repayment shall be those applying to the withdrawal of share capital set out in the Rules, and notice of withdrawal shall be treated as having been given at the point of resignation, removal or expulsion.

9 ADMINISTRATIVE

Purpose, objects and powers

- 9.1 The Society's Purpose is to carry on business for the benefit of the community.
- 9.2 The Objects of the Society are, in accordance with its Purpose:

The objects of the Society shall be to carry on business for the benefit of the community by

- providing a village shop run by the community for the community providing goods and services; and
- engaging, as principals or agents, in any other business, trade, industry or activity which seems to the Society directly or indirectly conducive to carrying out the objects above.

- 9.3 The Society has the power to do anything which appears to it to be necessary or desirable for the purposes of or in connection with its Objects.
- 9.4 In particular it may:
- 9.4.1 acquire and dispose of property;
 - 9.4.2 enter into contracts;
 - 9.4.3 employ staff;
 - 9.4.4 make use of the services of volunteers;
 - 9.4.5 receive donations or loans free of interest for its Objects.
- 9.5 Any power of the Society to pay remuneration and allowances to any person includes the power to make arrangements for providing, or securing the provision of pensions or gratuities (including those payable by way of compensation for loss of employment or loss or reduction of pay).
- 9.6 The Society shall not accept deposits or conduct any activity that constitutes a 'regulated activity' for the purposes of the Financial Services and Markets Act 2000 and 2012 without first applying for, and obtaining, authorisation for the conduct of any such activity.

Borrowing

- 9.7 Subject to the approval of the Management Committee, the Society may borrow money from its members and others for the purposes of or in connection with its Objects, providing that the amount outstanding at any one time shall not exceed £10,000,000.
- 9.7.1 The Society shall have the power to mortgage or charge any of its property, assets and undertakings, and to issue loan stock, debentures and other securities for money borrowed or for any contracts of the Society or its customers or persons or corporations having dealings with the Society under whatever security or conditions the Management Committee determine are necessary to obtain the capital required to fulfil the society's objects.
 - 9.7.2 The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed a reasonable rate necessary, in the opinion of the Board, to obtain and retain the capital



required to carry out the objects of the Society, nor shall it risk the Society's status as a Community Benefit Society.

Investments

- 9.8 Subject to any restriction imposed by resolution of any Members' Meeting, the Management Committee may invest any part of the capital and funds of the Society in any manner which the Management Committee may from time to time determine, taking investment advice where appropriate and in accordance with the Society's policy on investments..

Books of Account

- 9.9 The Management Committee shall cause to be kept proper books of account with respect to the transactions of the Society, its assets and liabilities, and shall establish and maintain a satisfactory system of control of the books of account, the cash holdings and all receipts and remittances of the Society in accordance with the law.

Treatment of Profits

- 9.10 The profits of the Society shall not be distributed either directly or indirectly in any way whatsoever among Members, but shall be applied:
- 9.10.1 to maintain prudent reserves;
 - 9.10.2 social payments furthering the objects of the Society;
 - 9.10.3 on expenditure in carrying out the Society's Objects.

Minutes

- 9.11 The Management Committee shall cause proper minutes to be made of all Members' Meetings, meetings of the Management Committee and of any sub-committees. All such minutes shall be open to inspection by any Member at all reasonable times.

Settlement of Disputes

- 9.12 Any dispute, between the Society or an officer of the Society on the one hand and a Member or a person who has for not more than six months ceased to be a Member on the other hand, as to the interpretation of or arising out of the Rules shall (except as otherwise provided in the Rules) be referred, in default of agreement between the parties to the dispute, to a person appointed by the Chief Executive of the Plunkett Foundation, on application by any of the parties. The person so appointed shall act as sole arbitrator in accordance with the Arbitration Act 1996 or the Arbitration (Scotland) Act 2010 and such person's decision shall (including any decision as to the costs of the arbitration) be final.

Register of Members

- 9.13 The Society shall keep at its registered office a register of Members as required by the law. Any Member wishing to inspect the register (or any part of it) shall provide the Society with not less than 14 days' prior notice given in writing to the Secretary at the Society's registered office.

Copies of Rules and Regulations

- 9.14 The Secretary will provide a copy of the Rules to any person who demands it, and may charge a sum (not exceeding the maximum allowed by the law) for providing such a copy. Unless that person is a member who has not previously been provided with a copy of the rules.

Management Committee's and Officers' Indemnity

- 9.15 Members of the Management Committee and the Secretary who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their functions, save where they have acted recklessly. Any costs arising in this way will be met by the Society. The Society may purchase and maintain insurance against this liability for its own benefit and for the benefit of members of the Management Committee and the Secretary.



Deceased and bankrupt members

- 9.16 Upon a claim being made by the personal representative of a deceased Member or the trustee in bankruptcy of a bankrupt Member, any property to which the personal representative or trustee in bankruptcy has become entitled may be used as the personal representative or trustee in bankruptcy may direct.
- 9.17 A Member may in accordance with the law nominate any person or persons to whom any of their property in the Society at the time of their death shall be transferred, but such nomination shall only be valid to the extent for the time being provided by the law. On receiving satisfactory proof of the death of a Member who has made a nomination the Society shall, in accordance with the law, either transfer or pay the full amount of such property to the person so nominated.





10 START-UP PROVISIONS

- 10.1 The first Members of the Society shall be those who signed the application for registration.
- 10.2 The first Members shall appoint the first Management Committee who shall serve until the first Annual Members' Meeting.
- 10.3 At the conclusion of the first Annual Members' Meeting, all the members of the first Management Committee shall retire but shall be eligible for election to the Management Committee.
- 10.4 Those elected to the Management Committee shall take office immediately after the conclusion of the first Annual Members' Meeting, and the following provisions shall apply to them.
 - 10.4.1 One third of those so elected, who obtained the highest number of votes, shall serve until the conclusion of the fourth Annual Members' Meeting.
 - 10.4.2 One third who obtained the next highest number of votes shall serve until the conclusion of the third Annual Members' Meeting.
 - 10.4.3 The remainder of those elected shall serve until the conclusion of the second Annual Members' Meeting.

11 TRANSITION PROVISIONS

- 11.1 If these model rules are adopted on a complete amendment of rules, the following provisions shall apply.
- 11.2 Those holding office as elected members of the Management Committee immediately prior to the adoption of these model rules shall continue in office until the next Annual Members' Meeting, and the following will then apply:
- 11.2.1 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for a three year term of office, then the elected members of the Management Committee shall serve out the term of office for which they had been elected;
 - 11.2.2 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for any other term of office, all elected members of the Management Committee shall retire from office at the conclusion of the next Annual Members' Meeting; elections shall be held before the Annual Members' Meeting to fill the vacancies arising; and the following provisions shall apply:
 - 11.2.2.1 one third of those elected, who polled the highest number of votes, shall serve a three year term of office ending at the conclusion of the fourth Annual Members' Meeting following the adoption of these model rules;
 - 11.2.2.2 one third of those elected, who polled the next highest number of votes, shall serve a two year term of office ending at the conclusion of the third Annual Members' Meeting following the adoption of these model rules;
 - 11.2.2.3 the remainder of those elected, who polled the lowest number of votes, shall serve a one year term of office ending at the conclusion of the second Annual Members' Meeting following the adoption of these model rules.
- 11.3 Those holding office as Chairperson, Vice-Chairperson, and Treasurer immediately prior to the adoption of these model rules shall continue in office until the first meeting of the Management Committee after the next Annual Members' Meeting. At the commencement of that Management Committee meeting, they shall retire from office and the Management Committee shall elect a Chairperson, Vice-Chairperson and Treasurer.
- 11.4 The person holding office as Secretary immediately prior to the adoption of these model rules shall continue in office unless or until replaced by the Management Committee.

12 SIGNATURES OF MEMBERS

Signatures of Members	Full Names	Date
	Michael Hawker	7.9.20
	Andy Brennan	7/9/20
	Elizabeth Duignan	9/9/20
Signature of Secretary 	Rebecca Gabzdyl	7/9/20.

APPENDIX

- 1 The Rules should be read and understood on the basis of what is set out below.
- 2 Words in the singular include the plural, and words in the plural include the singular.
- 3 Any reference to legislation includes any subsequent enactments, amendments and modifications, or any subordinate legislation.
- 4 The section, rule and paragraph headings are inserted for convenience only and shall not affect the interpretation of the Rules.
- 5 The following words and phrases have the special meaning set out below.

“company” a company registered with limited liability under the Companies Act 2006 or any previous Companies Act, or under any law of the country where it is situate whereby it acquires the right of trading as a body corporate with limited liability

“Financial Conduct Authority” Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS

“partner” a person living with another in the same household as a couple, irrespective of their sex or sexual orientation

“Plunkett Foundation” Plunkett Foundation, The Quadrangle, Woodstock, Oxfordshire, OX20 1LH

“society” a society registered with limited liability under the Co-operative and Community Benefit Societies Act 2014 or under any law of the country where it is situate whereby it acquires the right of trading as a body corporate with limited liability

- 6 The following words or phrases are introduced in the rule specified in each case.

Words or Phrases	Rule
Annual Members’ Meeting	4.1
Annual Accounts	6.1
Appendix	1.7.1
Auditor	6.2
Chairperson	5.11



Management Committee	2.1
Member	2.1
Members' Meeting	4
Membership Strategy	3.1.1
Objects	9.2
Purpose	1.3
Register of Members	3.2
Rules	1.1
Secretary	2.1
Society	1.1
Special Members' Meeting	4.2
Treasurer	5.11
Vice-Chairperson	5.11

PLUNKETT FOUNDATION'S GUIDANCE NOTES FOR USE OF THESE MODEL RULES

These Guidance Notes are not part of the Model Rules and are not formulated by the FCA

Using these Model Rules

The use of model rules for the registration of new societies is intended to save costs on application. At the current time (February 2017), an application to register a new society using model rules without any amendments to the model costs £40. The costs increase as the number of amendments to the model increases (between 1 and 6 amendments - £120; between 7 and 10 amendments - £350; 11 or more amendments - £950). Completing blanks in the model (eg inserting the name of the society) does not count as an amendment.

Rule 1.1 Insert the proposed name of the Society. The name, which will include the word "Limited", needs to be available and acceptable, and for guidance on this see:
<https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

Rule 1.2 The registered office, which is the place to which all communications and notices to the society may be addressed, must be in Great Britain or the Channel Islands.

Rule 3.3.1 The model rules provide for a minimum age to be specified. Unless a minimum age is stated in the rules, the law presumes that there is no minimum age for members. Where under these rules substantial share capital is to be raised from members, Plunkett Foundation recommends that legal advice is taken if the minimum age is to be lower than 16. Subject to that, it recommends that the minimum age is not lower than 14.

Rule 3.3 It has been suggested that 51% of the total membership should be comprised of local residents. This could be hard to police or enforce. It can be up to the Board to use 'reasonable endeavours' to ensure that at all times at least 51% of members are local.

Rule 5.1 The recommended size of a Management Committee is for a maximum number of 12 members.

Rule 5.8 The statutory minimum age for serving on the Management Committee is currently 16.

Rule 5.9 The Management Committee must adopt a code of conduct. A template code of conduct is set out following these Guidance Notes below, which can be adopted in that form, or amended.

Rule 5.11 Where possible, it is preferable for the Chairperson, Secretary and Treasurer to be elected from amongst the elected members of the Management Committee.

Rule 7 It is our preference that no new rule should be made or any of the rules repealed or altered without first discussing the suggested changes with Plunkett Foundation.

Rule 8

These model rules only provide for withdrawable shares. No member of a registered society may have any interest in the withdrawable shares of the society exceeding £100,000 being the statutory maximum, with limited exceptions.

While a society can increase the shareholding limit in its rules to £100,000, it should consider, based on its circumstances and the views of its members, whether it is appropriate to do so.

Community Shares Unit guidelines advise restricting the maximum individual investment to 10% of its total capital requirements. This will reduce the risk of the society being dependent on larger investors, which in turn could create liquidity problems if a larger investor wants to withdraw share capital. Exceptions can be made for institutional investors, as long as safeguards are in place to protect the interests of other members.

<https://communityshares.org.uk/resources/handbook/minimum-and-maximum-shareholdings>

It is recommended that a society should seek legal advice if it wishes to amend these model rules to permit shares that are not withdrawable.

Rule 8.4.1 This rule is most often applied during a start-up period. If in the future you want an open offer for members to join or leave the Society on a regular basis, this three year period should be reviewed.

Rule 8.4.2 Application for withdrawal – if withdrawals are to be made available from trading profits rather than reserves, the management committee, at their absolute discretion, can allocate a proportion of profits for the repayment of share withdrawals. This means that withdrawals will be made after the Society's year end and any requests that cannot be funded from that years allocation will need to be carried forward until the following year, or until the request can be met. We suggest a withdrawal policy be made available or included in an application for withdrawal that explains that withdrawals may not be paid immediately following three-month's notice period.

Rule 8.4.5 Plunkett Foundation recommends issuing a withdrawal policy to make the terms clear to investors. You may want to consider distribution on a pro-rata basis if applications for withdrawals are over-subscribed.

Rule 8.5 Plunkett Foundation recommends issuing a payment of interest policy to make the terms clear to investors. This may be by deciding a minimum level that attracts interest in line with the rules, whether payments will be made by adding to a share account or by vouchers, bank transfers etc.

Rule 9.6 A deposit for the purpose of 9.6 is referring to deposits as defined by regulation 5 of the Financial Services and markets Act 2000 (Regulated Activities) order 2001. The definition of the Order classes deposits as either:

- Money received that is lent to other; or
- Money used to finance to a material extent any other activity of the deposit taker.

Our advice is that this excludes reverse credits.

Rule 10 These provisions apply where these model rules are adopted upon first registration. Where that is not the case, these provisions should be deleted.

Rule 11 These provisions apply where these model rules are adopted on a complete change of rules. Where this is not the case, these provisions should be deleted.

Register a community benefit society

Section 1 – About this form

Use this form to register a community benefit society under the Co-operative and Community Benefit Societies Act 2014 or the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969.

Use this form for either a new registration of a community benefit society, or for a conversion to a community benefit society from either a company or society registered under the Friendly Societies Act 1974.

To register a society we need:

- this completed form
- one signed copy of the society’s rules (or two copies where not submitting electronically)

This form, including any details provided on the form, will be made available to the public through the Mutuels Public Register: <https://mutuals.fca.org.uk>..

Before you start completing this form you may find it helpful to read Chapter 5 of our guidance on our registration function under the Co-operative and Community Benefit Societies Act 2014: <https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf>

Section 2 – About this application

2.1 What are you applying to do?

Register a new community benefit society	<input checked="" type="checkbox"/>
Convert a company to a community benefit society	<input type="checkbox"/>
Convert a friendly society into a community benefit society	<input type="checkbox"/>

2.2 Who should we contact about this application?

Name	Rebecca Gabzdyl
Position	Secretary
Postal address	Dane End, Heath Lane, East Boldre Brockenhurst, Hampshire SO42 7WF
Telephone number	██████████
Email address	████████████████████

Section 3 – About the society

3.1 What will be the registered name of the society? (This must be exactly as it appears on the society's proposed rules). Please see page 24 of our guidance for further guidance on society names.

Society name	East Boldre Community Stores Limited
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All societies must be carrying out an industry, business or trade. Here we are looking to gain a practical understanding of what that is for your society.

3.2 What is the business of the society? For example, will you be providing social housing, running an amateur sports club, etc.

Operating a community owned village shop

3.3 What Standard Industrial Classification code best describes the society's main business? Where more than one code applies, please select the code that you feel best describes the society's main business activity. You will find a full list of codes here:

<http://resources.companieshouse.gov.uk/sic/>

47110

We need to be satisfied that a community benefit society is conducting its business for the benefit of the community. The conduct of a community benefit society's business must be entirely for the benefit of the community.

3.4 Please describe the benefits to the community the society aims to

deliver? Here we are looking to see *what* the intended benefits to the community are. Community can be said to be the community at large. For example, are you relieving poverty or homelessness through the provision of social housing.

Build a sustainable and resilient village community by retaining and safeguarding vital services in our village (that is in the bottom 3% of neighbourhoods nationally for index of deprivation for housing and services).

Improve social interaction and community cohesion

Improve accessibility and developing a sense of ownership in the community to create an inclusive village amenity.

3.5 Please describe how the society's business will deliver these benefits?

The business of the society must be conducted for the benefit of the community. Please describe *how* the society's business (as described in answer to question 3.2) benefits the community.

The shop will be safeguarded by transferring from private to community owned premises. Expanding the shop and offering new services will secure its financial viability.

Involving the community in the running and decision making in the business to ensure it serves their needs by setting it up as a community benefit society.

Improve the accessibility of the shop and stocking products at multiple price points to make it more inclusive. Managing costs against margins to keep prices as competitive as possible.

Improve social interaction both through the development of the shop and once open, the use of volunteers in its running. Paid local staff supported by volunteers will mean that the shopping experience can be a more leisurely and social experience allowing time to chat. 21% of households are occupied by a single resident and increasingly people work from home so isolation is a problem.

Loss of the shop for the 9% of households with no vehicle, given the skeleton bus service, could challenge their ability to remain in the village.

3.6 Does the society intend to work with a specific community, and if so, please define it here? For instance, will the society's activities be confined to a specific location; or to a specific group of people? Please note that in serving the needs of any defined community, the society should not inhibit the benefit to the community at large.

East Boldre parish in the New Forest & local surrounding areas

3.7 In what ways does the society intend to raise funds to set up and run its business? For instance, are you intending to apply for grants, seek capital from members, take out a loan.

The Society intends to raise funds from the community through donations and the sale of shares together with fundraising events and activities.

The society will also apply for grants from both public and private funders.

3.8 What will the society do with any surplus or profit? For instance, will money be reinvested in the business; put into reserves; used for some other purpose?

Surplus/profit will be reinvested into the business to maintain and improve facilities and to ensure sufficient reserves are in place. Any remaining surplus/profit will be used for the benefit of the local community.

In order to satisfy ourselves that the society is conducting its business for the benefit of the community, we need to understand the society's relationships with other key stakeholders.

3.9 Please state any significant commercial arrangements that the society has, or intends to have, with any other organisation that could create, or be perceived as creating, a conflict of interest. Please tell us how you will ensure that any such conflicts of interest do not prevent the society from acting for the benefit of the community.

None

3.10 Please state any close links which any of the founding members or directors has, or intends to have, with any society, company or authority.

'Close links' includes any directorships or senior positions held by directors or founding members of the society in other organisations.

Rebecca Gabzdyl is a Parish Councillor for East Boldre.

3.11 On what date do you want the society's financial year to end? This is the date the society's financial year will end, every year after the society is registered. If you have a preference (e.g. 31 March) please specify that here. If you do not select a date the society will be given the anniversary of the last day of the month it was registered in.

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Asset lock

3.12 Has the society included the community benefit society statutory asset lock in its rules? Please note that a society with a statutory asset lock in its rules cannot remove it. The asset lock is only available to community benefit societies other than regulated housing associations or charities.

Yes

No

Charitable objects

3.13 Are the society's objects intended to be charitable? Whilst we are not responsible for regulating charities, we need to know this because societies whose objects are wholly charitable are subject to a number of requirements in the Act.

Yes

No

3.14 If charitable, what is your charitable purpose? Charity law in England and Wales differs to that in Scotland. If in doubt please refer to the charity legislation relevant for the area you are in. Please note that we will not assess whether your stated purpose meets the legal criteria for a charity.

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Section 4 – The society’s rules

4.1 If you have used a sponsoring body to submit this application please include their details here.

Name of sponsoring body	The Plunkett Foundation
Name of model rules	Plunkett Foundation Model Rules
Signature on behalf of sponsoring body (unless submitted by email by the sponsor)	
Date	

The Act requires rules of societies to make provision for all of the matters listed below. If you have not made provision for all of the matters listed below we will not be able to register your society.

4.2 Please complete this table

Provision required by the Act	Number of the rule(s) covering this E.g. '2.3-2.7'
The society's name	1.1
The objects of the society	1.3 and 9
Place of the society's registered office, to which all communications and notices may be addressed	1.2
The terms of admission of the members, including any society or company investing funds in the society under the provisions of the Act	3
The method of holding meetings, the scale and right of voting, and the method of making, altering or rescinding rules	2.4, 4 and 7
The appointment and removal of a committee (by whatever name) and of managers or other officers and their respective powers and remuneration	2.7 and 5
The maximum amount of the interest in the shares of the society which may be held by any member otherwise than by virtue of section 24(2) of the Act	8
whether the society may contract loans or receive moneys on deposit subject to the provisions of this Act from members or others, and if so under what conditions, under what security, and to what limits of amount	8.4, 9.6 and 9.7
Whether any or all shares are transferable, and provision for the form of transfer and registration of shares, and for the consent of the committee to transfer or registration Whether any or all shares are withdrawable, and provision for the method of withdrawal and for payment of the balance due on them on withdrawing from the society	8
Provision for the audit of accounts in accordance with Part 7 of the Act	6
Whether members may withdraw from the society and if so how, and provision for the claims of the representatives of deceased members and of the trustees of the property of bankrupt members (or, in Scotland, members whose estates have been sequestrated), and for the payment of nominees	8.4, 9.16 and 9.17
The way in which the society's profits are to be applied	9.10
If the society is to have a common seal, provision for its custody and use	NA
Whether any part of the society's funds may be invested, and if so by what authority and in what way	9.8

Section 5 – Converting to a society

You only need to complete this section if you are converting from a company or friendly society to a community benefit society. If this does not apply to you please move on to section 6.

Requirements

If you are converting a company into a society, three copies of a special resolution to convert the company, with the following information included in the resolution:

- Company name & number
- Date the resolution was passed
- Names of three members appointed to sign the society's rules and to either: accept alterations to the rules made by the FCA without further consulting the company; or lay any such alterations before a general meeting of the company for acceptance

Details

5.1 Please provide details of the friendly society or company you are converting from.

Name	
Registration number	
Registered office address	
Postcode	

Section 6 – Member details

6.1 Please provide the details of the secretary below. All societies must have someone fulfilling the role of secretary.

Name	Rebecca Gabzdyl
Month of birth	September
Year of birth	[REDACTED]
Signature	[REDACTED]
Date	7/9/20

6.2 Please provide the details of 3 members below.

Name	Mike Hawker
Month of birth	November
Year of birth	[REDACTED]
Signature	[REDACTED]
Date	7/9/20

Name	Andy Brennan
Month of birth	October
Year of birth	[REDACTED]
Signature	[REDACTED]
Date	7/9/20

Name	ELIZABETH DUGAN
Month of birth	DECEMBER
Year of birth	[REDACTED]
Signature	[REDACTED]
Date	7/9/20

6.3 Societies are within the scope of the Company Directors Disqualification Act 1986 (CDDA). Please confirm that no proposed director is disqualified under that Act:

No proposed director is disqualified

Section 7 – Submission details

7.1 Please complete the submission checklist below.

Items	Options
<p>The society's rules signed by three members and the secretary</p>	<p><input type="checkbox"/> Two copies attached - submitting by post</p> <p><input checked="" type="checkbox"/> One copy attached - submitting by email</p>
<p>Marked-up copy of rules showing what changes the society is making to the model rules</p>	<p><input type="checkbox"/> One copy attached</p> <p><input type="checkbox"/> Not attached - not using model rules</p> <p><input checked="" type="checkbox"/> Not attached – using model rules with no changes</p>
<p>Special resolution to convert the company to a society, including the following information:</p> <ul style="list-style-type: none"> • Company name & number • Date the resolution was passed • Names of three members appointed to sign the society's rules and to either: accept alterations to the rules made by the FCA without further consulting the company; or consult the company about any such alterations 	<p><input type="checkbox"/> Three copies attached - submitting by post</p> <p><input type="checkbox"/> One copy attached - submitting by email</p> <p><input checked="" type="checkbox"/> Not attached - not a company converting to a society</p>
<p>Cheque for registration fee made payable to the Financial Conduct Authority</p> <p>Please indicate below which fee is applicable to you, then select a box on the right to show how you are paying it:</p> <p><input checked="" type="checkbox"/> £40 - using model rules with no changes</p> <p><input type="checkbox"/> £120 - using model rules with 1-6 changes</p> <p><input type="checkbox"/> £250 - using model rules with 7-10 changes</p> <p><input type="checkbox"/> £950 - using model rules with 11 or more changes</p> <p><input type="checkbox"/> £950 - not using model rules</p> <p><input type="checkbox"/> No fee - Friendly society converting to a society</p>	<p><input type="checkbox"/> Cheque attached – submitting this form by post</p> <p><input checked="" type="checkbox"/> Cheque posted separately – submitting this form by email</p> <p><input type="checkbox"/> No fee - Friendly society converting to a society</p>

Section 8 – Submitting this form

Please submit a signed, scanned version of your application by email to:
mutual.societies@fca.org.uk

Or please submit by post to:

Mutual Societies
Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

This form is available on the **Mutuals Society Portal**:
<https://societyportal.fca.org.uk>

From: [ian.evans](#)
To: [Richard.Davies](#)
Subject: Proposed ACV East Boldre Post Office
Date: 06 October 2021 10:44:22

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I acknowledge receipt of your letter dated 10th September, and received by me on 17th September, 2021 regarding the above.

As a non legal person I have tried to familiarise myself with the Localism Act of 2011.

My defence to prevent an ACV being imposed on me is specifically based on section 88 of the Act.

I am unable justify how a shop and post office "furthers the social wellbeing or social interests of the local community". I realise that a shop is just a shop where people come in make a purchase and leave. Having owned the business for over 20 years I can say that for the first few years my older customers taking their time in the shop would occasionally and totally unplanned see other customers known to them and chat together for a few minutes. However those many older traditional customers have either left the village or passed away. What I see now are customers who want a quick service and to be in and out as quickly as possible.

Approximately five years ago at considerable personal cost I carried out a total refurbishment of the business. Prior to doing this I verbally surveyed nearly every customer asking what additional services they would like to see in the shop. Taking note of feedback I made many changes, but the main change was to incorporate a cafe within the shop, this had been mentioned numerous times. The space allocated reduced my sales area but confident of its success I purchased tables, chairs, cutlery, tableware and a significant amount on a state of the art coffee machine. The take-up of the cafe by the village was appalling and average tea/coffee sales were less than 10 sales a week! After eighteen months I gave up the idea and closed the cafe. Had this idea worked then yes the shop my have well been proved to increase social interaction by it was made undoubtably clear that this was not required or need in the village.

Your decision should also consider the financial capability of the shop. Having carefully reviewed my accounts (available at Companies House) over the last nine years the business has made a loss for seven of these years. The annual purchases of the business are in decline year on year inspite of numerous changes I have made to try and make the business profitable.

Major influences on this type of business are increasing demand for supermarket home deliveries, competition between supermarkets leading to their prices being cheaper than a cash and carry. The recent pandemic has lead people to use home delivery and now they continue to do so. (My purchases over the last six months are 50% down on 2019 comparison). Further the increasing number of homes being purchased as second homes is devastating for this business.

Further I have tried to sell the business, with four different agents, as a going concern between 2014 and 2019 with no success whatsoever. However, during 2019 the village formed a save the shop group with the intention of renovating the village hall and it accommodating the shop and post office. I agreed to continue running the business until planning permissions were granted or refused. During this time (nearly 3 years) I was assured that once permission was granted by NPA permission to return my home and business to it former full residential status. This was a fact confirmed by both the save the shop committee and the head of NPA. However, to my disappointment when permission was granted for the rebuild it was discovered that other New Forest bodies would need to give permission. The main body being the Verders and it is only recently clear that they would never give permission to operate a business on New Forest land.

Perhaps you may understand that this has been a very long and difficult time and process for me and my family. This is not just a business, it is my life and home. The business occupies approximately 20 to 25% of the building and the rest is my home. When I purchased the property and business from Ken Garman over 20 years ago at that time the shop was being closed and i guess I rescued it from closure.

I have already verbally agreed with the committee that I will again continue to run the business giving six months and perhaps longer for them to raise funds to purchase at a price to be agreed. Further I beleive the application should fail in its inability to comply with section 88 of the Act.

As I come now more familiar with this Act I realise the grave consequences on me personally on its future salability. Further, and please correct me if i'm wrong, the one thing that the

committee wants is the time to raise money and buy to property. But as I have already stated I am happy to give them ample time exceeding what the Act could impose. An ACV property listing as severe and far-reaching consequences for myself in terms of unrestricted ability to dispose of my home as I see fit. The imposition over time could render the property to be more illiquid causing future potential sales to fail.

I look forward to your reply in due course.

Ian Evans
East Boldre Post Office / [REDACTED], SO42 [REDACTED]

From: [ian evans](#)
To: [Richard Davies](#)
Subject: ACV- EAST BOLDRE POST OFFICE
Date: 08 October 2021 15:29:28

Dear Mr Davies,

Thank you for your email today asking four questions, here are my answers:-

1. I run the post office as an agent of Post Office Limited. I am not sure but would doubt that any other body should be informed about this matter.
2. I am unaware of what land registry say about the property but it is part of my home and an open used internal door separates it.
3. The point is that I would like to sell, as a going concern, at the right market price. The purchase price has been discussed but never agreed at this time. Once agreement is made I am happy to wait for a time more reasonable than the Localism Act dictates for the sale to go through. I am of retirement age and need from the sale to buy another property and therefore look to achieve a reasonable market price. By continuing to run the post office until the EBSC can raise funds means that the transition would be seamless and EBSC would continue to be paid on a fixed salary basis. Should there be a break in service the Post Office would have no hesitation in moving the office payment to a performance related basis. In reality this would mean an approximate cut of 60% of income. Therefore by continuing I am preserving the priviledged salaried position. However, the big questions for me are the realities of the EBSC being able to raise sufficient funds to make the purchase, no matter how long I wait and the fact that the business is losing money and exactly how long can I continue to use my own funds to keep the business viable.
4. There is still agreement to be reached on the running of the post office. I am happy to be employed, and train staff, for as long as necessary to ensure a smooth transition. But to answer your question I will run the post office until completion of sale.

Ian Evans

From: [REDACTED]@mail.com
To: [Richard Davies](#)
Subject: Re: RE: FW: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD, EAST BOLDRE, BROCKENHURST, SO42 7WD
Date: 22 December 2021 11:10:35

I am concerned that the time frame for requesting a review of the ACV imposed on me is near.

I have yet to instruct a professional representative but assume by this email I can formally request a review of the decision based on the fact that it is unlikely that the only interested group, and I, will not be able to agree on sale price and further my opinion that the funding process in any event will fail.

I look forward to hearing from you soon.

Ian Evans

Sent using the mail.com mail app

On 23/11/2021 at 13:26, Richard Davies wrote:

From: "Richard Davies" <Richard.Davies@NFDC.GOV.UK>
Date: 23 November 2021
To: [REDACTED]@mail.com" [REDACTED]@mail.com>,
"Adam Bennett" [REDACTED]
Cc: "Kelly Vickers" [REDACTED]
Subject: RE: FW: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD,
EAST BOLDRE, BROCKENHURST, SO42 7WD

Thank you both. I shall attend to getting the documentation out.

regards

Richard Davies
Solicitor

New Forest District Council
Tel: **02380 285298**

richard.davies@NFDC.gov.uk

www.newforest.gov.uk



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From: [REDACTED]@mail.com <[REDACTED]@mail.com>
Sent: 23 November 2021 13:07
To: Adam Bennett <[REDACTED]>
Cc: Richard Davies <Richard.Davies@NFDC.GOV.UK>; Kelly Vickers <[REDACTED]>
Subject: Re: FW: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD, EAST BOLDRE, BROCKENHURST, SO42 7WD

Thank you for your email.

I can confirm that I am happy for all the documentation related to the application for the ACV to be forwarded to Adam Bennett.

Ian Evans

Sent using the mail.com mail app

On 23/11/2021 at 09:27, Adam Bennett wrote:

From: "Adam Bennett" <[REDACTED]>
Date: 23 November 2021
To: [REDACTED]@mail.com <[REDACTED]@mail.com>
Cc: "Richard.Davies@NFDC.GOV.UK" <Richard.Davies@NFDC.GOV.UK>, "Kelly Vickers" <[REDACTED]>
Subject: FW: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD,

EAST BOLDRE, BROCKENHURST, SO42 7WD

Hi Ian,

As part of our full assessment of the matter for you, we are seeking a copy of the documentation relating to the ACV nomination application made to the Council.

Please see below the email from Mr Richard Davies of NFDC, who requires confirmation of your authority to release the documents to us. Can you confirm by response to this email, that you are content for him to release the documentation to us so that we can duly review.

Thanks in advance.

Kind Regards

Adam Bennett

Town Planning Consultant



Anniversary House


23 Abbott Road

Bournemouth BH9 1EU

Tel 01202 538800

Fax 01202 538808



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Ken Parke Planning Consultants Limited is registered in England and Wales at

13 Queens Road, Westbourne, Bournemouth BH2 6BA

Company no 4653064 VAT 807 5083 33

From: Richard Davies <Richard.Davies@NFDC.GOV.UK>
Sent: 22 November 2021 14:30
To: Kelly Vickers <[REDACTED]>
Subject: FW: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD, EAST BOLDRE, BROCKENHURST, SO42 7WD

Dear Kelly

Thanks for your email.

Please could you provide a formal authority from your client, or an email from him confirming his instructions to you, so that I may deal with you on his behalf?

Thanks

regards

Richard Davies
Solicitor

New Forest District Council
Tel: **02380 285298**

richard.davies@NFDC.gov.uk

www.newforest.gov.uk



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From: Kelly Vickers [REDACTED]
Sent: 19 November 2021 12:20
To: Richard Davies <Richard.Davies@NFDC.GOV.UK>
Subject: ACV - EAST BOLDRE POST OFFICE, MAIN ROAD, EAST BOLDRE, BROCKENHURST, SO42 7WD

You don't often get email from [REDACTED]. [Learn why this is important](#)

Good Afternoon Richard,

Further to the emails below, we are now instructed to act for Mr Evans. I would be grateful if you could forward me the paperwork and documents relating to the ACV nomination/designation that you have on file as we only have the decision thus far.

Kind Regards,

Kelly Vickers

Administration Assistant

(Please note my working hours are Mon – Fri 9am – 2pm)



Anniversary House

23 Abbott Road

Bournemouth BH9 1EU

Tel 01202 538800

Fax 01202 538808

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From: "ian evans" <[REDACTED]@mail.com>

Date: 8 October 2021

To: richard.davies@nfdc.gov.uk

Cc:

Subject: ACV- EAST BOLDRE POST OFFICE

Dear Mr Davies,

Thank you for your email today asking four questions, here are my answers:-

1. I run the post office as an agent of Post Office Limited. I am not sure but would doubt that any other body should be informed about this matter.

2. I am unaware of what land registry say about the property but it is part of my home and an open used internal door separates it.

3. The point is that I would like to sell, as a going concern, at the right market price. The purchase price has been discussed but never agreed at this time. Once agreement is made I am happy to wait for a time more reasonable than the Localism Act dictates for the sale to go through. I am of retirement age and need from the sale to buy another property and therefore look to achieve a reasonable market price. By continuing to run the post office until the EBCS can raise funds means that the transition would be seamless and EBCS would continue to be paid on a fixed salary basis. Should there be a break in service the Post Office would have no hesitation in moving the office payment to a performance related basis. In reality this would mean an approximate cut of 60% of income. Therefore by continuing I am preserving the priviledged salaried position. However, the big questions for me are the realities of the EBSC being able to raise sufficient funds to make the purchase, no matter how long I wait and the fact that the business is losing money and exactly how long can I continue to use my own funds to keep the business viable.

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Ian Evans

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