



power to  
**change**

business in  
community  
hands

Research Institute Evaluation Report

# More Than a Pub programme evaluation Interim Report

September 2019

Alice Thornton, Annabel Litchfield,  
Sam Brooks, Rhiannon Britt, John Hitchin



---

# Contents

|   |           |
|---|-----------|
| <b>EXECUTIVE SUMMARY</b>  | <b>4</b>  |
| <b>1. INTRODUCTION</b>  | <b>7</b>  |
| <b>2. ABOUT THE MORE THAN A PUB PROGRAMME</b>                       | <b>10</b> |
| <b>3. ABOUT THE PUBS AND COMMUNITIES SUPPORTED BY THE PROGRAMME</b> | <b>17</b> |
| <b>4. ABOUT THE PROGRAMME SUPPORT OFFER</b>                         | <b>28</b> |
| <b>5. IMPACT OF COMMUNITY-OWNED PUBS</b>                            | <b>43</b> |
| <b>6. CONCLUSION</b>  | <b>50</b> |
| <b>7. APPENDIX</b>  | <b>54</b> |

---

## About this report

Power to Change commissioned Renaisi in October 2016 to evaluate the More than a Pub programme. More than a Pub aims to increase the number of community-owned pubs open and trading and also to grow the range of services they offer to help the wider community. The £3.85 million England wide programme is jointly funded by Power to Change and the Ministry of Housing, Communities and Local Government. The programme is delivered by the Plunkett Foundation and its network of advisors, with loans provided by Cooperative and Community Finance, and Key Fund. The programme is supported by a Steering Group with additional representatives from the British Beer and Pub Association, Locality, Pub is the Hub, and the Campaign for Real Ale.

The main aims of the evaluation were to develop a better understanding of the economic, social and environmental impacts of community controlled pubs, and to identify the key conditions for success of community owned pubs. The evaluation was developmental, designed to respond to the evolving needs and interests of both the More than a Pub programme and Power to Change more generally, and to provide timely insight to inform the ongoing development of the programme.

---

## About the author



Renaisi is a social enterprise committed to understanding what it takes to improve a place. For twenty years it has worked with individuals, communities, charities, social enterprises and government to understand what supports, influences and drives change.

Published by The Power to Change Trust (2019)  
978-1-911324-25-6



This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.  
To view a copy of this licence, visit <http://creativecommons.org/licenses/by-sa/4.0/>

---

## Executive Summary

The More than a Pub programme is a Community Pub Business Support Programme, intended to support communities across England to buy and run local pubs at risk of closing, as community-owned businesses. The programme launched in March 2016.

This report summarises the interim findings from an independent evaluation of the More than a Pub programme, delivered by Renaisi.

### ABOUT THE PUBS AND COMMUNITIES SUPPORTED BY THE PROGRAMME

- 197 community groups located across England have received support from the programme.
- The typical group engaging with the programme is rural; in an area of low overall deprivation but with limited access to local services; with average levels of unemployment; and located near a couple of other pubs.
- The majority – over two thirds – of groups supported by the programme are based in rural areas. Few groups have engaged from urban major or minor conurbations.
- The places where groups engaged with the programme are located are skewed towards less deprived areas.
- However, due to their rural locations, they are also strongly skewed towards areas experiencing more geographical barriers, i.e. poorer access to services.
- With few exceptions, the programme has not supported urban pubs in areas of high deprivation, high unemployment and scarcity of local services, for example isolated urban estates. This is because communities in these areas have not engaged with the programme at all, rather than because they were less likely to progress.
- Of the 54 groups which applied for a loan and grant, the majority are located in the south and/or east of England. Two of the 23 groups which have received their loan and grant to date are located in the North: one in the North West and one in the North East.

## ABOUT THE PROGRAMME SUPPORT OFFER

- A range of contexts could lead to a pub becoming available for purchase by the community. In most cases, the pub was for sale by either: a pub company which no longer felt the business was viable; a private landlord, often at the point of retiring; or a developer which had previously bought the pub but was not able to secure planning permission for the developments they had planned, or were in the process of having these contested.
- There was a wide range in the time taken by different pubs to progress through each type of support, which led to difficulties in estimating this for each individual case.
- The level of deprivation of the areas in which groups are located is not a significant factor in the speed at which they progress through the programme; however, groups located in rural towns took substantially longer to apply for a loan and grant than groups located in rural villages or urban areas.
- The majority of pubs were incorporated as Community Benefit Societies and raised funds via a community share offer. The mean total value of community shares raised was £235,028 and the median was £225,350<sup>1</sup>, giving a total value of £5.86m in community shares.
- Pubs supported attracted over 5,000 shareholders to buy community shares, most of whom were local to the area.
- Pubs particularly valued the expert knowledge and advice provided by Advisors, the opportunity to participate in study visits and the opportunity to access loan and grant funding.
- To improve the programme, pubs would have liked more consistent and/or specialist support from the Plunkett Foundation in addition to their Advisor, clearer communication about the type of support available and sustained support once they were open.

<sup>1</sup>For 26 pubs

## IMPACT OF COMMUNITY-OWNED PUBS

We observed six main types of impact created by the community-owned pub model.

### **1. Space for community**

All community-owned pubs provide a space for people to come together, which is particularly valuable in places where there is a lack of other community spaces.

### **2. Sense of ownership, pride and empowerment**

There was a particular sense of pride and ownership for communities where there was a successful campaign to bring the pub into community ownership, and because community shareholders legally own part of the business.

### **3. Creating employment opportunities**

Almost all pubs created employment opportunities, and a minority created a much greater impact by employing people who would otherwise face unemployment due to the economic situation in their area or because of their support needs.

### **4. Creating volunteering opportunities**

Pubs created two types of volunteering opportunities: one-off, short term opportunities and ongoing, regular opportunities.

### **5. Improving access to services**

Pubs in rural areas provide important services for the local community, for example a post office or access to health services.

### **6. Social activities**

Most pubs offer a wide range of projects or activities with a social aim, sometimes specifically designed to engage people who would otherwise be isolated.

Some barriers to impact exist, such as difficulties in knowing where to start and tensions between prioritising activities that would promote social impact, and the profitability of the business.

# 1. Introduction

## 1.1 Introduction to the programme

The More Than a Pub programme is jointly funded by the Power to Change Trust and the Department for Communities and Local Government, later the Ministry of Housing, Communities and Local Government (MHCLG). It launched in March 2016 and was designed as a two-year programme, later extended to March 2019. The programme is delivered by the Plunkett Foundation and its network of Advisors, with loans provided by Cooperative and Community Finance and the Key Fund. The programme is supported by a Steering Group with additional representatives from the British Beer and Pub Association, Pub is the Hub, and the Campaign for Real Ale.

The programme was launched with the aim of supporting communities across England to buy and run local pubs at risk of closing, as community-owned businesses. To be eligible for support, groups had to demonstrate that their community-owned pub would be ‘more than a pub’ – that it would have a positive impact on the community, for example by offering vital local services that would otherwise be unavailable. Community-owned pubs have responded to this challenge in a wide range of different ways, reflecting the range of different contexts in which they are situated. This is discussed further in section six.

For the Power to Change Trust, this programme was designed as an important driver of the growth of the pubs sector of the community business market. MHCLG supported the programme to deliver a 2015 Conservative manifesto promise to slow the rate of pub closures. Power to Change provided grant funding, and funded Plunkett Foundation to deliver the programme; MHCLG provided loans, smaller bursary funding and part funded the programme evaluation.<sup>2</sup>

## 1.2 About community-owned pubs

When the More Than a Pub programme launched, the Plunkett Foundation estimated that there were approximately 33 community-owned pubs in England.<sup>3</sup> These pubs were owned by groups of shareholders, predominantly local people, who had usually bought the pub to either re-open it after a period of disuse, or to prevent it from being privately developed. These community-owned pubs are a tiny minority of the approximately 50,000 pubs trading across the UK, owned and managed by pub companies or private landlords.<sup>4</sup>

In recent years there has been a growing interest in the role of pubs in fostering community wellbeing.<sup>5</sup> The Plunkett Foundation’s Cooperative Pubs: A better form of business 2017 report describes the important role that pubs can play as hubs of the community. However, relatively little is known about the impact specifically of community-owned pubs and whether or how this differs from pubs that are privately owned. A key aim of this evaluation was to increase our understanding of the community-owned pubs sector, as well as evaluating the role of the More Than a Pub programme in supporting it.

<sup>2</sup> MHCLG contributed 83% of the total research and evaluation budget, Power to Change contributed 27%

<sup>3</sup> [https://plunkett.co.uk/wp-content/uploads/Plunkett\\_BetterBusiness\\_Pubs\\_2014\\_download.pdf](https://plunkett.co.uk/wp-content/uploads/Plunkett_BetterBusiness_Pubs_2014_download.pdf)

<sup>4</sup> <https://beerandpub.com/statistics/pub-numbers/>

<sup>5</sup> <https://www.camra.org.uk/pubs/campaigns/pubs-and-wellbeing/>

### 1.3 Evaluating the More Than a Pub programme

Renaisi were commissioned in October 2016 to lead the evaluation of the More Than a Pub programme. The purpose of the evaluation was to:

- Develop our understanding of the impact of community-owned pubs and how the community ownership model drives that impact
- Assess how effective the More Than a Pub programme has been in achieving its aims and supporting the community-owned pub sector
- Provide some comparative element – this did not have to be a control group, but might be through matched design, comparison with national datasets or modelling of a counterfactual

The work on comparison was undertaken by our partners at Social Enterprise UK, and is reported separately.<sup>6</sup>

The evaluation was developmental, designed to respond to the developing needs and interests of both the More Than a Pub programme and Power to Change more generally, and to provide timely insight to inform the ongoing development of the programme. Whilst the focus of the evaluation has remained, in response to developing needs and interests our work has also evolved to include:

- Advising the Plunkett Foundation on data management issues and collecting high quality data to support the evaluation and programme management
- Supporting the programme team to estimate the likely future pipeline of pubs
- Supporting community groups to understand and plan their approach to impact, at two More Than a Pub conferences
- Responding to developing areas of interest, for example the value of shares raised by community-owned pubs

A mixed methods approach was used to undertake this evaluation, including both quantitative and qualitative data analysis and observations. Quantitative analysis included use of data collected by the Plunkett Foundation, including application data, reports submitted by Advisors supporting groups and public datasets including the Index of Multiple Deprivation (IMD); whilst qualitative analysis focussed on interviews with employees, trustees, members, customers, and visitors of 12 community-owned pubs and observations of facilities and activities at these 12 community-owned pubs.

<sup>6</sup> Report comparing hospitality organisations and social enterprises, Social Enterprise UK: 2018

## 1.4 Limitations

Of the 27 pubs supported by the programme that had opened for trading by March 2019, 17 have been trading for more than a year and only four have been trading for more than two years. We are therefore limited in our understanding of the longitudinal development of pub businesses, and their impact, over time. Most of our visits to community-owned pubs to inform our understanding of their impact took place at a very early stage in their development.

We were able to visit a total of 12 community-owned pubs that had been supported in different ways by the programme. Of these, four were located in urban areas. Our ability to compare the business models and impact of urban and rural pubs is therefore limited.

---

## 2. About the more than a pub programme

### 2.1 Aims and criteria of the programme

The programme has three core aims:

- 1) **To support and promote community ownership of pubs**
- 2) **To save and re-open pubs at risk of closure**
- 3) **To drive social impact in communities**

From these, the following key questions arise which in effect the programme can be used to test:

- a) What is the most effective way to support the growth in community ownership of pubs?
- b) Can community ownership be a solution to the declining numbers of pubs in England?
- c) Can community-owned pubs be an effective driver of social impact in their communities, and if so, how?

The three core aims are related, but distinct from one another – it would have been possible to create a less ambitious programme with only one or two of these aims. To achieve all three the programme had to manage some trade-offs, and the criteria for support was narrowed:

- **Only pubs which were community-owned could be supported.** In some cases, it was more feasible for a pub to be saved via private ownership, often with significant support and input from the local community, however these pubs became ineligible for support from the More Than a Pub programme.
- **Only pubs newly coming into community ownership could be supported.** The programme attracted some interest from pubs already community owned seeking investment to sustain the business and/or to increase their social impact, but because they were already ‘saved’ these were also ineligible for programme support.
- **Pubs had to demonstrate that they would have a social impact in the community, and would offer more than a space for drinking.** Some pubs were delayed in their progression through the programme because they required additional support to help them demonstrate these criteria.

To be eligible for support groups had to also:

- Be located in England
- Be a pub, not other types of social drinking space
- Demonstrate community support for the initiative – ‘lone heroes’ or small groups of people looking to reopen the pub alone were discouraged
- Be looking to take ownership of an existing pub, whether closed or trading
- Be intending to develop community ownership as per the definition provided by Power to Change and meeting the Plunkett Foundation’s criteria for democratic governance.<sup>7</sup>  
In practice, most community groups chose to incorporate as Community Benefit Societies
- Demonstrate that other local businesses would not be displaced

More detail on the specific criteria for eligibility for the More Than a Pub programme are included in the appendix.

Over the course of the programme, and partly in response to developmental evaluation findings, an additional requirement was introduced:

- Able to demonstrate that the pub is for sale or that the current owner is willing to negotiate, so that resources could be targeted towards pubs with the greatest likelihood of coming under community ownership within the timeframes of the programme

## 2.2 Programme targets

The More Than a Pub programme launched with an ambitious set of targets to guide the programme delivery:

- At least 80 new pubs moved into community control over the endowment period (to 2025), particularly in areas identified by Power to Change as having high social need
- Maintain a success rate for community-controlled pubs in receipt of monies from the programme of at least 80% (target 95%) over the endowment period
- Creating at least 16,000 new individual members with direct investment in their community-controlled pub
- Help to leverage at least £12m of community share capital through supported community groups
- Increase the number of pubs which have been listed as Assets of Community Value (ACVs).<sup>8</sup>

These targets, along with the core aims, shaped the structure and design of the programme.

<sup>7</sup> <https://www.powertochange.org.uk/get-support/>; <https://plunkett.co.uk/more-than-a-pub/>

<sup>8</sup> 26 pubs in the programme were registered as ACVs at the start of the programme.

### 2.3 Structure of the programme

The programme was structured to support community groups, from a very early stage, to explore whether community ownership of their pub was viable. The programme offered action planning, networking, study visits, events and specialist advice through to providing loan and grant finance for groups looking to purchase their local pub.

Figure 1 – Programme structure



**Not all pubs groups accessed every type of support available, and not all pubs accessed support in the same order.** The programme was flexible to the needs of different groups in different contexts, and which were accessing the programme at different stages of their journey towards community ownership.

The time taken for pubs to access support and ‘progress’ through the programme varied significantly depending on their particular context (see section 4.2.2).

## 2.4 Number of pubs accessing each type of support

The following table shows that by March 2019, **the programme attracted 425** enquiries from community groups interested in community ownership of their local pub, however, the number of groups that went on to engage with the programme was substantially lower. Whilst 54 groups applied for a loan and grant, **not all groups needed this finance and 11 went on to open without accessing a loan and grant from this programme** (see section 2.5 below).

Table 1 – Number of community groups engaging with the programme to March 2019

| Programme stage / type of support               | Number of groups supported |
|---|----------------------------|
| <b>Enquiries</b>                                | <b>425</b>                 |
| <b>Advisor Support (Action Plans)</b>           | <b>173</b>                 |
| > Active  | 26                         |
| > Cancelled                                     | 12                         |
| > Completed                                     | 135                        |
| <b>Study visit</b>                              | <b>43</b>                  |
| > Active  | 4                          |
| > Cancelled                                     | 8                          |
| > Completed                                     | 31                         |
| <b>Bursary (up to £2500)</b>                    | <b>123</b>                 |
| > Active  | 27                         |
| > Cancelled                                     | 8                          |
| > Completed                                     | 88                         |
| <b>Specialist Advisor support</b>               | <b>95</b>                  |
| > Active  | 32                         |
| > Cancelled                                     | 6                          |
| > Completed                                     | 57                         |
| <b>Loan and grant application (up to £100k)</b> | <b>54</b>                  |
| > Approved                                      | 4                          |
| > Completed                                     | 23                         |
| > In progress                                   | 4                          |
| > Rejected                                      | 7                          |
| > Withdrawn                                     | 16                         |

## 2.5 Number of pubs open and trading

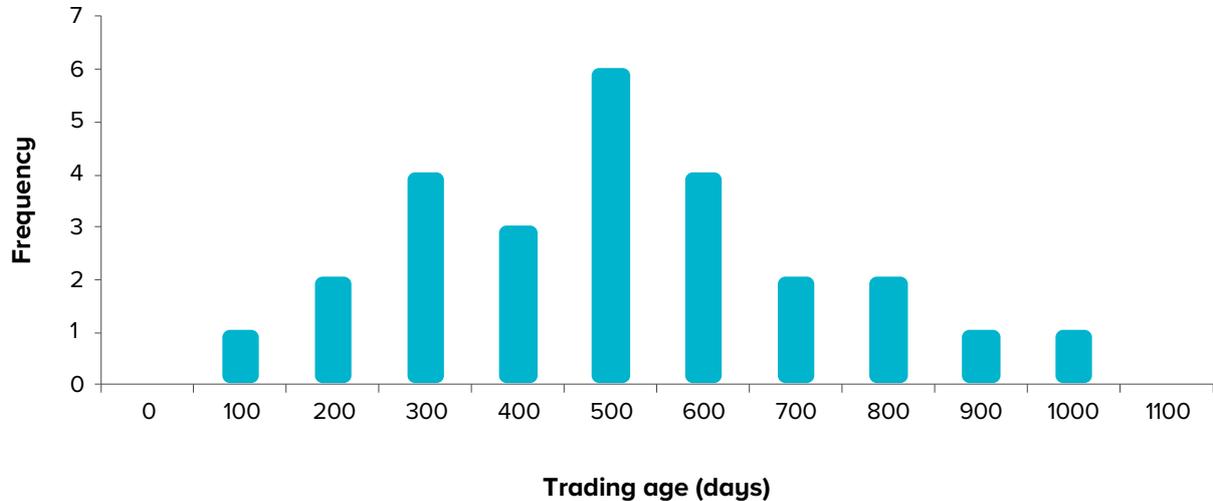
By March 2019, a total of 26 pubs supported by the programme were open and trading. Over half of these received a loan and grant from the programme.

Table 2 – Number of pubs supported by the programme that are open and trading

|                        | Pubs open and trading |
|------------------------|-----------------------|
| N                      | 26                    |
| N with loan / grant    | 15                    |
| N without loan / grant | 11                    |

On average, these pubs have been open for over a year and a half (mean = 529 days), with only seven open for less than a year.

Chart 1 – Histogram showing the distribution of trading ages of pubs supported by the programme that are open and trading



## 2.6 Financial support offered

The total programme budget is £3.62m. Pub groups could apply for a bursary of a maximum of £2,500, grants for a maximum of £50,000, and loans for a maximum of £50,000. Pubs had to accept both a loan and grant in combination; it was not possible to apply for only one.

To March 2019, the following funds had been committed:

Table 3 – Funds committed to March 2019

|                    | Bursaries<br>(up to £2500) | Loans (up to £50k) | Grants (up to £50k) |
|--------------------|----------------------------|--------------------|---------------------|
| <b>N</b>           | 115                        | 20                 | 20                  |
| <b>Total value</b> | £287,500                   | £1,040,000         | £875,000            |

Note that not all funds will have been drawn down by groups at the time of reporting. The loan and grant figures do not include four groups which have had their application approved with conditions that have yet to be met.

In order to purchase their local pub, groups raised community shares and usually supplemented the programme funding with additional grants and/or loans (see section 4.3).

## 2.7 Media and communications

In addition to delivering programme support, the Plunkett Foundation also managed programme communications and media outreach in order to publicise the programme and raise public awareness of community pub ownership. Communication activities to date include:

- Securing national media coverage for the programme, and to cover community pub openings
- Regional and local media coverage for campaigns and community pub openings
- Social media activity
- Conferences and events, including two More Than a Pub national conferences
- Case studies of community-owned pubs in both written and video format

## 2.8 Challenges to programme delivery

There have been a number of challenges to programme delivery that have been addressed since the programme launched. These include:

### 1) Complexity, timescales and resource

- **The complexity of some groups' journey to community ownership**, particularly in cases of conflict with the current owner, and/or delays in the selling process (see section 4.1)
- As a result of this and other stumbling blocks, **some groups took much longer to progress** than originally anticipated
- **The programme was designed for scale, and targets were set to support as many groups as possible to open their local pub.** However, a significant minority of pubs had more substantial support needs, and in some cases required more resource than the programme was able to provide
- **A high volume of enquiries** were resource-intensive and at times diverted resource away from pubs which required support at later stages of the programme. This desired support included business planning, deciding on tenanted vs. managed model and sustainability of the business post-opening

### 2) Managing the pipeline of groups

- **Some challenges in identifying which groups were unlikely to succeed and therefore when/whether to invest resources elsewhere**, although this became easier as the programme developed
- **Predicting how many groups were likely to progress and apply for each type of support**, and therefore accurately forecasting programme spend
- **Initially, the timing/frequency of loan and grant decision-making panels** caused some problems for groups that needed to act fast to secure the purchase. Panels were later scheduled more frequently, and this issue was resolved

### 3) Diversifying engagement

- **Challenges in attracting groups in urban areas to engage with the programme**, especially in more deprived areas (see section 3.1.3)

### 4) Data collection and data management

- **Collecting accurate and up to date information about groups** to inform both programme management and for evaluation purposes, although the quality of data collected improved as systems became more embedded

---

## 3. About the pubs and communities supported by the programme

### 3.1 Geography

#### 3.1.1 Geographical distribution of community groups

The 197 community groups which received support from the programme, and the 115 that have been approved for a bursary, are located across England.

Figure 2 – Map of groups supported by the programme



Figure 3 – Map of groups receiving a bursary



Of the 54 groups which applied for a loan and grant, the majority are located in the south and/or east of England. Two of the 23 groups which have received their loan and grant to date are located in the North: one in the North West and one in the North East.

Figure 4 – Map of pubs that have applied for a loan and grant



Figure 5 – Map of pubs that have received a loan and grant



The 26 pubs that have received support from the programme and are now open and trading – with or without a loan and grant – are somewhat more evenly spread between the south and east of England, and the north and west.

Figure 6 – Map of pubs that have received support from the programme and are now open and trading



### 3.1.2 Regional distribution

The programme achieved a particularly high number of enquiries from groups in the **South East (24%)**, **South West (15%)** and **East of England (14%)**. This trend is the reverse of the regional distribution seen in the Community Business Fund, which funded a low proportion of grantees in these regions.<sup>9</sup> **Very few pubs based in the North East (2%) or London (4%) have engaged with the programme.**

One hypothesis about community businesses is that when they inspire and support others in their area, regional clusters of community businesses can develop.<sup>10</sup> This may be a factor in the high density of groups engaging in the programme from the East of England. However, given there are comparatively few Community Business Fund grantees in this region, **this ‘clustering’ may be sector-specific rather than reflecting the influence of all types of community business.**<sup>11</sup> Anecdotally, a small number of groups did engage with the programme because they had previous experience of community ownership of other assets in their area, e.g. shops.

**The likelihood that pubs accessed each type of support offered by the programme was not strongly influenced by region, with the exception of those receiving a loan and grant:**

<sup>9</sup> Evaluation of the Community Business Fund, Renaisi:2018

<sup>10</sup> <https://www.powertochange.org.uk/wp-content/uploads/2018/01/Hypotheses-final-.pdf>

<sup>11</sup> Evaluation of the Community Business Fund, Renaisi:2018

Table 4 – Proportion of groups from each region accessing each type of support

| Region          | Total no. pubs supported |     | Action plan |     | Specialist adviser |     | Study visit |     | Bursary    |     | Applied for loan/grant |     | Received loan/grant |     | Open and trading and received loan/grant |     | Open and trading and did not receive loan/grant |     |
|-----------------|--------------------------|-----|-------------|-----|--------------------|-----|-------------|-----|------------|-----|------------------------|-----|---------------------|-----|--|-----|---|-----|
|                 | No.                      | %   | No.         | %   | No.                | %   | No.         | %   | No.        | %   | No.                    | %   | No.                 | %   | No.                                      | %   | No.   | %   |
| South East      | 45                       | 23% | 42          | 24% | 16                 | 17% | 5           | 12% | 25         | 20% | 9                      | 17% | 5                   | 22% | 3  | 20% | 3   | 27% |
| East of England | 38                       | 19% | 33          | 19% | 26                 | 27% | 10          | 23% | 26         | 21% | 16                     | 30% | 6                   | 26% | 4  | 27% | 3   | 27% |
| South West      | 30                       | 15% | 25          | 14% | 14                 | 15% | 7           | 16% | 17         | 14% | 6                      | 11% | 2                   | 9%  | 1  | 7%  | 0   | 0%  |
| East Midlands   | 23                       | 12% | 20          | 12% | 11                 | 12% | 4           | 9%  | 15         | 12% | 5                      | 9%  | 3                   | 13% | 2  | 13% | 1   | 9%  |
| North West      | 21                       | 11% | 19          | 11% | 11                 | 12% | 4           | 9%  | 15         | 12% | 9                      | 17% | 1                   | 4%  | 0  | 0%  | 4   | 36% |
| West Midlands   | 18                       | 9%  | 14          | 8%  | 6                  | 6%  | 7           | 16% | 11         | 9%  | 6                      | 11% | 5                   | 22% | 4  | 27% | 0   | 0%  |
| North East      | 15                       | 8%  | 15          | 9%  | 8                  | 8%  | 5           | 12% | 10         | 8%  | 2                      | 4%  | 1                   | 4%  | 1  | 7%  | 0   | 0%  |
| Greater London  | 7                        | 4%  | 5           | 3%  | 3                  | 3%  | 1           | 2%  | 4          | 3%  | 1                      | 2%  | 0                   | 0%  | 0  | 0%  | 0   | 0%  |
| <b>Total</b>    | <b>197</b>               |     | <b>173</b>  |     | <b>95</b>          |     | <b>43</b>   |     | <b>123</b> |     | <b>54</b>              |     | <b>23</b>           |     | <b>15</b>                                |     | <b>11</b>                                       |     |

Regional differences include:

- **Groups based in the West Midlands are over-represented amongst those receiving loan and grant funding**, with almost a quarter of pubs receiving a loan and grant based in this region, despite representing less than 10% of the groups engaged in the programme overall. **Groups based in the West Midlands are also over-represented amongst the overall number of pubs open and trading.**
- **Groups based in the South East, East of England and East Midlands are broadly as likely to receive a loan and grant, and to be open and trading, as their overall representation in the programme.**
- So far, **only one pub based in the North West has received loan and grant funding despite nine reaching the application stage.** However, four have gone on to open without a loan and grant.
- **Very few pubs based in the North East or London have engaged in the programme**, so it is unsurprising that so far only one has received loan and grant funding is open and trading.

### 3.1.3 Urban/rural distribution

Mapping the places where groups supported by the programme are located against the Office for National Statistics’ urban/rural classification shows that **the majority – over two thirds – are based in rural areas.<sup>12</sup> Of these, the majority are based in rural villages. Very few groups have engaged from urban major or minor conurbations.**

<sup>12</sup> An explanation of how the urban/rural classification is categorised can be found here: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/239478/RUC1user\\_guide\\_28\\_Aug.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/239478/RUC1user_guide_28_Aug.pdf)

Table 5 – Proportion of groups in each urban / rural classification accessing each type of support

| Rural / Urban classification                    | All        |            | Action Plan |            | Specialist adviser |            | Study visit |            | Bursary    |            | Applied for loan/grant |            | Received loan/grant |            | Open and trading and received loan/grant |            | Open and trading and did not receive loan/grant |            |
|---|------------|------------|-------------|------------|--------------------|------------|-------------|------------|------------|------------|------------------------|------------|---------------------|------------|--|------------|---|------------|
|   | No.        | %          | No.         | %          | No.                | %          | No.         | %          | No.        | %          | No.                    | %          | No.                 | %          | No.                                      | %          | No.   | %          |
| Rural town and fringe                           | 31         | 16%        | 28          | 16%        | 18                 | 19%        | 9           | 21%        | 22         | 19%        | 9                      | 17%        | 3                   | 13%        | 1  | 7%         | 1   | 7%         |
| Rural village and dispersed                     | 102        | 52%        | 88          | 51%        | 48                 | 51%        | 25          | 58%        | 60         | 52%        | 31                     | 57%        | 18                  | 78%        | 12                                       | 80%        | 4   | 27%        |
| Rural village and dispersed in a sparse setting | 4          | 2%         | 4           | 2%         | 0                  | 0%         | 0           | 0%         | 1          | 1%         | 0                      | 0%         | 0                   | 0%         | 0  | 0%         | 0   | 0%         |
| Urban city and town                             | 45         | 23%        | 40          | 23%        | 21                 | 22%        | 7           | 16%        | 22         | 19%        | 9                      | 17%        | 1                   | 4%         | 1  | 7%         | 6   | 40%        |
| Urban city and town in a sparse setting         | 1          | 1%         | 1           | 1%         | 1                  | 1%         | 0           | 0%         | 1          | 1%         | 0                      | 0%         | 0                   | 0%         | 0  | 0%         | 0   | 0%         |
| Urban major conurbation                         | 12         | 6%         | 10          | 6%         | 7                  | 7%         | 2           | 5%         | 7          | 6%         | 4                      | 7%         | 0                   | 0%         | 0  | 0%         | 0   | 0%         |
| Urban minor conurbation                         | 2          | 1%         | 2           | 1%         | 0                  | 0%         | 0           | 0%         | 2          | 2%         | 1                      | 2%         | 1                   | 4%         | 1  | 7%         | 0   | 0%         |
| <b>Grand Total</b>                              | <b>197</b> |            | <b>173</b>  |            | <b>95</b>          |            | <b>43</b>   |            | <b>115</b> |            | <b>54</b>              |            | <b>23</b>           |            | <b>15</b>                                |            | <b>11</b>                                       |            |
| <b>Total Rural</b>                              | <b>137</b> | <b>70%</b> | <b>120</b>  | <b>69%</b> | <b>66</b>          | <b>69%</b> | <b>34</b>   | <b>79%</b> | <b>83</b>  | <b>72%</b> | <b>40</b>              | <b>74%</b> | <b>21</b>           | <b>91%</b> | <b>13</b>                                | <b>87%</b> | <b>5</b>  | <b>45%</b> |
| <b>Total Urban</b>                              | <b>60</b>  | <b>30%</b> | <b>53</b>   | <b>31%</b> | <b>29</b>          | <b>31%</b> | <b>9</b>    | <b>21%</b> | <b>32</b>  | <b>28%</b> | <b>14</b>              | <b>26%</b> | <b>2</b>            | <b>9%</b>  | <b>2</b>                                 | <b>13%</b> | <b>6</b>  | <b>55%</b> |

Comparison of groups in urban and rural areas suggests:

- **Overall, groups in urban and rural areas are evenly represented at all stages of the programme**, although urban pubs are slightly less likely to have applied for a loan and grant. This means that **whether a group is based in an urban or rural area has not influenced their ability to engage with the different types of support available**.
- **However, groups in urban areas are much less likely to have successfully received a loan and grant**, despite only a slight fall in the proportion of urban pubs applying for a loan/grant (26%) to the overall number of urban pubs supported by the programme (30%).
- Nonetheless **groups in urban areas are evenly represented amongst the pubs that are open and trading**, with 31% of open and trading pubs located in urban areas, compared to 30% of pubs that have engaged with the programme overall located in urban areas.
- Of the 31% of open and trading pubs located in urban areas, the majority (75%) were **able to purchase or secure a long leasehold on the pub without loan and grant support from the programme**. It is difficult to generalise as to the reasons why this might be, but of the pubs visited (see section 7), some of those which did not receive a loan and grant instead secured a long leasehold instead of buying the pub.

This high number of groups in rural areas is the reverse trend to the Community Business Fund, which has supported 85% of grantees in urban areas.<sup>13</sup>

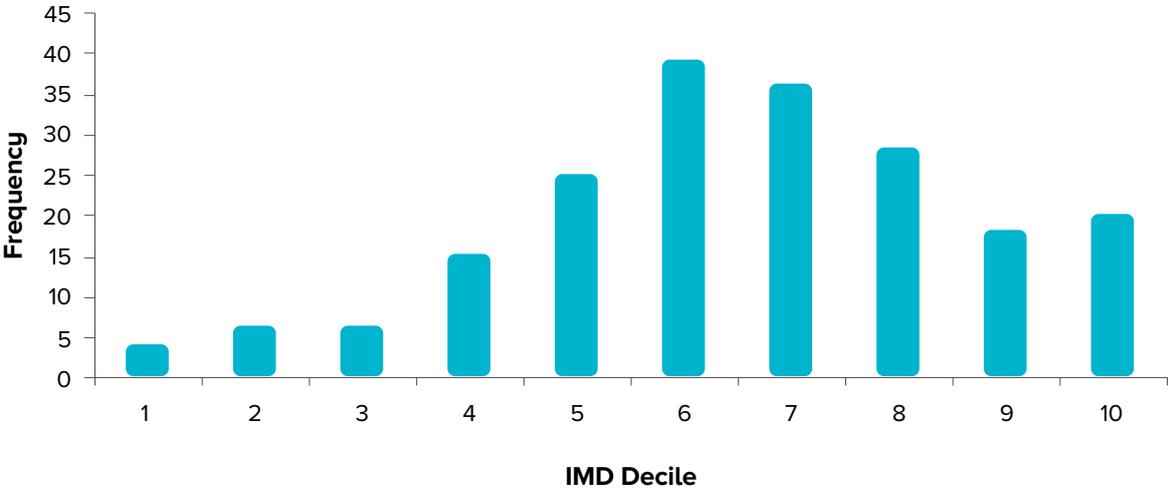
<sup>13</sup> Evaluation of the Community Business Fund, Renaisi:2018

### 3.2 Demography

#### 3.2.1 Indices of Multiple Deprivation (IMD)<sup>14</sup>

The places where groups engaged with the programme are located are skewed towards less deprived areas. Sixteen out of the 197 pubs supported by the programme (8%) are based in the 30% most deprived Lower Super Output Areas (LSOAs) in the country.<sup>15</sup>

Chart 2 – Histogram showing the IMD decile distribution of all groups engaged with the programme (lower deciles are more deprived).



There was little difference in the average IMD decile of pubs accessing different types of support from the programme, suggesting that the level of deprivation of the area in which a pub was based did not substantially influence groups’ ability to engage:

<sup>14</sup> The data in this section are taken from the 2015 Indices of Multiple Deprivation: <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2015>

<sup>15</sup> Lower Super Output Areas <https://www.ons.gov.uk/methodology/geography/ukgeographies/censusgeography>

Table 6 – Average IMD deciles of groups accessing different types of support from the programme

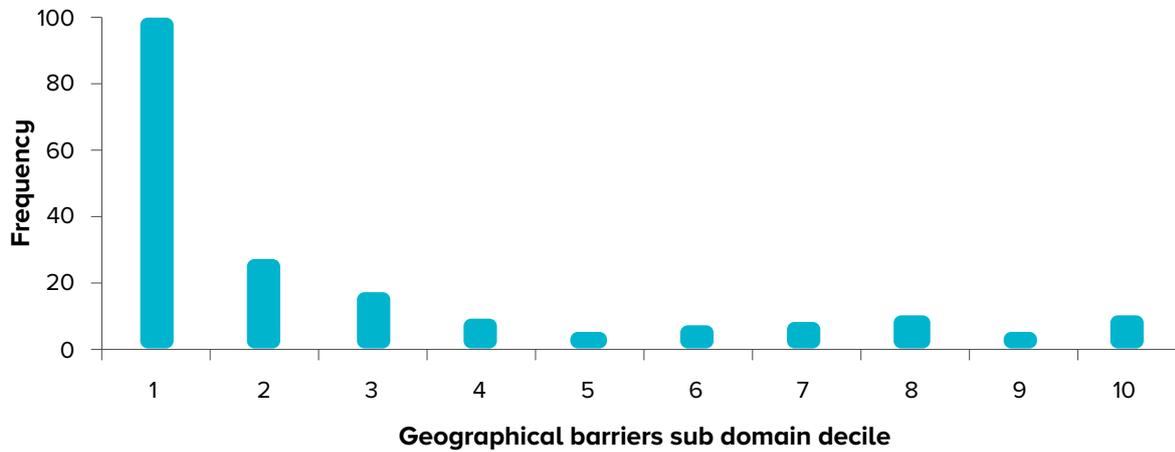
| Type of support               | IMD Decile |        |     |
|-------------------------------|------------|--------|-----|
|                               | Mean       | Median | N   |
| Total groups engaged          | 6.55       | 7      | 198 |
| Advisor support (action plan) | 6.58       | 7      | 174 |
| Specialist adviser            | 6.34       | 6      | 95  |
| Study visit                   | 6.35       | 6      | 43  |
| Funding - bursary             | 6.72       | 7      | 115 |
| Funding - loan/grant          | 6.65       | 7      | 23  |
| Applied for loan/grant        | 6.44       | 6      | 55  |
| Open and Trading              | 6.81       | 7      | 28  |

The IMD measures relative deprivation in areas in England. Seven domains of deprivation are included in the IMD: income, employment, education, health, crime, barriers to housing and services, and living environment.<sup>16</sup> The barriers to housing and services domain is calculated by combining data on housing deprivation and ‘geographical barriers’ calculated from the average distance to vital services (GP, shop, primary school and post office).

Focusing only on this ‘geographical barriers’ sub-domain, a different trend emerges. **The places where groups are located are strongly skewed towards areas experiencing more geographical barriers, i.e. poorer access to services.**

<sup>16</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/464431/English\\_Index\\_of\\_Multiple\\_Deprivation\\_2015\\_-\\_Infographic.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/464431/English_Index_of_Multiple_Deprivation_2015_-_Infographic.pdf)

Chart 3 – Histogram showing the geographical barriers sub-domain IMD decile of all groups engaged with the programme (lower deciles are more deprived)

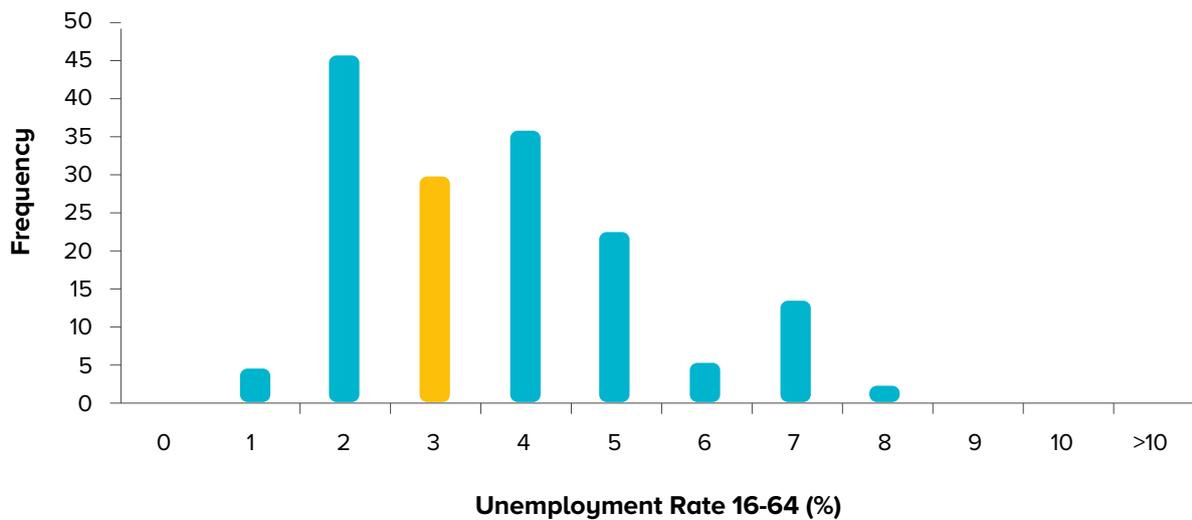


This finding is unsurprising given the urban/rural distribution of pubs engaging with the programme: rural areas with few local services are far more likely to score as highly deprived on this sub-domain than urban areas which typically have more local services available.

### 3.2.2 Employment and unemployment

**On average, the Local Authority areas in which groups are located have a similar unemployment rate to the UK average of 3.9%, with a median of 3.9% and a mean of 4.2%.<sup>17 18</sup>**

Chart 4 – Histogram showing the distribution of unemployment rates (ages 16-64) of the Local Authorities in which all groups engaging with the programme are located, with the UK average (3.9%) in orange



This contrasts with the Community Business Fund, where grantees are typically located in areas with higher than average rates of unemployment.<sup>19</sup> This might be due to the higher representation of rural areas in MTAP compared to the Community Business Fund.

<sup>17</sup> ONS figure from Dec 2018 – Feb 2019 (<https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/unemployment>).

<sup>18</sup> Note 22 Local Authority areas do not have an estimate for unemployment rate because the group sample size is zero or disclosive (0-2)

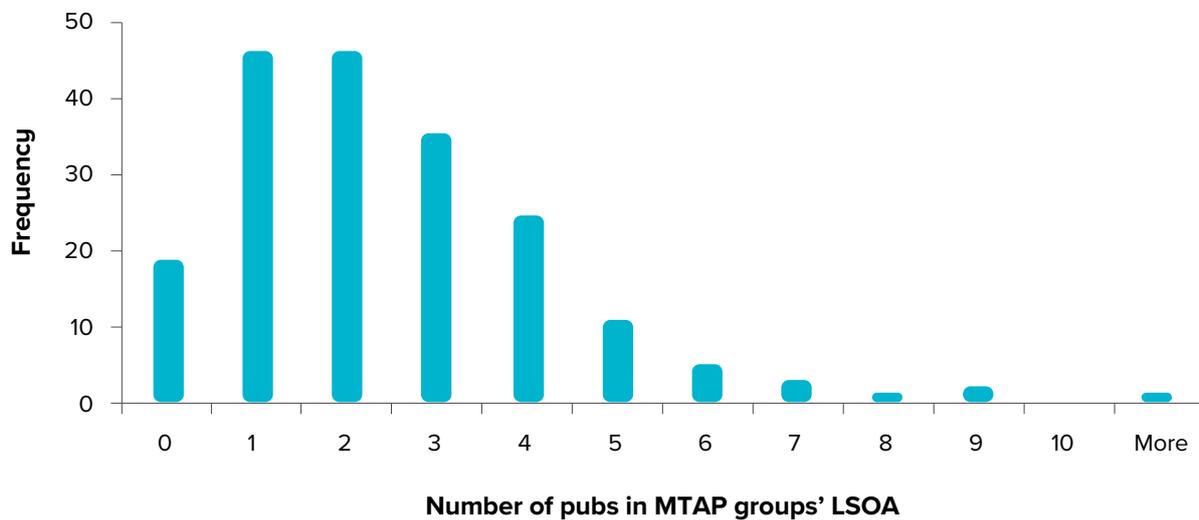
<sup>19</sup> Evaluation of the Community Business Fund, Renaisi:2018

### 3.2.3 Density of local pubs

For small rural communities, one motivation to save their local pub is because it is ‘the only pub in the village’ and this has become a common image associated with campaigns to save community pubs.

It was not possible to access up to date data on how many pubs are trading in different areas of England, to examine the extent to which pubs supported through this programme are ‘the only pub in the village’ or not. However, we were able to access data on the location of pubs offering food that were registered with the Food Standards Authority.<sup>20</sup> Note that the figures below do not take into account pubs which do not have a food offer.

Chart 5 – Histogram showing the distribution of the number of pubs in each pub’s LSOA



**On average, groups were in an LSOA with a mean of 2.5 and median of 2 other trading food pubs in the area.** However, there is a large range, with 20 groups located in an area with no other pubs, and one group in an area with 12 other pubs.

Not being ‘the only pub in the village’ does not imply that these pubs do not provide a valuable service to their communities. Many offer opportunities and services that would not be available otherwise (see section 5.1).

<sup>20</sup> <https://www.getthedata.com/open-pubs>, data from May 2017

### 3.3 The relevance of place

The analysis in this section has shown that a typical group engaging with the programme is:

- **Rural;**
- **In an area of low overall deprivation but with limited access to local services;**
- **With average levels of unemployment;**
- **Located near a couple of other pubs.**

There are exceptions, in particular the minority of pubs which are located in urban settings and do not have limited access to local services. However, with few exceptions, **the programme has not supported urban pubs in areas of high deprivation, high unemployment and scarcity of local services, for example isolated urban estates.**<sup>21</sup> This is because **communities in these areas have not engaged with the programme at all, rather than because they were less likely to progress.**

Pubs in urban areas were less likely to receive loan and grant funding, however they are evenly represented amongst pubs that are open and trading. This is because pubs in urban cities and towns represent nearly one-third of pubs that are open and trading, **despite only one having received loan and grant funding. This suggests that pubs in these areas were able to purchase their pub, or secure a long leasehold, without the need for loan and grant funding from this programme.**

The majority of pubs supported by the programme are intended to serve a community of place – for example a village, or a locality within a larger town or city. However, **a minority of pubs serve a community of interest** which can be brought together by an activity or specialist offer, or by cultural or historic ties.<sup>22</sup> **This type of pub is typically in a more urban area,** therefore making this type of ‘diffuse’ community viable.

In our visits, and anecdotally, we found that the typical composition of the Steering Group organising the process of purchasing the pub is **highly skilled professionals, often retired.** This demography reflects the dominant demography of the **types of places that are predominantly represented in the programme.** However, it also reflects the difficulty and challenge involved in negotiating the process of purchasing a community-owned pub, which almost always requires resources including specialist skills, (the promise of) financial investment, and a significant investment of time.

A minority of pubs supported by the programme were able to successfully open without these resources, usually led by a small number of exceptional individuals with a determination to succeed despite the odds being against them. From our visits, we found that these pubs tended to be in urban deprived areas, with a younger demographic of Steering Group members.

All of these features of pubs supported by the programme have implications for understanding the impact of community-owned pubs, described in section five.

<sup>21</sup> For example, the type of ‘flat-roofed pub’ described here: <https://www.theguardian.com/cities/2017/jul/11/never-drink-flatroof-pub-manchester-estates>

<sup>22</sup> For example, the Gardeners Rest, Sheffield: [https://plunkett.co.uk/wp-content/uploads/Community\\_Pub\\_Case\\_Study\\_-\\_Gardeners\\_Rest.pdf](https://plunkett.co.uk/wp-content/uploads/Community_Pub_Case_Study_-_Gardeners_Rest.pdf)

---

## 4. About the programme support offer

### 4.1 The journey to opening a community-owned pub

A range of contexts could lead to a pub becoming available for purchase by the community. In most cases, the pub was for sale by either:

- A pub company which no longer felt the business was viable
- A private landlord, often at the point of retiring
- A developer which had previously bought the pub but was not able to secure planning permission for the developments they had planned, or were in the process of having these contested

Each context created different challenges, and the particular situation of each pub was very different. **The likelihood of a community being able to (quickly) secure the pub for purchase depended to a large extent on the attitudes and motivation of the owner to sell.** Typical challenges included, but were not limited to:

- **Pub companies or private landlords looking to sell the pub for maximum return**, which in most cases meant selling to a developer which could convert the buildings into private residences. A particularly challenging scenario was the case of private landlords whose retirement income depended on the value they could achieve from the sale
- **Pub companies or private landlords looking for a quick sale** unwilling to wait for a community group to form and preferring to sell to a private buyer
- **Developers appealing council decisions to refuse planning permission**, leading to long periods of negotiations and uncertainty
- **Developers leaving the pub empty for extended periods of time**, to increase the likelihood of the building becoming unviable as a business
- **Pub companies, private landlords and developers being sceptical of a community's ability to raise the required funds**, and seeking alternative buyers. In several cases they became more willing to sell once a community had funding secured
- **Individuals in the community supporting the idea of a community-owned pub, but not believing that it was feasible** to raise the required amount

Registering the pub as an Asset of Community Value (ACV) made some of these challenges easier to negotiate, and in some cases was a key factor in groups' eventual success in buying the pub. **In some cases, the seller was supportive or extremely supportive of the community group looking to buy the pub**, and a small minority prioritised selling to the community over financial return.

The value of the pub as a going concern varied considerably depending on its location and state of repair. We do not have systematic data on the value of pubs purchased with support from the More Than a Pub programme, though most were sold in the region of £300k to £500k. **With one exception, all of the pubs that applied for loan and grant funding were able to raise enough funds overall to purchase the pub.**

Groups which successfully purchased and opened their community-owned pub typically did so by successfully galvanising the community to demonstrate demand to potential funders and planning officers; raising a substantial proportion of the purchase price in community shares; by drawing on the advice and expertise of specialist advisors, who were frequently cited by individuals we spoke to as being key to the process; and by persevering through setbacks.

It is important to note that in some cases community pubs supported by the programme went on to **open the pub without purchasing it**. There are a number of reasons why a purchase was not possible, including inability to raise the required funds, resistance from the seller or an active decision by the Steering Group to lease rather than buy.

When the Steering Group chose to lease rather than buy, it was almost always a “last ditch” attempt to keep the pub open: they would have preferred to have bought the pub but were unable to because of resistance from the seller or difficulties raising funds. The conditions of the lease differed for leased pubs, in terms of: time frame (five years compared to one or two years), whether it was tied to a brewery and the terms for rental payment (linked to the business vs. a fixed monthly amount).

## 4.2 Progression through the programme

### 4.2.1 Length of time taken to progress

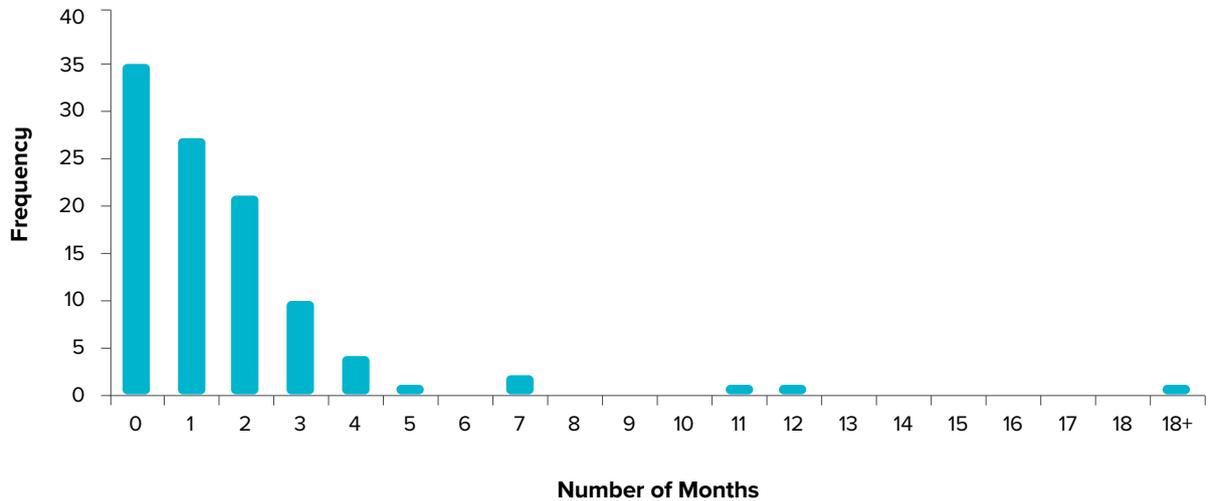
A significant challenge faced by the programme was the range in time taken by different pubs to progress through each type of support, and the difficulty of estimating this for each individual case.

Table 7 – Summary statistics showing number of months taken to progress between different stages of the programme

| Time taken between...        | Receiving first support and receiving bursary | Receiving bursary and applying for loan and grant | Receiving first support and applying for loan and grant |
|------------------------------|---|---|---|
| <b>N reaching this stage</b> | 104   | 41  | 42  |
| <b>Median months</b>         | 1.8   | 3.3   | 5.0   |
| <b>Mean months</b>           | 2.2   | 5.3   | 6.6   |
| <b>Min months</b>            | 0.0   | 0.0   | 1.0   |
| <b>Max months</b>            | 24.0  | 24.5  | 25.0  |

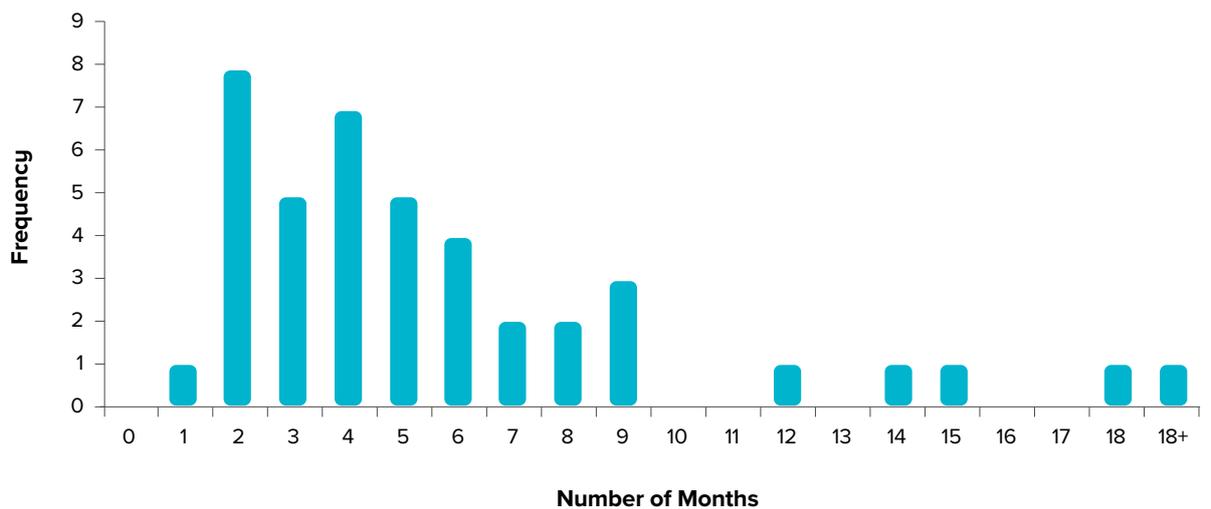
On average, groups took 2.2 months between being allocated Advisor support and receiving a bursary, and 6.6 months between being allocated support and applying for a loan and grant. However, this process could take much longer, with one group taking over two years.

Chart 6 – Histogram showing distribution of number of months taken between receiving support and receiving bursary



Groups typically received a bursary two months or less after first engaging with the programme. However, there was a **much bigger variation in the length of time taken between first engaging, and applying for a loan and grant:**

Chart 7 – Histogram showing distribution of number of months taken between receiving support and applying for loan and grant



Some pub groups took 12 months or longer from first engagement to applying for a loan and grant. The most common reasons for this were challenging relationships with the current owners of the pub, which led to long delays and uncertainty around the pub’s purchase, as well as a lack of strength in the Steering Group in driving forward progression through the programme.

Some groups, particularly those just starting-up, were already at an advanced stage of bringing their pub into community ownership at the point when they engaged with this programme. Therefore, the rate of progression of these groups is a poor predictor of how long most groups would take between seeking support, and successfully opening.

**Groups applying for a loan and grant in 2018 took an average of 1.1 months longer than those applying in 2017. This is because some groups developed at a slower pace, and thus did not have time to reach this stage of the programme.**

Table 8 – Median number of months taken for pubs to move between different programme stages

| Median  | Months                                       |   |   |
|---------|--|---|---|
|         | Receiving first support to receiving bursary | Receiving bursary to application for loan and grant | Receiving first support to application for loan and grant |
| All     | 1.9  | 3.5   | 5.1   |
| 2016    | 1.2  | 1.7   | 2.6   |
| 2017    | 2.3  | 4.0   | 5.7   |
| 2017 Q1 | 2.4  | 2.8   | 6.1   |
| 2017 Q2 | 2.0  | 2.5   | 6.2   |
| 2017 Q3 | 1.8  | 4.0   | 5.8   |
| 2017 Q4 | 2.3  | 4.8   | 4.9   |
| 2018    | 1.6  | 5.9   | 6.8   |

Note that any pubs taking longer than 2.25 years may eventually open, but will not yet be reflected in these figures, so the **overall average time taken by groups to bring a pub into community ownership is likely to be longer than these figures suggest.**

**4.2.2 Length of time taken to progress by IMD decile**

There is no clear trend in the length of time that groups located in more or less deprived areas took to progress through different stages of the programme. This suggests that the **level of deprivation of the areas in which groups are located is not a significant factor in the speed at which they progress through the programme.**

**4.2.3 Length of time taken to progress by urban/rural classification**

**On average, groups located in rural towns took substantially longer to apply for a loan and grant than groups located in rural villages or urban areas.** It is unclear why this might be the case.

Table 9 – Median number of months taken to progress between different programme stages by urban/rural classification

| Rural / urban classification                    | Median (months)                              |   |   |
|---|--|---|---|
|   | Receiving first support to receiving bursary | Receiving bursary to application for loan and grant | Receiving first support to application for loan and grant |
| Rural town and fringe                           | 1.9  | 6.6   | 9.2   |
| Rural village and dispersed                     | 1.8  | 3.5   | 4.7   |
| Rural village and dispersed in a sparse setting | 11.9   | -   | -   |
| Urban city and town                             | 2.0  | 2.8   | 5.8   |
| Urban city and town in a sparse setting         | 3.1  | -   | -   |
| Urban major conurbation                         | 1.0  | 4.2   | 5.6   |
| Urban minor conurbation                         | 1.4  | 0.9   | 2.8   |
| <b>Total</b>                                    | <b>1.8</b>                                   | <b>3.3</b>  | <b>5.0</b>  |

#### 4.2.4 ‘Non-starts’

Pubs which dropped out of the programme because they were no longer viable as a community-owned pub were referred to as ‘non-starts’. Pubs became a ‘non-start’ for a variety of reasons, from realising that there was a lack of community support (early stage) to being outbid at the point of purchase (late stage).

Table 10 – Proportion of groups becoming a ‘non-start’ at each stage of the programme

|                       | All   | Action plan | Specialist adviser | Study visit | Bursary | Applied for loan and grant |
|-----------------------|-------|-------------|--------------------|-------------|---------|----------------------------|
| <b>Total</b>          | 197   | 173         | 95                 | 43          | 123     | 54                         |
| <b>Non-starts</b>     | 59    | 55          | 24                 | 13          | 47      | 13                         |
| <b>Non-start rate</b> | 29.9% | 31.8%       | 25.3%              | 30.2%       | 38.2%   | 24.1%                      |

**Pubs were less likely to become a non-start having received specialist advisor support or a study visit than they were at an earlier stage of the programme.**

In some cases, pubs ‘dropped out’ of the programme but went on to successfully open without financial support. Often it was the case that they were provided with some advisory support before dropping out. For example, one group applied for a loan and grant but withdrew their application because they raised sufficient finance through their community share offer to purchase the pub.

#### 4.2.5 Likelihood of pubs becoming a ‘non-start’

**Overall, pubs in urban areas are no more likely to become ‘non-starts’ than pubs in rural areas.** However, this disguises some differences between different classifications: groups in urban cities and towns are much less likely to become a non-start than groups in urban major conurbations, and groups in rural towns are less likely to become a non-start than groups in rural villages.

Table 11 – Proportion of groups becoming a ‘non-start’ by urban / rural classification

| Rural / urban classification                    | Total      | Non-starts | % non-starts | % pubs in classification |
|---|------------|------------|--------------|--------------------------|
| Rural town and fringe                           | 31         | 7          | 22.6%        | 15.7%                    |
| Rural village and dispersed                     | 102        | 32         | 31.4%        | 51.8%                    |
| Rural village and dispersed in a sparse setting | 4          | 2          | 50.0%        | 2.0%                     |
| Urban city and town                             | 45         | 12         | 26.7%        | 22.8%                    |
| Urban city and town in a sparse setting         | 1          | 1          | 100.0%       | 0.5%                     |
| Urban major conurbation                         | 12         | 5          | 41.7%        | 6.1%                     |
| Urban minor conurbation                         | 2          | 0          | 0.0%         | 1.0%                     |
| <b>Total</b>                                    | <b>197</b> | <b>59</b>  |              |                          |
| <b>Total rural</b>                              | <b>137</b> | <b>41</b>  | <b>29.9%</b> | <b>69.5%</b>             |
| <b>Total urban</b>                              | <b>60</b>  | <b>18</b>  | <b>30.0%</b> | <b>30.5%</b>             |

There is no clear trend in the proportion of groups in areas with different levels of deprivation becoming non-starts, suggesting that **the level of deprivation of the area in which groups are based is not a significant factor in their likelihood of success.**

Table 12 – Proportion of pubs becoming a ‘non-start’ by IMD decile

| IMD Decile   | Total      | Non-starts | % non-starts | % pubs in classification |
|--------------|------------|------------|--------------|--------------------------|
| 1            | 4          | 2          | 50%          | 3.4%                     |
| 2            | 6          | 3          | 50%          | 5.1%                     |
| 3            | 6          | 2          | 33%          | 3.4%                     |
| 4            | 15         | 2          | 13%          | 3.4%                     |
| 5            | 25         | 9          | 36%          | 15.3%                    |
| 6            | 39         | 10         | 26%          | 16.9%                    |
| 7            | 36         | 15         | 42%          | 25.4%                    |
| 8            | 28         | 8          | 29%          | 13.6%                    |
| 9            | 18         | 4          | 22%          | 6.8%                     |
| 10           | 20         | 4          | 20%          | 6.8%                     |
| <b>Total</b> | <b>197</b> | <b>59</b>  |              |                          |

Groups based in the North East, South West and North West were much more likely to have become a non-start than pubs in other regions. However, as the overall numbers of groups engaging in the North East is low, it is not possible to tell whether this is significant. **Groups in the East Midlands and West Midlands were least likely to become non-starts.**

Table 13 – Proportion of pubs becoming a ‘non-start’ by region

| Region          | Total      | Non-starts | % non-starts | % pubs from region |
|-----------------|------------|------------|--------------|--------------------|
| South East      | 45         | 11         | 24.4%        | 18.6%              |
| East of England | 38         | 10         | 26.3%        | 16.9%              |
| South West      | 30         | 13         | 43.3%        | 22.0%              |
| East Midlands   | 23         | 5          | 21.7%        | 8.5%               |
| North West      | 21         | 8          | 38.1%        | 13.6%              |
| West Midlands   | 18         | 4          | 22.2%        | 6.8%               |
| North East      | 15         | 6          | 40.0%        | 10.2%              |
| Greater London  | 7          | 2          | 28.6%        | 3.4%               |
| <b>Total</b>    | <b>197</b> | <b>59</b>  |              |                    |

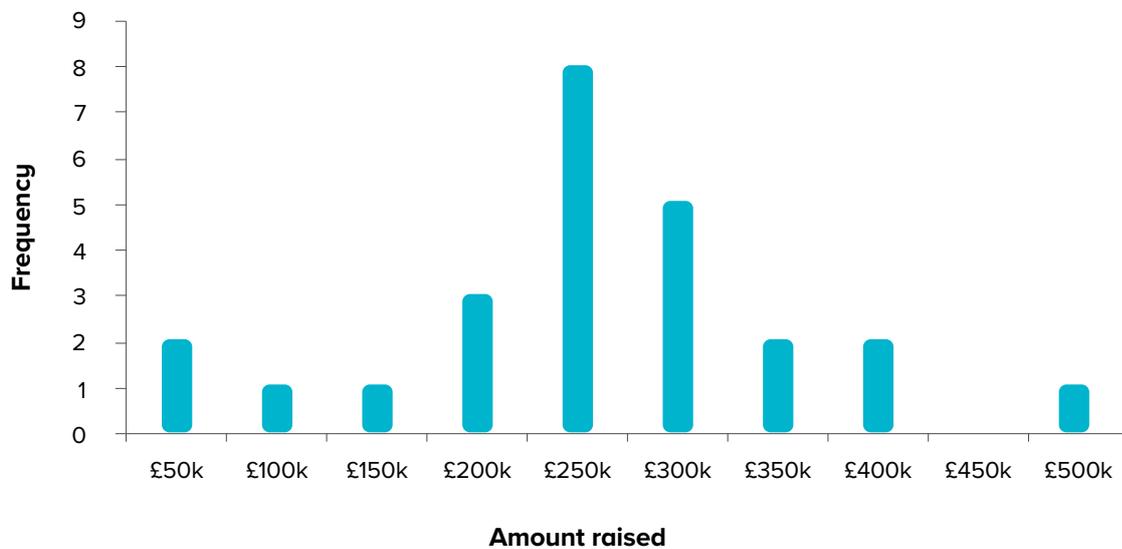
There is no clear trend of a north/south divide in the likelihood of groups becoming a non-start, whether due to property prices or any other factor.

### 4.3 Financing community-owned pubs

#### 4.3.1 Community shares and community shareholders

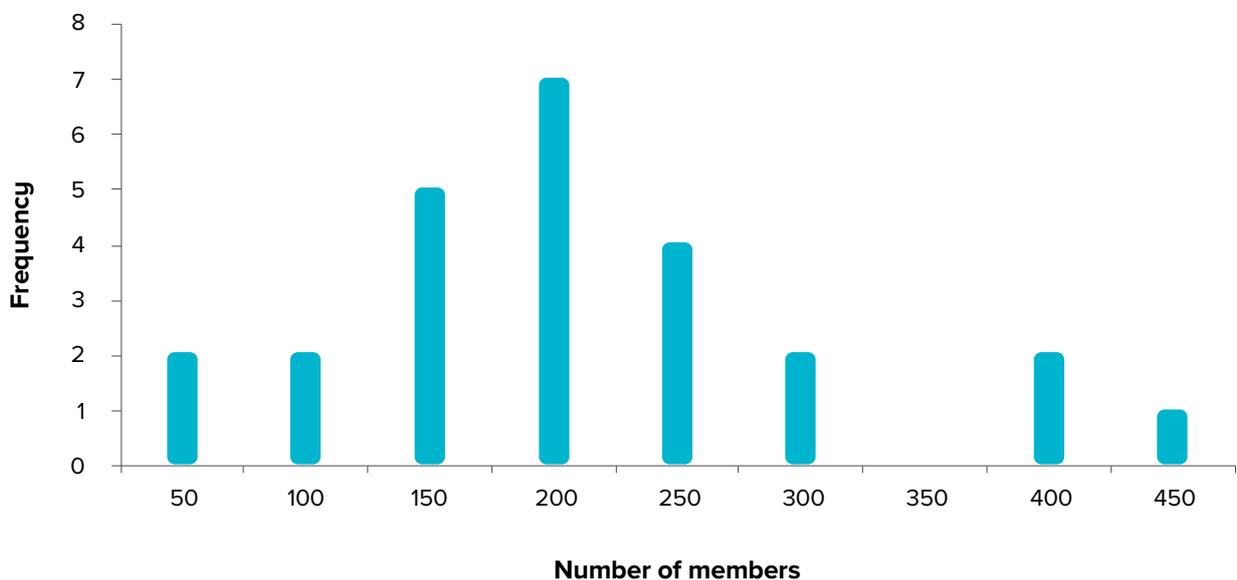
To the end of March 2019, the majority of the pubs which opened as community-owned after having received support from the programme were incorporated as Community Benefit Societies and raised funds via a community share offer. Of the 26 pubs for which we have data, the mean total value of community shares raised was £235,028 and the median was £225,350.

Chart 8 – Histogram showing distribution of the value of shares raised



In total, pubs supported by the More Than a Pub programme were able to raise £5.86m in community shares. The mean number of member shareholders of these pubs was 196, and the median was 169.

Chart 9 – Histogram showing distribution of number of community shareholders



In total, pubs supported by the More Than a Pub programme attracted 5,104 people to buy community shares by March 2019.

We do not have systematic data on the average value of shares each individual member shareholder purchased, nor do we have information on the demographic of people who bought shares. However, anecdotal information from our visits suggests that most **shareholders were local to the area**, with some international shareholders attracted to buy shares either because they had a historic link to the area or because they were inspired by online promotional material for the share offer. Anecdotal evidence also suggests that pubs which secured a reasonably significant investment from a small number of people early on were then able to attract more local shareholders with smaller investments.

#### 4.3.2 Additional funding sources

Most pubs which received support from the More Than a Pub programme supplemented the finance raised via community shares with other sources. These could include:

- More Than a Pub programme loan and grant, up to a total value of £100k
- Local grant funding opportunities, e.g. from Local Authorities
- Additional loans offered by the More Than a Pub loan providers (Cooperative and Community Finance, and the Key Fund)
- Additional loans offered by other loan providers
- Loans offered by private individuals, typically also community shareholders of the pub
- Big Society Capital match funding

In most cases, the value of community shares raised exceeded the value of additional funding sources but was lower than the pub asking price. **Typically, the More Than a Pub loan and grant took groups 'over the line'** so that they were able to secure the purchase. As such, in most cases a proportion of the funding was used for purchase, with the remainder put towards refurbishment or revenue costs. For pubs in a poor state of repair, and/or where the asking price was relatively high, additional funding was needed to provide a buffer to secure the purchase and to finance refurbishment.

In some cases, groups did not apply for the More Than a Pub loan and grant funding because they were able to raise enough in community shares, sometimes with support from other sources, to purchase the pub. In two cases groups applied and were approved for a loan and grant to cover refurbishment costs rather than building purchase.

## 4.4 Quality and suitability of the support offer

### 4.4.1 Suitability of the support offer

**The programme accepts open applications and was designed to operate at scale.** It was therefore designed to support a particular set of support needs, but was not able to cater for others.

Table 14 – Type of support needs catered for by the programme

| Type of support offered by the programme  | Support needs catered for   | Support needs not catered for  |
|---|---|--|
| <b>Enquiries (advice line and online)</b> | Groups that were able to proactively engage and had the information and resources to do so.                           | Groups that would require additional support or early stage incubation to engage with a programme of this nature. No targeting of places or pubs at risk – groups had to self-select.  |
| <b>Advisor Support (Action Plans)</b>     | A need for information, advice and guidance on the process of opening a community-owned pub.                          | Groups which needed more than three days of support, although in some cases they were able to apply for additional support.  |
| <b>Study visit</b>                        | To benefit from peer support, and stimulating contacts across the sector.   | N/A  |
| <b>Bursary</b>                            | Designed to facilitate the early stages of assessing feasibility, e.g. community consultation, building surveys, etc. | Up-front costs which were substantially higher than £2500  |
| <b>Specialist Advisor support</b>         | Addressing specific barriers e.g. a lack of experience in business planning, planning for social impact, etc.         | Groups which needed more than two days of support, although in some cases they were able to apply for additional support.  |
| <b>Loan and grants</b>                    | The £100k total limit meant groups had to be able to secure substantial additional finance, usually community shares. | Groups that could not raise enough through community shares were effectively excluded unless they could access significant other funds.  |
| <b>Post-opening advisor support</b>       | Providing ad-hoc support to pubs after they opened in response to specific requests                                   | Groups that required substantial additional support, particularly around creating a sustainable business, for example those that experienced serious financial difficulties or changes to the Steering Group that led to an adverse impact |

**The programme was not designed to cater for support needs, such as proactive outreach and more intensive Advisor support, which may be expected in communities experiencing higher than average levels of deprivation. It is therefore unsurprising that these communities are under-represented in the programme as they are likely to need additional support to engage.**

This is not to say that pubs in less deprived areas do not have a social impact, or that they do not have a valuable role to play in their communities. However, it is to say that the demographic profile of groups engaging with the programme is likely to have been partly influenced by the way in which the programme was structured.

#### 4.4.2 Feedback from community-owned pubs

Pubs selected to take part in visits were asked to provide feedback on the support they received from the programme. **Feedback was overwhelmingly positive.** Pubs particularly valued the expert knowledge and advice provided by Advisors, the opportunity to participate in study visits, and the opportunity to access loan and grant funding. Bursary funding was also appreciated and seen as a 'vote of confidence' that their campaign to open the pub was viable. Pubs also welcomed the media and communications work delivered by the Plunkett Foundation as part of the programme, including the opportunity to be featured in press releases and case studies.

To improve the programme, the pubs we spoke to recommended the following (some of these recommendations have already been addressed):

- **A greater level of scrutiny at loan and grant application stage**, particularly on the financial aspect of business plans. With hindsight, some pubs felt that their initial business plans had been unrealistic and that they should have been challenged on this at an earlier stage
- **More consistent and/or specialist support from the Plunkett Foundation in addition to their Advisor** – most pubs described the direct support they received from the Plunkett Foundation as relatively light-touch and they would have benefitted from more; they did not have a single 'key contact', although many mentioned how supportive team members were and valued the 'championing' support which the Plunkett Foundation offered
- **Clearer communication of what type of support was available** under the More Than a Pub programme, when, and how to access it; in particular, the criteria for what loan and grant funding was eligible to be spent on
- **Sustained support for pubs once they are open** – most pubs felt the More Than a Pub programme could provide more structured, sustained support for the first two years after opening, particularly around running a pub as a business, dealing with staffing challenges and changes to the committee
- **Support for pubs who "drop off" the loan and grant journey** – some of the pubs who had received a bursary but did not receive a loan and grant (for various reasons, including not buying the pub but renting / leasing instead, or inability to raise enough funds from the community) felt that they got 'left behind' with little on-going support from the programme

---

## 5. Impact of community-owned pubs

### 5.1 Understanding the impact of community-owned pubs

This section draws on the findings of visits to a sample of 12 pubs. The analysis is based on data from observations and interviews with a wide range of people involved in the pub. We focus on **impacts created by aspects of the model of community-owned pubs**, and where possible it connects these to the seven long-term outcomes that Power to Change has identified and uses to define what it means by a better place. These are:

- Better access to basic services
- Greater community cohesion
- Greater community pride and empowerment
- Increased employability
- Improved health and wellbeing
- Improved local environment
- Reduced social isolation

### 5.1.1 Types of impact

Community-owned pubs impact their local communities in different ways, depending on the types of activities, projects and services that they offer, the people engaged in the business, and their particular context. However, it is possible to generalise about types of impact created by features of the model of community-owned pubs.

In our visits to community-owned pubs supported by the programme, we observed the following types of impact.

Figure 7 – Types of impact created by community-owned pubs





### Space for community

All community-owned pubs provide a **space for people to come together**.

“A proper cross-section of society uses this pub.”

This is particularly valuable in places where there is a **lack of other community spaces**, for example in isolated villages, or where there is a lack of spaces that are welcoming for a particular group of people, for example older people.

“Often in society there is a pursuit of youth, and older people can feel unwelcome. Here we’ve balanced the older and younger crowd, we’ve brought new people into the pub but we’ve kept the same culture and made sure that older people still feel at home.”

All of the pubs we visited were well-used, and people often cited feeling a **sense of belonging**. Customers valued having somewhere to go, whether they wanted to socialise or to spend time alone.

“I’m not actually a huge supporter of beer, I’m a supporter of pubs and community spaces. Pubs have a responsibility to look after people in the community.”

“Often (commercial) pubs try to exploit unhappiness. It doesn’t have to be like that – we can facilitate happiness by bringing people together.”



### Sense of ownership, pride and empowerment

Two factors in particular contributed to people feeling a sense of pride and ownership (one of Power to Change’s long-term outcome areas):

a) In cases where there was a successful campaign to bring the pub into community ownership;

“There was a sense of ownership here even before people literally owned it.”

b) In the case of community shareholders who legally owned part of the business.

“Community ownership does make me feel differently about it. It’s our pub – I own a piece of this pub.”

People in the community who were initially sceptical about community ownership nonetheless also described feeling a sense of pride that the process had been successful.

“Before it was community owned I wasn’t a pub person, but now I am.”



### Creating employment opportunities

Almost all pubs created employment opportunities, although some were temporarily volunteer-run. We don't have systematic information on the number of jobs created, who was employed in those roles, or the quality of those jobs, however in most cases employment is a positive outcome for everyone.

**A minority of pubs created a much greater impact by employing people who would otherwise face unemployment, either because of the economic situation of the surrounding area, or because they had support needs that meant they were unlikely to gain employment elsewhere.**

“We have partnered with (local charity) to provide a part-time role for someone experiencing challenges with their mental health. It is important to create these opportunities for people who might otherwise struggle to find employment.”

“Hopefully the work we do here will set a precedent that other pubs might follow, for example employing people with learning difficulties and breaking down social stigma.”



### Creating volunteering opportunities

Pubs created two different types of volunteering opportunities, which benefited people in different ways:

a) **One-off, short term opportunities** to ‘help out’, often when the pub first came into community hands and local people were involved in the refurbishment

“Loads of people came to help when we first got the keys. It was amazing.”

b) **Ongoing, regular opportunities** which are, in some cases, crucial to the business, for example volunteer bar workers

“I’ve got a lot out of volunteering. I’ve only recently moved to the village, and it’s been a great way to meet new people. It’s given me something to do and I’m happy here.”

In most cases pubs also provided space for volunteers from other charities or community groups to meet and deliver projects (see below).



### Improving access to services

Some pubs, particularly those in rural, more isolated areas, provide important services for the local community. This can include a post office, shop, library service, or health services. In some cases pubs have developed a partnership with other local business or public services in order to host these, in other cases they develop the service without external support.

“Without a pub this place is just a bunch of houses on a road.”

“Getting a Post Office in the pub was a big motivation for a lot of people. It will be a really important service for the village.”

Pubs in more urban areas typically do not offer services such as these, because they already exist nearby. However they do function as an important space for other community groups and charities to operate from (see below).



### Social activities

Most pubs offer a wide range of projects or activities with a social aim, such as reading groups, music events, walking groups, quiz nights, etc. In some cases these are specifically designed to engage people who would otherwise be isolated.

“There are so many different aspects to this pub. It is a pub and functions as that, but what really appeals to me is that it is a community pub. It is a great concept to have other things (projects/activities) coming out of a pub where people come socially.”

These types of activities can be offered by the pub’s Steering Group, by the tenant, or by external groups that are invited to use the space.

“For (disability support project), it’s an answer to a prayer. I’ve been wanting to set up the project for a number of years. Finding this location and having (Steering Group) support for it is what’s going to make it work.”

“The upstairs function room is used by local and national bands, and provides an accessible place for the local music college to rehearse (they are based just across the road).”

Most of the pubs visited were still at a very early stage of business development. Whilst they demonstrated a mix of the impacts mentioned above, they experienced many challenges to overcome in terms of business performance. Making the business more sustainable was a priority, before attention could be focused on increasing its social impact offer.

**Given the relatively early stage of business development for most of the pubs we visited, it is not possible at this stage to know what impact community-owned pubs will have in the longer term on their communities.**

### 5.1.2 Comparing impacts of community-owned pubs

**Not all impacts are comparable.** It is impossible to compare the impact of creating employment opportunities with the impact of creating a sense of pride in community. However, understanding that community-owned pubs have different types of impact highlights how different aspects of the model can contribute to pubs' social purpose. It can also help pubs to identify how they could 'diversify' their impact by developing new approaches, for example a volunteering scheme for people with learning disabilities.

It is impossible to measure 'how much' impact community-owned pubs achieve, however **their impact is likely to be greater the more they are able to engage people who would otherwise lack those opportunities.**

Not all of these impacts are unique to community-owned pubs – in fact, most could be achieved by any type of pub, regardless of the ownership model. However, it seems reasonable to assume that these impacts are more likely to occur when pubs are owned – and influenced – by people in the community. They can also be facilitated by community-owned pubs sharing ideas and influencing each other.

The sample of 12 pubs we visited included a range across urban and rural areas, as well as a mix of tenanted and managed business models. Eight of these pubs received a loan and grant package from the More than a Pub Programme. Comparing the impacts of community-owned pubs in urban and rural areas is difficult given the early stages of business development. In general, there does not appear to be different impacts for those based in rural areas compared to those in urban areas. However, this may change over time particularly given the specific social needs of each place.

In a similar vein, it is difficult to find any differences in the impact of community-owned pubs that are run by a manager compared to those run by a tenant. Whilst it is the case that tensions sometimes exist between the tenant / manager and the Steering Group, it does not appear to be the case that these are any more likely for community-owned pubs that have decided to go along the tenancy route compared to the managerial route.

### 5.1.3 Barriers to impact

The people we spoke to at the pubs we visited described a range of different barriers to impact that they had experienced in running their pub:

- **Some tensions between prioritising activities that would promote social impact, and the profitability of the business.** For example, in some cases pubs would operate extended opening hours to facilitate community groups' use of the space, although takings did not always cover the additional staffing costs.
- **Some difficulties in knowing 'where to start'**, particularly for more ambitious – but ultimately more impactful – initiatives such as employing people with learning difficulties.
- **The challenge of giving enough thought to social impact in the early stages of developing the business.** Most of the pubs we visited had only recently opened, and had to prioritise business performance before attention could be focused elsewhere.
- **In a small number of cases, differences of opinion between the tenant and Steering Group** could make it challenging to develop new initiatives to promote social impact.
- **On-going challenges associated with running a successful business.** One pub had been opened for over a year, but continued to experience challenges with management, staffing and profitability, which meant there was little time to focus on social impact.
- **Tensions within the Steering Group.** In some cases the Steering Group found it difficult to decide what activities to focus on, in other cases tensions within the group led to changes in the members of the Steering Group, which led to delays in intentionally focussing on activities and ideas that could lead to greater social impact

## 6. Conclusion

At the beginning of the programme, Power to Change set targets for MTAP. At this interim stage, it is important to reflect on how the programme is faring against its own targets. This is summarised in the table below.

Table 15 Showing evidence to date of how MTAP programme is faring against its own targets

| Target   | Evidence to date  | To consider in the next phase  |
|--|---|--|
| <b>At least 80 new pubs moved into community control over the endowment period (to 2025), particularly in areas identified by Power to Change as having high social need</b> | <ul style="list-style-type: none"> <li>– 26 Pubs are open and trading</li> <li>– An additional 8 have received a loan and grant but are yet to open</li> </ul>  | <ul style="list-style-type: none"> <li>– Exploring drop off rates to ensure the pipeline is healthy enough to ensure community-owned pubs move in to opening</li> <li>– Focus on areas identified by Power to Change as having high social need</li> </ul>   |
| <b>Maintain a success rate for community-controlled pubs in receipt of monies from the programme of at least 80% (target 95%) over the endowment period</b>                  | <ul style="list-style-type: none"> <li>– 58% of pubs who contact Plunkett about MTAP go on to receive a bursary</li> <li>– 27% of pubs go on to apply for a loan and grant, of which, 43% receive a loan and grant</li> <li>– 100% survival rate of community controlled pubs supported by the programme</li> </ul> | <ul style="list-style-type: none"> <li>– Understand the barriers to receiving monies from the programme, and how these can be alleviated in the future</li> </ul>  |
| <b>Creating at least 16,000 new individual members with direct investment in their community-controlled pub</b>  | <ul style="list-style-type: none"> <li>– Total number of community share members is 5,104</li> </ul>  | <ul style="list-style-type: none"> <li>– Provide support and advice to pubs on how to initially advertise their community pub and attract new community share members</li> <li>– For pubs that have been open and trading, encourage and give advice on finding new community share members</li> </ul> |

| Target   | Evidence to date  | To consider in the next phase   |
|--|---|---|
| <p><b>Help to leverage at least £12m of community share capital through supported community groups</b></p>   | <ul style="list-style-type: none"> <li>- Total amount raised in shares is £5,865,710</li> </ul>   | <ul style="list-style-type: none"> <li>- Advise pubs on how to raise community share capital, both prior to the purchase of the pub, and afterwards for additional needs such as renovations and/or refurbishments</li> </ul> |
| <p><b>Increase the number of pubs which have been listed as Assets of Community Value (ACVs) (note 26 pubs in the programme were registered as ACVs at the start of the programme)</b></p> | <ul style="list-style-type: none"> <li>- 136 pubs ACV registered</li> <li>- 17 additional pubs submitted ACV registration to council</li> </ul> | <ul style="list-style-type: none"> <li>- Continue to support pubs to apply for ACVs</li> </ul>  |

Initial evidence to inform the key questions underpinning the programme (section 2.1) is summarised below.

Table 16 – Evidence to address key questions for the programme

| Key questions  | Evidence to date   |
|--|--|
| <p><b>What is the most effective way to support the growth in community ownership of pubs?</b></p>                   | <ul style="list-style-type: none"> <li>– Most pubs cited <b>specialist advice</b>, particularly business planning and navigating the process of bringing pubs under community ownership, as key to their success</li> <li>– In most cases groups were unable to raise the full value of the pub via community shares, and so <b>‘top-up’ funding</b> was key</li> <li>– <b>Awareness</b> of community ownership as an option was crucial for groups to initially engage with the programme</li> <li>– <b>Providing support to community pubs that are open and trading</b>, without the necessity for ownership of the pub, is also key to supporting the community pub market and its growth</li> </ul>               |
| <p><b>Can community ownership be a solution to the declining number of pubs in England?</b></p>                      | <ul style="list-style-type: none"> <li>– The overall number of community-owned pubs is still very small, and the <b>process of bringing pubs into community ownership is often complex</b></li> <li>– Community ownership has been an effective way of saving a small number of pubs from closure, <b>particularly in rural contexts</b></li> <li>– A total of <b>27 community-owned pubs</b> supported by the programme are now open and trading, however <b>some of these would have been opened under private ownership</b> if the pub had not been bought by the community</li> <li>– In some cases, pubs were bought privately after the campaign to save the pub demonstrated that there was a demand</li> </ul> |
| <p><b>Can community-owned pubs be an effective driver of social impact in their communities, and if so, how?</b></p> | <ul style="list-style-type: none"> <li>– Community-owned pubs have a <b>wide range of impacts</b> and are clearly valued by people in the community</li> <li>– <b>Community-owned pubs can be more impactful where they create opportunities for people who would otherwise be excluded</b>, for example by offering employment to people who would otherwise struggle to access the jobs market, and providing social activities for people who would otherwise be isolated</li> <li>– Most community-owned pubs supported by the programme are at a very early stage of development, and therefore it is <b>difficult to determine their longer-term impact</b> on communities at this stage</li> </ul>              |

Much remains to be understood about the impact of community-owned pubs over time. There is also much to learn about how community-owned pubs develop as businesses, and whether they are able to remain financially sustainable where other forms of ownership have failed. These types of questions can only be addressed in the years after this phase of the programme has come to an end.

---

## Acknowledgements

Our thanks to the following people and organisations for their support and contributions to this piece of work:

Richard Harries, Stephen Miller and all colleagues at the Power to Change Research Institute for their ongoing support; Gen Maitland-Hudson for valuable insights; Jenny Sansom for your interest, engagement and patience; everyone at the Plunkett Foundation, especially Nicole Hamilton, Aimée Evans and James Alcock, for responding promptly and with good humour to our queries about data; members of the More Than a Pub Steering Group; all the staff, volunteers, shareholders, customers and visitors of the pubs we visited, for their time and sharing their experiences; our partners at Social Enterprise UK, and our partners at Aleron for their work supporting this study.

---

## 7. Appendix

### 7.1 Methods

This evaluation was a mixed methods study which drew on the following sources of information:

#### **Quantitative data analysis**

- Information provided by groups applying for each type of support offered by the programme
- Reports submitted by Advisors supporting groups
- Public datasets including the Indices of Multiple Deprivation and others

#### **Qualitative data analysis and observations**

- Interviews with employees, trustees, members, customers, and visitors of 12 community-owned pubs which were supported by the More Than a Pub programme
- Observations of facilities and activities of 12 community-owned pubs which were supported by the programme

The 12 pubs we visited were randomly selected from the total number of pubs open and trading at the time of drawing the sample, taking into account the following criteria:

- Exclusion of one pub which opened in the early stage of the programme and received minimal support from the programme
- Inclusion of one pub (The Gardeners Rest) which was the only pub located in an urban conurbation
- At least three tenanted pubs in the sample
- At least three urban pubs in the sample

## 7.2 Eligibility criteria of the More Than a Pub programme

The following requirements comprise the full criteria for a group to be eligible for support from the More Than a Pub programme.

- Be based and working in England.
- Can demonstrate that the pub is for sale, or the current owner is willing to negotiate.
- Are looking to take ownership of an existing pub either closed or trading.
- There is open membership, where new members are encouraged to join and be involved as part-owners.
- Governance is democratic, with a one member, one vote policy.
- Can demonstrate that their proposal advances a community and social purpose and provides public benefit, with no or only minimal private benefit involved.
- Can demonstrate support from the local community.
- Using, or planning to use a range of agreed appropriate structures, which are:
  - **Community Benefit Societies**
  - **Co-operative Societies**
  - **Companies Limited by Guarantee**
  - **Community Interest Companies (large membership).**
- Regardless of legal structure, an asset lock, or other significant barrier, must be in place to ensure minimal private benefit (and notably the pub cannot be sold for the private benefit of those involved).
- Can demonstrate that some community finance will be or has been raised in support of the project.
- Committed to engaging widely with the local community, and surrounding areas if appropriate.
- Surplus income will either be re-invested in the business or used to support the objects of the enterprise in some other way. In this context, the payment of interest on share capital will be seen as an operating cost and not a distribution of surplus and must comply with the Charity Commission's statement on the payment of interest. There will not be any form of profit distribution.
- Can evidence that some community finance will be or has been raised in support of the project.

- Can evidence that other local businesses and community groups have been consulted and will not be displaced by the proposed Community Pub Business.
- Are planning to offer a range of services which will benefit local people including those who are socially excluded or isolated.

**Power to Change**

The Clarence Centre  
6 St George's Circus  
London SE1 6FE

020 3857 7270

[info@powertochange.org.uk](mailto:info@powertochange.org.uk)

[powertochange.org.uk](http://powertochange.org.uk)

 [@peoplesbiz](https://twitter.com/peoplesbiz)

Registered charity no. 1159982

