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“We need a Right to Buy, not to try”

How more urban communities can take ownership of their pub

Funded by **Power to Change**

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About this publication

This publication explores how and why more urban community pubs could be developed in urban areas, and the policy changes and support needed to achieve this.

In the context of this report, places with a population of greater than 10,000 will be considered as urban, although in some instances (e.g. market towns) a community pub with a smaller population may identify as urban, and these have also been included in the report. An urban community could include inner city areas, high streets, suburban estates, towns and market towns. A 'community pub' or 'community-owned pub' is a business owned and controlled by people from within the community for community benefit.

The report considers the opportunities and challenges facing groups looking at community ownership of a pub in urban areas. It also reviews the policy landscape and operating environment faced by groups in all four UK nations with a view to growing the number of urban community-owned pubs.

The data collection and analysis was undertaken by Plunkett Foundation staff. The report has been funded by Power to Change.

Contents

Executive Summary	4		
Methodology	6		
Introduction	7		
More than a Pub – supercharging the community pub sector (2016-2021)	7		
1 Overview of the community-owned pubs sector in urban areas	9		
1.1. How to define a ‘community pub’	9		
1.2. Geographical distribution	10		
1.3. Community profiles	13		
1.4. ‘More than a pub’ – the social impact of community pubs	14		
2 Motivations for starting a community ownership project	16		
3 Challenges and opportunities for urban community pub projects	19		
3.1. Overview of ‘non-start’ community pub projects	19		
3.2. Reasons for urban community pub buyouts being unsuccessful	20		
3.3. Community Engagement and Local Involvement	20		
3.4. Community leadership and capacity	22		
3.5. Access to support	22		
Review of the support landscape	23		
		3.6. Access to funding and financial support	24
		Start-up finance and use of community shares	24
		Access to grant support and other forms of finance	24
		3.7. The role of local government and community anchor organisations	25
		4 Community pub projects in deprived areas	27
		4.1. Impact of deprivation on a project’s success: looking at the data	27
		4.2. Impact of deprivation on a project’s success: lived experience of urban community pub groups	29
		4.3. Community pub projects in ‘left behind’ areas	30
		5 Policy landscape across the UK	31
		5.1. England	31
		5.2. Scotland	33
		5.3. Wales	33
		5.4. Northern Ireland	33
		6 Evolution of the model	34
		7 Conclusions	36
		8 Recommendations	38

Executive Summary



This research was undertaken to consider why just 15% of the current total of 147 community-owned pubs UK-wide are based in urban communities. Following the conclusion of the five-year More than a Pub programme in 2021, led by Plunkett Foundation and funded by Power to Change, there is currently no single UK-wide dedicated programme of support for community-owned pubs. This research proposes recommendations to grow the number of pubs in urban areas operating as community-owned businesses. A community pub is just that – a business that is owned and run by local people for community benefit.

The sector has grown rapidly, with just over 97% of all community-owned pubs having opened since 2001. Why, though, is this form of business underrepresented in urban areas, in comparison with rural communities where the model appears to be growing steadily in number year on year? There are many possible reasons, for example: lower awareness of community ownership in urban communities; or the support available might not be sufficient to stimulate growth in community-owned pubs in more built up areas. A range of reasons have been considered in this research, along with a comprehensive review of the 22 urban community-owned pubs that have reached trading status, to consider what the ingredients for success are. Particularly in the case of more deprived areas, we also identified the barriers that need to be overcome in order to see more equitable growth.

From the research, it is clear that there is already some awareness of the community ownership

model in urban communities. Just as with rural communities, urban community pub projects are most often triggered by the threat of a pub being permanently closed or demolished. **The community ownership model is perceived as a good way of ensuring that a valuable social asset could be preserved or even transformed for community benefit, becoming an inclusive space to meet and feel connected.** According to Plunkett Foundation records, over 200 urban communities (24% of all enquiries received) across the UK have explored this form of business in an urban setting since the More than a Pub programme first launched in 2016. However, this is not universally the case across all regions, with some areas having more interest than others. Perhaps a national conversation about community ownership of pubs be triggered more widely if a high profile 'boozer'; such as the Rovers Return, located on the cobbles of ITV's Coronation Street, was being considered for a potential buyout by local residents. The community groups we engaged with suggested **raising awareness of the model** was important to **inspire more people to set up their own community pub in more areas across the UK.** By drawing on examples of successful urban community pubs, this report is an important next step.

At the heart of every community business is a committed group of volunteers. These inspiring individuals are responsible for progressing projects that have led to the establishment of businesses that are owned, run by and run for local residents. These community leaders and organisers may

need to learn new skills quickly – such as legal terminology, advocating for their community rights, community consultation, fundraising, applying for grants – all in order to save their local pub from being sold for development. The right support needs to be available for community leaders at the right time, throughout their journey to community ownership. Suggestions from community pub groups we consulted included peer mentoring and help with pre-project community consultations and capacity building. Across all UK nations there must be a commitment from organisations that offer support to community ownership projects, to make access to the support available more joined up and as easy as possible to find. The research calls for a **greater commitment to collaboration and partnership amongst sector bodies**, recognising that more grassroots engagement work with local voluntary and community organisations may be required in an urban setting.

High property prices were identified as a significant obstacle facing urban community pub groups, with private competition (often for a change of use) being the most commonly cited reason for projects failing to reach trading status. Funding will be key to supporting more community pubs to open. Leasing a pub premises, rather than owning the building outright, could be an alternative option, but this doesn't necessarily protect the pub from conversion and would still require financial support with start-up costs to make the business viable. The research has shown that where funding is available, it needs to have a simple and quick application process to enable groups to access financial support when they most need it, as communities often only have months or even weeks to intervene to save their pub. Furthermore, **funding needs to offer tailored support for individual projects, particularly in deprived areas, and be available at every stage of their development journey**. While community shares and match funding has been a common method for obtaining finance for community pub projects, this may be less achievable in more deprived areas. Paid project manager positions may also need to be included in support packages, to create additional capacity to support a project to progress their ambitions where there is lower social capital.

In order for more urban pubs to be brought into community hands there needs to be **greater consistency** in community rights legislation, across England, Wales, Scotland and Northern Ireland. The research has reviewed the current policies in place and **calls for a Community Right to Buy**, as already exists in Scotland, which

would offer **a right of first refusal on assets, such as pubs, that are identified as having a value to a community**. Appropriate measures would also need to be introduced, such as a fully funded independent valuation, to **ensure that the community are able to purchase at a fair price**.

There is also **an important role for local government to nurture and support the growth of community ownership projects** in their area, for example through connecting community projects with empty space. Local government bodies should also be supported (through training and access to insurance schemes) to commit to providing initial support for community-led projects – where there is demonstrable local support, wide involvement of local residents and an opportunity to deliver social value. This research has also identified the **opportunities that could be unlocked if there were greater representation of parish councils** in more urban communities.

The existing network of community pubs have demonstrated the **value of being “more than a pub”** to their local community. The commitment to provide additional services and activities under one roof has become a clear motivation for other people to start their own community-owned pub projects. Delivering social impact within their community through providing an inclusive space, that is open and accessible to everyone has enabled community pubs to create a thriving business model that is adaptable and responsive to the ongoing needs of their community. These businesses are innovative, as they are using the traditional business model for a pub (centred around food and/or drink) to create an income, but go on to support much wider community action and social benefit. The impact of urban community pubs is explored in this research and should be a central message to inspire others to replicate or evolve what has been achieved by the sector already. **There is an opportunity for the community pub model to evolve further, such as in the form of micropubs** that operate in empty high street units, or **alternative ownership models**, where the community leases the premises from the local council or multi-stakeholder co-operative.

With a coordinated message about how the community pub model is relevant in an urban setting, matched with access to advice and support, peer learning opportunities, mutual aid and financial investment, **there is enormous potential for more community-owned pubs to be set up in urban communities**.

Methodology

Whilst compiling this report Plunkett Foundation has scrutinised available information for the 22 existing urban community pubs. These have included FCA and Companies House records, as well as data currently held by Plunkett Foundation gathered through our support work with community pubs. The team have also reviewed and considered all Plunkett records and information related to the 'pipeline' of urban pub projects, defined as groups progressing a community ownership project with the ambition of establishing a community-owned pub.

To support the development of the research a literature review was completed by Power to Change Research Associate Eva Trier. It considered sector research, programme evaluation materials, academic studies, and trade publications. It also provided an overview of the known challenges and opportunities for the wider pub sector, which helped the Plunkett team to consider the role of a pub business in the context of different urban settings, and why community ownership was seen as beneficial in the long term.

Community pub groups have been engaged with the work by way of:

- An online survey of existing community pub groups with six responses
- Five telephone interviews with developing community pub groups
- Two online workshops with representatives of 11 existing and developing urban community pubs

The research has utilised data from Oxford Consultants for Social Inclusion (OCSI) and their Local Insights platform, and the Community Wellbeing Index from Co-operative Group. This has enabled the Plunkett team to analyse key data relating to the communities of urban community pub projects in England, in order to consider socio-economic factors that might impact on the distribution and success of urban community pub projects.

Finally, as part of an ongoing commitment to partnership work to support the development of community pubs UK-wide, Plunkett hosted a roundtable discussion event with stakeholder organisations to share initial learning and get feedback on the proposed solutions. It is anticipated that this will be an ongoing dialogue for the benefit of new and developing projects, following the publication of this research. The roundtable was attended by representatives of the following organisations:

- CAMRA
- Community Shares Scotland
- Community Shares Unit
- Co-operative and Community Finance
- Co-operative and Mutual Solutions
- Co-operative Development Scotland
- Co-operatives UK
- The Craufurd Arms, Maidenhead Community Pub
- The Fox and Goose Inn, Hebden Bridge Community Pub
- Ironmonger Community Advisors
- Key Fund
- Locality
- MJD Hughes
- Music Venue Trust
- Plunkett Foundation
- Power To Change
- Pub is the Hub
- The Bevy, Brighton Community Pub
- Wales Co-operative Centre
- West Midlands Combined Authority

Introduction

The oldest community-owned pubs date back to the 1980s, although it is only over the past 20 years that the sector has really blossomed. In 2001 there were just four community-owned pubs trading in the UK. By the end of 2021, the network had grown to 147. As a consequence of widespread pub closures during this time, more communities than ever are now looking to use community ownership as a way of protecting their pub for local benefit.

This piece of research has been completed to review one specific aspect of this developing sector: how can more community-owned pubs be established in urban settings? Currently only 15% of the total number of the 147 community-owned pubs are in urban communities. Funded by Power to Change, this research was undertaken by Plunkett Foundation to understand if there are structural barriers preventing a wider adoption for this form of business, and what the opportunities are for sector growth in these areas.

The report has been produced by the Plunkett Foundation, a UK-wide charity providing access to advice and expertise for the benefit of community businesses. Plunkett Foundation is currently the lead provider of advisory support to community-owned pub projects in all four UK nations. Working in partnership with other sector bodies, Plunkett has been at the forefront of sector growth in recent times, not least thanks to its More than a Pub programme, which ran between 2016 and 2021 with funding from Power to Change.

The intention of this research is to build on the learning of that ground-breaking programme of work and consider potential future actions that are required to see a more equitable realisation of the opportunities presented to communities seeking to run their local pubs as a community-owned businesses.

The research has considered the relevant approaches required in each UK nation, including the operating environment and policy landscape that groups have to navigate to establish such enterprising businesses in their community.

More than a Pub – supercharging the community pub sector (2016-2021)

More than a Pub (MTAP) was an England-wide programme, providing support and funding for community-owned pub projects. Run by the Plunkett Foundation, it received funding from Power to Change and the Ministry for Housing, Communities and Local Government (now Department for Levelling Up, Housing and Communities) and was an unprecedented success for the community-owned pub sector.

Delivered in partnership with social lenders Cooperative and Community Finance and Key Fund, with the support of a steering group which included The British Beer and Pub Association, Campaign for Real Ale (CAMRA), Pub is the Hub, Locality, Cooperative and Mutual Solutions and The Bevy Community Pub, the programme has fundamentally changed the landscape for community-owned pubs.

Operating over five years, across two phases (2016-2018 and 2018-2021), it directly led to the creation of 60 new community-owned pubs in England, which more than doubled the number of community-owned pubs UK-wide. MTAP delivered resources, guidance, training and support to 313 community groups on their journey of community ownership. Furthermore, the programme has helped to develop a substantial pipeline of interested groups looking at community ownership of their pub in England, Scotland and Wales, with Plunkett currently supporting over 200 groups working to achieve this.

Programme evaluation

The evaluation of More than a Pub highlighted the benefits of having a dedicated programme of support, which included grant and loan investments for community-owned pubs. What is also clear from the evaluation report is that the pubs supported by the MTAP programme truly are ‘more than a pub’ – with social impact embedded in their operations.

As the projects are fundamentally influenced by community consultation, it is not surprising that their activities directly address locally identified needs.

Despite greater emphasis in the MTAP programme from 2019 onwards to support more deprived communities and groups from urban areas, including through offering increased levels of support and higher levels of bursary funding, a much lower number of MTAP beneficiaries came from these areas during the programme than was expected. What is clear, though, is that a dedicated programme of support improves the chances of a project progressing from an initial concept phase to trading status as a community pub. The following table illustrates that where a group from any community accessed an appropriate level of support their chance of succeeding was hugely increased.

FIGURE 1
ENQUIRY CONVERSION RATES WITH MORE THAN A PUB SUPPORT

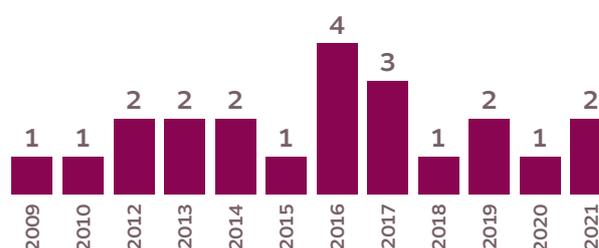
No. of pubs reaching trading status between 2019 and 2021:		
Baseline success rate for all pub enquiries	1 in 10	<i>Estimate based on 472 enquiries and 45 openings between 2019-2021.</i>
With adviser support	1 in 3	<i>122 new groups supported, of which 37 are now trading, 41 remain in development.</i>
With £2,500 bursary (or £5,000 for deprived areas)	1 in 3	<i>57 new groups received bursaries, of which 16 are now trading and 22 remain in development.</i>
With £50,000 grant and £50,000 loan	100%	<i>19 new groups received loan/grant of which 15 are now trading and 4 actively working towards opening.</i>

Source: Plunkett Foundation records, as of February 2022.

Note: These figures relate to community pub projects in England and only consider figures (including developing projects) related to the second iteration of MTAP (2019-2021). There are obviously overlaps in the figures above, with some groups receiving a combination of support, a bursary and a grant/loan package, but it demonstrates the value of the development advice and support.

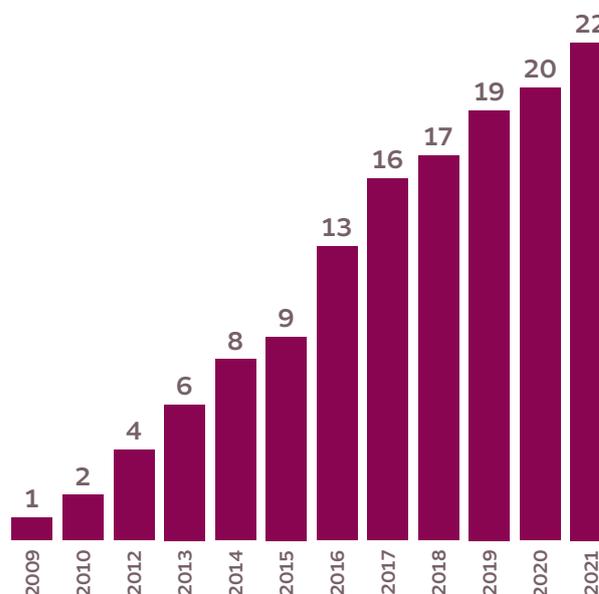
The MTAP impact on the sector is also clearly illustrated in figure 2, showing that the highest rate of urban community pub openings for one single year coincided with the launch of the comprehensive programme of support for community-owned pubs in England. Since the launch of the programme in 2016 there has also been growth of community pub numbers in urban areas, with no known closures of any urban community pub.

FIGURE 2
NUMBER OF URBAN COMMUNITY PUB OPENINGS BY YEAR



Source: Plunkett Foundation records, February 2022.

FIGURE 3
CUMULATIVE NUMBER OF URBAN COMMUNITY PUBS



Source: Plunkett Foundation records, February 2022.

1

Overview of the community-owned pubs sector in urban areas



1.1 How to define a 'community pub'

In the context of this research, 'community pubs' are those that are owned by members (also known as shareholders) and are run democratically, often on the basis of one-member-one-vote. Membership is voluntary, affordable, and open to all in a community, and is the mechanism for ensuring the community has a genuine say in how the business is run. This is what gives community-owned pubs longevity, as member control and input ensure the pub business is continually adapting and serving the needs of its members and wider community.

Once in community ownership, an elected committee or board will continue to represent the wider membership and determine how the business is managed. The committee will either delegate the day-to-day management of the business to a team of paid staff and volunteers, or sublet to a tenant who will operate the business within a framework set by the community.

Community pubs are not just a place to eat and drink: they provide a wide range of additional

services such as shops, post offices, and cafés; they become a hive of community and voluntary activity providing space for clubs and societies; they enrich the local cultural scene by promoting live music, performances and events, the arts, and traditional pub sports; they actively promote inclusion and look out for those most vulnerable in society; and they play an active role in addressing isolation and loneliness through the creation of social and volunteering opportunities. In short community-owned pubs are often 'more than a pub'.

It is important to note that community-owned pubs do not necessarily operate from a building that the community owns. It may, for example, be a community-owned business (a legally formed organisation) that is leasing the pub premises from the owner to run their operations. There is also one example of a community-owned pub currently trading on leased terms from a former retail unit, having adopted the micropub operating model.¹

For a more in-depth review of the community pubs sector, Plunkett Foundation produces an annual report called "Community Pubs: A Better Form of Business", which can be found the Plunkett website – www.plunkett.co.uk/reports.

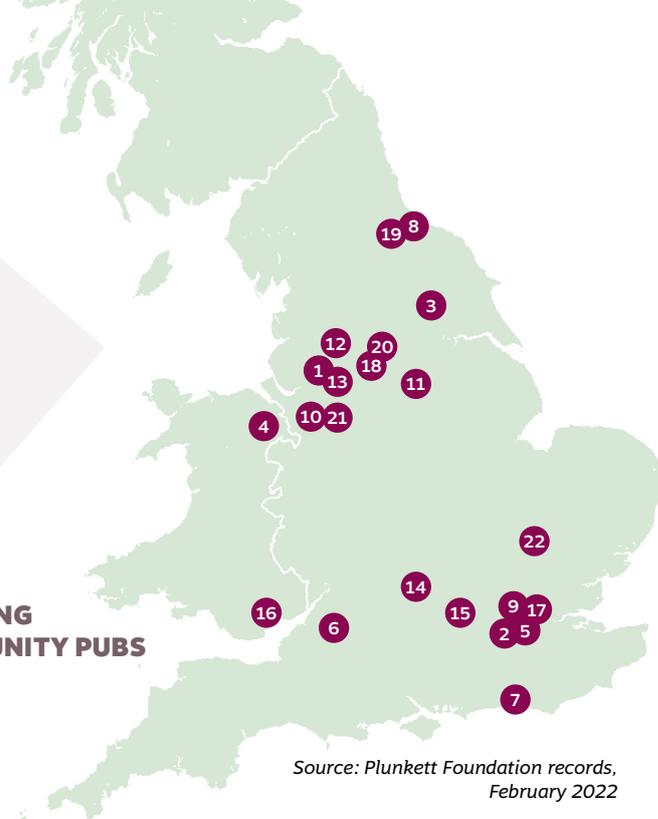
¹ A micropub is a small pub, often based in a premises that was not previously a pub building, such as a former retail unit. Micropubs are usually free of ties, giving them the flexibility to source from local breweries. Micropubs also have a social focus, encouraging conversation between customers, instead of playing televised sports or recorded music. More information can be found from Micropub UK.

1.2 Geographical distribution

Community pubs in urban settings currently account for 15% of the total sector, with 22 of 147 pubs currently open and trading.

Figure 5 shows a list of existing community pubs in urban areas.

FIGURE 4
MAP OF TRADING
URBAN COMMUNITY PUBS



Source: Plunkett Foundation records,
February 2022

FIGURE 5
LIST OF OPEN AND TRADING
URBAN COMMUNITY PUBS

	Name of community pub	Location	Year opened
1	The Star Inn	Broughton, Manchester	2009
2	The Hope	Carshalton, Greater London	2010
3	The Golden Ball	York	2012
4	Saith Seren	Wrexham	2012
5	The Ivy House	Nunhead, Greater London	2013
6	The Bell Inn	Bath	2013
7	The Bevy	Moulsecoomb, Brighton	2014
8	The Globe	Newcastle	2014
9	The Antwerp Arms	Tottenham, Greater London	2015
10	The Centurion	Chester	2016
11	The Gardner's Rest	Sheffield	2016
12	Sir Charles Napier Inn	Blackburn	2016
13	The Old Abbey Taphouse	Moss Side, Manchester	2016
14	The Ampleforth Arms	Headington, Oxford	2017
15	The Crauford Arms	Maidenhead	2017
16	Le Pub	Newport	2017
17	The Tommy Flowers	Aberfeldy, Greater London	2018
18	The Puzzle Hall Inn	Sowerby Bridge	2019
19	Ye Olde Cross	Ryton	2019
20	The Fountain Head	Pellon, Halifax	2020
21	The Hive Live	Winsford	2021
22	The Railway Arms	Saffron Walden	2021

KEY FACTS

- **21 of the 22 pubs trade from a premises that was previously a pub.**
One urban community pub operates from a former retail premises as a micropub, and is the only known community pub not operating from a former pub building.
- Of the 22 urban community pubs, **14 communities (64%) own the premises outright** whilst the other 8 operate on lease terms of varying length. The proportion of all community pubs owning their premises is 89%.² This is perhaps indicative of the higher market values for pubs in urban areas, as potential sites for redevelopment.
- **20 of the pubs are managed by the community business, whilst two have opted to use the tenanted model** whereby a tenant runs the business on behalf of the community (with the community essentially the “landlord” of the property). By comparison, 55% of all community pubs are managed, and 45% are tenanted.³ Managing a pub can give communities more control over how the business is run, but requires more time from the community pub’s management committee.
- The sector is still relatively new. **91% of urban community pubs opened in the last 10 years**, and 59% opened since Plunkett’s More than a Pub programme began in 2016.
- **All 22 pubs offer employment opportunities, with 16 (73%) of the pubs also using volunteer support** to run their business. This correlates with the rest of the community pub sector, with 95% employing staff (6 are run exclusively by volunteers). An estimated 67% of all community pubs have regular volunteers, with managed pubs tending to be more likely to use volunteers.⁴
- **12 of the 22 the pubs in England are listed as an Asset of Community Value**, which offers a limited protection for the pub building via a Community Right to Bid (Under the Localism Act 2011). The two trading community pubs in Wales were not able to utilise any such right.

2. Plunkett Foundation records, February 2022.

3. Plunkett Foundation (2021), Community Pubs: A Better Form of Business. For a full explanation of the benefits of the managed and tenanted models, please refer to pp.14-16 the report.

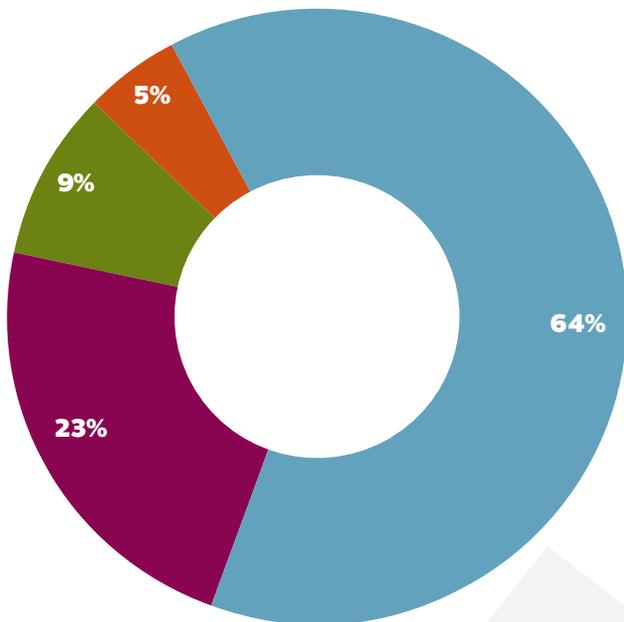
4. Plunkett Foundation (2021), Community Pubs: A Better Form of Business.

Legal structures

Community pubs trade, employ staff or tenants, manage volunteers, and enter into contracts and financial agreements. Therefore, they require a legal entity to protect the individuals running the business by giving them 'limited liability', and to ensure they are compliant with legal necessities such as tax, insurance, trading standards and employment rights.

Plunkett recommends that community pubs adopt legal structures which enable genuine community ownership with equal and democratic control.

**FIGURE 6
LEGAL STRUCTURES OF
URBAN COMMUNITY PUBS**



■ Community Benefit Society (or IPS BenCom)
■ Co-operative
■ Community Interest Company
■ Company limited by shares

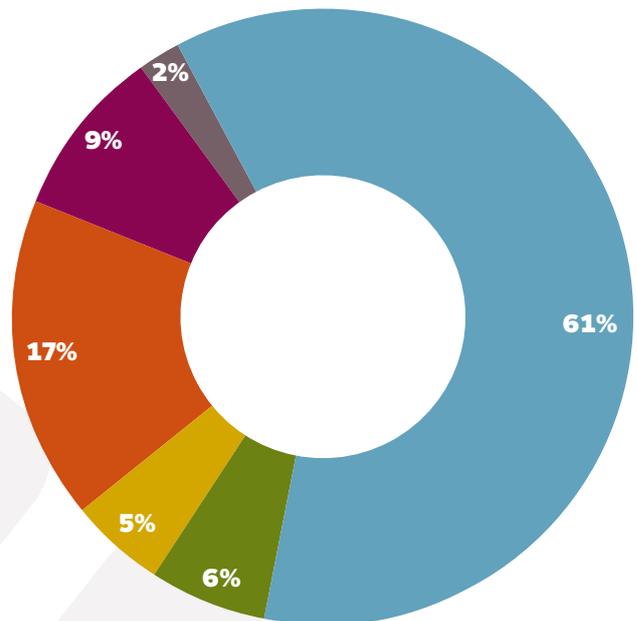
Source: Plunkett Foundation records, 2022.

This would include:

- Open and voluntary membership
- A management committee drawn from members of the community
- The community clearly represented with the majority of members coming from it and having a genuine say in how the business is run, preferably with one member one vote
- Ideally, there should be an asset lock
- Trading should meet the community's identified needs and represent a long-term commitment
- A commitment to re-investing profits in the local community.

The pattern of legal structures among urban community pubs broadly follows the pattern of the wider community pub sector.

**FIGURE 7
LEGAL STRUCTURES OF
ALL COMMUNITY PUBS**



■ Community Benefit Society (or IPS BenCom) 78
■ Community Interest Company 8
■ Company limited by guarantee 7
■ Company limited by shares 22
■ Co-operative 11
■ Other 2

Source: Community Pubs, A Better Form of Business, from 128 available Plunkett Foundation records, 2021.

1.3 Community profiles

No two community pubs are the same, something which can also be said of the communities in which they are set up.

However, in an attempt to understand the supporter bases for these kinds of projects, we have developed an aggregate community profile for those areas where the current 20 urban community pubs exist in England. For comparison we have also included a sample of 'non-start' urban community pub projects, defined as groups that did not achieve their ambition of opening a community-owned pub business. These statistics have been sourced via the OCSI 'Local Insight' platform and below we have shared an average figure for the 20 communities, a sample of 'non-start' groups, as well as the national comparator statistic. A similar analysis was not undertaken for the two Welsh pubs due to the small sample size.

From the data, it is difficult to ascertain a correlation between socio-economic factors and the success of an urban community pub project. What is clear though, is that both trading and non-start pubs are from overall more deprived areas in the country, something we consider separately in Section 4.

The communities that currently host a community pub have a population with higher than average unemployment, pensioner poverty and residents who are economically inactive, which suggests that these socio-economic factors do not necessarily

affect the outcome of a community pub project. Indeed, these factors may even be a motivation for community ownership of a pub in the first place, to revive local assets, create inclusive social activities and employment opportunities.

Lower than average household incomes within the community may limit a group's ability to raising start-up funding through initiatives such as community shares, as there is less likely to be disposable finance available for families to invest in a community ownership venture.

However, community pub projects often use social media to promote their community share offers more widely, offering an opportunity for supporters from outside their community to invest in the



FIGURE 8
AGGREGATE COMMUNITY PROFILES
From OCSI data, February 2022.*

	Unemployment benefit (JSA and Universal Credit)	Pensioners in poverty (Pension Credit)	Youth unemployment (18-24 receiving JSA or Universal Credit - December 2021)	Population of working age (16-64)	Economically inactive	Net annual household income estimate after housing costs
Average for communities with a community-owned pub	5%	22%	7%	67%	33%	£25,070
Average for communities with non-start community pub projects	6%	18%	10%	64%	32%	£26,490
National average	5%	12%	5%	62%	30%	£28,248

*Data available for England only. Percentages given as an average calculated from sample groups of 20 trading urban community pubs and 10 non-start urban community pub projects.

project. This might seem to undermine the locally rooted model of community ownership, but may be appropriate for pubs that serve a “community of interest” (such as live music fans) as well as residents within the local vicinity.

There are restrictions on this approach in Scotland however, where the ownership model has to be truly local should a group wish to apply for funding from the Scottish Land Fund to support the purchase of the asset. Some recent (rural) community pub projects in Scotland have still made use of crowdfunding as a way of benefitting from this wider interest and support for pubs, without selling a share in the business. This is an option that other groups could use also to boost investment in their project.

1.4 ‘More than a pub’ – the social impact of community pubs

As referenced in the name of the ‘More than a Pub’ programme, pubs that are owned and run by their communities aim to offer more than just the sale of food and drink. Beyond the consumption of alcohol in a social setting, pubs have traditionally played a role as community hubs. Taking a pub into community ownership can therefore be regarded as returning it to its origins as a ‘public

INSIGHT: THE BEVY, MOULSECOOMB, EAST BRIGHTON

In 2021 and early 2022 The Bevy was a regular venue for mobile COVID vaccination units. Large numbers of local residents took up the opportunity to get boosted or vaccinated, with people queuing round the block.

The Bevy is an all-round community hub based on a housing estate, providing a place for people to get together at affordable lunch clubs, dementia cafes, cooking classes, family days, music nights and arts events. It boosts the local economy too, by providing employment and hosting community markets selling food by local producers.

The pub is also a hub for charitable fundraising, with Vice Chair, Jenny Hawke raising money for Cancer Research in January 2022 by having her head shaved by her children. The Bevy secretary, Chris Llewellyn, quoted in an article by In Your Area, summarised the community pub’s ethos:

“Our strap-line has always been ‘More than a Pub’ and if we are serving delicious food, getting vaccinations into people’s arms, shaving heads to beat cancer as well as running a market and pouring pints, I think it’s fair to say we are delivering.”



house' in the truest sense of the word. According to a report by Pub is the Hub, "well-run" pubs and inns are "returning to being the centre or hub of community life that they often played in the past. They are returning to host a more cultural and wider interpretation of hospitality which has meaning beyond the usual drinks, food or entertainment offering".⁵

Urban community pubs offer many activities that enrich the lives of local people, such as:

- A community space for local clubs to meet
- Live music and theatre
- Affordable lunches
- Fun activities for children and families
- Cookery, language, dance and fitness classes
- Repair cafes and bike maintenance
- A garden or growing scheme for local people
- Community markets selling local food and drink
- Pop-up surgeries with local GPs, MPs, police or service providers such as Citizens Advice
- Training and employment opportunities for young people or people who might struggle to find work elsewhere, for instance if they have a disability.

The availability of the premises and the utilisation of the space for alternative uses at quieter times during the day enhances the role that these pubs perform locally. It has the benefit of potentially enabling non-pub customers to also benefit from the building and encourage people over the threshold, who may not otherwise use the business.

Comparing survey responses from rural and urban community pubs carried out for the 2021 report, "Community Pubs: A Better Form of Business", it seems urban community pubs may be more likely to undertake philanthropic activities. There was also a stronger tendency to focus on social and cultural activities in urban community pubs, covering an enormous range from free lunches to glass blowing workshops.

Urban community pubs aim to be 'more than a pub' by acting as inclusive spaces. The pub in question may have a unique offering not available

INSIGHT: SAITH SEREN, WREXHAM

At Saith Seren, in Wrexham, North Wales the pub plays a culturally important role as a place for Welsh speakers to go and enjoy conversations in their own language. In Wrexham the predominant language spoken around the town is English, so the pub is helping to protect the local heritage and culture of the community. According to an article in the Liverpool Echo newspaper, 1 March 2022 the pub is "a symbol of speaking Welsh socially".

One member of the committee is a local teacher and runs a club for Welsh learners on-site too, to give more people the opportunity to practice the language.



elsewhere, such as the renowned Black Cap pub in London, well-known for its drag performances before its closure in 2015. Since then, the Black Cap Foundation was set up as an initiative to save the pub for the LGBT and wider local community.

Of course, many privately operated pubs are also community-minded. However, the community engagement and consultation that is so important in the development of a community pub project, and which continues after the business starts trading, means that the services are much more targeted to address locally identified needs. This was evident in the way community pubs responded to community needs during the pandemic, diversifying their services and creating new services such as pop-up shops and deliveries, to ensure that the people who were most vulnerable in their community were supported.⁶

5. Pub is the Hub (2020), The Social Value of Pubs and Publicans providing Services in their Communities, Initial Report 2020.

6. Plunkett Foundation, A Better Form of Business: Community Pubs (2021).

2

Motivations for starting a community ownership project



In this section we consider the reasons why a community may embark on a community ownership project, and consider the different roles a pub can play in different communities across the UK and how this impacts the progression of a community pub project.

Plunkett Foundation records show that there is an established interest in community ownership for local pubs in urban areas. The Foundation records over the last 5 years show that 24% of all pub enquiries to Plunkett Foundation came from urban areas – with over 200 urban communities getting in touch wanting to set up a community pub. Furthermore, following the launch of the second iteration of More than a Pub, this figure rose to 31% in 2020.

The issue, however, is that despite the level of interest, only 1 in 16 urban community pub projects go on to reach trading status. For comparison, in rural areas the chances of success are slightly higher at 1 in 12 pubs. The comparatively lower conversion rate clearly demonstrates that there are barriers specific to urban communities that hinder the project's development. Common barriers,

including more concentrated levels of deprivation, are explored in sections 3 and 4.

Findings from our interviews and workshops suggest the following motivations for urban community pub projects:

- As in rural areas, urban community pub projects are **often motivated by a local pub closure**.
- However, it is not necessarily about preserving a pub as it was at the time of closure. For instance, some interviewees and workshop participants noted that their pub had been a “boozer”, a hotspot for antisocial behaviour, or not an inclusive place for families with children. Therefore, the **motivation is to repurpose the business** for community benefit and run it differently once in community hands.
- Some members of the local community may also see an opportunity to make better commercial use of the building e.g. for live music events to generate new income streams that can be reinvested for local benefit. **Bringing the pub into community ownership is seen as a way of improving its offering to local people.**

- **The motivation for the project may actually be finding a space within a community for social events, rather than being primarily focussed on a specific pub.** Where other pubs or suitably sized premises are available, these may be considered as alternatives. An urban community “pub” does not necessarily have to end up being what is perceived as a traditional pub.
- **Pub buildings remain the focus of current urban community ownership efforts because of their size and suitability for social events.**
- **Ownership of the pub building is perceived by participants as the most desirable course of action,** due to the greater long-term security this provides for the community business. There also seems to be less awareness that a leasehold is a viable option for the community.

**WORKSHOP PARTICIPANTS
ON THEIR MOTIVATIONS FOR
COMMUNITY OWNERSHIP:**

**What did your pub
mean to you?**

“It was a pub renowned for its music offering”

“Hosted lots of local events – birthdays, wakes, etc.”

“It was a historic pub with a gorgeous tiled frontage and old-style fittings”

“Balanced our other local pub which was more of a ‘sports’ pub”

“The pub was a crucial community asset in a low income area”

“Last remaining open public asset in the community”

“Had developed a bad reputation for drugs and violence so was seen as a negative influence”

“Was just a boozer with some asb [anti-social behaviour]. Declined to this from a more cohesive local entertainment venue.”

In the interviews and workshops carried out as part of this research, as well as in the literature review completed by Power to Change research associate Eva Trier, it was clear that the starting point for community ownership projects was often the threat of losing a pub, and therefore an important local asset. The IPPR report identifies that “Running through much writing about pubs are the twin themes of national identity and loss: the idea that a traditional British institution is under threat.”⁷

And yet, as Plunkett Foundation’s previous research has found, “What remains evident for all these successful projects, is that they were all about more than simply saving an asset”,⁸ pointing to positive societal, economic and environmental change derived from the opportunities that community ownership of a pub delivers.

An internal Power to Change report also highlights how some of the cultural associations identified above can be intrinsically linked to a particular building. Referring to an innovative micropub project in premises provided by a local housing association, it is suggested that this model “doesn’t save an old ‘boozer’ [, but] it also doesn’t bring with it any negative heritage ‘rights’. All ethnic groups in this diverse neighbourhood can feel welcome and that it belongs to them.”⁹ In other words, negative cultural perceptions can also be associated with a specific building, thereby limiting the scope to engage the wider community. Power to Change, in an earlier report, also notes that community pubs often deliver on “enhancing the heritage and cultural identity of the local area.”¹⁰ The report further highlights that, historically, pubs have tended to be male dominated and “men still make up the bulk of the ‘regular’ pub crowd.”¹¹ However, from a social class perspective, pubs have moved away from their image as “a working-class institution” with a higher proportion of professionals reporting pub attendance than the lowest earning occupational class.¹²

With an increasing diversification of income streams, catalysed by the Covid-19 pandemic, pubs are increasingly becoming multi-service hubs, for instance opening during the day as cafes or workspaces.

7. IPPR (2012), Pubs and Places, The Social Value of Community Pubs.

8. Plunkett Foundation (2021), Community Pubs, A Better Form of Business.

9. Power to Change (2021), Urban community pubs – what we know from MTAP, unpublished.

10. Power to Change (2017), What works: Successful community pubs, Research Institute Report No. 5.

11. IPPR (2012), Pubs and Places, The Social Value of Community Pubs.

12. IPPR (2012), Pubs and Places, The Social Value of Community Pubs.

The evolution of the model is something we consider later in this report in Section 6, specifically reference the role of the high street and the potential for repurposing high street premises as community pub businesses.

Ultimately, whatever the motivation or the “trigger” for a project, there is a need for community consultation and local engagement to find out whether a community pub project is viable in that area. The core group(s) that have considered community ownership to be an opportunity for their pub need to test their idea with the local community.

This process of communication, public meetings, surveys, social media interactions etc. to establish a supporter base for the project is vital for its long-term success. However, it is also a drain on the time of volunteers and is a point at which many projects lose momentum, perhaps even ending the project altogether if enough support is not found quickly enough. The capacity of volunteers and the need for community leadership for projects is considered in detail in the next section of this report.



3

Challenges and opportunities for urban community pub projects

3.1 Overview of ‘non-start’ community pub projects

Since its records began, Plunkett has recorded 233 ‘non-start’ community pub projects in urban areas. These are defined as groups that contacted Plunkett Foundation for advice and support, progressed their project activity but then did not go on to reach trading status as a community pub.

Plunkett was not able to provide support to all of these community pub projects, for example if the pub’s owner was not willing to sell to the community. The fact that urban community pub projects have been started in every region across England demonstrates the reach of the More than a Pub programme. It is interesting to note, however, that there have been six urban community pub projects started in Scotland and Northern Ireland, yet none have succeeded to date.

FIGURE 10
MAP OF NON-START URBAN COMMUNITY PUB PROJECTS



Source: Google Maps. Plunkett Foundation records, February 2022

FIGURE 9
GEOGRAPHICAL BREAKDOWN OF NON-START AND TRADING COMMUNITY PUBS GROUPS

Location	Number of non-start groups	% of all non-starts	Number of open and trading pubs	% of all groups trading status
East of England	25	11%	1	5%
East Midlands	14	6%	0	0%
London	31	13%	4	18%
North East	15	6%	2	9%
Northern Ireland	1	0%	0	0%
North West	35	15%	5	23%
Scotland	5	2%	0	0%
South East	40	17%	3	14%
South West	28	12%	1	5%
Wales	5	2%	2	9%
West Midlands	13	6%	0	0%
Yorkshire and Humber	21	9%	4	18%

The sample size per region is still so small that it is difficult to say definitively whether there is a correlation between the location of a project and its success in reaching trading status. However it is interesting to note that despite 27 projects starting across the East and West Midlands, there are currently no urban pubs in existence here. Plunkett Foundation is currently seeking to address this through a programme of support with funding from the West Midlands Combined Authority (WMCA). In section 4.2, we consider whether higher levels of deprivation in the WMCA area is contributing to a lower uptake of the model. As a continuation of this research, there is an opportunity to implement the proposed recommendations from this research in the WMCA area and actively test the solutions seeking to address perceived barriers identified in this report.

3.2 Reasons for urban community pub buyouts being unsuccessful

Where possible, Plunkett has collected information about the reasons for projects failing to reach trading status. According to 46 available Plunkett Foundation records, for 52% of groups the main barrier was that the pub was “purchased privately”, meaning that the community were unable to acquire the asset. Private competition was also the same reason given by 52% of community-owned pub projects failing to reach trading status in rural areas (based on 121 available records). However, as noted in Section 3.6, urban pubs may attract higher prices due to the shorter supply of land for development. This, combined with higher levels of deprivation, mean that urban communities may find it harder to meet the asking price to purchase their pub.

Although competition from a private buyer is beyond the control of the community, current community rights legislation could be improved to offer communities first refusal on assets, protecting them from being outbid by competitors. A policy review with proposals for improvements can be found later in this report.

Other reasons identified from Plunkett’s records, as well as through the workshops and interviews, include:

- Unable to raise enough funds (the second most common reason – funds may be needed to purchase the pub or lease)
- Short time frame to purchase the pub. Often, there is only a few weeks or months to put

together a bid once the pub has been put on the market.

- Uncooperative seller, who is not willing to sell to the community.
- Lack of community involvement – e.g. those who work full-time or have caring responsibilities have less time to devote to the project
- Lack of council capacity/resource to provide support to the project
- Confidence – according to one interviewee, this can be described as a lack of “self-belief” that community ownership of the pub is possible. Another workshop participant said that local people might regard the closure of a pub as “inevitable” due to market forces beyond their control.
- Violence and drug dealing in the area creating an environment which makes it difficult for the project to progress

Another factor may also be a general lack of awareness about community ownership. How can more people be inspired to explore collective community ownership of their local pub? At one of the workshops, Plunkett Adviser Dave Boyle commented that what was needed was for the Rovers Return, on Coronation Street (the popular British soap opera) to be put up for sale and for the local community to come together and buy it. Having such a high profile example of community ownership could then lead to many others to explore this form of business as it would appear more achievable. In our recommendations, we suggest greater promotion of the success stories of urban community pubs which have successfully overcome barriers to become thriving community hubs.

However, even without this high profile ‘moment’ to showcase community ownership, the fact that 233 communities have already tried (and failed) to develop a project demonstrates that there is an existing awareness of the model that can be built upon. At the time of writing, 36 urban communities are actively pursuing a community pub project.

The following sections will consider in more detail the challenges and opportunities for urban communities exploring community ownership.

3.3 Community engagement and local involvement

One of the most commonly discussed barriers to progressing a community pub project, highlighted in the surveys, interviews and at the workshops

associated with this research, was the difficulty of converting initial interest for a community buyout of a pub into effective community engagement to progress the project. When responding to a survey question about the biggest challenge facing their project, one community pub group responded that it was “Getting people involved and to come on the committee. [and then] Believing that we could actually get the pub back open and thriving again.”

In an urban community, unlike their rural counterparts where there are likely to be parish boundaries to define an area of benefit, there is often no clear geographic barrier to define the “community” that would be most committed to pursuing the buyout. This presents a potential barrier in terms of mobilising a campaign, to turn initial interest in to a realistic project. The focus of the pub serving a specific area such as a village or parish (with or without competition) and the threat of losing a business with no nearby alternatives makes the campaign message more poignant in rural neighbourhoods. However, from the workshops it was evident that the strength of urban community cohesion varied greatly from place to place. The workshops engaged people from a range of urban areas from housing estates to market towns, suburbs to inner city high streets.

The National Association for Local Councils (NALC) has long sought to create parishes in an increasing number of urban areas. In line with the ambition to complete a ‘Neighbourhood Review’, which has been included in the UK Government’s Levelling Up White Paper,¹³ there could be benefit in exploring the model of parishes in more urban communities and associating this form of local governance with growing the number of community-owned assets in these communities.

Looking beyond a geographic area, it is often the case for urban community pubs that the ‘community’ leading on the project may be a combination of a community of interest and one of place. For example, the Bell Inn in Bath attracted widespread support from within the world of music, as well as local residents who valued the asset in their community. Although this model could potentially subsume benefits for local residents, attracting supporters from outside the local area could also bring in the necessary backing and finance to make the project a reality. None of the survey respondents, interviewees or workshop participants said that their pub was exclusively set up to serve a community of interest – all were conscious of the need to be locally rooted.



INSIGHT: THE ANTWERP ARMS, TOTTENHAM, LONDON

The Antwerp Arms has been part of Tottenham life in London since around 1860. Football has been a fixture at the pub for many years, with both the new Tottenham Hotspurs Stadium and its predecessor, White Hart Lane, just down the road. Football continues as a key ingredient in its success as a community pub. Spurs fans have been regulars ever since 1882, and ‘The Annie’ is the oldest working pub in the area. When the pub was put up for sale in 2013, local residents set up a ‘Save Our Pub’ campaign and brought it successfully into community ownership in 2015. Since then it continues to be ‘more than a pub’, offering free meeting space to local clubs and hosting community lunches and picnics for those in need.

Mary Morgan, a Tottenham resident, enjoyed attending the 2019 Christmas lunches and witnessed the benefits of a community pub. She said: “I have friends here – and I come mostly for the company. I can get very isolated by myself and I watch YouTube at home – but I get tired of that. Coming to the lunch is good for your health, mentally.”

Short timescales within which to bid for a pub can make it difficult for groups to secure enough support. Conversely, even after a group is able to mobilise support, maintaining local involvement in the face of lengthy delays and obstacles can also be challenging. Some groups will encounter an unwilling seller and therefore could be locked in a long battle – sometimes lasting years – to secure the premises. Keeping local residents motivated to support the campaign is a challenge that disrupts a project’s momentum – and could potentially end the project all together.

13. Department of Levelling Up Housing and Communities (2022), Levelling Up the United Kingdom White Paper.

3.4 Community leadership and capacity

All community ownership projects are led by a dedicated team of volunteers, acting on behalf of and for the benefit of their community. Whilst the ambition of community ownership projects is to attract a broad representation of the local community and get lots of people involved through consultations, meetings, communications and other engagement activity, there will be a much smaller project team of individuals at the heart of the work. This steering group will be responsible for progressing a community's ambition through every stage of a project's development, from registering a legal form through to business planning, fundraising and finally opening the community business. These are complex and detailed processes and it is apparent from the research how much groups value being able to access external support, not only to guide their progress but also to empower them to make decisions on behalf of their community.

As is the case for all community projects, the leaders at the heart of a project may well be involved in other community activities, have a family, a job and home life to manage away from the community pub project. This means that these individuals are balancing many responsibilities and any delays or unforeseen challenges that arise when attempting to bring a pub into community hands can have huge consequences on the motivation of these key individuals. The risk of volunteer fatigue and burnout was clear from our conversations with the research participants.

A representative from a community pub project in Bristol, who attended one of the research workshops pointed out there is a need for "professional help" to support these individuals. He also commented that having support from national organisations such as the Plunkett Foundation can be reassuring and lend the project "credibility". Help might take the form of access to an expert advisor, as provided under MTAP, or a project manager who is paid for their time. This point was also made at a second workshop by a group in London, where the representative of the group said that their community pub project had become a "full-time job" for him and therefore extra capacity support to progress the project would be hugely beneficial.

The concept of having a funded project manager is not a new one and is already available to community ownership projects in Scotland. If replicated elsewhere, this could overcome the barrier of a community pub project losing

momentum through burnout of the community leaders. Paid project manager positions could be particularly helpful in more deprived areas, as we discuss in more detail in Section 4.

The reality is that the capacity of these volunteers is pressured from day one, something that was repeatedly highlighted in the surveys, interviews and workshops. The complexity of pursuing the purchase of an asset that may have a very high valuation or negotiating an appropriate lease that is affordable is hugely time consuming and can be very stressful. Without additional support this barrier will remain for future projects too.

3.5 Access to support

All community pub projects have benefited from the practical advice and support of an external agency at some point in their lifetime. Support is most often accessed in the early stages of development, however trading businesses may also look for support e.g. to diversify or grow their services. In this section we will review the specific support needs that were identified by groups that contributed to this research. We also review the current support available consider whether the needs are being met.

Respondents to the survey for trading community pubs were clear that support from peer networks and expertise from organisations such as Plunkett were invaluable.

Plunkett Foundation staff also spoke to individuals working on 'live' community pub projects through telephone interviews, to ascertain their views from their perspective. One of the groups led exclusively by women pointed to their experiences of getting people to take them seriously. They said, in response to a question about the biggest challenges, "Trying to get backing from certain people because of our age and gender delayed our project early on. We were not taken seriously." Although they said that credibility was subsequently enhanced through a community share offer raising in excess of £250,000, they experienced further delays because of funder application procedures. Any delay was challenging for them as they faced competition for the pub from another bidder. During the interview they stated "Accessing capital [funding] is really difficult but needed, as we can't raise the full amount from the community as it is a deprived area. But funding access/processes is too slow for our project." Whilst this is the experience of just one of the pubs, it echoes the views of others expressed in the

interviews and workshops, and highlights the need for capital to be available quickly. More supportive funders, with a simpler application process would have potentially helped the group to access funding when it was needed most.

Research participants also provided insights for improving how community business project support is provided. For example, workshop participants emphasised the value of peer mentoring from those with lived experience of setting up a community pub. Training events and webinars could also be made more accessible to those with full-time work commitments by being held in the evening.

One survey respondent highlighted the need for guidance materials, pointing out that setting up a community pub is a “hard process”. In their response they requested a “manual, highlighting all the key points of development and processes to achieve this” and they referred to this as a “pathway” resource. Interestingly Plunkett Foundation have already developed such a resource¹⁴ but the group were not aware of this. There is clearly a need to consolidate current support materials and more effectively market them to groups. Furthermore the guides should feature more content specifically relevant to an urban setting, as well as being available in Welsh language copy.

Review of the support landscape

In response to the survey question about what support is needed to support more urban projects in future, one community pub group said:

“Increased range of funding sources. Practical help, with a central body coordinating support and which can also loan resource to schemes and co-ordinate bids for them. Finally, access to a list of people with operational expertise who can get a venue operational.”

Support may have been previously accessed by urban pub projects directly from Plunkett Foundation, via programmes such as More than a Pub or from other providers such as Co-operatives UK, Locality (England), the Development Trust Associations in Wales and Scotland, Wales Cooperative Centre, and the Wales Council for Voluntary Action. Furthermore, Scottish Government and more specifically Scottish Enterprise contribute significantly to the sector in Scotland, through their Co-operative Development Support programme of work. There is also a

network of local CVS organisations operating across the UK, with a greater and more effective presence in some areas than others that will also be contributing to the sector.

It would appear therefore that there are lots of options for groups to directly access support from sector bodies, however without a single programme or ‘gateway’ to access the support there is a risk that the sector could become disjointed or leave some communities left behind because of an apparent lack of support. Greater effort needs to be made by all bodies to be more open to partnership.

In England, the My Community website¹⁵, hosted and managed by Locality, is an online resource that could provide a framework for how sign-posting relevant information, resources and organisations could work at a national scale. In Scotland, the ‘Making it Easy’ collaborative project¹⁶ involving Community Shares Scotland (a project managed by DTA Scotland), Co-operative Development Scotland and the Plunkett Foundation is another example of how a partnership agreement can ensure that the support available from each organisation is complementary. In Wales, the sector advice is led by Wales Cooperative Centre, with involvement of DTA Wales and Wales Council for Voluntary Action. Plunkett Foundation operates in Wales, however the majority of projects are concentrated in rural areas and therefore collaboration with other established Welsh organisations is vital to ensure urban pubs in the country can benefit from advice available.

In Northern Ireland, where no community pubs exist at this moment, there are a range of charities, community networks and social enterprise and cooperatives support bodies that could offer support to groups. However at this point, the relevance of the community pub model – as defined in this research – needs to be further unpicked before this support structure can be formalised to support growth in the country.

Groups can access advice from experts operating to protect and support the wider pub and hospitality sector. Campaign for Real Ale (CAMRA) and Pub is the Hub are the most notable sources of help relevant to groups seeking to use community ownership as a way to protect a pub. Both organisations have a wealth of knowledge and skills related to the wider pub trade and contributed to the More than a Pub programme through their participation on the steering group, contributions at

14. Plunkett Foundation (2019), How to set up a Community Pub.

15. www.mycommunity.org.uk

16. www.communitysharesscotland.org.uk/making-it-easy/

events and support work for communications. They also have access to advisers with specialist pub knowledge that is of benefit to individual groups. With both organisations also having a UK wide reach, their involvement in ongoing work will be important for the community pub sector.

At this point, Plunkett Foundation remains the only UK-wide organisation that provides a start to finish, comprehensive advisory support service for community-owned pubs. A service that incorporates community engagement advice, model rules for creating a community benefit society, off-the-shelf templates and resources relevant to community pub groups and access to professional valuation services and other sector suppliers via the membership offer. However, as a charity with a rural focus, the support available in urban areas is limited, and even more so since the conclusion of the More than a Pub programme. Partnership and collaboration is now vital to make sure that groups are able to access the advice and support they need.

There is now an opportunity to completely map the UK support infrastructure and make the routes for accessing support, including via improved signposting and referral mechanisms, much simpler and easier for community groups to find and use.

3.6 Access to funding and financial support

Start-up finance and use of community shares

The amount of start-up funding required by a group looking to establish a community pub varies hugely, e.g. depending on local market values and the amount of renovation work needed. The group may be looking to raise the money to value the building, buy the asset or lease the premises,

refurbish the building, purchase stock, marketing activities etc.

A common form of finance used by community pub projects is community shares. Community businesses use this form of finance for two reasons: firstly to build a movement and momentum for their project by developing a membership base for their organisation. The fact that the majority of community pubs operate as a Community Benefit Society indicates a desire to embed democratic accountability in their operation. Secondly – and for many equally important – is to raise funding towards their project.

Figure 11 sets out the average purchase price, share value and shareholder numbers for urban community pubs, with rural community pub averages presented for comparison. As the table illustrates, urban community groups have faced higher purchase prices on average than their rural counterparts (based on the data available and with large variations). On average there are more members/shareholders investing in urban projects, although they are on average raising a lower amount of investment when compared with rural counterparts.

The shortfall between the asking price and what can be raised through community shares means that urban groups often require additional financial support to achieve their community ownership ambition.

Access to grant support and other forms of finance

Every group will require different support packages depending on their individual circumstances. For some groups it will simply be some smaller scale seed funding to progress the early stages of their project, for others it will be near 100% grant support required to achieve the ambition of community ownership of the pub.

FIGURE 11
AVERAGE PURCHASE PRICE AND COMMUNITY SHARES RAISED

	Trading urban community pubs		Trading rural community pubs	
Average purchase price	£450,250	From 8 available records (wide variation)	£324,452	From 20 available records (wide variation)
Average number of shareholders	278	From 18 available records	214	From 92 available records
Average amount raised in community shares	£156,905	From 18 available records	£231,775	From 92 available records

With the conclusion of More than a Pub in 2021,¹⁷ there is now no longer one single dedicated fund for support towards a community pub project – in England or anywhere else in the UK. Groups can however still benefit from loan finance from the More than a Pub lenders Cooperative and Community Finance and Key Fund. There are other social investors that are also available to support groups, but as has been identified earlier in the research the gap between purchase costs of an urban pub and what the community can afford to raise themselves could suggest that loan finance (or at least large-scale loan finance) might not be a realistic option for many communities. Servicing the loan may be too much of a burden for some communities.

The UK Government launched the Community Ownership Fund (COF) in 2021, with community ownership of local pubs included as a central ambition of the fund. It operates across all UK nations but there are limitations on the fund that may mean it is not a viable option for more deprived communities. All applicants to COF must raise 50% of the price of the asset in order to be eligible for the match funding grant. In communities where residents have a lower than average household income, the fundraising abilities are likely to limit the chances of achieving the 50% mark. Furthermore, the COF does not offer any funding for practical support, meaning that where communities might be lacking in time or specific skills to build their campaign, the chances of success may be limited even further.

In Scotland, communities can access up to 95% of the purchase cost of a community asset via the Scottish Land Fund. This is a hugely successful initiative that has pump-primed the growth in community ownership projects in Scotland. There is also an established support infrastructure in place to support groups. The only issue for urban communities accessing the fund is the requirement for ownership to be local, with no outside investors holding voting rights. In urban areas, where the community may extend beyond the immediate locale or include members of a community of interest (like sports fans for example), this may be a barrier. However, a hybrid model combining community shares raised locally, and crowdfunding from donors further afield, is a solution undertaken by some Scottish community pubs that Plunkett has worked with.

Community shares will still continue to play a significant role in supporting the growth of the community pub sector. Workshop participants explained that, despite not being about to raise the full target amount to set up a community pub through community shares, they valued the principle of collective ownership. There is now extensive experience within the sector, with good support infrastructure available. The Cooperatives UK “Booster” Programme, a community shares match initiative which is backed with funding from Power to Change, is likely to be an important source of financial support for this growing sector in the coming years. Similar to MTAP, at present Booster is limited to England, due to investment from Power to Change, but the model is being touted as a replicable product that could be implemented in other UK nations. The recent appointment of a Head of Market Development and Investment at the Community Shares Unit, collectively led by Cooperatives UK, Locality and Plunkett Foundation is a strong statement of support for significant growth in community shares in the coming years.

Power to Change have led the way in terms of investment in community ownership of pubs. Even though More than a Pub has ended, its success should give other funders the confidence to back this form of business. There is a gap in the market right now for a new dedicated programme of support.

3.7 The role of local government and community anchor organisations

Community ownership projects and representatives of local councils often have a productive relationship during a project’s development. The urban community pubs responding to our survey had relationships to varying degrees of formality with their local council in the development phase of their project. All pub groups went on to receive advice and support from their council in relation to pre-trading requirements around matters such as licensing and trading standards.

There is clearly a role for local government to play in supporting more community pubs to open in urban areas across the country. We have set out some of the areas of opportunity for local councils, considering the barriers highlighted previously:

17. A central feature of the More than a Pub programme was an offer for groups to access a £50,000 grant, matched with a £50,000 loan to create a £100,000 contribution towards the total purchase costs of a community pub. There was also bursary funding of £2,500, increased to £5,000 in more deprived communities to support the project progression in the development phases. The bursaries provided funding to cover specific costs incurred by the project team, such as expenses that relate to community engagement and consultation, registering a legal structure or paying professional fees related to building surveys etc.

INSIGHT: THE TOLLERTON FLYING CLUB, TOLLERTON

Whilst it is a rural community pub, the example of the Tollerton Flying Club illustrates how a parish council and more specifically the Public Works Loan could help to support a community pub project.

The Tollerton Flying Club is a community pub established as a CBS. When the original pub was put up for sale, the parish council received the first right to bid to purchase the asset, because the pub had been designated an ACV. The pub was purchased through a community share offer (which raised over £165,000) and funding from the Tollerton Parish Council through a Public Works Loan (both amounting to £500,000 in total). The decision to purchase the pub for the community was reached at the parish council meeting in May 2019 and the council was actively involved in a community consultation in June, which showed overwhelming support to save the pub. Volunteers helped with the restoration process, and the pub opened in July 2020. The

pub was extended to allow it to serve food for the first time, and the outside terrace and lawn are also being extended. It also forms a community hub, hosting various clubs. The CBS is responsible for managing the community side of the business, while the pub is leased to tenants who run the pub business. The tenant was chosen by the residents, through the CBS.

A Deed of Trust exists between the parish council and the community business. It outlines the obligations and responsibilities resulting from the council's investment in the community business. The parish council has the right to nominate two members on the board of the community business. The Treasurer also attends parish council meetings regarding finance and funding. Some of the business's costs are met by the council, when cash flow necessitates this. The result is a formal relationship that is structured, but flexible.

■ **Local knowledge and connections:** Locally elected members represent their community in council business. They are connected with local residents and could become advocates of the community ownership model. It is these individuals that could lead confidence and capacity building activity, something which could be further progressed via training, events and communications promoted by the council.

■ **Local leadership:** Councillors will likely be engaged with local projects, but if they have capacity they could also be a figurehead to help lead a community ownership project. Locality, Local Trust and Power to Change's project Power Partnerships¹⁸ offers a guidance and framework for how councils can strengthen localism.

■ **Knowing which pubs to support:** A local authority in England will have access to a register of all Assets of Community Value for their local area and should be encouraging communities to register other/more local assets of importance with them as part of their responsibility of maintaining the register. In Scotland, local authorities will similarly have access to the national Register of Community Interests in Land. Knowing which pubs are registered as ACVs could lead to more proactive consultation, exploration and supporting a community ownership project.

■ **Offer seed-corn funding / project development support:** Councils often provide small community grants, which could be actively promoted to groups seeking to pursue community ownership of a pub. The council may be able to support a project's development with access to free meeting space, or support the administrative costs associated with community engagement and consultation.

■ **Support and guidance in relation to planning and regulations:** Groups will often require specialist advice about taking on a building for community benefit. The expertise that exists in councils should be available to support such projects, where there is clear community support and social benefit.

Other kinds of community anchor organisations – such as local charities, faith-based organisations, and cultural heritage societies – could also help to stimulate the conversations which can trigger a community pub project.

Learning from Plunkett's engagement with research participants and rural community pub groups suggests that the establishment of more parish councils in urban areas could be an opportunity to not only access local leadership support but also to access Public Works loan finance to support community pub buyouts.

18. www.locality.org.uk/policy-campaigns/localism-devolution/power-partnerships/

4

Community pub projects in deprived areas



4.1 Impact of deprivation on a project’s success: looking at the data

As part of the research the Plunkett team analysed the Indices of Multiple Deprivation (IMD) in relation to the 20 currently trading urban community pubs and the 222 non-start pub projects in England.¹⁹ The findings are displayed in figure 12.

Due to the difference in the sample sizes, we cannot make any firm conclusions about the effect of deprivation on the success of a community pub

FIGURE 12
RELATIVE DEPRIVATION OF TRADING AND NON-START URBAN COMMUNITY PUB PROJECTS

	Trading community pubs	Non-start community pubs
Average IMD decile ²⁰	4	5
% of sample group in areas with an IMD decile of 1-3	50%	39%

19. Owing to the extremely small number of trading Welsh pubs, only the English IMD (2019) was used in this analysis. Source: Office for National Statistics, accessed through OSCI’s Local Insight. The English IMD measures relative levels of deprivation in 32,844 small areas or neighbourhoods, called Lower-layer Super Output Areas (LSOAs), in England. Each LSOA is ranked according to its relative deprivation, where rank 1 is the most deprived LSOA and 32,844 the least deprived. These ranks are grouped into deciles, where decile 1 is the top 10% most deprived areas in the country. IMD ranks 1-3 in figure 12 are therefore the most deprived 30% in England.

20. Ranked 1-10, with 1 being the most deprived 10% in the country.

project. However, from the data available, the trading groups are on average more deprived relative to the non-start group. This may be a result of the prioritisation of support for lower IMD areas. The data appears to suggest that, where sufficient support is available, deprivation does not necessarily determine the outcome of a project.

More detailed analysis of socio-economic data from Local Insight, provided by OSCI, revealed few significant differences between the 20 trading urban community pubs and, owing to time limitations for this research, a small but geographically representative sample of 10 non-start urban community pubs. On the whole, as the IMD scores above suggest, there were greater levels of economic deprivation in these areas compared to the national average, particularly for youth unemployment, which was highest in the non-start group. However, overall, it was difficult to conclude from the Local Insight data that deprivation affected the success of an urban community pub project in reaching trading status.

We also undertook a comparison of trading and non-start community pub groups using the Co-operative Group’s Community Wellbeing Index (CWI).²¹ Due to time limitations, a small but geographically representative sample group of 10 non-start groups was selected. Interestingly, the trading and non-start groups both had higher overall community wellbeing scores (60 and 61 respectively) than the UK national average (52).



Higher levels of community wellbeing were present in almost all indicators, except in Equality, where trading and non-start groups appear to be based in places experiencing higher levels of inequality compared with the national average.

Comparing the CWI for trading and non-start groups, the former group appear to have higher scores in the areas of Culture, Heritage and Leisure and Health, despite having a significantly lower score in Economy, Work, & Employment.

Despite these observations, we should avoid drawing a causal relationship between the CWI scores and the outcome of a community pub project, given the generalised nature of the index scores. This is where the lived experiences shared with us by the interviewees and workshop participants (detailed in 4.3 below) were particularly helpful, in providing nuance to these data findings.

FIGURE 13
COMMUNITY WELLBEING INDEX SCORES FOR URBAN TRADING AND NON-START COMMUNITY PUB SAMPLE GROUPS

CWI score	Overall wellbeing score	Relationships			People			Place			No. in sample
		Relationships and trust	Equality	Voice and participation	Economy, work and employment	Health	Education and learning	Culture, heritage and leisure	Housing, space and environment	Transport, mobility and connectivity	
Trading pubs	60	50	42	47	49	64	79	85	50	78	20
Non-start pubs	61	47	45	57	66	52	82	78	52	74	10
UK average (2021)	52	52	52	52	57	50	53	52	52	49	-

²¹ The CWI identifies nine areas that matter for community wellbeing, grouped into People, Place and Relationships. Reliable data sources were used to measure things like the frequency of buses, access to adult education facilities and public green space in each community. These measures were put into a common scale to create a national percentile ranking, then they were combined to create a score for each of the nine main areas. The score is represented between 0 and 100. Each community has one score for overall Community Wellbeing and scores for each of the nine main areas of community wellbeing. Individual community scores can be compared against national averages.



4.2 Impact of deprivation on a project's success: lived experience of urban community pub groups

Conversations with groups currently trying to set up a community pub, who are struggling to get more members of the community involved with their project, suggested that there are issues around lack of awareness about community ownership, having sufficient time to get involved and, as one participant described it, “self-belief”. Another participant spoke of not feeling “ownership” of a local pub, as they are often owned by private investors who do not live in the area and have little interest in the pub beyond making a profit. Pub closures can therefore be regarded as “inevitable” by the local community, who may feel powerless to get involved.

The first challenge identified by steering group members is often to explain what the community pub model is, and what its benefits are; after that comes the hurdle of convincing people that it is achievable. From the workshops it was clear that where there were local people with experience in relevant professions or sectors (legal, finance, business, advocacy organisations etc.), there was often greater confidence that the community

pub could be a success, and that the enormous obstacles of recruiting volunteers, raising finance, and fighting off competition for purchasing the pub could be overcome. Access to informal and formal networks also played a role, for example if local councillors were already frequent visitors of the pub and acquainted with the steering committee. Deprived communities will be less likely to already have access to these contacts, and local people may have less capacity to get involved due to having less disposable income and time constraints. One steering group member, who has children, described how they had to take two days a week away from paid employment, just to run the pub project. These problems are of course difficult to measure through IMD or similar indices.

The point to emphasise is that lack of skills alone is not a barrier to deprived community groups setting up their own pub. Training can be undertaken to fill these gaps; but as one participant commented, a person also needs to have the time to undertake training. Those on low incomes, in work or with caring responsibilities, may simply not have the capacity to get involved, particularly on the steering group. Workshop participants agreed that flexibility around the community ownership model and finance support packages, such as funding for a paid project manager, may help in more deprived areas.

The workshops highlighted the fact that all urban communities are different – there is no “one size fits all” approach. Although community groups from more deprived areas face similar obstacles to those in less deprived areas, their capacity to overcome these obstacles differs markedly. Deprivation does play a role in the success of the project, but in conjunction with other factors in ways that can be difficult to measure.

4.3 Community pub projects in ‘left behind’ areas

In the case of non-start projects, it seems that there was at least sufficient community capacity to get the project going initially. What about those urban areas of the country where it is very rare to see a community pub project get started at all, let alone reach trading status? In order to answer this question, we looked at the West Midlands Combined Authority (WCMA) area as a sample ‘cold spot’, where there are very few community pub projects in development. This is in spite of engagement undertaken by Plunkett Foundation with local voluntary sector organisations, as well as making support available funded by the WMCA in 2021. The WCMA area was also chosen as a sample area because 30 of its wards are classified as ‘left behind’ by the Local Trust, such as places in and around Birmingham, Coventry, Stoke-on-Trent, Wolverhampton, Sandwell, Telford and Worcester. ‘Left behind’ areas are defined by the Local Trust as being affected by a ‘lack of places to meet’ and ‘the absence of an engaged and active community’, along with other factors that compound existing economic deprivation.²²

Comparing the WCMA area with the trading and non-start community pub sample areas using Local Insight, the local authority area was notably more deprived in several respects, such as household income, youth unemployment, and number of people with qualifications. The average IMD rank was also lower, with an average rank of 10,580 compared to 12,962 and 13,491 for trading and non-start pub areas respectively. Deprivation

appears to be greater in this particular ‘cold spot’ area where there are currently much fewer community pub projects starting up.

Although the WCMA area is just one example of a ‘cold spot’ for urban community pub projects, the evidence suggests that the specific needs of so-called ‘left behind’ areas, where deprivation is compounded by additional disadvantages, may require more tailored support. As we outline in our recommendations at the end of this report, this could take the form of pre-project community engagement ‘on the ground’, along with peer-led mentoring support to inspire, build capacity and confidence. Additionally, some flexibility around project criteria may be needed, as setting up a community pub may be perceived as less of a priority in these areas, as opposed to a more general community hub, for example.

A combination of social and cultural factors can make life even more difficult in ‘left behind’ areas in comparison to others with similar levels of deprivation. As the Local Trust explains in their research, “multiply deprived areas, when combined with the absence of places to meet, the lack of an engaged community and poor connectivity, fare much worse than other deprived areas.”²³ “A steady decline in places to meet in the community” and the resulting low community participation rates are singled out by the Create Streets Foundation as evidence of “a deterioration across various types of social infrastructure”.²⁴ Pubs that “have called their last orders” receive a special mention in the report, suggesting that it might be increasingly “difficult to maintain and build a local participatory or associational culture rooted in the community and a sense of place and belonging”.²⁵ When places to meet are lacking, pride in place can also deteriorate.

Investing in social infrastructure in ‘left behind’ areas, such as through community pub projects that are ‘more than a pub’, could prove an effective way to “replace spirals of neighbourhood decline with a virtuous circle of wellbeing and prosperity – integrating frameworks that focus on people [...] and place.”²⁶

22. Local Trust (2019), Left behind? Understanding communities on the edge.

23. Local Trust (2019), Left behind? Understanding communities on the edge

24. Create Streets Foundation (2021), No Place Left Behind,

25. APPG Left Behind Neighbourhoods (2020). Communities of trust: why we must invest in the social infrastructure of ‘left behind’ neighbourhoods,

26. Create Streets Foundation (2021), No Place Left Behind,

5

Policy landscape across the UK



Policies put in place across the UK to protect community assets have an impact on any aspiring community ownership project. In this section we review the current policy environment in each UK nation and consider how it is affecting the community pub sector in urban areas. In each nation we have identified the opportunities and barriers, and consider potential changes (if any) that could facilitate greater levels of community ownership.

5.1 England

As part of the UK Government's Localism Act 2011, a Community Right to Bid was incorporated and offers local organisations an ability to stake a claim for the future ownership of assets in their community. The Right includes the power to register 'Assets of Community Value' (ACV), with registrations considered and approved by local authorities. The local authority maintains a register of ACVs.

The ACV status expires after 5 years. Once it has expired, an application must be made to renominate the asset.

When an asset registered as an ACV is put up for sale, the community is given an initial six weeks to register their interest. The community then has six months to put together a bid to purchase the asset, during which time the asset cannot be sold. This process has been often used by community pub projects, to varying success. Many groups go through the hard work of raising a bid, only to find their offer rejected by the vendor in favour of a higher bid.

At present, the community has no right of first refusal on the asset, meaning that the owner can refuse their offer and sell to another bidder. This renders the Right to Bid ineffective at protecting assets that of interest to the community. As one workshop participant put it, "We need a Right to Buy, not to try."

Below, we detail the shortcomings and loopholes in ACV legislation based on conversations with community pub groups through interviews and workshops. The Power Partnerships report by Locality, Power to Change and Local Trust²⁷ gives

27. Locality, Local Trust, Power to Change (2020), Power Partnerships: Learning on localism with four local authorities.

further detail on changes to the Localism Act that could benefit more community groups.

- The ACV is put onto the open market and sold to the highest bidder, or the seller's preference.
- A Right to Bid does not guarantee that the community's bid will be considered (it is not a Right to Buy). ACVs only serve to delay the sale of the asset. Therefore, their protection of the asset for community interests is limited.
- The price at which the asset is sold is determined by market value. For example, a pub might be more valuable if sold for conversion into flats.
- Extortionate purchase prices can deter communities from bidding on an asset, or cause their bid to fail – particularly in less affluent areas.
- A landowner can simply wait for an ACV to expire before being able to sell without triggering the Right to Bid (this is often referred to as “land-banking”).
- The owner is not obliged to sell the property at an equitable price, or even at a price determined by an independent valuation.

- An owner can also deliberately allow the asset to become unused, neglected or derelict, so that there is little apparent reason to renew it as an ACV.
- In some cases, the owner may even have alterations made to the building to make it unviable as a business, so that they can make the case for planning permission to convert it into more profitable residential buildings.
- The ACV does not always cover curtilage associated with the asset, which nevertheless would add value to the business (such as a car park). Curtilage can still be sold off even if an asset is registered as an ACV.
- Local authorities are not obliged to notify communities or community organisations of the expiration of ACVs. They are only obliged to notify the nominating party. Not all local authorities publish lists of registered ACVs, and they are under no legal obligation to do this. This means that an ACV classification can expire unnoticed, and protection of the asset is lost. Local authorities are not necessarily proactive in protecting community assets – this may in part be due to a lack of awareness of the benefits that the community ownership model can offer.

INSIGHT: THE IVY HOUSE, NUNHEAD, LONDON



The Ivy House was the first pub in England to be registered as an Asset of Community Value and to be purchased using the Community Right to Bid provisions of the Localism Act. In response to the threat of sale of the pub and its development into residential flats, the community secured support from CAMRA, their local councillors and MP to obtain a Grade II Listing from English Heritage for the building, just two days before it closed. Local residents set up a Community Benefit Society with 371 members, and raised a total package of around £1m in grant funding from the Architectural Heritage Fund and the Social Investment Group to secure the purchase.

After buying the pub, the community carried out a full refurbishment of the building, installed eight new ale lines and overhauled the cellar, employed a pub manager and bar staff, and re-opened the Ivy House as a working community pub. Now the Ivy House plays an important role in local life, hosting live music events and offering classes in drama, storytelling and dance for children and parents.

5.2 Scotland

In Scotland, as part of the Community Empowerment Act 2015, communities can apply to register an asset on the Register of Community Interests in Land. The community must first be a legally constituted body, such as a Community Benefit Society. If the registered asset is put up for sale, there is a Community Right to Buy, with a right of first refusal. It is also possible to make a 'late' application for the asset to be registered if the nominees can provide additional evidence, such as a greater level of support from the local community than the usual 10% required.

Once there is sufficient evidence following a community consultation, Scottish ministers may grant consent to proceed with the Right to Buy process. Community groups have eight months to conclude transfer of the land, or longer if agreed by both parties.

Assets will remain on the Register for five years, after which an application can be submitted to renew the registration.

The uptake of the Community Right to Buy in Scotland is relatively low. Insights offered by Co-operative Development Scotland and Community Shares Scotland as part of this research have highlighted that this could be due to several reasons:

- The Right to Buy process is complex, and is seen as a last resort, with many community groups preferring to reach an agreement by negotiation.
- There is greater interest in assets owned by public bodies, which entails a different process (Community Asset Transfer).
- There is little transparency about private ownership of assets in Scotland.
- There may be a lack of awareness of the community ownership model (specifically relating to pubs) and the availability of the Right to Buy as an option. When compounded with a lack of local capital, this can mean that community ownership is out of mind and out of reach for some communities.

5.3 Wales

Currently no rights exist in Wales that explicitly reference the protection of privately owned assets such as pubs. There have been recently published reports by Wales Cooperative Centre²⁸ and Institute of Welsh Affairs,²⁹ following previous pieces of work by the Bevan Foundation³⁰ and Building Communities Trust³¹ that have led the calls for the implementations of community rights in Wales. The Wales Council for Voluntary Action have convened a working group to continue championing the benefits of this form of legislation. The central ask is that communities be afforded a right of first refusal, as they are in Scotland and for Wales to have a Community Empowerment Act to support the legislation.

Whilst no Community Rights legislation exists in Wales, the Well-being of Future Generations Act 2015 has a relevance for any future community ownership project in the country. The Act, whilst primarily aimed at public bodies, promotes an ethos of long-term impact for decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change. Principles that are very much aligned to the community-owned pubs that are referenced in this report

5.4 Northern Ireland

In Northern Ireland, Development Trust Northern Ireland, supported by the Joseph Rowntree Charitable Trust, are leading the calls for a Community Rights Act. Similarly to Wales, no such legislation currently exists to protect privately owned assets that have a value to a community.

28. Wales Cooperative Centre (2022) Community ownership of land and assets: enabling the delivery of community-led housing in Wales.

29. Create Streets Foundation (2021), No Place Left Behind Institute of Welsh Affairs (2022) Our Land: Communities and Land Use.

30. Bevan Foundation (2020) Community assets: generating the benefits.

31. Building Communities Trust (2021) The Case for a Welsh Community Rights Act.

6

Evolution of the model



Could the barriers to developing a community-owned pub be overcome through amending or updating the model? This section considers how the community pub model might evolve to adapt to the unique challenges of acquiring a premises in urban areas, while also transforming neighbourhoods and regenerating high streets.

Such an evolution might take the form of flexible leases or finding alternative premises in which to set up a community pub. 'The High Street Revolution', a report by Power to Change, offers many possible solutions to connect community businesses with empty spaces.

As long as communities only have a Right to Bid, not a Right to Buy in England (or no similar right in Wales and Northern Ireland), there will always be the problem of trying to fight off private competition for assets. Until legislation is reformed, finance needs to be available to help urban communities intervene quickly if their pub comes up for sale. This could take the form of a fund that

is able to cover most if not all of the costs of the purchase up front, and could be administered by a local authority, third sector body or even a multi-stakeholder co-operative pub company. These bodies could offer flexible leases to effectively connect community businesses with empty premises. 'The High Street Revolution' recommends 'Introducing more flexible, turnover-based leases' as an essential step to helping community businesses to get off the ground.³² The Bevy in Brighton is one example of a successful outcome of a peppercorn lease arrangement, with the East Brighton Trust having purchased the building on behalf of the community. Other examples of successful lease arrangements between town/parish councils and community businesses can be found in *The Good Councillor's Guide to Community Business*, produced by Plunkett Foundation in partnership with the National Association for Local Councils and Power to Change.

The Community Ownership Fund launched in 2021 might be viewed a predecessor to such a fund,

³². Power to Change (2021), A High Street Revolution.

although it does not prioritise applications based on need or deprivation, and only offers match-funding. As we have seen earlier in this report, deprived urban communities raise less in community shares and will therefore benefit less from match funding.

Failing the availability of a former pub, community groups could consider setting up a micropub in an alternative premises, such as a former retail unit. One such example is the Tommy Flowers in London, which is based in a former florist and GP surgery. Not only has the micropub transformed an empty space on the high street, but it has also had a positive effective on the local community, offering a vibrant and welcoming place for people to meet. One of the main recommendations of 'The High Street Revolution' report is to:

"Broker better connections between community businesses and organisations on the high street with suitable empty properties and vacant

retail units in shopping centres. For example, shopping centre managers could be responsible for identifying and engaging with community businesses in the local area, to support community-led activity in their shopping centres. Local authorities can also play a critical brokerage role in connecting community organisations with vacant high street properties where there are private landlords and developers willing to engage."³³

To date, all bar one community pub trades from within a former pub premises. Although small in scale, micropubs by their very nature are community-focussed. The documentary 'Micropubs: the New Local' showcases the many benefits of micropubs for local people and businesses. Micropubs are based on the principles of supporting local breweries (and therefore the local economy), as well as encouraging conversation between customers by creating a welcoming atmosphere by foregoing elements that a larger pub might have, such as televised sports. There is the potential for micropubs, despite their size, to offer what the community needs by collaborating with other local businesses such as street food vendors. With the demise of the high street a demonstrable problem for many urban communities, it could be beneficial to consider the development of community-owned micropubs in former retail units.

INSIGHT: THE TOMMY FLOWERS, ABERFELDY, LONDON

The Tommy Flowers micropub on the Aberfeldy estate, London, is the only community pub to be based in a building that was not previously a pub. It is an example of creative use of empty space, being based in a unit that was formerly a florist and a GP surgery. It was established after housing and regeneration association Poplar HARCA invited local artist collective Fitzrovia Noir Community Interest Company, to set up a community pub with support from its place making team, Accents. A mural was commissioned by the CIC to commemorate Tommy Flowers, who built the first modern computer for code-breakers at Bletchley Park. The micropub, although small, offers local people a chance to connect and build friendships. The CIC now runs creative workshops, such as glass blowing, in the formerly empty post office next door, and is now, after handing over the pub to local residents, in a position to offer consultancy services to other groups looking to set up innovative creative learning and cultural heritage outreach initiatives.

See: <http://www.fitzrovianoir.com>



33. *ibid.*

7

Conclusions



The research has highlighted that there is potential to grow the number of community-owned pubs in urban areas. However, it is clear that the support offered could be more joined up and tailored to individual groups' needs, and that more needs to be done to raise awareness of community ownership.

The “More than a Pub” business model has a relevance to any community seeking to complete a community buyout of their local pub, or set up a community pub in another building. The additional services that community pubs offer can enrich the lives of local people, restore pride in place and potentially generate additional income streams to support the business. The commitment from the outset to be inclusive, engaging and democratic embedded in the community ownership business model means that anyone and everyone has an opportunity to engage with a community pub project.

Greater collaboration from the outset with other local community organisations, institutions or relevant infrastructure support bodies operating in that area would benefit the sector greatly. Those local connections will help to trigger conversations, or help to motivate groups to explore community ownership.

Plunkett Foundation’s reputation, although intrinsically linked with the community pub sector across the UK, has a much greater profile in a rural context. Therefore to engage urban communities more effectively, Plunkett’s role could potentially be more effective as a collaborator, partner or acting in an advisory capacity. This would enable other more recognised bodies, which could include local councils, Community and Voluntary Sector (CVS) organisations, local CAMRA groups and other national infrastructure providers of support, to lead on community engagement and kickstart the community ownership conversations more locally.

Plunkett's expertise could then be utilised for the benefit of groups progressing a community pub project at a more formalised stage.

There is funding available to support community pub projects, but there is work to do to make sure that the groups needing the most support are able to access this. This could mean redesigning funds such as the UK Community Ownership Fund, e.g. removing the requirement for match funding for more deprived communities. However, it should also include a commitment from funders to make application processes simpler and quicker, so that groups can obtain funding to support their projects at the most relevant time. Funders need to consider the capacity of volunteers, and potentially offer additional support to create capacity within communities to progress a project's development.

The research showed that groups are adept at raising funds towards the purchase of a pub building, but only where there is a willing seller and a seller willing to sell at a fair price. Legislative change is needed to support more community

ownership projects but of equal importance is making sure that groups have access to professional advice and expertise relevant to valuation and purchase of significant community assets. This approach is needed across all four nations.

Finally, the current network of community pubs needs to be engaged and resourced to share their experiences and expertise with others. The More than a Pub programme commissioned community pub group representatives as mentors, and the contribution from those representing pubs during this research shows that their know-how is vital to growing the network from here. Any communication plans following the publication of this research will engage existing community pubs and developing projects. They represent the communities that have identified the opportunity of community ownership, to the point that they have actively explored the concept and in some instances gone on to succeed. A community pub is a grassroots form of business and the movement that grows the network from here needs to be grassroots-led also.



8

Recommendations

	PROPOSAL	WHAT WOULD BE ADDRESSED?
1	Create a dedicated “More than a Pub” style programme and funding package solely for urban community pubs – with flexible Grant / loan / match requirements to suit individual community circumstance.	Having a dedicated fund to support the development of more community-owned pubs in urban communities would ensure that groups are not disadvantaged by not having access to appropriate finance to support their community ownership project.
2	Communications campaign, led by partners of the More than a Pub programme and partners in Scotland, Wales and Northern Ireland to boost the profile of community ownership in urban communities.	The profile of “community ownership” would be significantly boosted, with a coordinated message that makes community-owned pubs appear a realistic opportunity to explore - in any community, anywhere.
3	Build on models such as the MyCommunity website (England) and the “Making it easy” partnership (Scotland), connecting more partners to create a more connected support infrastructure for groups exploring community ownership projects.	Routes to support would be clearer, with fewer “gateways” for groups to navigate in order to access the advice and development support they need.
4	Call on national funders and/or government to create access to dedicated revenue funding to cover the costs of a project manager / community organiser in urban communities, deprived communities and projects disadvantaged by lower levels of social capital.	Communities with lower social capital would have access to leadership support from a fully funded “manager” (appointed by the community) to coordinate and progress a local community ownership campaign or project.
5	Call on national funders and/or government to provide smaller scale investment and bursary funding to aid project development and support campaign and engagement activities.	Projects are not disadvantaged through not having access to development funding.
6	Call on national funders and/or government to underwrite costs of independent valuations.	Pub buildings would be available to purchase at a fair price, that has been independently valued.
7	Remove requirement for match funding on the UK Community Ownership Fund (COF) for more deprived communities with lower social capital.	Groups that are currently disadvantaged in applying for COF, because they are unable to raise the appropriate match finance would not be prevented from applying in future rounds.

continued

Recommendations *continued*

	PROPOSAL	WHAT WOULD BE ADDRESSED?
8	Embed the “MTAP approach” into future funded programmes supporting the development of community-owned businesses and enabled the continued provision of tailored levels of adviser support / access to expertise .	Groups are able to access appropriate advice and support relevant to their community ownership ambition, with tailored approaches which suit the needs of individual communities meaning that no group is left behind.
9	Create a Community Right to Buy in England; Community Rights in Wales and Northern Ireland.	Groups would be supported to buy assets that are of demonstrable community value at a fair and equitable price.
10	Involve nominating parties (community organisations) in the appeals process for Assets of Community Value (related to England’s Community Right to Bid legislation).	Promotes greater transparency in the process and keeps all parties of interest informed as to the status of an ACV.
11	Support calls from the National Association of Local Councils to increase the representation of parishes in urban communities.	Defining a geographic boundary for the community could strengthen local engagement and consultation action. The parish councils could add capacity to a community with lower social capital and potentially also have access to funding and additional support that could benefit the community ownership project.
12	Promote wider use of Public Works Loan monies, available via Parish and Town Councils and Local Authorities and permit parish and town councils to ‘on-lend’ the loans to Community Businesses.	Groups requiring access to low interest, long term loan finance would be supported via their local councils.
13	Empower community groups to explore more affordable/alternative ownership options, e.g. leasehold, shared ownership, micropub in an alternative venue; multi-stakeholder cooperative model through proactive support an leadership from infrastructure bodies.	Community pub projects would not automatically relate to an asset-based initiative. Instead groups would consider the social value that they want to deliver and whether this could be achieved from alternative premises, or via an alternative ownership structure.



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About Plunkett Foundation

The Plunkett Foundation helps communities UK-wide to tackle the issues they face by promoting and supporting community business. Community businesses are enterprises that are owned and run democratically by members of the community, on behalf of the community. They come in many forms – including shops, pubs, woodlands and anything which lends itself to community ownership.

In addition to developing and safeguarding valuable assets and services, community businesses address a range of issues including isolation, loneliness, wellbeing, work and training. For over 100 years we have provided practical support to help communities establish and run these businesses successfully.

If you share our vision for thriving communities, why not join Plunkett as a member?

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