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COMMUNITY PUBS

A BETTER FORM OF BUSINESS 2022



About this publication

This publication provides quantitative and qualitative information about the size, characteristics and performance of the community pub sector in the UK. For ten years, the Better Form of Business report has been building on what we now know about the sector as it becomes ever more established.

The report now serves as a resource for new groups, a benchmarking tool for existing community pubs, and is used by funders and support organisations (including the Plunkett Foundation) to future-proof services and investment decisions concerning community pubs.

The data collection, analysis and written report were undertaken by staff and advisers to the Plunkett Foundation. This work was only made possible due to the generous contribution made by Power to Change.

We hope that communities, support bodies and others will use the information in this publication and be inspired by the achievements of this growing sector.

Methodology

While compiling this report, Plunkett Foundation undertook a stringent process of data validation to ensure that historic records are as up to date as possible.

The data was gathered from:

- Plunkett Foundation records that have been monitoring and recording all community pubs activity in the UK over the past eight years
- Statutory data sourced from the Financial Conduct Authority and Companies House
- A survey with 58 responses via electronic questionnaires (where response numbers differ for individual questions in the survey, this has been noted)
- Four focus groups of community businesses to validate and illuminate findings.

The data is based on the number and status of pubs trading at the end of 2021. Community pubs will occasionally transition to private ownership, at which point they cease to be recorded as community-owned. However, their historical data is retained within the record as they have still been saved and preserved by their communities, no matter who is running them several years later.

KEY FACTS

In 2021:

- The community pub sector grew by **11%** with **15** new pubs opening during the year
- **146** known community pubs in total were trading across the UK at the end of year
- The number of new enquiries to Plunkett from communities exploring community pub ownership was **148**
- The amount raised by all 15 newly opening community pubs was approximately **£3.9 million** from **over 6,300** new community shareholders
- The average cost of purchasing a community pub during 2020 was approximately **£314,000** and the average set-up cost was **£244,000** (but with wide variations)
- **63%** of capital required for the start-ups was sourced from community shares
- **No** community pubs ceased trading in 2021. The overall survival rate remains high at **99%**

Contents

Foreword	4	4 People	26
What is a community pub?	6	4.1 Governance	26
1 Sector growth	7	4.2 Employment	27
1.1 Sector size	7	4.3 Volunteers	28
1.2 Geographical distribution	9	5 Financial performance	30
1.3 New pubs opening in 2021	10	5.1 Profits/losses and turnover	30
1.4 New activity	11	5.2 Borrowing and fundraising	33
2 Business model	13	5.3 Use of profits	34
2.1 Legal structures	13	6 Sector confidence and concerns	35
2.2 Premises and tenure	14		
2.3 Links with parish councils	14		
2.4 Managers and tenants	15		
2.5 Membership and shares	16		
3 More than a Pub	18		
3.1 Services and activities	18		
3.2 Changes to services	21		
3.3 Improving health and wellbeing	22		
3.4 Community cohesion and inclusion	23		
3.5 Boosting the local economy	23		
3.6 Opportunities for young people	24		
3.7 Sustainability and climate action	25		

Foreword



Like many other community pubs across the country, the Fox and Goose in Hebden Bridge was saved from closure by the members of its local community. Since we bought our pub in 2014, we have never looked back. We now have just under 300 shareholders, 10 members of staff and a group of volunteers who come and help out with the pub's garden. We pride ourselves on being part of the community – members and customers feel part of the pub, because it is their pub. They want it to succeed, and that's why we're doing so well today.

Whilst this report has different audiences, those of you who (like me) are directly involved in community pubs will find the research and findings particularly valuable. This report has enabled us to benchmark our pub against other similar pubs, as

well as providing us with inspiration and ideas for improving our business. I strongly encourage you to do the same and share and discuss this report with others.

Particularly at a time when many of us have been dealing with a long period of uncertainty and the difficulties imposed by COVID-19, this report reminds us that we are not alone. Being part of Plunkett's membership network of community businesses has been invaluable to us, especially during the last two turbulent years. From the More than a Pub programme has grown the North East and Yorkshire Community Pubs network. It has given me the opportunity to meet with other community pubs across the region to catch up and share our hopes and concerns. That is why I am delighted to have been asked, as a Plunkett

Foundation member, to provide the foreword for this year's Better Business report and reflect on this growing sector.

Community pubs, once opened, are sustainable businesses. No community pubs closed in 2021, whilst of all the community pubs that have opened, only one has closed (in 2020). In our experience, democratic community ownership has been the best way to ensure that the pub is meeting the needs of our local community. We remain a viable small business contributing to the local economy – local artists hang their work on our walls, and local independent microbreweries are on our taps.

It is heartening to see how far the sector has come in the eight years since we first opened our doors. People across the UK have seen how community-owned pubs elsewhere have succeeded and want the same for their local pubs. The number of community pubs has continued to rise, despite the pandemic, with 15 pubs opening in 2021. Communities have developed imaginative business models that, over and above providing a great pub for all to enjoy, include shops, post offices, affordable housing, community centres, gardens, growing spaces and much more.

However, only one in ten enquiries from groups exploring community pub ownership results in a community pub going on to trade. A significant barrier to communities being able to achieve their goal is the high value of pub buildings on the open market. Many groups are caught up in drawn-out battles to save their local pub. It's really hard for a community group to keep their dream alive year after year, although there are some examples in this report – such as the Rising Sun in Woodcroft – where that dream has come true. What communities

coming up against these difficulties need is a right of first refusal on local assets (which already exists in the Community Right to Buy in Scotland). If community groups are enabled to buy their local pub within reasonable timescales and for a reasonable amount determined by an independent valuation, we will continue to see communities transform the places they live into thriving neighbourhoods.

Whilst the hospitality sector is recovering from the effects of COVID-19, it is by no means out of the woods yet due to the increased cost of living which will impact both on costs and the extent to which people will be willing to spend their hard-earned cash in the pub. But the people involved in community-owned pubs are imaginative and resilient – our pubs remain relevant and needed by our communities.



Hannah Nadim
Director and Chair of The Fox and Goose (Hebden Bridge) Limited and Member of the Plunkett Foundation's Community Membership Business Panel

What is a community pub?

Since 1919, the Plunkett Foundation has been helping communities to take control of assets and services that are important to them, to enable them to deliver wider social, economic and environmental benefits.

A community pub is just that – it is a business owned and controlled by people from within the community for community benefit.

Community pubs 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 pubs longevity, as member control and input ensures 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.

In the majority of cases, community pubs are not just a place to eat and drink: they provide a wide range of additional services such as shops, post offices, 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.



Simon Buck

▲ **The Locks Inn is a family-friendly riverside pub in Geldeston, Norfolk. Put up for sale in 2020, it has now re-opened with 1,400 members.**

1

Sector growth



▣ “The pub is here to stay and open to everyone.” The Shrewsbury Arms, Kingstone in Staffordshire.

1.1 Sector size

Still a relatively small business sector, the community pub movement has been growing steadily during the last decade, helped by various positive interventions:

- The ability, conferred by the 2011 Localism Act, for communities in England to register pubs as Assets of Community Value, giving them greater planning protection against possible demolition or conversion. The Community Right to Buy in Scotland (Community Empowerment Act Scotland 2015) has also benefitted community groups seeking to take ownership of their pub. Although not always invoked, the existence of the right enables communities to reach an agreed price with the owner through negotiation.
- Plunkett’s dedicated programme of support in England, called More Than a Pub (with partners CAMRA, Pub is the Hub, Locality, Co-operative

Mutual Solutions, Cooperative & Community Finance, and Key Fund) which ran between 2016 and 2021. MTAP included a package of advisory support, bursaries and a grant and loan package, funded by Power to Change Trust and Ministry of Housing, Communities and Local Government (now the Department for Levelling Up Housing and Communities). It directly led to 60 new pub openings during the programme.

- The availability of the Scottish Land Fund, providing significant capital investment to support the purchase of assets such as pubs for community benefit

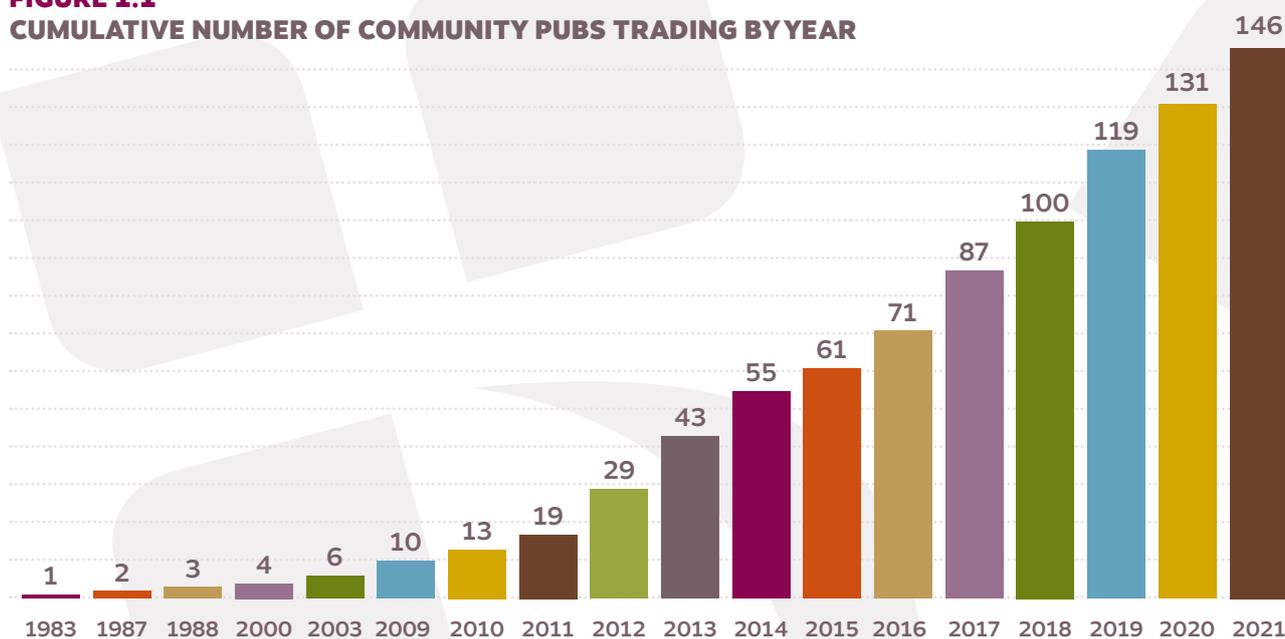
In 2021:

- The sector grew by 11%
- 15 community pubs opened, bringing the total number currently trading as community owned to 146 by 31 December 2021

In spite of the COVID-19 restrictions that prevented pubs trading at full capacity in 2021, the figure of new pubs opening remains healthy and comparable to previous years.

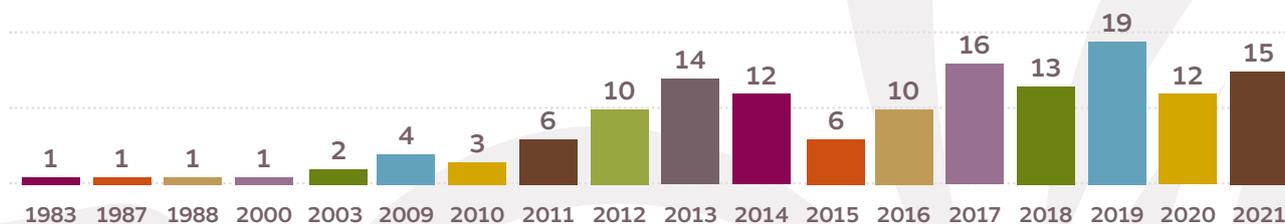
Although a few pubs have transferred out of community control in to private ownership, only one community pub has permanently closed to date. Given the challenges in running a pub, the 99% survival rate for community pubs represents a notable achievement. Typically, 10-12% of small businesses in the UK cease trading every year.¹

FIGURE 1.1
CUMULATIVE NUMBER OF COMMUNITY Pubs TRADING BY YEAR



Source: Plunkett Foundation Records. Excludes pubs known to have transferred out of community ownership and one closure in 2020.

FIGURE 1.2
NUMBER OF COMMUNITY Pubs OPENING BY YEAR



Source: Plunkett Foundation records.

¹. Sources: Office for National Statistics Business Demography 2018 & BEIS Business Population Estimates 2018.

1.2 Geographical distribution

The distribution of community pubs shows the highest density in South East England and East of England (if London is included, pubs in these areas comprise 24% of the UK total). The relatively higher number of community pubs in England suggests that having a dedicated programme of support for community pubs is beneficial. There are more modest numbers distributed across the rest of England, Scotland and Wales. Northern Ireland does not appear yet to have embraced the community pub movement, with no community pubs at this time.

Scotland and Wales have relatively fewer community pubs, with four and 14 community pubs respectively. However, interest and numbers have been growing in recent years. Although the More than a Pub programme was only available to communities in England, its success during 2016-2021 has generated more interest in community pubs in Wales and Scotland.



There are currently 20 community groups in Scotland who are looking to establish a community pub, 14 of which (78%) got in touch with Plunkett in the last two years. This growing pipeline of community businesses prompted the Scottish Government to fund a programme of support, delivered by Plunkett in partnership with Co-operative Development Scotland and Community

FIGURE 1.3
GEOGRAPHICAL DISTRIBUTION OF COMMUNITY PUBS IN 2021

Location	New openings in 2021	Total to date	% of all UK pubs (2020 in brackets)	
South West England	1	14	10%	(10%)
South East England	2	31	21%	(22%)
London	–	4	3%	(3%)
East of England	3	28	19%	(20%)
West Midlands	1	11	7%	(7%)
East Midlands	–	12	8%	(9%)
Yorkshire & Humber	1	11	7%	(7%)
North West England	3	13	9%	(8%)
North East England	–	4	3%	(3%)
Wales	3	14	10%	(8%)
Scotland	1	4	3%	(3%)
Northern Ireland	–	–	–	–
Total	15	146		

Source: Plunkett Foundation records.



▲ **The Old Forge in Scotland is Britain's most remote mainland pub and opened under community ownership in 2022.**

Shares Scotland, specifically aimed at community pubs in rural areas. Four new community pubs opened in Scotland so far in 2022, bringing the current total to eight.

Wales experienced a year of growth with three new community pubs opening in 2021. 26 groups are currently considering setting up a community pub in Wales, with 16 (62%) having got in touch with Plunkett in the last two years.

Existing data does not fully explain variations in the distribution of community pubs. As part of our ambition to grow the number of community businesses trading across the UK, Plunkett commissioned Scotland's Rural College (SRUC) to undertake independent research that mapped the geographical distribution of the community businesses that we have supported.

The initial results have suggested that:

- There appears to be a 'cluster effect', whereby community businesses are more likely to be located near other successful community businesses as they can inspire and learn from one another.
- Country- or region-specific funding programmes, such as More than a Pub (England) or Denbury Homes (East of England) have boosted numbers in those areas.

- Deprivation may affect the ability of communities to successfully set up a community business, due to limited community capacity.

- Community pubs tend to become more prevalent as population density increases (such as in the South East of England).

A summary of the research, completed in May 2022, can be found at: www.plunkett.co.uk/growing-the-community-business-network

1.3 New pubs opening in 2021

Of the 15 new community pubs opening in 2021, 12 (80%) purchased their premises, with the remainder leasing, two of which lease the pub building from the parish council. The finance required was mostly raised by community share offers, representing around 63% of the total cost of purchase, refurbishment and working capital. There was wide variation, with the lowest recording 20% by this means (having acquired the remaining finance from grants, loan and equity match) and the highest exceeding their target by 35%.

The average cost of purchasing a community pub during 2021 was £313,833 and the average set-up cost was £244,133, but with wide variations. These figures exclude three pubs that lease their premises.

Some of those communities that are leasing their pubs still have had to find high levels of finance to refurbish the premises, and have used community shares for that purpose.

The total share capital raised by the 15 community pubs opening in 2021 was approximately £3.9 million from just over 6,300 community shareholders. The average amount raised was £276,368, with wide variation (the smallest amount being £80,000 and the largest amount being £600,000). Two of the new community pubs opening in 2021 (Ty'n Llan and the Locks Inn) each had over 1,000 shareholders – far above the normal average of 200 members per pub, and resulting in these pubs raising the largest amounts in community shares out of the businesses opening in 2021. This is testimony to the pub groups' well-coordinated share offer campaigns.

£1,507,000 was raised in loans and mortgages. A further £1,490,989 came from grants and other fundraising.

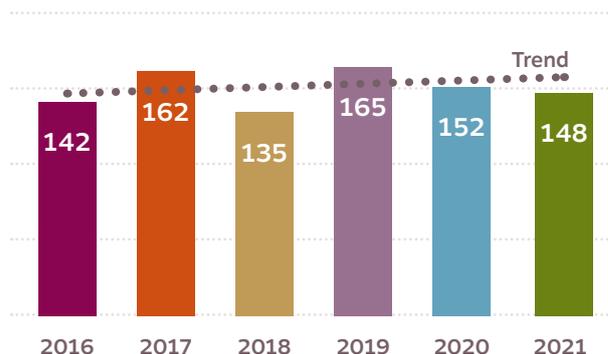
All but two of the pubs needed to borrow, with five taking out mortgages in excess of £80,000. This continued reliance on debt finance reflects the pattern found in previous years. This may be a potential vulnerability in light of COVID-19, although in the majority of cases the loans are modest, in the £40-80,000 bracket.

1.4 New activity

148 enquiries from new groups looking to set up a community-owned pub were made to the Plunkett Foundation in 2021, forming 40% of all start-up enquiries received by Plunkett for all types of community business. This is broadly consistent with recent years. The proportion of community pub enquiries is comparatively large compared to other types of community business, such as shops, as is to be expected from a growing sector.

Figure 1.4 shows the number of community groups approaching Plunkett each year about setting up a new community pub. There are slight fluctuations each year, apparently coinciding with the announcements of pub-specific funding and support in 2016 and 2019 under the More than a Pub programmes. Enquiries have remained stable with a slight trend of increasing interest in setting up a new community pub. However, participants at

FIGURE 1.4
NUMBER OF ENQUIRIES FROM NEW COMMUNITY Pubs GROUPS 2016-2021



Source: Plunkett Foundation records 2016-2021.

the research focus groups noted that campaigns to save their pub had often been disrupted due to lockdowns and social distancing restrictions, making community engagement and consultation more difficult.

In contrast to the increasing number of community pubs, the pandemic has worsened the ongoing trend of closures in the wider pub sector. According to CAMRA, 290 pubs closed permanently in England, Wales and Scotland in 2021. This means that around 5 were demolished or converted every week. Additionally, 505 long-term closures were recovered, where the building remains a pub but is currently without tenants or closed for business.²

Plunkett data shows that of all enquiries made, around 1 in 10 community pub projects will go on to trading. Projects can be delayed because community pubs are faced with a number of challenges prior to opening, such as:

- High guide price to purchase the asset
- Significant renovation and refurbishment costs
- Limited time period in which to raise the required finance
- Increased competition from other speculative purchasers
- Less likely to set up a pub in an alternative building or as a new build project
- More complex business planning process required owing to multi-stranded income streams.

2. CAMRA Pub Closure Report 2021, published May 2022.



▲ The Shrewsbury Arms at Kingstone in the West Midlands is a welcoming social space.

Plunkett also carried out a piece of research in May 2022 which explored the obstacles facing urban community pub groups specifically. The report can be viewed here: www.plunkett.co.uk/reports

There is generally quite a lengthy period of time for a community pub project to proceed from the initial idea through to trading. Many months can elapse during the fundraising, negotiations and any necessary refurbishments. Several years can often elapse before a successful acquisition is achieved. Of the new community pubs opening in 2021, 10 (71%) had set up as incorporated legal entities one or more years before commencing trading.

In England, nominating a space or building under the Community Right to Bid as an Asset of Community Value offers some protection, by giving the community six months to raise a bid if the asset is put up for sale. However, as the case of the Rising Sun in Woodcroft exemplifies, the community can face resistance along the way and may have their offer refused. In Scotland, where a Community Right to Buy offers communities first refusal on listed community assets, the process of negotiation can take less time. No equivalent community rights exist in Wales or Northern Ireland.

INSIGHT: THE RISING SUN, WOODCROFT, GLOUCESTERSHIRE

A 10-year journey to community ownership

Work is now underway to restore the **Rising Sun** in Woodcroft, which is expected to re-open in 2022. After making multiple offers to purchase the pub and even funding an independent valuation, the community finally reach an agreement with the owner until 2021. The community had to persevere for ten years to get to this stage:

- The pub closed in 2011, after which it was bought by a development company
- The pub was nominated as an Asset of Community Value in 2013
- Between 2014-2020, several planning applications and appeals against the ACV registration are made, but are unsuccessful
- In 2018 the council decides to undertake a CPO, but this is delayed and eventually withdrawn due to the disruption of COVID-19
- The community purchase the pub in May 2021.

2

Business model



▲ The Knoydart Community Benefit Society was formed in 2021 to save the village’s only pub.

2.1 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. 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

* An ‘asset lock’ is a legal promise stating that any assets (money, equipment, land or buildings) owned by the community organisation are protected and there is no opportunity for individuals to make any personal financial gains should the organisation close or merge, or its assets be sold.

- A commitment to re-investing profits in the local community or to grow the business operation for local benefit.

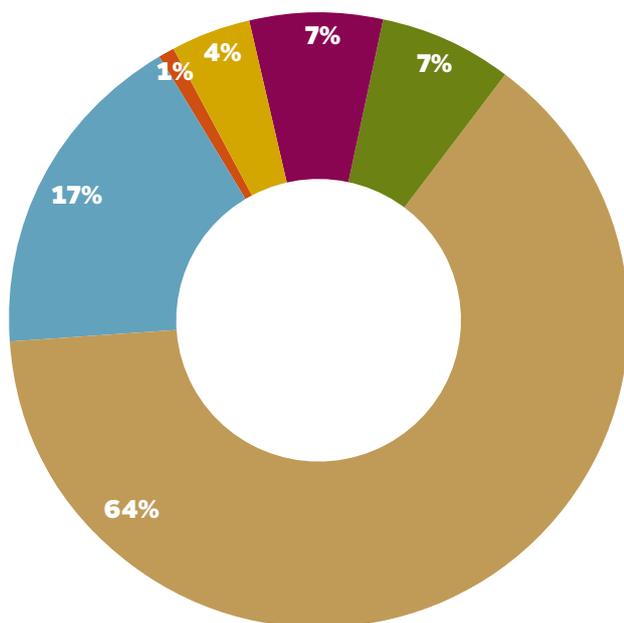
Legal structures which allow for this include the Community Benefit Society (CBS), Co-operative Society, Company Limited by Guarantee and Community Interest Company, and may also include the Private Company Limited by Shares if the above criteria can be established.

By far the most popular model is the Community Benefit Society, perhaps because it is very well suited to democratic accountability with its one-member-one-vote system. A trend is emerging with the proportion of pubs adopting the Community Benefit Society model growing year by year. The growing popularity of the CBS model is most likely due to the fact that it exists to benefit the wider and collective interests of a community and is also an excellent vehicle for raising investment through community shares.

PERCENTAGE OF PUBS OPENING THAT YEAR THAT HAD ADOPTED THE CBS MODEL

2018	2019	2020	2021
51%	58%	59%	64%

FIGURE 2.1
COMMUNITY PUBS: LEGAL STRUCTURES



Company limited by guarantee	6
Community Interest Society	10
Co-operative / Friendly Society	10
Community Benefit Society	91
Company limited by shares	25
Other	1

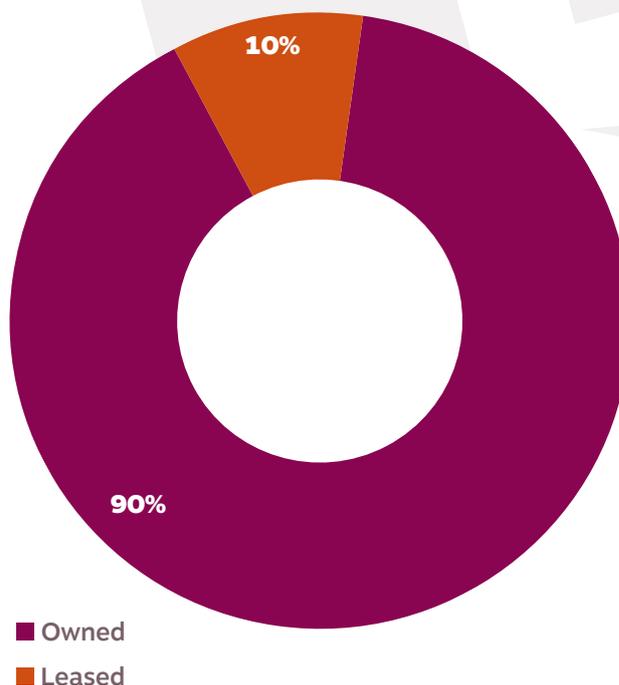
Source: Plunkett Foundation from 143 available records.

2.2 Premises and tenure

All but one of the 146 trading community pubs are located within what was previously a pub. The one exception is the Tommy Flowers micropub in London, which was previously a florist and a doctor's surgery.

For the 128 available records, 115 (90%) of community pub buildings are owned by the community, while 13 (10%) operate on a leased arrangement. Outright ownership is perhaps the more popular route as it is often perceived as the surest way of securing the pub's future in the long-term. However, a lease arrangement may be a more affordable option for groups unable to raise the full asking price, and where a third party – such as a charitable trust, or parish or town council – is able to step forward to purchase the pub on behalf of the community.

FIGURE 2.2
COMMUNITY PUBS: TENURE



■ Owned
■ Leased

Source: Plunkett Foundation from 128 available records.

2.3 Links with parish councils

According to Plunkett records as of June 2022, there are seven community pubs owned by a parish council. Four of these are either leased to or managed by a CBS. As the other three pubs are not a business that is owned and run by the community, or directly accountable to the community, we have excluded them from the total of 146 trading community-owned pubs.

More information can be found in [The Good Councillor's Guide to Community Business](#), produced by Plunkett Foundation and commissioned by the National Association of Local Councils and Power to Change, to raise awareness of the benefits of community ownership and encourage more proactive relationships between local councils and community businesses.

2.4 Managers and tenants

There are effectively two routes to follow in terms of operating the pub business – the “managed” model (the community appoints a manager, directly employed and accountable to the board or management committee) or the “tenanted” model (the community leases the premises to a tenant and charges rent).

According to 142 available Plunkett records in June 2022, 61% of community pubs are managed and 39% of community pubs are tenanted. A more detailed breakdown reveals:

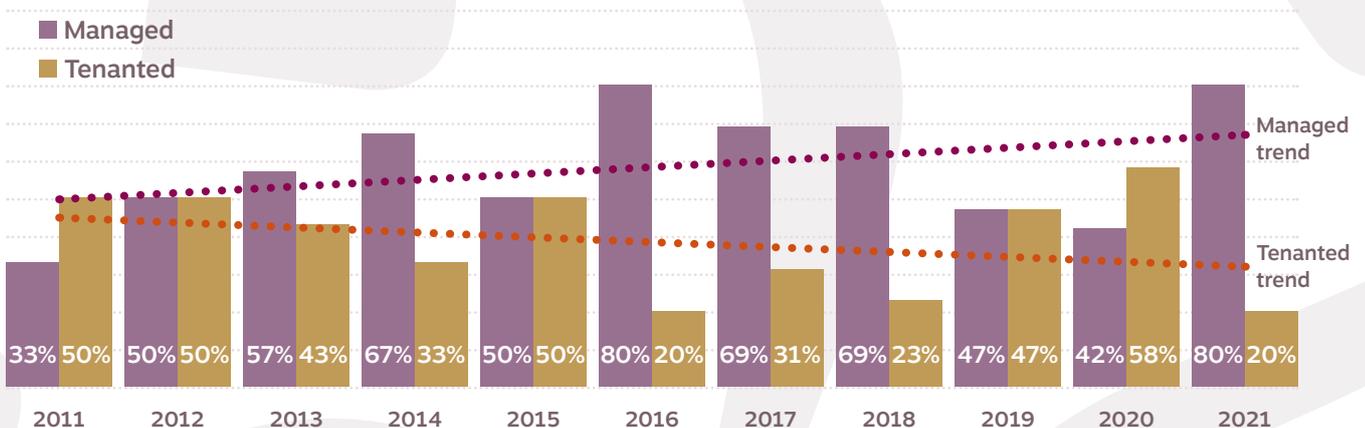
- 79 pubs are managed by paid staff, 66 of which have volunteers and 13 of which have no volunteers
- 7 pubs are managed by volunteers with no paid staff recorded
- 56 pubs are tenanted.

Looking back over the past decade, there is a possible trend emerging, with a shift towards the managed model in recent years. The 58 survey respondents in 2022 broadly follow this pattern, with 62% being managed by paid staff and 38% run by a tenant.

The decision to opt for one or other of the two models revolves around a variety of factors:

- Creating local employment is one of the primary ambitions of the business and therefore the community business wish to lead on this activity, creating the most appropriate opportunities to meet local needs
- A community group that has worked hard to acquire the pub can prefer to have more control over its future via the direct employer-employee relationship with their pub manager
- The managed model (unlike the tenanted model) is usually considered an eligible type of business to offer tax relief on shares (such as SITR) subject to certain conditions, which is a financial incentive to investors during fundraising for acquisition
- There is a perceived difficulty of replacing (or confronting in the case of problems) a less than successful tenant, as compared to a manager
- On the other hand, it is a considerable amount of work to manage a pub business and needs a good level of experience and business knowledge, which can be challenging for a community group
- Experienced publicans often prefer the more independent and self-reliant role of tenant rather than being on the payroll, therefore a group seeking a manager may find the pool of prospective candidates is limited.

FIGURE 2.3
COMMUNITY PUBS: TREND IN MANAGEMENT MODEL OVER TIME



Source: Plunkett Foundation records 2011-2021.

2.5 Membership and shares

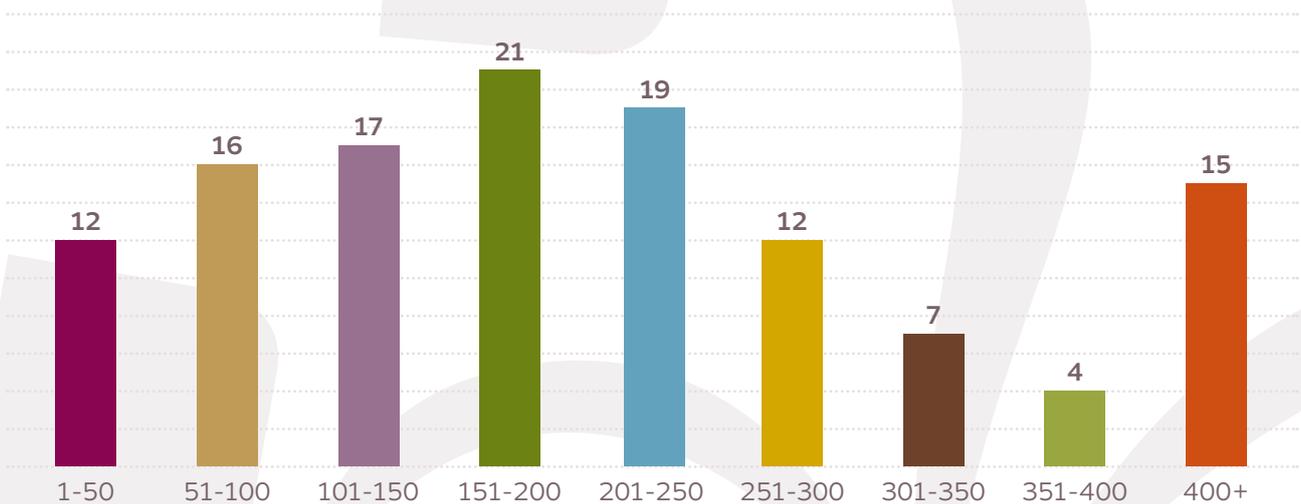
A principal tenet of a community pub is that it exists to serve the people in the area who would be disadvantaged without it, and membership ensures a wide and inclusive participation. Generally, the CBS structure encourages and promotes the largest membership. Examining 123 available records (from Financial Conduct Authority (FCA) and Companies House data), a mixture of both managed and tenanted pubs:

- 10% have under 50 shareholders
- 44% have 51 – 200 shareholders
- 46% have more than 200 shareholders

123 available records show a total of more than 25,000 shareholders. A crude estimate for all 146 known community pubs suggests that some 30,000 people have invested in community pubs with an average of 200 members per pub.

122 available records show a total shareholder investment of £25,000,000. A crude estimate for all 146 known community pubs suggests a total shareholder investment in the sector of some £30,000,000. The growth of community pub membership and community shares investment is consistent with the growth of the sector in 2021.

FIGURE 2.4
COMMUNITY Pubs: NUMBER OF SHAREHOLDERS

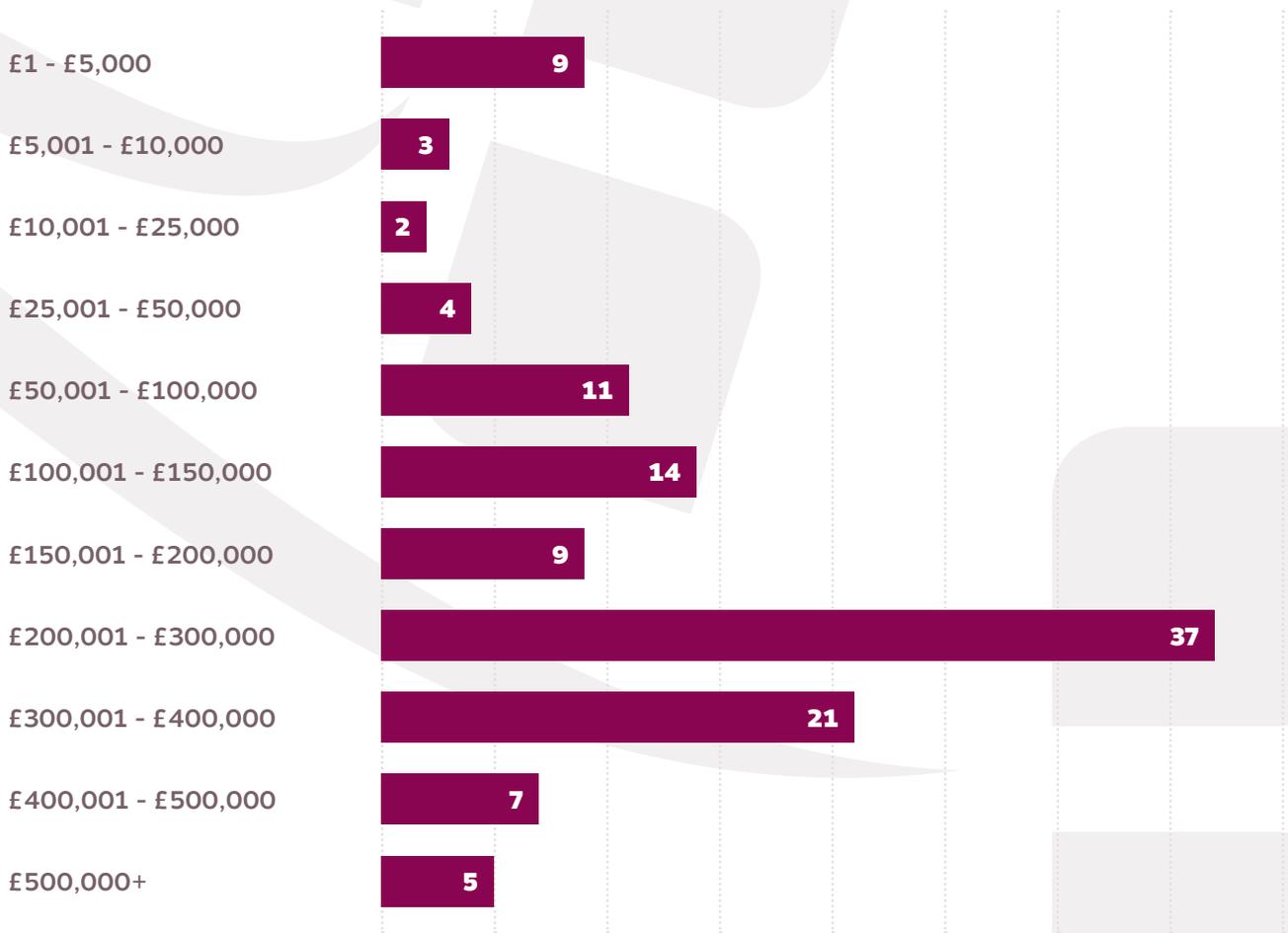


Source: 124 available records from FCA AR30 returns and Companies House data.



▲ A walking group in Llanwrog that uses Ty'n Llan as its base.

FIGURE 2.5
COMMUNITY PUBS: SHARE CAPITAL



Source: 122 available records from FCA AR30 returns and Companies House data.

INSIGHT: TY’N LLAN, LLANWROG, GWYNEDD

Community shares

Ty’n Llan is one of three new community pubs opening in Wales in 2021, raising an impressive £464,800 in community shares from 1,013 people in just six weeks. This is an enormous feat, helped by the campaign group’s efforts on social media and a film including local residents of all ages and backgrounds speaking about why they had invested.

The amount raised to buy Ty’n Llan is 68% higher than the average amount raised by the 15 new community pubs opening in 2021. Half of the investors were within a 5-mile radius of the pub. Most of the others were located in Wales, with the remainder from 28 countries internationally. The campaign exceeded its target and was able to buy the pub in June 2021, officially re-opening in December.



3

More than a Pub



▣ The community have transformed the Royal Oak in Stoke St Gregory into a hub including a shop, café and pub.

Many community-owned pubs aim to offer “more than” the traditional food and drink services. This ethos is driven by a commitment to be responsive to the needs of local residents, as a community-led project. As locally rooted and accountable enterprises, they are often able to adapt quickly to the changing needs of their communities. In rural areas, they may be the last remaining community asset offering vital services and a space for local people to come together. In their response to the COVID-19 crisis, community businesses have been critical in contributing to the resilience of their local community. Beyond the pandemic, community businesses offer a way of building a fairer economy centred on people, the environment and local benefit.

Plunkett Foundation’s 2021 [Impact Report](#) released earlier this year provides details of how our advice and support helps community businesses to bring benefits to local people.

3.1 Services and activities

Community pubs offer a wide diversity of other services and activities that are tailored to their communities, through adapting their physical space to best suit these extra functions. For example, from 58 responses to the 2022 survey:

- 45 (76%) provide a community meeting space
- 45 (76%) hold live music events
- 26 (45%) raise funds for local charities or good causes
- 20 (34%) have a community garden
- 13 (35%) host fitness classes, health services and wellbeing events.

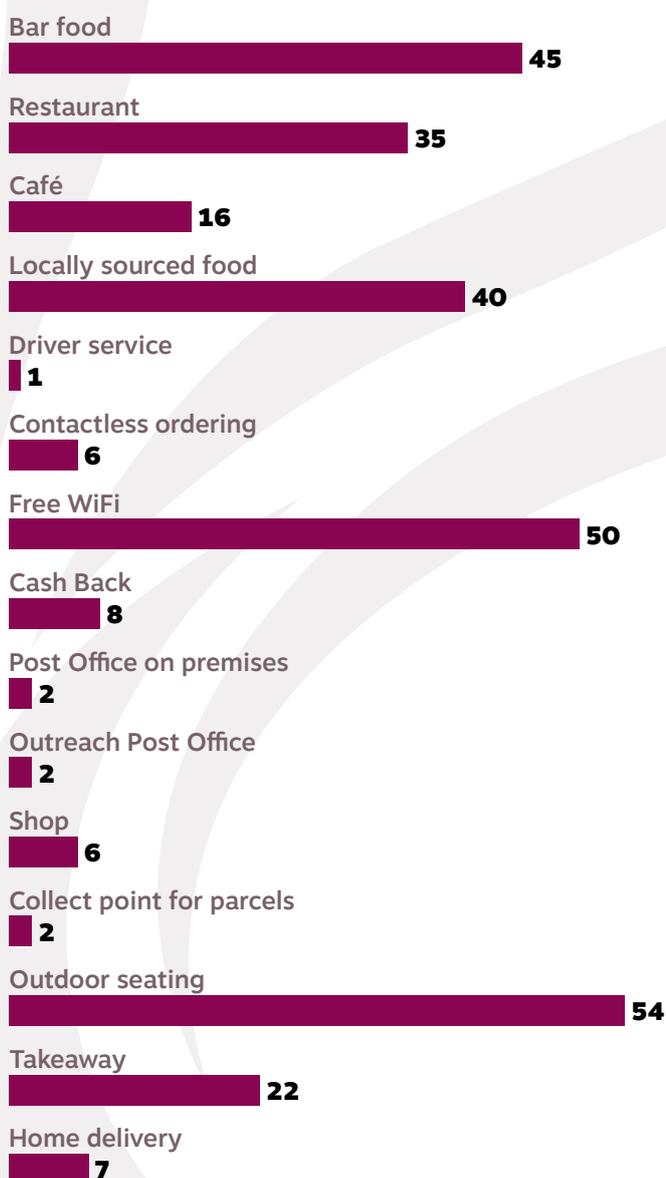
Most community pubs offer food, through a restaurant, bar food menu or café as this is a good income generator for the business. Some pubs offer services for tourists, such as B&B

accommodation to further supplement the revenue of the business.

A small but growing number of community pubs are also now offering postal services, with six survey respondents saying they offered these through a collection point for parcels, hosting an outreach Post Office, or even in two cases having a permanent Post Office on the premises.

In this year's survey responses, there has also been a greater proportion of community pubs offering live music and arts events compared to previous years. We also noted a number of

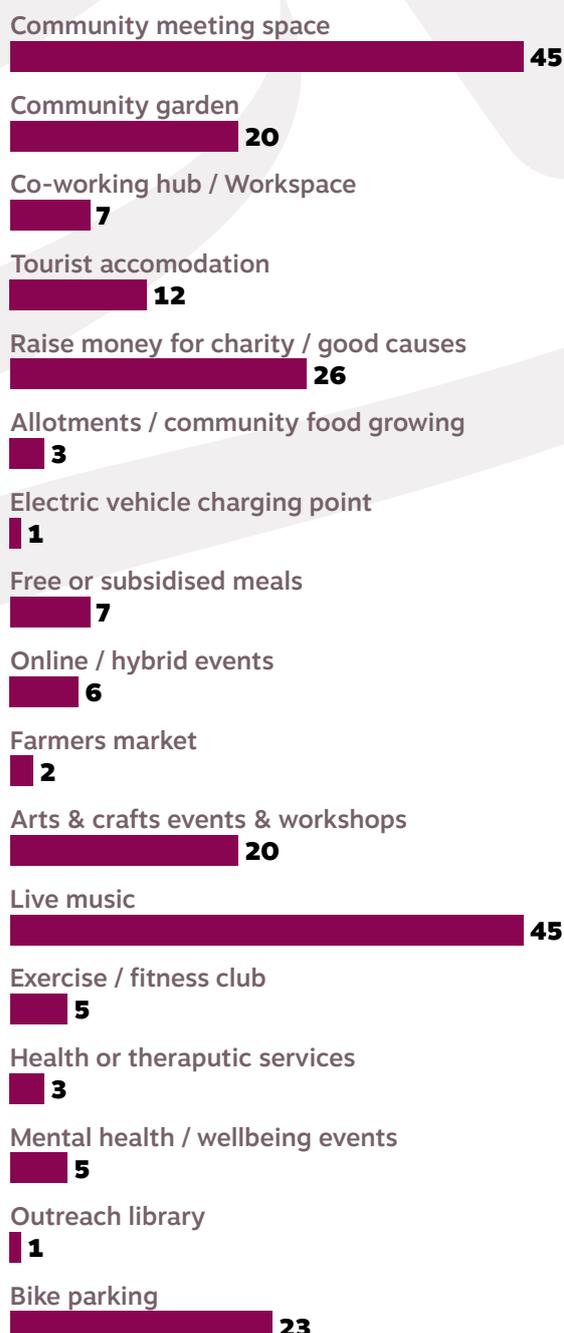
FIGURE 3.1
COMMUNITY PUBS:
CORE SERVICES



Source: 2022 Plunkett Foundation Community Pubs Survey from 58 responses.

community pubs offering services that promote better health and wellbeing such as pop-up GP surgeries or mental health events. Community pubs also encourage active travel by installing bike racks or acting as a base for walking clubs, and provide access to sustainably sourced and local food through affordable meals, farmers markets, veg boxes, growing schemes and shops in the pub building or grounds.

FIGURE 3.2
COMMUNITY PUBS:
ADDITIONAL SERVICES & ACTIVITIES



Source: 2022 Plunkett Foundation Community Pubs Survey from 58 responses.



▲ Ty'n Llan also hosts a Welsh learners club.

INSIGHT:

“More than a Pub”

Community pubs can often adapt quickly in times of crisis, drawing on local support to provide essential services. In 2020, 2021 and 2022 community pubs have taken action in the face of the lockdowns, extreme weather events, and the cost of living crisis.

■ **Yr Heliwr** in Nefyn, Wales, opened in 2021 and has responded to the cost of living crisis in recent months by offering ‘pay as you feel’ meals for as little as £1, so that children and adults can get a truly affordable cooked meal.

■ **The Gun** in Ridsdale, located in the North East of England, became an emergency hub during the extreme weather event Storm Arwen in November 2021, for local residents affected by power cuts or travellers who had been stranded in the snow. Volunteers provided food, shelter, games and company at the pub.

■ During the first COVID-19 lockdown, **the Swan** in Banton, Scotland, drew together volunteers to deliver weekly food parcels to 100 residents who were vulnerable or self-isolating over a period of 13 weeks. Packages included treats to keep up people’s spirits, such as flowers and activity packs for children – even strawberry plants in containers. Families shared the progress of their plants on social media.



3.2 Changes to services

The pandemic changed the way that many pubs were offering their services as they adapted to trading restrictions and changes in customer needs. A significant proportion of community pubs (39%) now offer takeaway services as a permanent service. A smaller proportion of community pubs (12%) offer home delivery. Staff capacity limitations and a lack of delivery providers in rural areas (the majority of community pubs being based in rural locations) appears to have restricted this type of service being more widely rolled out. Some community pubs are continuing to offer online and hybrid events, to provide social opportunities for people who live further afield and who struggle to attend in-person events.

Recognising that some new services (or new ways of delivering existing services) have been established in response to the pandemic, our survey asked community pubs whether they had changed their services in 2021. The responses show that services were added if they brought additional benefits to the community and improved the business's performance.



Local crafters can sell their wares at the 'shed shop' at the Shrewsbury Arms in Kingstone.

More recently established community pubs were more likely to add to their offering. 82% of the 26 community pubs who introduced new services in 2021 had opened in the last five years. Older community pubs tend to have a broader, more established offering, whereas newer businesses tend to expand in the early years of their development.

FIGURE 3.3
CHANGES IN COMMUNITY PUB SERVICES IN 2021

	Number and % of pubs responding		Key reasons for response
Added services	21	(37%)	Mainly to improve services for the community, with some citing improving business performance or in response to community engagement.
Removed services	5	(9%)	Mainly ceased service/s in response to lower demand or customer caution about COVID risks
Added and removed services	5	(9%)	Where added / removed see comments above.
No change	24	(42%)	No comments offered.
No response	2	(4%)	–



▲ The local choir now has a space to rehearse thanks to the re-opening of the Plough, Longparish, under community ownership.

3.3 Improving health and wellbeing

Community pubs become a social lifeline by offering a welcoming space open to all the community. The wide range of services they offer can benefit new residents who want to meet their neighbours, individuals that may feel isolated at home, the retired seeking opportunities to remain active, and those who live alone or are carers and might have no other way of meeting people.

Recent research commissioned by the Campaign to End Loneliness suggested that 86% of people believe that ‘when a pub closes the local community suffers’. However, these vital social spaces are at risk of being lost, with 290 pubs demolished or converted in 2021.³ Community ownership is an important way of safeguarding these vital social spaces and diversifying pub services to meet local needs.

As well as alleviating social isolation and loneliness, there are many other ways that community pubs improve the health and wellbeing of local residents

- Acting as venues for pop-up vaccination clinics
- Offering a meeting space for health checks or other health services e.g. counselling

- Connecting with national and local charities to facilitate referrals to social care
- Improving active travel facilities, such as installing bike racks
- Offering volunteering opportunities through ‘social prescribing’ to improve mental health
- Hosting activities such as fitness classes, walking clubs and cycling groups
- Installing or funding a defibrillator
- Hosting dementia and Alzheimer cafés
- Veg box schemes, cookery classes and ‘cook at home’ packages.

The isolation experienced by many over successive lockdowns in 2020 and 2021 has only intensified the perceived value of community pubs.

Community pubs also offered a social lifeline by moving their events online so that people could still get together for live music, book clubs, children’s activities and quizzes. They have also acted as community hubs for food parcel deliveries, school meals and pop-up vaccination clinics. Now, as the cost of living crisis bites, community pubs are offering access to free or low cost, nutritious food through growing schemes and affordable meals through “pay what you can” schemes.

3. CAMRA Pub Closure Report 2021, published May 2022.

INSIGHT: YE OLDE CROSS, RYTON, TYNE & WEAR

Mental health

Ye Olde Cross, is based in the North East of England and was taken over by the community in 2019. During the refit of the pub they did a full dementia accessibility audit and volunteers have received dementia awareness training. The pub has also been in touch with a local GP surgery to arrange social prescribing referrals, where people can improve their mental health through volunteering.



3.4 Community cohesion and inclusion

Establishing a community pub involves a great deal of time and effort from a large number of people in the community, who lend their skills and work together as members, committees, volunteers, staff and customers. There is usually a widely backed community campaign to save their pub which galvanises the community, identifying its importance as a community asset. 99% of community pubs are based in a former pub building, suggesting that the threat of losing a pub can often be a catalyst for a community ownership project.

Once open and operating, community pubs become highly social places which bring people together of all ages, backgrounds, interests, and gives them a purpose to interact. In rural areas, a pub may often be the last remaining social space for local people to get together. By hosting social events, community pubs improve the quality of life of local people and support the local economy by giving local artists, craftspeople, and producers a platform to showcase their work and boost their income.

Many pubs also offer volunteering opportunities, which not only benefit the pub through renovation projects or being able to run more social events,



▲ A range of events on offer at The Golden Ball, York.

but also benefit the wellbeing of volunteers themselves – giving them the opportunity to feel part of the community, meet new people, and be involved in a common cause.

3.5 Boosting the local economy

A community pub offers a resilient form of business that can help regenerate the local economy by:

- Encouraging collective investment via community shares in a local business
- Purchasing from local food suppliers and using local trades and services
- Creating employment, training and work experience opportunities for local people
- Attracting visitors and tourists to the area with cultural events, good food and accommodation
- Showcasing local producers and artists e.g. at festivals, markets and fairs.

Many community pubs are committed to supporting local suppliers through their business, with 69% of survey respondents saying that they sourced food and drink locally. Of these 40 community pubs, 83% said that they had an explicit local food sourcing policy.

From focus group conversations, it was clear that local sourcing is motivated primarily to support other local businesses. Community pubs, by their very nature as locally rooted businesses, are naturally committed to ensuring economic prosperity is shared – whether through sourcing from local suppliers, offering a route to market for producers, or reinvesting profits for community projects and services.

INSIGHT: THE SWAN, BANTON, NORTH LANARKSHIRE

Restoring pride in place

In 2016 the only pub in the village of Banton had become dilapidated and was threatened with demolition. Having already lost their shop and post office, the villagers were quick to act. "People United for Banton" (P.U.B.) worked tirelessly to bring the pub into community ownership, succeeding in December 2017. Over 73% of Banton households took part in the community consultation and over 150 people (more than 30% of the population) volunteered their time to the project.

During its share offer, P.U.B. ran a scheme where members of the community purchasing shares could have their names (or a name of a loved one, local business or organisation) engraved on a brick. The names now form the paving in front of the main entrance, serving as a visual reminder of the support for and pride in the pub's restoration.

In 2021, the pub received a My Places Sustainability award: "The project has restored faith in the village, reversed the pattern of decline and sparked additional investment. Banton is now home to a new village shop, an art gallery, holiday accommodation and a cluster of creative businesses which together increase local sustainability. It has also inspired a sense of possibility with subsequent community-led initiatives including the procurement of a new community-designed play park and a community defibrillator. Most importantly Banton is an exciting and attractive place to live again."

3.6 Opportunities for young people

Rural depopulation is an increasingly urgent issue. In a survey of more than 1,000 young people living in rural areas carried out in 2021, the charity CPRE found that just 43% of them planned to remain there in the long term. Fewer than 1 in 5 (18%) thought that the future looked bright.⁴ Young people reported that they felt driven out of rural areas by a lack of affordable housing, along

with poor digital connectivity and public transport limiting their employment and social opportunities.

Young people feature strongly in the priorities of community pubs. 84% of survey respondents said that they offered opportunities for young people through volunteering, paid work experience or employment. It is interesting to note the wide range of opportunities offered, which address a variety of needs – whether it is casual vacation work, gaining a formal qualification, or building 'soft skills', mental wellbeing and confidence through volunteering experience. The offer of paid training opportunities is particularly important for young people from low-income households. Beyond employment, community pubs are keen to include young people as part of volunteering schemes, such as the Duke of Edinburgh award.

Other initiatives, such as sourcing locally and reducing disposable plastic packaging relate to the business's ethical principles and their accountability to the community and its priorities. Many actions have multiple beneficial impacts, e.g. community gardens create a biodiverse habitat for pollinators and wildlife, while also benefitting the wellbeing of volunteers and visitors; sourcing food and drink locally supports the local economy while also reducing the carbon footprint of the business.

FIGURE 3.4 MANAGED COMMUNITY PUBS: EMPLOYMENT OPPORTUNITIES FOR YOUNG PEOPLE BY NUMBER OF PUBS

Paid work experience / placement

17

Formal training / qualification

11

Unpaid work experience

13

Apprenticeship

22

Source: 2022 Plunkett Foundation Community Pub Survey from 31 records.

4. 'Young people in rural areas: a report', Campaign to Protect Rural England (CPRE), October 2021.

3.7 Sustainability and climate action

The survey asked what priority community pubs place on environmental sustainability. 38% (22) said that it was somewhat important, and an even higher proportion of 50% (29) said that it was very important – meaning that a total of 88% of community pubs wanted to make their business more environmentally sustainable.

To further explore why this was the case, we asked community pubs responding to the survey to share their motivations (presented in Figure 3.5). It is interesting to note that community pubs are motivated to become sustainable for both ethical and pragmatic reasons – the most commonly cited reason was a sustainability policy, followed by reducing running costs for the business.

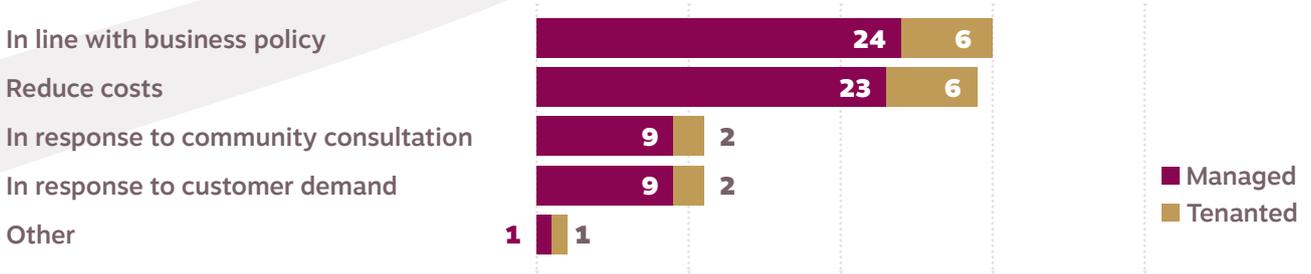
The changes that community pubs have introduced in Figure 3.6 reflect a mixture of cost-saving



▲ The Red Lion at Northmoor, Oxfordshire, has started its own kitchen garden.

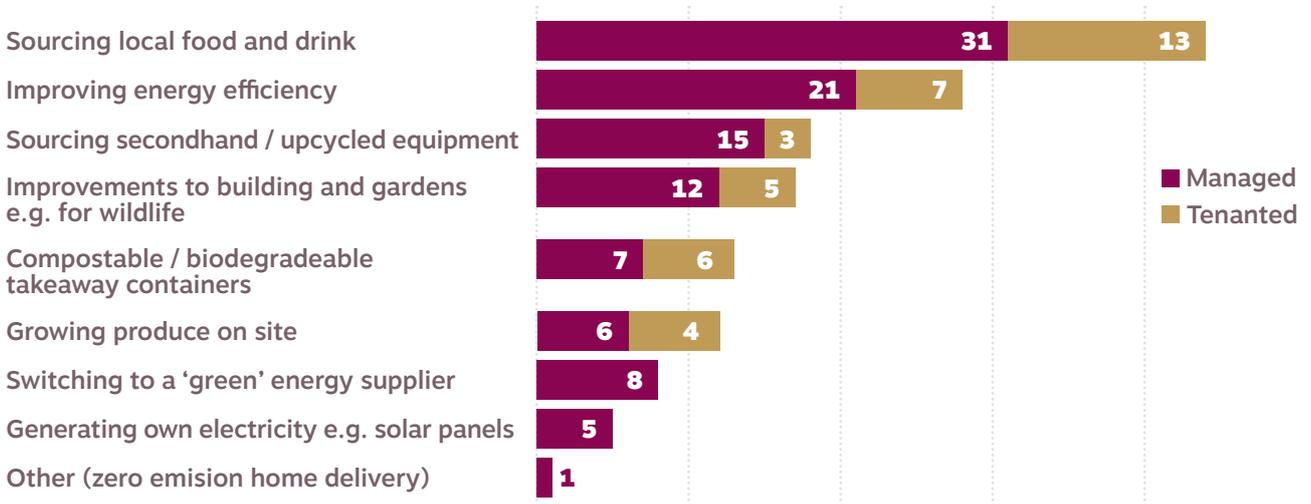
actions, such as sourcing secondhand equipment, switching to a green energy supplier, or improving energy efficiency. In focus group discussions it was clear that soaring energy costs in recent months has increased the sense of urgency in economizing on energy usage, but small grants or loans were needed to support more community pubs to be able to make changes such as installing solar panels.

FIGURE 3.5
COMMUNITY PUBS: DRIVERS TO BE MORE SUSTAINABLE



Source: 2022 Plunkett Community Pubs Survey from 48 responses (10 community pubs did not respond to the question).
Note: some respondents may have selected more than one motivation.

FIGURE 3.6
COMMUNITY PUBS: ACTIONS TO BECOME MORE SUSTAINABLE



Source: 2022 Plunkett Community Pubs Survey from 51 responses. Note: some respondents may have selected more than one action.

4 People

4.1 Governance

Community-owned pubs are membership organisations, the members (predominantly made up of local residents) being the owners of the business. Management committees or boards are elected by the membership to oversee the strategic direction and finances of the business. They also determine how the pub is managed and who manages it.

Although the board members have limited liability it is important that they all understand that even though they are working voluntarily in a community business they still have fiduciary

duties as any other director would. For example, if they are aware that there is a financial problem they should take advice as soon as possible to protect themselves and make sure that they do not become personally liable for any debts by continuing to trade when insolvency is a possibility.

The board plays a crucial role and the major posts can involve considerable work, so board members should ensure there is adequate succession planning, such as a procedures manual for hand-overs when an officer or board member reaches the end of their term.



▲ Ty'n Llan is beloved by old and new customers.



▲ Many community pubs such as the Dog Inn, Belthorn, employ young people.

4.2 Employment

A real motivating factor behind setting up a community pub can be the opportunity to create paid, local employment opportunities. In rural areas, where the majority of community-owned pubs are found these businesses can often be very significant employers in their communities. They offer an excellent environment for training local people, particularly young people. The creation of local employment opportunities is particularly beneficial for those living in rural areas who cannot drive. As community businesses, they also employ people who are typically marginalized from the labour market e.g. due to a disability. The pubs also benefit the local economy by creating further employment opportunities, through utilising local suppliers and accessing other trades in their area.

An estimated 800 – 850 people are employed by community pubs that operate a managed model, based on an average of 10 employees per community pub (calculated from a sample of 29 annual returns submitted to the FCA and

Companies House). This is a combination of full time, part time and casual staff. Although not a definitive representation of all community pubs, the survey responses suggest a distribution as follows:

- 20 – 22% of total pub employees are full time permanent
- 19 – 20% are part time permanent employees
- 60 – 61% are casual or seasonal employees.

A more detailed breakdown of employee numbers and costs by turnover band can be found in last year's report, 'Community Pubs: A Better Form of Business'. We have no data on the 47% of tenanted community pubs, but it is reasonable to assume that they too are significant employers (including tenants themselves).

Community pubs are often committed to being fair employers. 70% of managed pubs (26 out of 37 responding to the survey) had a policy of paying the Real Living Wage as defined by the Living Wage Foundation (in 2021, this was £9.90).



▲ Volunteers of all ages helped rejuvenate The Royal Oak in Stoke St Gregory.

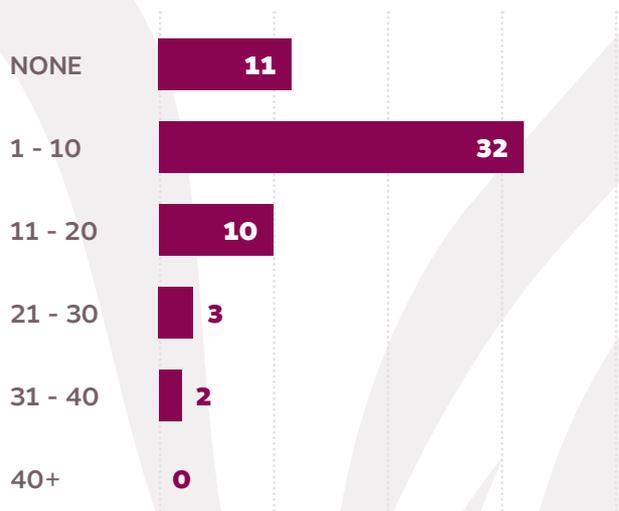
4.3 Volunteers

The ability to harness a volunteer workforce is one of the greatest assets for a community business, reducing staffing costs and enhancing the social environment and social benefits of the pub. The functions supported or run by volunteers vary widely and include fundraising, organising events, assisting with marketing and social media, or running supplementary services such as shops, cafés, libraries and allotments. Volunteers are drawn from a diverse range of people of all ages and backgrounds in the community, including people who may otherwise be excluded e.g. due to a disability.

The survey asked whether and how many volunteers worked behind the scenes and, also whether pubs had grown the number of volunteers in 2021:

- 38% (22) increased the number of volunteers
- 59% (34) made no changes
- 3% (2) didn't respond.

FIGURE 4.1
COMMUNITY PUBS: VOLUNTEER NUMBERS



Source: 2022 Plunkett Foundation Community Pub Survey from 58 responses.

It should be noted that management committee members, who occupy voluntary unpaid positions, may have been included in some respondents' estimations of volunteer numbers.

Plunkett Foundation records suggest that 92% of managed community pubs (61% of the sector) use volunteers in some form, to support their operation. Based on survey data a cautious estimate would suggest that these pubs (approximately 83 pubs) may draw on some 500 – 550 volunteers.

There is less data available for tenanted pubs. 13 out of 21 (62%) survey respondents reported that they draw on volunteers (generally in modest numbers) so a cautious estimate suggests that tenanted community pubs draw on around 175 - 200 volunteers. It must be noted that tenants themselves often put in extra hours on top of their usual duties, in support of their communities.

Typically, managed pubs and tenanted pubs that use volunteers have between 1 - 10 weekly volunteers.

INSIGHT: THE BLUE BELL PUB & CAFE, STOKE FERRY, NORFOLK

Volunteers

After purchasing their pub in 2021, Stoke Ferry Community Enterprise rallied over 60 volunteers to help with much-needed renovations. Over 60 individuals joined in to strip down the interior, install new fittings and upcycle furniture. The group adopted a “re-use and recycle” policy, making seats and chairs out of reclaimed beer barrels and pallets and salvaging timber for the construction. After several months of hard work, the pub was transformed into a social space with a new café, and opened its doors in June 2022.

Volunteering was a central part of the pub campaign's strategy, because it was seen as a way of encouraging maximum buy-in for the campaign and it would share the workload among a range of people with relevant skills. It also benefitted volunteers, enabling them to meet people outside their immediate circle; stay healthy through physical activity; and learn new skills through mutual support, such as planting up a garden or fixing wooden joists. Gaining these skills helped volunteers feel more confident taking on their own projects, or even setting up new businesses.

The Blue Bell ascribe their success to a number of factors:

- Providing informal group supervision, as well as sandwiches and cake made by fellow volunteers
- Taking time to encourage volunteers to get to know one another during breaks
- Good communication, keeping volunteers up to date with progress through photos and videos
- Saying a genuine “thank you” and recognising everyone's efforts, including “hidden” volunteers who fill in funding application forms, calculate VAT returns etc.
- Keeping a database of volunteers and their interests, e.g. gardening, DIY, baking
- Proactively widen the volunteer database with regular updates in the monthly newsletter.

5

Financial performance

Financial information for this report is drawn from the latest available public data on turnover for pubs as shown by FCA AR30 Returns and Companies House records for the years 2018, 2019, 2020 and 2021. Data are shown in aggregate and by managed pubs and tenanted pubs separately.

Note: pubs opening in 2021 (15) are not included either because available data is for part of a year, or yet to be published after the end of the first trading year.

5.1 Profits/losses and turnover

In order to establish a pre-pandemic benchmark for profitability and turnover, we drew a sample of managed pubs and tenanted pubs from the latest available public data as published in Financial Conduct Authority AR30 Returns and Companies House Records for 2018, 2019 and 2020 to 31st March. To represent the financial impact of the



▲ **Many community pubs, such as the Railway Arms in Saffron Walden, are proud to serve locally sourced food and drink.**

pandemic, we have also drawn data from a sample of managed pubs and tenanted pubs for financial years ending between January 2021 and January 2022.

Data is drawn from the most recent year for which it is available: the pubs are all established businesses so although there are some year on year fluctuations, overall these are normally modest.

Profits and losses are drawn with reference to:

- Turnover and revenue from the pub and related activities (e.g., events and room hire)
- Removing grants and donations or other similar sources of funding to allow comparison of underlying profitability for core services
- Deducting costs
- Figures are shown net of depreciation and before taxation for comparability reasons.

Impact of the pandemic on turnover and profits

Turnover and profits for community pubs were significantly affected by trading restrictions introduced during the pandemic. On the basis of 35 pubs records sampled as a pre-pandemic benchmark:

- 73% managed (16 out of 22) and 77% tenanted (10 out of 13) showed a net profit
- 27% managed pubs (6 out of 22) and 23% (3 out of 10) tenanted pubs showed a net loss.

During the pandemic, of 37 pub records sampled:

- 64% managed (14 out of 22) and 53% tenanted (8) show a net profit (the data also suggests that these profits were typically lower than prior to the pandemic)
- 36% managed pubs (8 out of 22) and 47% tenanted (9) show a net loss

The figures show returns to the community for tenanted pubs from rents etc., not the performance of the tenanted business. Community pubs may have other sources of income or rely on grants, donations or other external funding, so many of those showing losses will compensate by these means.

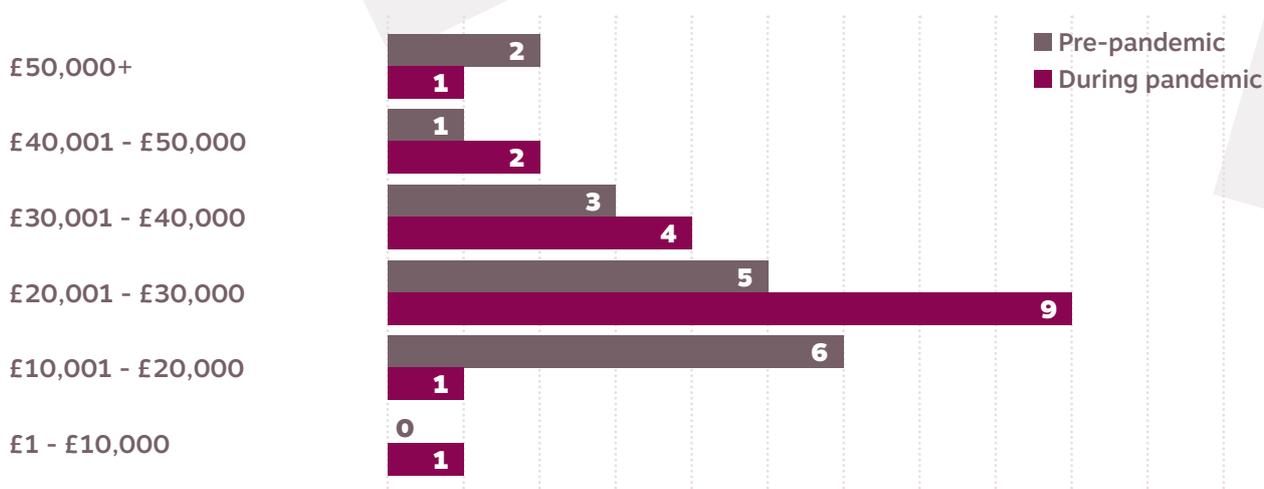
Turnover for managed pubs varies widely but as would be expected, they tend to have a turnover of £100,000+ per annum, however, there appears to be no direct correlation between surplus or deficit and turnover.

In some cases, losses are attributable to significant repairs or improvements, for which grants may have been awarded. Losses recorded may also not necessarily reflect support made available by

government or other organisations, and may reflect conscious decisions to sustain the business or a tenant by accepting short-term losses.

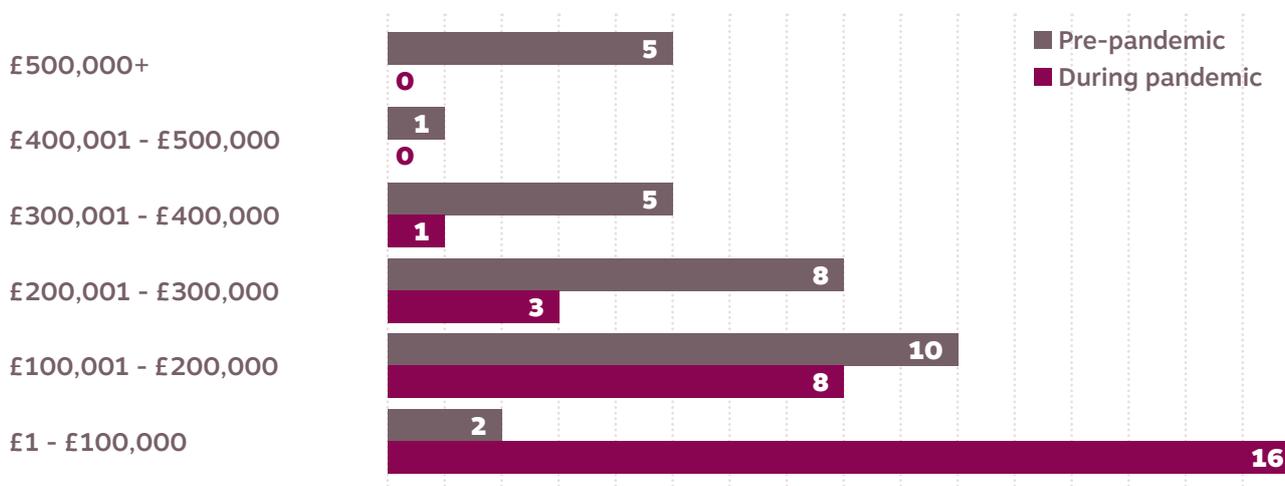
Although turnover and profits have been significantly impacted by the pandemic, we should take into account the positive survey responses received by community pubs in relation to questions about confidence over the next 12 months (see section 6).

FIGURE 5.1
TENANTED COMMUNITY PUBS: TURNOVER BAND BEFORE AND DURING PANDEMIC



Source: 31 records from FCA AR30 returns and Companies House records for financial years ending in 2018, 2019 and up to 31st March 2020, and 28 records for financial years ending in between January 2021 and January 2022.

FIGURE 5.2
MANAGED COMMUNITY PUBS: TURNOVER BAND BEFORE AND DURING PANDEMIC

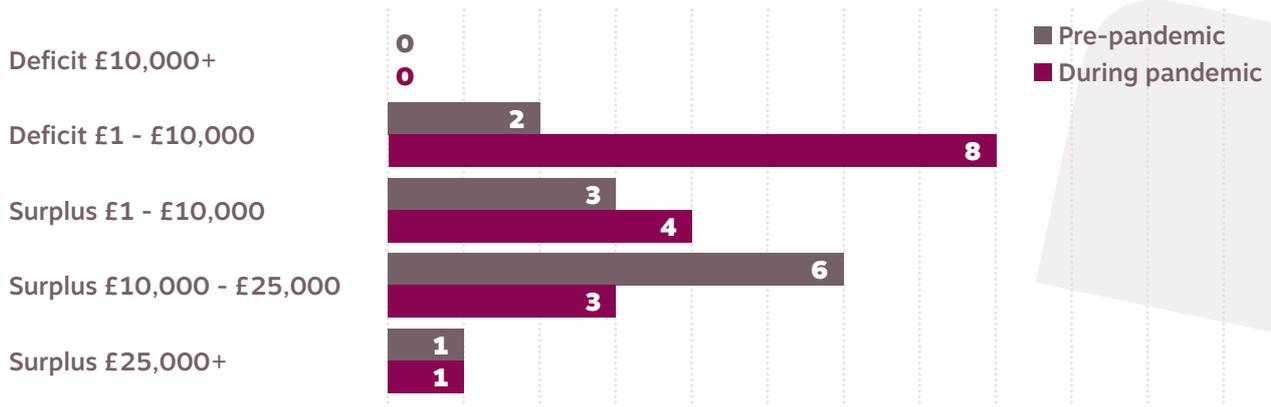


Source: 17 records from FCA AR30 returns and Companies House records for financial years ending in 2018, 2019 and up to 31st March 2020, and 18 records for financial years ending in between January 2021 and January 2022.



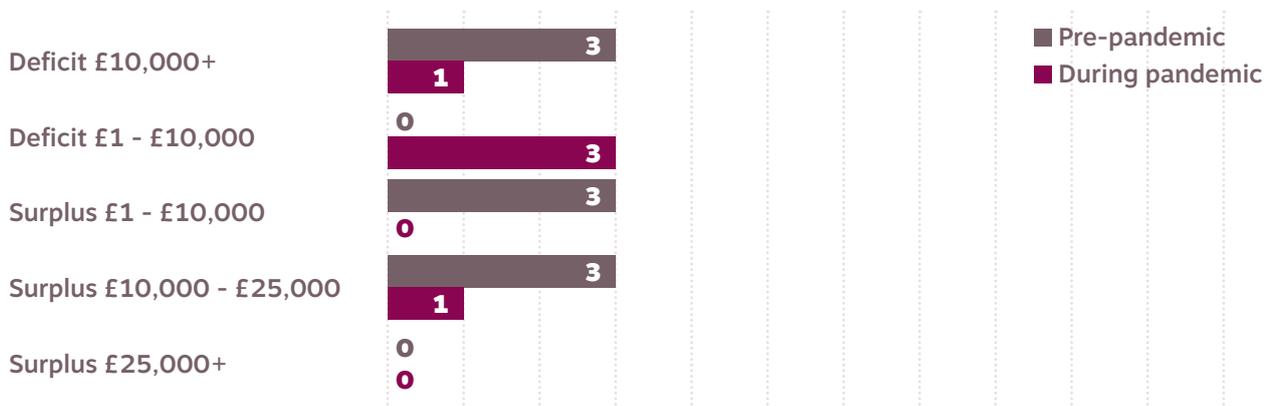
▲ The Red Lion in Northmoor, Oxfordshire.

FIGURE 5.3
TENANTED COMMUNITY PUBS: NET PROFIT BEFORE AND DURING PANDEMIC



Source: 13 records from FCA AR30 returns and Companies House records for financial years ending in 2018, 2019 and up to 31st March 2020, and 14 records for financial years ending in between January 2021 and January 2022.

FIGURE 5.4
MANAGED COMMUNITY PUBS: NET PROFIT BEFORE AND DURING PANDEMIC



Source: 22 records from FCA AR30 returns and Companies House records for financial years ending in 2018, 2019 and up to 31st March 2020, and 22 records for financial years ending in between January 2021 and January 2022.

5.2 Borrowing and fundraising

From a sample of 58 managed and tenanted pubs owned or leased by the community (40% of the 146 known community pubs) the picture is broadly consistent with previous years:

- 29% (17) record no outstanding mortgages or loans
- 71% (41) record outstanding mortgages or loans, mostly in excess of £20,000
- 17 of these (29% of all responding pubs) record outstanding mortgages or loans of more than £80,000.

If interest rates rise, there is a degree of financial vulnerability for those community pubs without fixed rate agreements. There is not a noticeable difference between managed and tenanted community pubs in terms of levels of borrowing.

When asked whether they had resorted to using their reserves to support operations during 2021, 45% of pubs responded that they did. In some cases this may have been to invest in improvements to the business, given that significant numbers of community pubs needed to adapt or add services in 2021 (see section 3).

The survey also asked whether community pubs had secured grants or raised funds (including via

share offers) in 2021 for maintenance, repairs, replacement equipment or improvements (as distinct from funds to underpin core trading activity). Few comments were offered and those offered referred to pub purchase or improvement, but in one case, a share offer was used to offer a tenant a rent holiday.

A significant number of managed pubs secured grants on this basis, and a more modest number of tenanted and managed pubs did fundraising. The preference for grant finance suggests that small packages of finance are of enormous benefit to community pubs.

FIGURE 5.4
COMMUNITY PUBS ACCESSING GRANTS AND FUNDRAISING

	Grants		Fundraising	
	Yes	No	Yes	No
Managed	28	13	8	29
Tenanted	8	9	5	16
Total	36	22	13	45

Note: tenants may pursue funds independently.



▲ **The community of Gressenhall in Norfolk set up 'The Cygnet' pop-up pub to raise money for the 'Save our Swan' campaign.**

5.3 Use of profits

The business model of a community pub is generally based on the principle of community benefit, and therefore the distribution of net profit to its community. The overall pattern of net profit use (where present) reflects the relatively modest scale of such profits, understandable due to many of the businesses still being in the early stages of growth. Many are still reinvesting in the business and building their reserves, and the pandemic has had an obvious impact on profitability.

2021 has resulted in some significant changes in the use of profits:

- The number of pubs showing no profits marginally decreased compared to 2020 (31% rather than 39%) – noting however that profits were overall lower.
- An increase in pubs using profits to reinvest in the business compared to 2020 (52% up from 43%), presumably to adapt the business to changing customer needs.
- A striking increase in pubs contributing to reserves compared to 2020 (33% compared to 19%). This may be partly explained by 45% of respondents drawing on their reserves in 2021.
- An increase in donations to charities or other community projects with 17% of respondents doing so compared to 1% in 2020 and 8% in 2019. This potentially indicates recovery for the sector, and a response to current crises.



▲ Outdoor seating at the Fox and Goose, Hebden Bridge

FIGURE 5.5
USE OF PROFITS



Source: 2022 Plunkett Foundation Community Pub Survey from 58 responses.

Note: survey respondents could select more than one use of profits.

6

Sector confidence and concerns



▲ The Plough in Longparish, Hampshire, celebrated its first anniversary in 2021.

Survey respondents were asked both about their priorities and concerns over the next 12 months and how confident they felt about the future of their pub. The 2022 Survey recorded a high point in confidence, and there seems to be growing optimism about recovery from the pandemic. 83% of survey respondents said that they were confident or very confident about the future. As a comparison, 75% of hospitality businesses responding to an ONS survey in March-April 2022 said that they had moderate or high confidence for the next three months.

However, compared to 2021, fewer community pubs recorded feeling 'very confident' about the next 12 months. Focus group participants and survey respondents expressed concerns about:

- Rising costs for their businesses, particularly in terms of food and energy prices and rising staff costs
- Staff recruitment (as for the rest of the hospitality sector)

FIGURE 6.1
MANAGED COMMUNITY PUBS:
PRIORITIES AND CONCERNS



Source: 2022 Plunkett Foundation Community Pubs Survey from 37 responses.

Note: survey respondents could select more than one option as a priority or a concern.

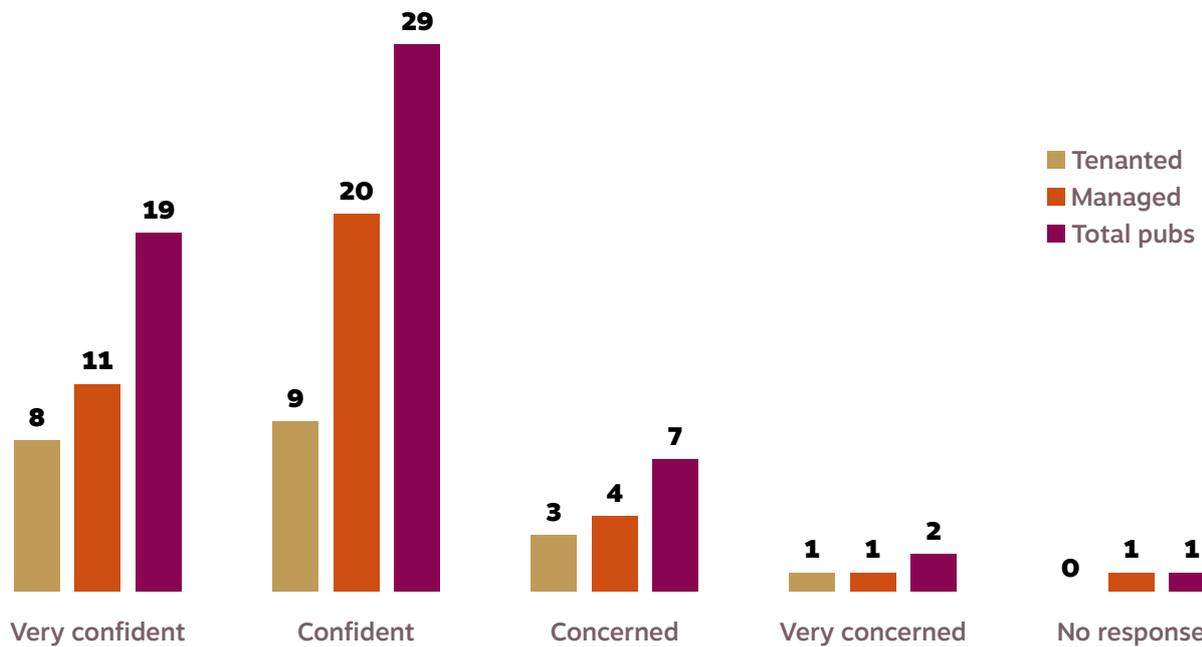
FIGURE 6.2
TENANTED COMMUNITY PUBS:
PRIORITIES AND CONCERNS



Source: 2022 Plunkett Foundation Community Pubs Survey from 20 responses.

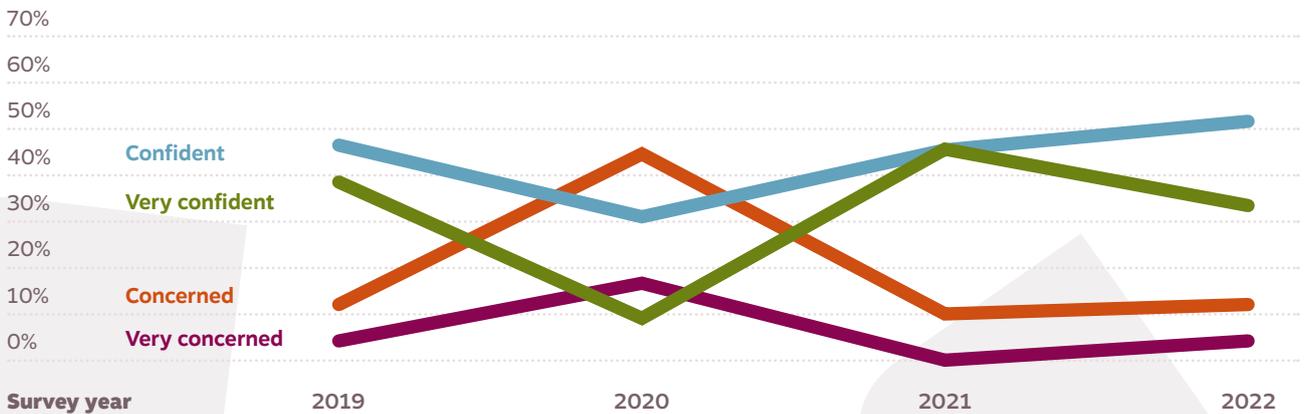
Note: survey respondents could select more than one option as a priority or a concern.

FIGURE 6.3
COMMUNITY PUBS: CONFIDENCE OVER NEXT 12 MONTHS



Sources: 2022 Plunkett Foundation Community Pubs Survey from 58 responses.

FIGURE 6.4
COMMUNITY PUBS: YEAR ON YEAR CONFIDENCE ABOUT THE COMING 12 MONTHS (2019 – 2022)



Survey year	2019	2020	2021	2022
Very confident	38%	9%	45%	33%
Confident	46%	31%	45%	51%
Concerned	12%	44%	10%	12%
Very concerned	4%	16%	0%	4%

Source: Plunkett Foundation Community Pub annual surveys 2019 – 2022 combined managed and tenanted.

Though confidence was relatively strong at the time of the survey in early 2021, community pubs will undoubtedly face the same pressures as other businesses across the UK as the cost of living crisis intensifies.

62% of survey respondents in April 2022 noted that rising overhead costs were a priority, compared to just 30% in the April 2021 survey.

Mixed with these concerns expressed at the focus groups was also an equal concern for the welfare of pub tenants, staff, customers and the local community. One community pub spoke of the need to continue to provide affordable meals and to offer financial flexibility to their tenants. As we saw in last year's 'Better Form of Business' report on community pubs, even as the crisis worsens, community pubs intend to adapt to ensure not only the survival of the business but also the wellbeing of those who depend on it.



▲ The Royal Oak, Rushton Spencer in Staffordshire.



**Plunkett
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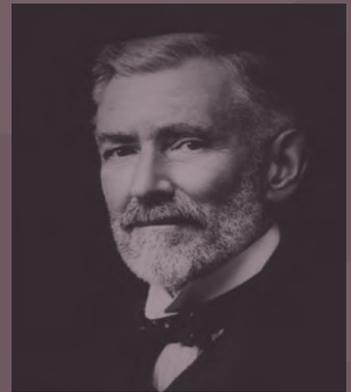
About Plunkett Foundation

Plunkett Foundation is a national charity with a vision for resilient, thriving and inclusive rural communities. To achieve this, we support people in rural areas to set up and run a wide range of businesses which are genuinely owned by local communities, whereby members have equal and democratic control.

Today, we represent over 800 community businesses throughout the UK, from shops and pubs through to woodlands, farms and fisheries.

If you share our vision for a vibrant rural economy with community businesses at its heart, why not join Plunkett as a member?

www.plunkett.co.uk/become-a-member/



The Plunkett Foundation was founded by Sir Horace Plunkett in 1919

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