

# SALUSBURY COMMUNITY PUB

— TREMEIRCHION, NORTH WALES —



## Business Plan December 2022

This business plan forms the basis of the Share Offer by which members of the community and the wider public are now invited to support Tremeirchion Community Pub Ltd for purchase of the Salusbury Arms as a community asset

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## Our vision aims and values

### Core Aim

**To enrich the lives of individuals in the community by bringing people together**

### Aims and Values

Our aims and values are captured in the objects of the Society (Tremeirchion Community Pub Ltd). The society shall carry on business for the benefit of the community by:

1. Owning and maintaining the Salusbury Arms for the benefit of the community.
2. Provide an active and inclusive social hub at the heart of the community.
3. Provide services to the community and visitors to include a pub, café and restaurant.
4. Provide a location for community groups to meet.
5. Promote health and wellbeing through providing a social focus for the village and surrounding area.
6. Promote Welsh culture.
7. Provide local employment opportunities.
8. Help to promote local businesses.
9. Work in partnership with the local school and church.
10. Promote sustainable development and reducing carbon footprint.

11. Provide a focus for any other activity that is deemed to be for the benefit of the community.

## 1. Executive summary

### 1.1 Project Summary

This is a once in a lifetime opportunity for community purchase of the Salusbury Arms and to secure its role in our village as a vital social hub.

The pub is in a prominent position in the village of Tremeirchion, next to the church and school. It is the only remaining pub in the village and an attempt was made 3 years ago to sell the Salusbury Arms for development. We now have a window of opportunity for the community to purchase the building and land to run it as a community pub.

This will be a hub for Tremeirchion and the surrounding villages. The owner, Mr Frank Stephens approached us in April 2021 to establish whether we were interested in a community purchase. A survey, conducted over the summer, demonstrated very strong local

support and a willingness to invest. Following an open meeting in August 2021, a small steering group was formed.

A further open meeting in November 2022, with approximately 100 in attendance, gave very strong encouragement to progress with fund raising and purchase of the Salusbury Arms. A short pledge campaign was launched in advance of a share offer with pledges of £140,000 received towards the purchase price of £300,000 and further initial costs of £50,000. An application is being made to the Community Ownership Fund to match fund the money that we will raise through a share offer.

The plan is to complete the purchase by Spring 2023 and operate the pub with a pub manager, employed staff and volunteers. After 6 months we will recruit a chef to provide pub food at weekends. We have a clear plan, presented in this document, to add to this core offering with a shop for local produce, a coffee shop and other activities to expand the availability and inclusiveness of the Salusbury Arms as a hub.

## 1.2 Vision

- To purchase the freehold of the Salusbury Arms and to run it as a community owned asset.
- To appoint a pub manager
- To expand the wet bar offering to include food
- To expand the range of services so the pub is open during the day, throughout the week and at weekends.

- To re-invest profit into a long-term building maintenance programme and provide improvements for the benefit of the community.
- To be a community pub that is inclusive and promotes the Welsh language.

## 1.3 Legal Structure

Tremeirchion Community Pub Ltd (TCPL) is a Community Benefit Society (CBS), registered with the Financial Conduct Authority (Reg. no. 8854). All assets of a CBS are locked to be used solely for community benefit. The Society rules have been developed in line with best practice and using the model rules of the Plunkett Foundation. Tremeirchion Community Pub Ltd will purchase and manage the Salusbury Arms, governed by the rules of the Society.

## 1.4 Management Structure

At present we have a Steering Group of 12 members with the sole purpose of managing the fundraising and purchase of the Salusbury Arms. At the first AGM, following the purchase, a new management committee will be elected. Under the rules of the Society the members can elect up to 12 members. Each shareholder is a member of the Society and eligible to vote at the AGM. The newly elected Management Committee will have the responsibility of carrying out the Business Plan of the Society for the benefit of the Community. Each member of the management committee will have a specific responsibility to cover the different areas of the organisation. The management committee will

have the responsibility to employ paid staff and recruit volunteers.

## 1.5 Operational Model

A pub manager will be appointed who will be responsible for the day to day running of the pub. The pub manager will report to the management committee through designated members of the committee. The turnover in the first 6 months is based just on bar sales. After this initial period some food provision will be added. The projected sales in the first year are £204,750, rising to £260,325 in year 2 and £296,010 in year 3. We predict that Tremeirchion Community Pub Ltd will make a profit from year 1 which can be re-invested into expanding the community services of the Salusbury Arms.

## 1.6 The Market

The current customer base for the Salusbury is from Tremeirchion and surrounding villages of Rhualt, Trefnant, Bodfari and Caerwys. The population of Tremeirchion is just over 700 people with another 1,000 in the council ward. Support from the community has been shown at the open meetings and with a survey in 2021. There is a growing awareness and enthusiasm in our community for the Salusbury Arms becoming a community pub with expanded services to create more inclusion and participation from across our area. This will be publicised through a dedicated web site: (<http://www.tremeirchioncommunitypub.org>) a Face Book page, the village newsletter and local press.

## 1.7 Further developments

The first objective will be to maintain and then expand the core offering of the pub. We will engage with community groups from day 1 to provide opportunity for meetings and community events. After 6 months we will add food at weekends and explore longer opening times in the week as a coffee shop with light snacks. We have ambitious plans to expand the provision with a shop, part-time post office, accommodation and other projects to widen the engagement and inclusiveness of the community. We will seek grant funding opportunities for the necessary refurbishment to deliver these additional activities.

## 1.8 Risks

This risk analysis can be split into community purchase and ongoing operation. These are summarised as follows: -

- **Insufficient funding for purchase and initial operating costs.** The success of the pledges indicates that we could raise between £150,000 and £200,00 in the share offer. The shortfall will be made up from grants such as the Community Ownership Fund and loans.
- **The operation of the community pub fails to generate sufficient revenue.** The three-year financial plan is based on existing revenue data and benchmarking against similar village pubs. The costs will be kept to a minimum using volunteer help to run activities and for ongoing maintenance. Expanding activities will depend on using any surplus profit and applying for grants.

A more detailed risk assessment is given in section 10 on Risk Management.

## 2. Introduction

This business plan sets out the opportunity for the community of Tremeirchion and surrounding villages to purchase the Salusbury Arms to be run as a Community Pub. The owner of the Salusbury Arms, Mr Frank Stephens approached us in Spring 2021 to canvass interest in a community purchase of the pub. Subsequently, the community commissioned a survey of the Salusbury Arms and an open meeting in August 2021 reported on the findings. Based on the survey findings (Appendix 1), residents were strongly in favour of community purchase and demonstrated an enthusiasm for a wide range of community services under the umbrella of a community owned pub.

A small steering group was formed to explore community purchase and resulted in Tremeirchion Community Pub becoming corporate members of the Plunkett Foundation, a charity that has helped many communities across the country to acquire community assets. The community social activities group “Tremeirchion 2000” put out an appeal for a fighting fund to pay for initial costs such as legal fees and raised approximately £2,000 to this end. With the help of the Plunkett Foundation, a Community Benefit Society – Tremeirchion Community Pub Ltd was formed in May 2022.

This provides the legal framework to raise share capital, to purchase the asset and manage the

community pub. This is a democratic cooperative where every member, whether a small or larger shareholder has one vote. Various legal issues have been worked through during the summer and we now see a clear way ahead for community purchase by early Spring 2023, providing we can raise sufficient share capital. For this exciting project to succeed we will need strong participation from the community, to be inclusive of the surrounding area where the community pub will be a unique asset for us all to enjoy. This business plan makes a compelling case for the benefits of the Salusbury Arms as a community owned pub for the local residents. A strong financial case is made that the community pub can be profitable based on its core services of drink and food. This will lead to expanding the services for community benefit. A target figure of £350,000 needs to be raised through share offer, grants and loans.

### 3.1 About Tremeirchion and the Salusbury Arms

Tremeirchion is mentioned in the Domesday Book (1086) as Dinmersch while the church in the 1291 Taxatio is Dymneyrchyvan (or avn). Dimeirchion is recorded in 1336, but it is only after the Reformation and towards the end of the 16th century that the Dim element was superseded by Tre. In 1699 there were four houses ‘within a stone’s throw’ of the church according to Edward Lhuyd’s correspondence. One of these could have been the Salusbury Arms as we know it today. A 1790 estate map

shows a very small settlement here, composed of just the church and one or two other buildings and with an area of common land to the west of the church.

The Salusbury Arms, Tremeirchion has been integral to the fabric of Tremeirchion for over 200 years and is now the only remaining pub in the village. The pub is located at the heart of the village, adjacent to the church, village hall and school. It takes its name from the Salusbury family, major owners of land in this part of the Vale of Clwyd since the 1300s.

Over the years the various landlords clearly established themselves as notable village characters. In 1860 William Ellis was responsible for running both the inn and the school as well as being the parish clerk and church organist. During his tenancy several clergy and priests stayed at the inn including the renowned poet Gerard Manley Hopkins who described it in his diary as old, low and rambling with several small windows.

By 1893 the tenant was Edward Jones, a stonemason by trade, who also built the current primary school. In 1908 the new landlord John Bagshaw, a retired police inspector, sought to entice visitors, cyclists and anglers who could obtain fishing licences at the inn. This enterprising spirit continued with the arrival of the Taylor family in the 1950s. They enhanced its reputation as a destination for quality dining whilst maintaining the inn as a focal point of village life.

In more recent years, a sequence of tenants has encouraged and supported community activities including parish gatherings, social events, club meetings and Welsh singing. In this spirit the pub was awarded a grant (Pub is the Hub) to establish a playground in its rear garden for village children. Today the pub comprises several interconnected bars with a large separate dining room and beer garden at the rear. The first floor has recently been used as accommodation for the tenants. The adjacent customer car park is also used by churchgoers and the local school. The land in front of the pub is owned by the church and maintained by the community as a village green, in addition it provides vehicle access to the adjoining cemetery.

## 3.2 Key Statistics and Assets

### 3.2.1 Population

Tremeirchion is a small residential community in Denbighshire and is situated on the B5429 road, to the northeast of Denbigh and to the east of St Asaph. The Tremeirchion ward covers an area of 4,494 hectares on the west facing slopes and lowlands of the Clwydian Range and includes the villages of Rhuallt, Bodfari to the southeast and Cwm to the northwest. The area extends to the River Clwyd to the west and an area known as Sodom to the east.

The village itself has a population of 703 people but the ward has a population of 1649 (2011 census). According to the Census (2011) 20% of the ward population are over the age of 65, equivalent to the Wales average of 20%.

The 2011 Census shows that the number of households in the Tremeirchion Ward is 663 with an average household size of 2.40 persons. Of the 663 households, 413 are detached.

### 3.2.2 Employment & Income

Tremeirchion is within the Parliamentary Constituency of Vale of Clwyd, which has a median weekly pay of £488.2 compared to £498.4 in Wales.

According to the 2011 Census 17.5% of the Tremeirchion ward have no formal qualifications at all. On the other hand, more than 20% of the population has a degree or equivalent qualification.

In the Tremeirchion ward area, 70% of all people of working age (16 – 74) are economically active.

Of those economically active, only 2% are unemployed. Of the 30% that are economically inactive, 19% are retired, 5.2% are students, 2.5% are long term sick and 2.5% are care givers.

### 3.2.3 Access to Services

According to the Welsh Index of Multiple Deprivation, the area of Tremeirchion is within the top 10% (ranked between 1 and 191 out of 1,909) of areas within Wales with the worst access to services. Within Tremeirchion itself there are no shops, community centre or local amenities.

### 3.2.4 Crime

Between September 2021 and September 2022 there were 69 occurrences of street crime in the area of the Tremeirchion ward.

### 3.2.5 Health and Wellbeing

In 2019, more than 80% of the population of the Tremeirchion ward were reported to have no illness or disability, which is above the national average.

### 3.2.6 Households

There are 302 households in the Tremeirchion ward where only people of pension age live. This is equivalent to 22% of all households, which is the same as the Wales figure of 23%.

Only 8.5% of homes are socially rented in the Tremeirchion ward with a further 15% rented privately. Nearly 5% of households have no central heating. A total of 7.2% of households have no car in 2011.

### 3.2.7 Facilities and Assets

The existing facilities in the Tremeirchion ward are scarce and mostly impractical:

- Ysgol Tremeirchion – excellent school but small spaces and impractical for non-school activities
- Old School hall (adjacent to church) – used for some activities but very small space
- Ysgol Bodfari – active busy school and impractical for non-school activities
- Capel Y Waen – small building with no parking or other facilities



There are no shops, cafes, no community/village hall and public transport is extremely limited, with only one bus a week and this is in danger of being axed. As there are no community meeting spaces or facilities of any reasonable size, we are unable to arrange many events to bring the community together. Over the years, there is evidence that some local community groups, such as Merched y Wawr have ceased as they have no local meeting place. The Pool Team and Darts Team only exist because The Salusbury Arms remain open. The lack of meeting space also acts as a deterrent to the formation of new groups.

Opportunities for young people to socialise and to participate in community activities in the area is limited. The nearest towns are St. Asaph and Denbigh; however, the lack of public transport in the area means that young people cannot get there and back independently, increasing the risk of isolation and loneliness for this age group.

### **3.3 Covid-19 Community Support Scheme**

In response to the Covid-19 pandemic the community of Tremeirchion arranged a scheme to support vulnerable residents. The Tremeirchion Community Support Group was formed to assist and support a number of individuals who were identified as vulnerable due to age, disability or medical conditions. A weekly essential food package was arranged for these households and a team of dedicated volunteers distributed them. The residents were

extremely grateful for this support, the weekly contact making a huge difference to their wellbeing. The positive response to this initiative demonstrates that our aged, vulnerable residents need more opportunities to actively socialise.

### **3.4 Our History and Heritage**

Tremeirchion is a conservation area and sits within The Clwydian Range and Dee Valley Area of Outstanding Natural Beauty. The historical village offers a remarkable insight into a community dominated by its church, dating back many centuries. Many dwellings, farms, buildings and the local school display certain architectural qualities and are themselves listed buildings. It's the preservation of this heritage which makes Tremeirchion such a special place.

### **3.5 Tourism and Potential Customer Base**

The main all-year customer base for The Salusbury Arms will be the local residents of the Tremeirchion ward and the surrounding villages, towns and areas. The aim is to create a community facility that will encourage local use, and the services offered within the building will reflect that. There is, however, a much broader visitor market that we can tap into during certain parts of the year.

Tremeirchion and The Salusbury Arms is situated in a perfect location for the tourism and leisure market. It's a short distance from the main A55 trunk road from Chester and beyond to Holyhead and is in very close proximity to

Snowdonia National Park, Anglesey and the North Wales coast.

Tremeirchion sits on the Pilgrim's Way and is within a few hundred meters of the Offa's Dyke Path, and The Clwydian Range cycling route. Between the various high-profile countryside and recreational products that surround the village of Tremeirchion and all within very close proximity, the tourism market to target is a sizeable one.

### 3.6 The Competition

There is no direct equivalent to the model of a village pub with rooms, restaurant, café and community centre that is the objective for The Salusbury within 5 miles – or indeed within greater distance if nearby towns are excluded. Historically there were 14 'village public houses' with a 5-mile radius of Tremeirchion. However, several have now folded and now only 5 pubs and 2 cafes remain.

Existing local facilities:

- The Dinorben Arms, Bodfari - gastro style pub with food
- The Whitehouse, Rhualt – pub with restaurant and rooms and spa facilities
- The Oak, Caerwys – traditional pub
- The Trefnant, Trefnant - traditional pub with beer garden and food
- The Blue Lion, Cwm - traditional pub with food
- Village Hall Cafe, Trefnant – café
- Corner Café, Caerwys - café

## 4. Community Involvement and stakeholder engagement

A small group from the village explored the possibility of a community buyout in 2018 when the previous tenants left, and the Salusbury Arms was put on the market. Many fruitful discussions were held, and engagement was made with The Pub is the Hub and other community run pubs.

The pub was closed for a year and was starting to deteriorate so the possibility of community lease was explored. Sue and Richard Green who are local residents and run Dovecot micro-brewery stepped in and took over the lease. This gave the opportunity to reopen the pub and move towards a community pub model with local social events being held at the pub. For example, visiting lecturers were held on various topics relevant to the area, a series of films were shown under the 'Flicks in the Sticks' scheme and a popular quiz night is held on a weekly basis.

Meanwhile a Community Survey was undertaken in June/ July 2021 followed by an open meeting in August 2021 to help the committee to gain a full understanding of what facilities the local community required. The results showed a strong desire for a continued pub, with a food offering. There was interest also shown for the site to provide a location for community groups, young families, mother, and toddler groups along with a coffee shop, part time post office and local shop for the sale of local produce.

A further open meeting was conducted in November 2022 with around 100 attendees. In the intervening period the steering group had carried out a full valuation survey, negotiated a price with the owner, registered as a Community Benefit Society and was ready to move forward with fund raising. We have sought to engage with all parts of our community whether they use the pub at present or not. The broad cross section at this open meeting clearly demonstrated this wider engagement.

Evidence of Stakeholder support: -

### **Statement of support from Tremeirchion, Cwm and Waen Community Council**

On behalf of and as Chair for Tremeirchion, Cwm and Waen Community Council, I would like to add our support to this application for funding to finance the purchasing of the Salusbury Arms here in Tremeirchion. The Salusbury Arms has served the village and its community for several generations, acting as the centre or location for numerous village activities and groups, (Appendix 2)

### **Statement of support from Corpus Christi Church – Tremeirchion**

Corpus Christi Church is a medieval church on the North Wales Pilgrim's Way. Vicars are recorded at the church from c 1350 and there is a renowned medieval healing cross in the

Along with a very successful Primary School, Tremeirchion Church, local industries and businesses the Salusbury Arms is seen by its community as being critical, to facilitate communication of local issues, interaction with businesses that affect the local economy as well as charitable events, networking and the sharing of information. The Salusbury Arms is the meeting place for its villagers and gives a warm and open welcome to any visitors, tourists, new or existing villagers, especially senior citizens or those that live alone in rural locations, and have difficulty with travelling to outlying locations, villages or towns to meet people.

The Salusbury Arms, its dedicated staff, T2000/Salusbury Arms working group, and support from stakeholders in and around the village, as well as the residents, customers of the public house are dedicated to its survival, sustainability and success and with your support the Salusbury Arms will serve current and future generations for years to come.

Thank You

CLL. Kevin J Potts

Chair Tremeirchion, Cwm and Waen Community Council.

churchyard. The church is located between a Church in Wales VC primary school and the Salusbury Arms and in part due to its proximity with these buildings, it has benefited from Grade 2\* listed status since 1962. The church is well supported by members of the local community,

including those who do not attend on a regular basis. Members of the church are involved in many of the local activity groups and organisations.

Until recently the church held a monthly lunch club, for the lonely and bereaved people within the community, in the Salusbury Arms. This has now stopped, and the group therefore now meets less regularly, within people's houses, with people bringing their own sandwiches. A new project is currently being set up by one of our members to bring retired people together in a monthly group, again within the Salusbury Arms. We would like to provide a group where Mums can meet after dropping their children off to school, but we don't have the space or facilities to be able to do that within the church however, the Salusbury Arms would be an ideal venue. Members of our church, along with others from the community, hold a monthly market within the Salusbury Arms and on occasions this overflows into the church, at other times church events overflow into the pub. Pilgrims and visitors to the church can have refreshments in the pub due to its ideal location next door.

The church therefore fully backs a project to bring the Salusbury Arms into community ownership. We believe that working together we can provide community spaces that will benefit different parts of the community, for different activities. The church has activities and groups, both present and those still to be established,

that would benefit from larger meeting spaces within the Salusbury Arms.

We believe that bringing the Salusbury Arms into Community Ownership would make this a more feasible option, than in the current private ownership, and of course if the pub were to be lost that could have an even more significant detrimental effect.

Rev Rebecca Sparey-Taylor

### **Statement of Support from the school (Ysgol Tremeirchion)**

Tremeirchion is an idyllic village. Situated on the fringe of an Area of Outstanding Natural Beauty, the views are spectacular. What makes Tremeirchion even more special is its community. It has the school, Ysgol Tremeirchion, the church, Corpus Christi, and the public house, The Salusbury Arms. The three buildings stand proud in a row at the top of the village. All three establishments depend on each other and together form the beating heart of the community.

With no hall, canteen or staff room, Ysgol Tremeirchion relies on The Salusbury Arms to hold meetings such as the Parent Teacher Association meetings.

The Salusbury Arms is the hub of the community where staff, parents and other members of the community meet and socialise. The school also relies on The Salusbury Arms for parking. Built in 1865, the school has no car park. Staff and parents use the car park of The Salusbury Arms

to park during the day or to drop-off and collect children.

The Salusbury Arms is vital to Ysgol Tremeirchion and losing it would have a negative effect on the school.

Diolch yn fawr,

Geraint Jones, Headteacher, Ysgol Tremeirchion.

## **Statement of support from Tremeirchion 2000 (T2000) Community Group**

The community group, Tremeirchion 2000 was formed in 1999 by a group of enthusiastic villagers who wished to celebrate the Millennium year with their village community. The very first meeting of Tremeirchion 2000 was held in the Salusbury Arms and every monthly meeting since has been held there. For the short period of time that the pub was closed in 2018 we continued to meet on the Village Green in front of the Salusbury Arms. Even though we couldn't meet inside we were there in spirit. The momentum of our village community spirit has never dwindled and Tremeirchion 2000 community group continues to this day. We organise activities and events throughout the year and the Salusbury Arms is central to almost everything we do. We would say that the Salusbury Arms is an integral part of the 'beating heart' of our village community. We have held countless successful events in the Salusbury Arms over the years; when we have held events elsewhere in the village, we all inevitably 'end up' congregating in the Salusbury afterwards.

Tremeirchion 2000 fully supports the project working towards bringing the Salusbury Arms under community ownership; we appreciate the benefits and protections that the Community Benefits Society will bring. We believe that there is great potential for the Salusbury Arms to become even more of a community hub than it is already.

With Thanks,

Ruth Glover, Vice-Chair Tremeirchion 2000  
Community Group.

## **5. A vision of the Salusbury Arms as a community hub**

The community of Tremeirchion has a clear and passionate vision of the pub being a vibrant social hub of the village with a traditional village pub at its core but delivering so much more for the wellbeing of all. Across the UK, rural communities like ours have suffered from a loss of services and underinvestment. With the closure of key community hubs and services like post offices, village shops, pubs and schools, once vibrant villages stand to lose much more than just the ability to buy a stamp or a pint. Residents become disconnected from each other, people on their own may feel lonely and the value of property can often be adversely affected. Instead of accepting this fate should The Salusbury close, we can join hundreds of communities across the UK who have banded together to save once loved buildings and turn them into Community Assets to be used by the community on behalf of the community. From postal services and mobile banks to electric

vehicle charging points and coffee shops communities are coming together to take control of their vital hubs.

## Operational Model

Once purchased, the management of the Salusbury Arms will be overseen by the elected management committee which will be set up specifically for this purpose.

The Members (shareholders) will elect the management committee at its Annual General Meeting.

A Manager will be appointed, for the day-to-day management of the facilities, leaving the community, through the shareholders and their appointed management committee, to set the strategic direction. The management committee will create a mutually respectful working relationship with the hired manager. This will require regular and open communication, careful agreement of roles and responsibilities, and a mutual understanding of both the social mission and the business aspirations.

We plan initially to employ one additional member of staff to support the Manager. This role will be filled locally, supporting the community pub's "support local" brief, providing an emphasis on friendly and knowledgeable customer service.

To keep running costs to a minimum, we will be actively seeking the help of volunteers to play a crucial part in all aspects of running the pub.

## Management and incentivisation of volunteers

At our initial consultation meeting we asked how people would like to be involved in the pub and we had an overwhelming response from residents who pledged a commitment to volunteering in all aspects of the pub life.

Based on these pledges we anticipate that we will be able to recruit a vibrant team of Salusbury Arms volunteers, who in themselves will benefit from the role. Volunteering offers a way of expressing passion or commitment to the pub's activities and values, to help out and give something back to the community, to gain experience and to develop skills, and to connect with others.

Volunteers will be invaluable to the pub. They will contribute their time, skills, and experience for free. Of equal importance are the additional benefits that they offer. They will become a resource that improves capacity to get things done, they'll help shape the pub's ethos and values (such as engaging with the community) and act as a source of legitimacy by connecting with customers and community members. We believe that volunteers will be the glue that holds the pub and the community together. However, we acknowledge that because they are not paid, volunteers will only commit to the pub if they feel enthusiastic and motivated. Therefore, we will put a structure in place to offer appropriate support and supervision to ensure that their contribution is promoted, recognised, and built on. Having this

structure is far more likely to lead to volunteer job satisfaction and retention.

To manage volunteers effectively we will develop a strategy as outlined in Table 1.

**TABLE 1. Salusbury Arms Volunteers Strategy**

|                      | Need  | Approach   |
|----------------------|---|--|
| <b>Recruitment</b>   | <p>Seek broad volunteer demographic</p> <p>Pre-determine required volunteer roles</p> <p>Identify volunteer skill sets and preferences</p> <p>Identify volunteer languages</p>              | <p>Marketing of volunteer roles</p> <p>Online registration</p> <p>Manual registration</p> <p>Assign role of volunteer coordinator</p>  |
| <b>Engagement</b>    | <p>Recognise skills</p> <p>Set tangible goals</p> <p>Create opportunities for involvement in productive activities</p> <p>Provide training and feedback</p> <p>Acknowledge contribution</p> | <p>Volunteer coordinator</p> <p>Volunteer newsletter</p> <p>Volunteer training scheme</p> <p>Volunteer appraisal scheme</p> <p>Engage support with Denbighshire Voluntary Services Council</p> |
| <b>Retention</b>     | <p>Recognition and rewards</p> <p>Two-way feedback</p> <p>Quality assurance</p>   | <p>Volunteer of the month scheme</p> <p>Volunteer feedback hub</p> <p>Enrol with national 'Investors in Volunteers' Scheme</p>   |
| <b>Tracking</b>      | <p>Track and feedback individuals' level of contribution to pub's success</p>   | <p>Volunteer management software</p>   |
| <b>Communication</b> | <p>Promote activities, provide volunteer information, inform volunteers on important events, and interact and follow up with volunteers</p>   | <p>Establish communication channels e.g. newsletters, emails, social media websites</p>  |



## Benefiting The Community and Stakeholders

We are in no doubt that the pub and its surroundings, are an important amenity for Tremeirchion and that the best interests of the wider community will be served if we acquire the pub through a Community Benefit Society. A community purchase will help us to secure and safeguard the pub for the foreseeable future. This represents a fantastic opportunity for Tremeirchion to strengthen the vibrancy and sustainability of our community.

The many benefits of a community purchase include:

- Maintaining a place to meet friends and neighbours and improving the sense of community.
- Providing a central point for information on community events and local issues.
- Improving the fabric of the building.
- Creating opportunities for local employment.
- Injecting money into the local economy.
- Providing a hospitality venue for local groups, tourists, weddings and funerals.
- Helping to sustain local property prices.
- Promoting residents' sense of pride of a successful community resource in the village.
- Providing additional community services.
- Providing opportunities for local employment, particularly for young people.
- Providing learning opportunities for volunteers and employees.
- Promoting volunteer contributions. from residents of Tremeirchion village and the surrounding

- A community purchase will enable the Salusbury Arms to be 'More than a Pub' for Tremeirchion and the surrounding area. There has been significant interest from local people in the proposal, which is in line with government and district council policy, to extend the range of amenities offered by the community pub beyond the usual drinks, food or entertainment. It will bring people together through the use of well thought out spaces and will deliver positive social, health, economic and/or environmental benefits for all.

By investing in the following potential developments, services could be provided to the community which will enable fuller use to be made of the community-owned pub building and garden and thereby to improve local resources and support environmental sustainability.

The first and essential step is to secure The Salusbury Arms as a community pub. Potential added amenities include:

1. A community shop, including selling newspapers, household staples like bakery, dairy and butchery products supplied by other local businesses and farms.
2. A small coffee shop and art gallery to provide a social hub for people in the community, especially those who may feel isolated and parents of the village school.
3. A workshop space for crafts and hobbies, a meeting room for local societies, a "warm space" for people experiencing fuel poverty.

4. The building of a “Men’s Shed” in the grounds with the aim to combat loneliness and isolation especially among rural workers. This would help to promote positive mental health in the community.
5. Clubs and Groups: providing for example, a lunch club, room for the local choir to practice, storytelling workshops for children, art drop-ins, money advice, a local councillor surgery, a book exchange, a film club (with food provided by the pub).
6. The aspiration will be to source food and drinks locally for example, by accepting home grown vegetables and purchasing products from local farmers and entrepreneurs
7. Accessible to all: The Salusbury Arms is to be a place for community; universally accessible as possible, given the restrictive architecture of the old parts of the building.

The Salusbury Arms sits in wonderful walking country within the Clwydian Range in an area of Outstanding Natural Beauty. With other pubs along the Clwydian Range, a tourist route could be created promoting the pubs which welcome walkers and cyclists.

There is the possibility of adapting the upstairs rooms into self-contained units, again, these could be promoted for walkers and cyclists with the provision of a drying room and secure bicycle racks. Grants will be sought to help fund these improvements.

## Net Zero Carbon by 2030

As a Community benefit society seeking to own an historic building based in the heart of our village, we believe we have a significant role to play in reducing our own carbon footprint as a business. This would be in tandem with providing the leadership and inspiration to encourage residents, businesses and other local organisations to take action and come with us on this important journey.

Our initial focus will be to calculate our baseline carbon footprint using recognised carbon calculation tools. As the business develops, each decision taken by the management will be assessed against a backdrop of continuous improvement with a clear direction of becoming net zero carbon by 2030.

Some of the early initiatives that we intend to explore to deliver against this target include:

1. Undertaking a full assessment of the building to ensure that where possible, all energy efficient projects such as draft exclusion, loft insulation, move to LED lighting, radiator health checks and boiler servicing are carried out as soon as practicable. We are very fortunate to have professional people ready to volunteer their time and expertise to ensure this takes place. There is also an intention to work with a local green energy company to assess the building’s suitability for solar panels.

2. All plans for development of the green spaces around the building will be assessed for minimal carbon footprint. This means plants used for bedding and hanging baskets will be sourced from local nurseries using peat free growing medium. Furthermore, as a rural farming community, we are fortunate to have access to abundant natural fertiliser which will be used instead of buying chemical fertilizers with their associated high carbon footprint.
3. All the existing trees on the grounds surrounding the building including orchard stock will be assessed by a professional tree surgeon to ensure that they are healthy and disease free. The land enjoys an abundance of cooking and eating apples and proactive pruning will increase the yield and carbon sequestration of these trees as well as providing fruit as an ingredient for the food offering.
4. We intend to apply for the Workplace charging scheme so that an electric vehicle charging point is available at The Salusbury. We believe that this will not only increase the attractiveness of the area for tourists, but it will also encourage local people to invest in greener vehicles.
5. The Salusbury's position close to important walking routes such as The Offa's Dyke and The North Wales Pilgrimage Route means that offering facilities that support walkers such as packed lunches, hearty breakfasts, secure parking and possibly developing the upstairs of the building as a "walker's bunkhouse" would support the areas ambition of attracting sustainable tourism in the area to the benefit of all.
6. All food offerings will have local high quality, high welfare food as a key facet. Local producers of eggs, milk, jams, vegetables, lamb, pork and beef have all expressed an interest in supplying. Seasonal dishes featuring local fruit and vegetables will also form a core component of menu offerings. If a takeaway offering is developed, there is experience in the community of offering this in a low carbon, circular economy format where biodegradable consumables such as sandwich bags and coffee cups are used which are then composted on site to be used in the growing areas.
7. As the building is developed as a hub for important community services such as banking, Citizens Advice, postal services and a community shop, it is anticipated that individual car journeys to the local town will decrease resulting in a reduction in carbon emissions.
8. It is planned that the building will be used to deliver training courses in the future which not only reduces car journeys but also courses such as charcoal making, upcycling and cooking using seasonal ingredients contribute directly to more environmentally responsible outcomes. Sustainability and a zero carbon target will be at the heart of all

managerial decisions for the Community Business with regular benchmarking to ensure that the Society remains on target for 2030.

## 6. Project costs and timescales

The aim is to raise £150,000 to £200,000 funding at the share offer, with the balance being made up with 50% funding from the Community Ownership Fund. This covers the purchase of the pub, the equipment, fixtures and fittings, and enough working capital for a year of fixed running costs.

The £350,000 is broken down in table 2:

**Table 2 : Project Costs**

|                                |                 |
|--------------------------------|-----------------|
| Purchase of Building           | £300,000        |
| Fixtures, fittings & Equipment | £21,448         |
| Working Capital & Contingency  | £28,552         |
| <b>Total</b>                   | <b>£350,000</b> |

We have completed a 3-year forecast for the Salusbury Arms as a pub only – This is based on 6 months of a drinks only service as it is at present, and then the return of catering after this point. The figures are based on current running costs provided by the existing tenants Sue and Richard

Green and considering other successful community benefit pubs. It shows that we should be able to make a profit even in year one of operation.

These forecasts don't include any revenue or profit from a post office, shop or any other income streams that we have planned. The forecasts are conservative as they do not include any further funding or grants, which will be more readily available once we are established as a community pub.

A summary of the forecast figures for the next 3 years, showing the possible profits from the pub alone are shown in table 3. Detailed financial forecast for the first 3-years of operation are shown in Appendix 7. The following year, year 4, it will be possible for shareholders to withdraw their holdings, if they wish and if there are sufficient funds. This will be decided by the Management Committee at the end of year 3, considering profit for the year and allocation of profit to future commitments. The management committee will also consider whether a small interest can be paid on shares.

**Table 3 : Three Year Forecast Figures**

|                         |                |                |                |
|-------------------------|----------------|----------------|----------------|
| Revenue                 | £204,750       | £260,325       | £296,010       |
| Cost of Stock           | (£78,000)      | (£98,540)      | (£112,112)     |
| Gross Profit            | £126,750       | £161,785       | £183,898       |
| Wages                   | £65,610        | £93,564        | £105,580       |
| Electric & Gas          | £21,250        | £23,400        | £27,300        |
| Rates & Water           | £1,153         | £1,440         | £1,800         |
| Insurance, Licenses etc | £2,744         | £3,120         | £3,480         |
| Total Costs             | £90,756        | £121,524       | £138,160       |
| <b>Profit</b>           | <b>£35,994</b> | <b>£40,261</b> | <b>£45,738</b> |

## 7. The business proposition

Our core aim is to strengthen our community with the pub as a focus. This means maximising the opportunities and the reasons for coming to the Salusbury Arms. Doing so successfully will also be what will enable the venture to succeed as a business.

The investment will be used as follows:

We hope to raise £350k to purchase the building for £300k and the assets (including kitchen equipment, furniture and everything necessary to trade immediately after purchase) for £21,448. The remaining £28,552 raised will be used for legal fees for the purchase and working capital to pay the running costs and any immediate maintenance whilst the handover

from the vendor completes, and until we are able to apply for grants and funding that will only be available to us after the completion of purchase.

Our potential funding sources include a combination of selling shares, securing grants such as the Community Ownership Fund (COF) and other grants (see **Appendix 4**) and, if necessary, issuing loans.

The Business Plan as described here assumes that our efforts to raise sufficient funding from a range of sources are successful.

We have had the property valuation confirmed in a detailed report by MJD Hughes, that includes a survey to ensure the building is structurally sound and so there are no major works anticipated. Currently we have around

£2,000 per year in the forecast for small maintenance projects that may arise.

We also hope to use voluntary help from the community in fulfilling any small projects that need work. There are many sources of potential funding for any major maintenance works that arise further down the line, and so we would look to get a more in-depth survey done within the first 12 months of trading, and then to apply for any grants or funding relevant to any highlighted areas of concern.

Our financial 3-year forecast shown in the appendix are based solely on the community asset being run as a pub. The full 3-year forecast shown assumes that we run the first 6 months at the current opening schedule, serving only drinks as is the current model. This will give us chance to work on our first addition to the current structure, namely food sales.

The forecast shows that from month 7, we will employ a part time chef to enable us to serve food, initially on the weekends only. This is a plan that has worked very well previously for the Salusbury Arms and has been well received in the village. It is also one of the main points that was raised in the open meeting, that people wanted food service to be restored as soon as possible. We hope that if we can get the drinks service working quickly then we could bring this forward in the plan to start serving food before the second half of the year.

The remainder of the 3-year forecast shows a slight uplift in sales each year, based on extending opening hours, increased food service and higher footfall due to the opening of the shop and post office. The running costs shown in the forecast are based on current running costs given to us by the existing tenants, with small uplifts in year 2 and 3 consistent with actual year-on-year inflation rises. The staffing costs forecast are detailed below but include the 2 current members of bar staff continuing at their current hours and rates of pay initially. We intend to use a mixture of paid management staff and voluntary help from the community in running the pub going forwards, and the chef forecasts are based on average part-time rates to cover weekends only to start with but will be flexible dependant on who we employ and what hours they are available to work.

Year 2 we hope to introduce a small shop and post office within the building, as this was one of the next major points from the community feedback. This is not included in the financials, as we do not anticipate it will bring in a significant amount of income to start with, however we anticipate that having this asset in the village will encourage more footfall into the pub itself, increasing the revenue there instead. The main aim of the shop and post office is to provide the community with much needed services, that otherwise wouldn't be possible without the Salusbury as a venue.

We also hope to extend opening of the pub itself in year 2, to enable us to offer food in the week

and extended drinks opening hours and days, and open some of the rooms up to a variety of community groups who have expressed interest in using the pub as a venue, such as mother and baby groups, yoga classes and Welsh lessons, amongst others.

Alongside the opening of the shop and post office, in year 2 we also plan to have a small team of volunteers working on the next project, which will be the renovation of the flat above the pub. This flat has potential to bring in a substantial income from either Air BnB or holiday lets once it has been renovated, and so we plan to apply for grants and funding options to help with this. We will also seek voluntary help from the community to provide labour for the renovation, and in managing the let once it is complete.

## 8. Marketing and Promotion

The steering group/management committee will maintain a web page to keep stakeholders/ members of the community benefit society, as well as any outside interest, updated on the progression of the community pub. This website will be linked to social media platforms, to extend audience reach. The web location will have pages providing information on the vision statement of the shareholders and strategic direction. We will also produce a blog of key updates to keep those further afield informed on developments. There will be option for visitors of the social platforms and web page to show interest via a contact form, along with an ability

to opt into a mailing list. The mailing list will give information and updates on the status of community pub developments.

The marketing plan for the Salusbury Arms is based on three fundamental aims:

- To increase the number of customers using the facilities (building the customer base)
- To increase the frequency that customers use the facilities (building customer loyalty)
- To increase the value of each visit made (building customer value)

The target market segments that we hope to attract through the marketing proposals are:

- Local people, including families, young people, older people, school parents – both from
- Tremeirchion and the immediate villages/towns surrounding: Bodfari, Rhualt, Caerwys and Trefnant.
- Day visitors to the area, particularly walkers of the Offa's Dyke and cyclists taking advantage of the Pub's location in one of the UK's 46 Areas of Outstanding Natural Beauty (AONB).

We plan to reach our fundamental marketing aims as follows:

### **Increasing the number of customers**

This strategy relies on raising awareness of the new Community Pub and the available facilities and the services on offer. This will be done through an extensive outward facing marketing

campaign incorporating all forms of media including:

### **Print media**

Articles in the run up to the launch of the new facility will be placed in local print media, for example, The North Wales Live (Daily Post – also available online), plus others to ensure good coverage across North Wales. Additionally, the committee can rely upon a team of local volunteers to carry out periodic leaflet drops to every home within the village. This will ensure a regular update to all 663 residences about events and activities. The aim of the marketing campaign will be to create awareness and interest in the facilities. The ultimate goal of the activities will be to convert readers from a general awareness to active interest in visiting or partaking in building wider appreciation.

### **Social media**

Mirroring the print media campaign, the social media campaign will help raise awareness, potentially targeting a different demographic to the printed word, generating awareness and interest amongst a younger, and more geographically diverse audience.

The collection of email addresses given by people who have expressed an interest in being informed about the project will enable email shots to be carried out, again to maintain awareness in events and activities and offer incentives.

The Facebook page will be designed to be a storytelling page keeping stakeholders up to

date with events via invitations and improving awareness by promoting “likes”.

### **Local businesses, groups and clubs**

We will seek to work with local businesses, groups and clubs to raise awareness of the project amongst their customers, users and visitors. This will be done through the attendance of business network events, leaflets/posters within local businesses, and through giving talks and presentations to local groups. The local Primary school, which is located within site of the Salusbury Arms, offers an important marketing channel to engage parents picking up and dropping off children and opening hours should be set to reflect this. There are currently in excess of 80 children attending the local school of which approx. 12 are from Tremeirchion. There are a small number of holiday lets within the village, which will also be an important area from which to generate business.

### **Increasing the frequency of visits**

#### **Creating a welcoming and attractive atmosphere**

Having attracted customers initially through the door, our main marketing tool will be to create a great impression and build a positive reputation to encourage repeat visits. To do this we will open the business with a pub manager. The pub manager will be the face of the business and ensure the day to day running of the pub is consistent.



A regularly changing food menu and drinks offer using, where possible, locally sourced ingredients and real ales will also help to retain customer interest, attracting repeat visits on an ongoing basis. Continuous market research will be held to ensure that the business does not outprice or under value its offering thereby ensuring that its position in the market is deemed a good/ suitable value for money.

### **Events & Activities**

A series of activities and events aimed at engaging all sections of the local community, as well as visitors will be developed, including regular day and evening events e.g. bookable spaces for bespoke events, hosting book clubs, darts and pool competitions and quiz nights.

Future options include a part time post office and collection point and a tea/coffee shop. Additionally, we plan to hold larger one-off events such as seasonal markets, wine tasting, beer festivals and speciality food evenings in particular promoting Welsh cuisine. Each event and activity, whilst designed to meet a local community need, will also increase the frequency of visits by a wider customer base.

### **Promotions / Loyalty Cards**

One off promotions will be used to generate interest, especially at off-peak and traditionally quiet times. The market research will help devise the timings and strategy in conjunction with the facilities staff and management to gain their feedback and knowledge on the most appropriate form of promotion.

Loyalty cards offering discounts or freebies may be considered to entice users to return on a regular basis.

### **Tripadvisor and other online travel forums**

Maintaining a watching brief on review websites such as Tripadvisor will enable the Pub management to respond to any negative reviews quickly and directly, showing the wider potential customer base that we are engaged and committed to improving services. All comments will be reviewed and where appropriate replied to.

### **Increasing the value of each visit**

#### **Increasing the time spent in the Community Pub**

One way to increase the value of each visit made by customers is to increase the amount of time spent in the facility; people popping in for a drink may be persuaded to stay for a meal or snack by prominently displaying an eye catching and tempting menu. Newspapers and second-hand books could be used to encourage longer dwell times.

Good Wi-Fi connections can also encourage visitors to stay longer, particularly those who do not have access to this elsewhere e.g. tourist visitors. Ultimately, creating a comfortable and pleasant environment, that meets the needs of the customer, will encourage longer, more valuable visits.

## 9. Governance

Tremeirchion Community Pub Ltd is registered under the law as a society for the benefit of the community (Community Benefit Society) with the Financial Conduct Authority Registration number 8854). The Society exists in order to carry on business for the benefit of the community and is committed to:

- trading for the benefit of the community, and not for anyone's private benefit
- retaining profits to advance the Society's Purpose

A Community Benefit Society (CBS) is the recommended model of the Plunkett Foundation that advises communities on purchase and running of its assets. Tremeirchion Community Pub Ltd (TCPL) is a corporate member of the Plunkett Foundation.

A CBS can raise shares from the community and from businesses with each shareholder having one vote at general meetings. This is a proven democratic business model to maximise on community inclusion and social benefit. The rules of TCPL can be found at **Appendix 5**.

Following the purchase of the Salusbury Arms an asset lock will apply, restricting any future sale of the Salusbury Arms only for the purpose of community benefit.

All current management committee members are Tremeirchion residents.

Stuart Irvine (Chair) is a professor in Materials Science at Swansea University with experience of leading large, multi-partner research projects. He also has extensive experience with community projects and businesses including setting up the company which ran the £14M OpTIC Centre in St Asaph to support the Opto-electronics industry cluster in Wales.

Lexi Phillips (treasurer) is a commercial accountant, with 20 years' experience of forecasting and financial planning across a variety of different sectors, including in her current role as financial controller of a £10m turnover international group of companies based in St Asaph.

Natalie Millington (marketing) is working for one of the UK's largest EPOS suppliers she heads up a team of consultants and solution experts – solutions ranging from point of sale, online ordering, reservations, inventory, and kitchen management to customer engagement platforms ranging from gift card, loyalty programmes, and vouchering. Prior to this role she worked for a mid-size restaurant group as business manager and event co-ordinator with responsibility of all social media platforms.

Jo Swanston (management planning) is the HR Business Partner for Siemens Healthineers in Llanberis who employ c.500 people in the North Wales area. Jo is a key member of the Siemens Senior Leadership team and has responsibility for developing and executing a HR strategy that supports growth, performance, and future

objectives for the business. Jo acts as an ambassador for the site with internal and external organisations (i.e. Welsh Government and other key stakeholders) in all HR matters.

Huw Littler-Jones (business planning) was born and brought up in Tremeirchion and follows over five generations of his family who have lived in the village. He is a Chartered Engineering Geologist and owner-director of e-geo Solutions Ltd an established geotechnical and geoenvironmental consultancy servicing the building and construction sector across North and Mid Wales. He brings with him a wealth of local knowledge and passion together with business acumen.

**David Lowe** (community engagement) is a retired Chartered Surveyor and member of the Central Association of Agricultural Valuers having lived in the parish for 40 years.

**Jane Marsh** (sustainability)

Master's degree in business administration and owner of Ffynnon Beuno Ltd - a diverse microbusiness operating from a smallholding with self-catering accommodation in the form of two locally handmade shepherds huts. Runs a jam and chutney business from homegrown fruit and vegetables which are stocked by local farm shops.

The smallholding is run with using permaculture, regenerative farming principles and we produce the majority of our own food here from pork, chicken and lamb to fruit and vegetables, selling surplus to meet rising costs.

**Gareth Lowe** (finance) is a Chartered Accountant who has been a director of a firm of accountants since 2009. The Firm performs audits, independent reviews and various other business support functions to non for profit organisations. Gareth has also been the treasurer and chairperson of a number of sports clubs.

**Ruth Glover** (Secretary) is a Clinical Nurse Specialist working for Betsi Cadwaladr University Health Board, with 25+yrs experience working for the NHS. Throughout her career Ruth has been involved in the development, organisation, planning and running of several projects. Ruth has also been involved in policy & procedure writing, recruitment, education, public (stakeholder) engagement and risk management.

**Hannah James** (building management) is a Chartered Building Surveyor for over 20 years, I run two limited companies. Live in Tremeirchion with family for 3 years.

**Ed Burness** (risk management) is currently a project director for the Civil Service. With a background of 25 years in construction, highways, and safety risk management, providing a constructive and critical eye to processes and operational functions. Having been active in community-based groups, those including club secretary duties and advising local groups on highway related active travel schemes and support for regional improvement projects.

The management committee, under the rules of Tremeirchion Community Pub Ltd (TCPL), will be elected at a general meeting of the society made up of the shareholders.

TCPL is a Community Benefit Society where each shareholder has one vote at a general meeting. Up to 12 members can be elected to the Management Committee. The current steering committee was established at the open meeting in August 2021 and expanded to 11 members at the open meeting in November 2022.

A new management committee will be elected following a successful community buyout of the Salusbury Arms, following the Rules of TCPL. The management committee will be responsible for governance of TCPL ensuring that best practice is followed in financial management and commercial prudence in the management of the Salusbury Arms.

The Management Committee will appoint a manager and other employed staff and be responsible for managing the volunteers. Day to day running of the Salusbury Arms will be delegated to the Manager.

Specific members of the Management Committee will be authorised to take responsibility for particular matters such as staffing, marketing, managing projects to add to the provision of the Salusbury Arms, sustainability, inclusion, grant application, building and groundwork maintenance etc.

The Management Committee is supported by six sub-committees responsible for different areas of activity and expertise. These include:

- Business Operations
- Marketing, Branding and Communications
- Grant applications
- Building maintenance
- Outside area and garden
- Community activity and entertainment

The groups will assist the Management Committee in carrying out its functions to ensure effective development and running of the Salusbury Arms.

## 10. Risk Management

This SWOT Analysis identifies the Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T) pertinent to the project.

### Strengths

1. Historical goodwill - The Salusbury at one time had a steady customer base and was a popular venue with residents from villages within a wide radius
2. Lack of competition from pubs, restaurants, hotels within a 5 mile radius
3. Indoor and Outdoor space – the varied room sizes and site layout gives the ability to plan and utilise areas to maximise usage and income throughout the year, particularly in Summer months

4. Much support and goodwill demonstrated through temporary loan appeal, questionnaire responses and public meetings
5. No other community facilities in the village
6. Excellent central location, within easy walking distance for all villagers
7. In an Area of Outstanding Natural Beauty
8. Popular area for walkers and cyclists (Offa's Dyke)
9. Being a community venture will mean increased incentive for shareholders to use and support the facility
10. As a Community Benefit Society, the venture will be able to apply for grant funding
11. Good history of village involvement in activities (Tremeirchion 2000)
12. The Society will own the freehold and will not be tied to any breweries; therefore, we will be able to negotiate the best deals for supply of food and drink

13. The Society will appoint an experienced manager to oversee the everyday management of the facility.
14. Existing staff are competent, trained, and experienced

### **Weaknesses**

1. The Salusbury's upkeep has been kept to the minimum requirement
2. The customer base had fallen over the years prior to closure
3. Not maintaining a consistent offering and opening times compared with similar establishments in the area
4. There is little to no public transport to/from the village.

### **Opportunities**

5. To rebuild its reputation
6. To satisfy the demand for a good food and drink offering in the area
7. To provide additional community facilities - there are no other village facilities or meeting places
8. To develop a new customer base including home workers, nearby

businesses, and people in search of locally produced beers and locally sourced, good quality, food

9. To bring in custom from beyond the village
10. To strengthen customer base and loyalty by building on the community aspect of the pub
11. To involve customers and the wider community through organising events, practical skills, volunteering etc
12. To enable the local community and wider shareholders to feel part of something that is historical and beneficial to the village
13. To improve the premises and services to attract further use by the community
14. To work to enhance the attractiveness of the pub, through practical support and constructive feedback
15. To appoint an experienced manager and staff to make the pub successful, to provide good customer service and to ensure it is well used by the community
16. To take advantage of new grant funding pots available to support secluded

communities as well as the Welsh language

17. To provide employment and work for staff and local suppliers
18. To provide consistent and assured opening times over new longer periods
19. To use local produce and promote local suppliers

### Threats

1. A lack of interest in the community share offer
2. The inability to repay lenders
3. A lack of sufficient finance after purchasing the pub to complete the refurbishment and development works
4. Unexpected repair costs
5. Diminishing community support, both in general and as volunteers
6. Changes in external factors over the next three years – such as an economic downturn, grant funders' policy changes, unexpected competition, etc
7. Failure to appoint and retain suitably qualified key personnel, especially manager and/or chef

8. Failure to achieve and maintain a correct balance between quality/value/profit
9. Potential for operating costs to increase at a time when disposable income may be limited
10. The early termination of the current lease agreement
11. The missed opportunity to purchase the site before it is placed on the open market with change of use
12. Competition with local pubs within driving distance: Royal Oak at Caerwys 4.3miles, Blue Lion at Cwm 3.2miles, Dinorben Arms at Bodfari 2.1miles

## Responding to the Risks

We intend to build on our strengths and take advantage of the opportunities identified in our SWOT analysis. We will meet the weaknesses and threats through the following measures:

### Attracting business

Once the pub is owned by the community, the commitment to use the pub and to encourage family and friends to use it will be considerable. This has proven to be the case in many instances of community-owned pubs. We also plan to conduct a marketing/PR campaign aimed at residents of surrounding areas and at seasonal visitors.

Consistent provision of competitively priced good local beer, wine and freshly prepared food using local ingredients, together with reliable opening hours, will provide a good basis for establishing the reputation of the pub, which should then attract a steady flow of customers by word of mouth, good TripAdvisor reviews, local newspaper restaurant reviews, etc. The introduction of events such as regular live events, pub sports, lunchtime clubs, café, and community activities of all kinds will also attract custom.

## Financial risks – Insufficient project funds to purchase the property

The financial risks associated with the project can be split into the initial purchase and the ongoing business risks. The principal risks are:

### 1. Insufficient Project Money:

The purchase and refurbishment is dependent upon sufficient monies being raised by the share issue and grant applications. If there is a deficit, alternative sources of finance will be explored, e.g. Low Interest or Interest Free Loans, but ultimately, if sufficient funds cannot be raised the purchase will not proceed, investors' money will be returned with any monies remaining being given to other community projects.

### 2. Inadequate Trading Income:

The main on-going risk is that the pub is not successful enough to generate sufficient income. This in turn results in costs not being covered, community shareholders receiving no interest and the business not being further developed. Our research suggests that this should not be the case, provided a good and competent manager

is appointed. We will assess an individual's ability before appointment.

**3. Regular meetings** will be held with the management committee to monitor and discuss profitability to mitigate the risk of inadequate trading income and to help to stimulate trade. If, despite best efforts, the pub becomes unviable, the building will remain a valuable asset to the community that can be sold for the best possible price, with monies distributed in accordance with the rules of the asset lock of the community benefit society.

**The building, gardens and car park – The building is structurally sound but in need of some repairs and refurbishment.** Following a

### Risk analysis

| What could go wrong  | Why it shouldn't  |
|--|---|
| Fail to raise sufficient funding forcing abandonment of the project  | The current level of pledges indicates that 50% of the purchase price has already been pledged suggesting sufficient support to provide a successful outcome.   |
| Unable to recruit a management team and staff  | Current staff have given their full support to the community purchase of the pub and are fully committed to continuing working under community ownership. In addition to existing staff, a professional recruitment process utilising the experience and skills in hospitality found on the steering group will be undertaken to recruit accordingly. |
| The pub fails to operate at or above required turnover and estimated profitability compromising the long-term viability of the project | Given the experience and knowledge of retail and hospitality in the group we feel our estimates are realistic and well considered using previous trading figures and known examples of local similar establishments. Recent support for the pub has increased since news of a potential community buyout was announced.                               |
| External factors increase operating costs higher than predicted  | Given the current assessments and survey of the pub site, and reviews of current operating practices, there is reason to have confidence no   |

building inspection and valuation dated December 2021 (Appendix 6), the building is deemed to be in sound basic order with no immediate concerns. Longer term the site will require ongoing maintenance, including the car park and garden to ensure safety and welcoming environment for patrons.

From the survey and local skill set amongst the steering group a list of costings for anticipated maintenance has been provided.... This will enable a list of options and costs to be considered by the management team throughout the life of the pub and provide opportunity to apply for further funding in the future if needed.



|  |   |
|--|---|
|  | unforeseen expenditure is to be expected in the first two years. <b>Funding costs will be at a fixed rate and share offer contributions are secured for the first three years.</b>  |
| The pub cannot trade profitably on a sustainable basis due to income being suppressed by economic factors; unexpected operating costs due to macro-environmental factors (e.g. food inflation, cost of living crisis, increased energy costs). | In the event the pub is deemed not viable, and costs must be recouped, the property can be sold on the open market to pay off any debts and repay shareholders. <b>Any Surplus money would be returned to the community in accordance with the rules of the asset lock.</b> |

## 11. Conclusions

The opportunity to secure the future of an important, historic and well-loved building set right in the heart of our rural community has galvanised our village and its surrounds. Faced with the loss of The Salusbury and all the possibilities it represents, the energy, creativity and enthusiasm of all in creating a substantial plan for future success has been wonderful to experience as evidenced by the attendance of public meetings and the very successful pledge drive. Ideas have flowed from all sections of the community and range from traditional approaches such as a shop, post office and bank to more creative ideas such as AirBnB accommodation for walkers and an electric vehicle charging point.

Within the community, not only is there a wealth of skills and experience to draw on to make the business a success in delivering significant social capital – the community business also represents a once in a generation opportunity to deliver softer targets such as social cohesion, tackling loneliness, creating valuable work

experience and becoming a hub for the delivery of council services.

## 12. Appendices

### Appendix 1. Community Survey

Available on request at

[tremeirchioncommunitypub@outlook.com](mailto:tremeirchioncommunitypub@outlook.com)

Salisbury Arms Community Pub survey

August 2021

#### History

Tremeirchion is mentioned in Domesday Book (1086) as Dinmersch while the church in the 1291 Taxatio is Dymneyrhyvan (or avn).

Dimeirchion is recorded in 1336, but it is only after the Reformation and towards the end of the 16th century that the dim element was superseded by tre. In 1699 there were four houses 'within a stone's throw' of the church according to Edward Lhuyd's correspondent. One of these could have been the Salisbury Arms as we know it today. A 1790 estate map shows a very small settlement here, composed of just the church and one or two other buildings and with an area of common to the west of the church.

The Salisbury Arms, Tremeirchion has been integral to the fabric of Tremeirchion for over 200 years and is now the only remaining pub in the village. The inn is located at the heart of the village, adjacent to the church, village hall and school. It takes its name from the Salisbury family, major owners of land in this part of the Vale of Clwyd since the 1300s. Over the years there have been a number of landlords who clearly established themselves as notable village

characters. In 1860 William Ellis was responsible for running both the inn and the school as well as being the parish clerk and church organist.

During his tenancy several clergy and priests stayed at the inn including the renowned poet Gerard Manley Hopkins who described it in his diary as old, low and rambling with several small windows. By 1893 the tenant was Edward Jones, a stonemason by trade, who also built the current primary school. In 1908 the new landlord John Bagshaw, a retired police inspector, sought to entice visitors, cyclists and anglers who could obtain fishing licences at the inn. This enterprising spirit continued with the arrival of the Taylor family in the 1950s.

They enhanced its reputation as a destination for quality dining whilst maintaining the inn as a focal point of village life. In more recent years, a sequence of tenants has encouraged and supported community activities including parish gatherings, social events, club meetings and Welsh singing. In this spirit the inn was awarded a grant (Pub in the Hub) to establish a playground in its rear garden for village children.

Today the pub comprises several interconnected bars with a large separate dining room and beer garden at the rear. The adjacent customer car park is also used by churchgoers and the local school. The land in front of the pub is owned by the church and maintained by the community as a village green, in addition it provides vehicle access to the adjoining cemetery.

## Background to the community survey

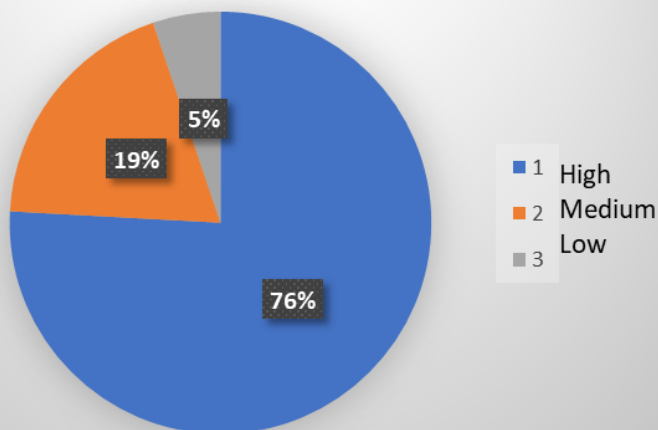
Due to COVID restrictions it was not possible to have an open meeting at the beginning of this campaign, but we conducted two surveys through social media, making use of Survey Monkey. Due to the limitation on questions in the free version of Survey Monkey we decided to split the survey into two, one considering the

investment opportunity and the other was concerned with wider interest and entitled “what do you want from your village pub?”. As restrictions were lifted and the pub was able to reopen, we distributed paper copies of both surveys. Some respondents completed both and some completed just one according to their interest. As the survey was anonymous, we estimate that there were a total of around 100 respondents.

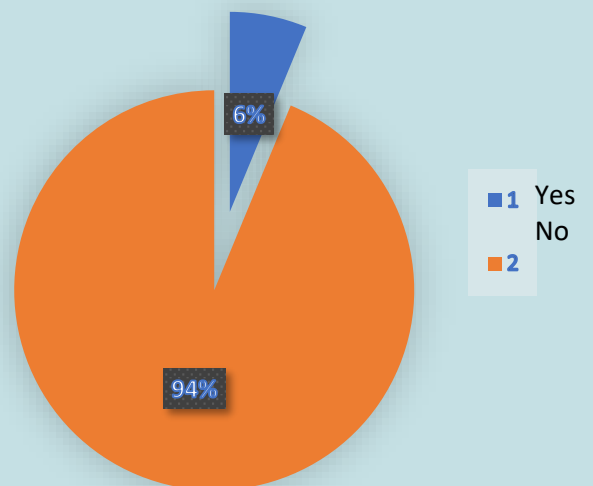
## Results of the survey

We have combined both surveys but indicate where questions are specific to the “investment” or “what do you want” survey. Total of 116 completed surveys

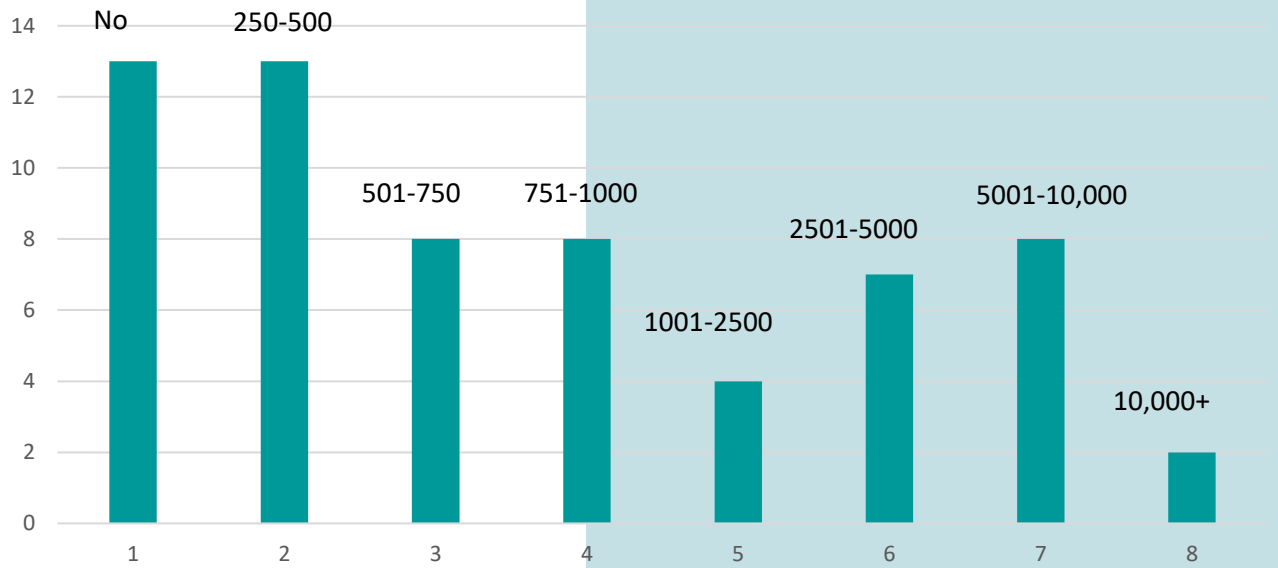
### Scale of impact of closure



### Housing Development

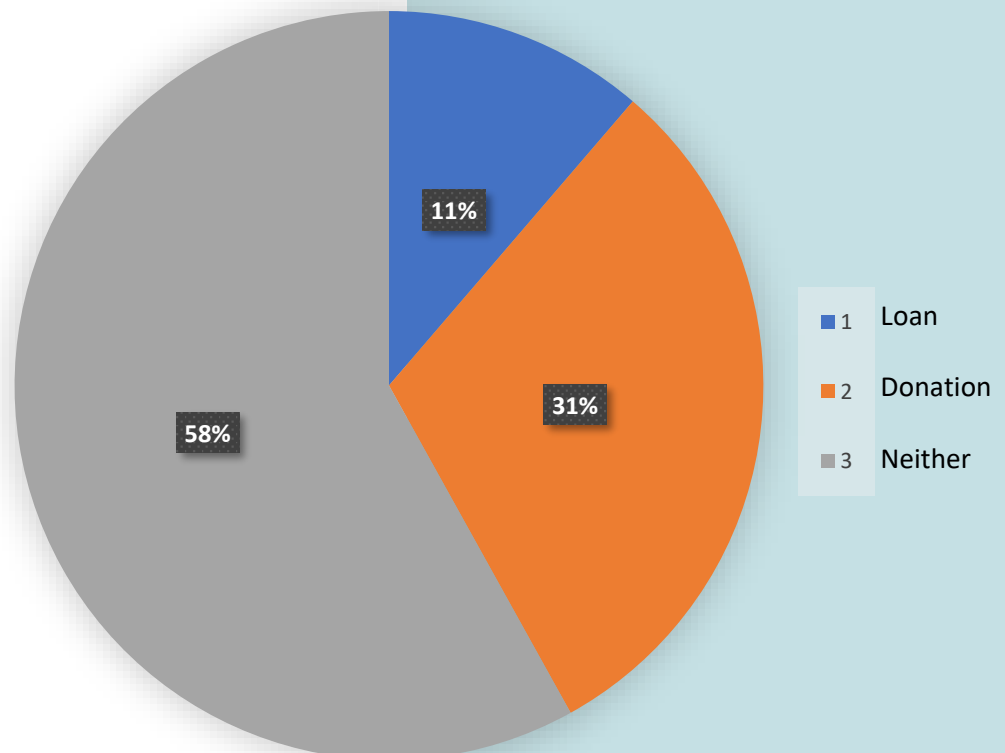


## Numbers of Investors

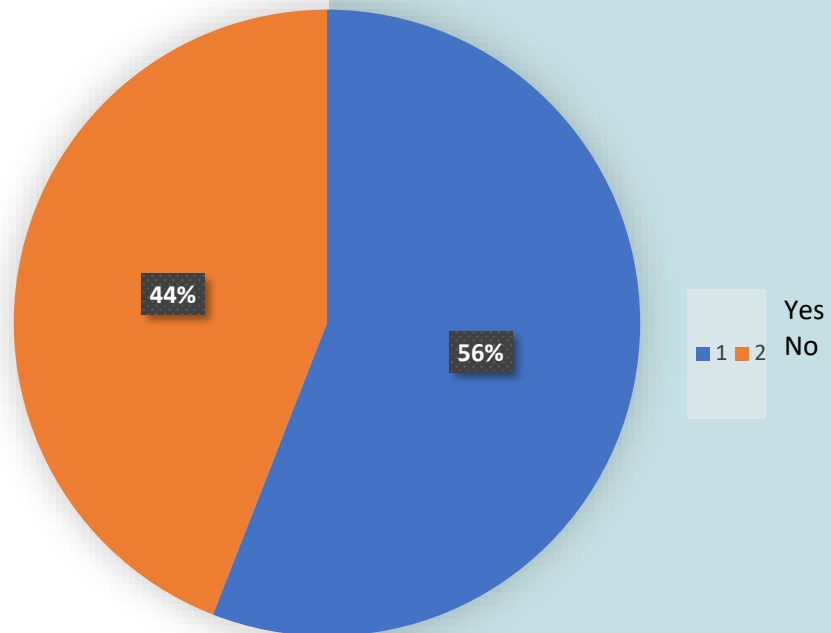


This question has arisen because of an attempt in 2018 to sell the Salusbury Arms to property developers. However, the owner has recently expressed a willingness to sell the pub to the community. The overwhelming view in this consultation was to reject the idea of housing development.

## Loans and donations



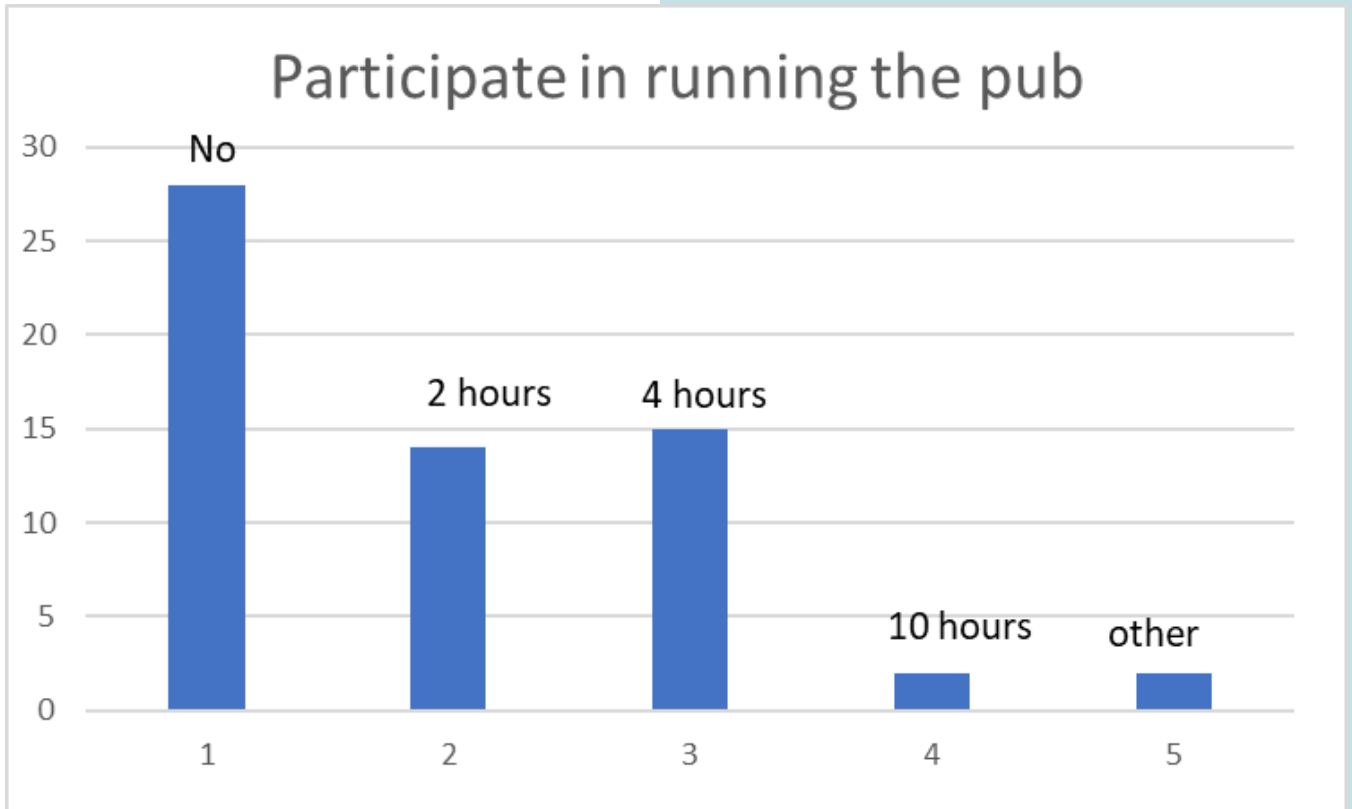
## Spend time with a group to investigate community purchase



These were questions specifically on the investors questionnaire and reflect the willingness by a number of people in the village to invest in the purchase of the Salusbury Arms.

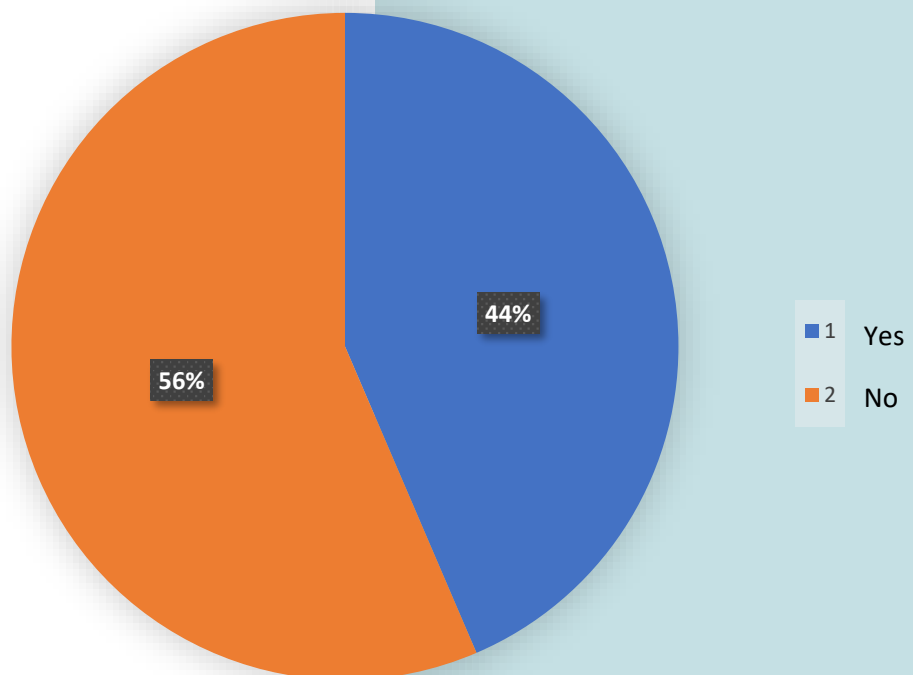
The range of investments was also interesting in that a few were prepared to make very significant sizes of investments and others were happy to make somewhat smaller investments.

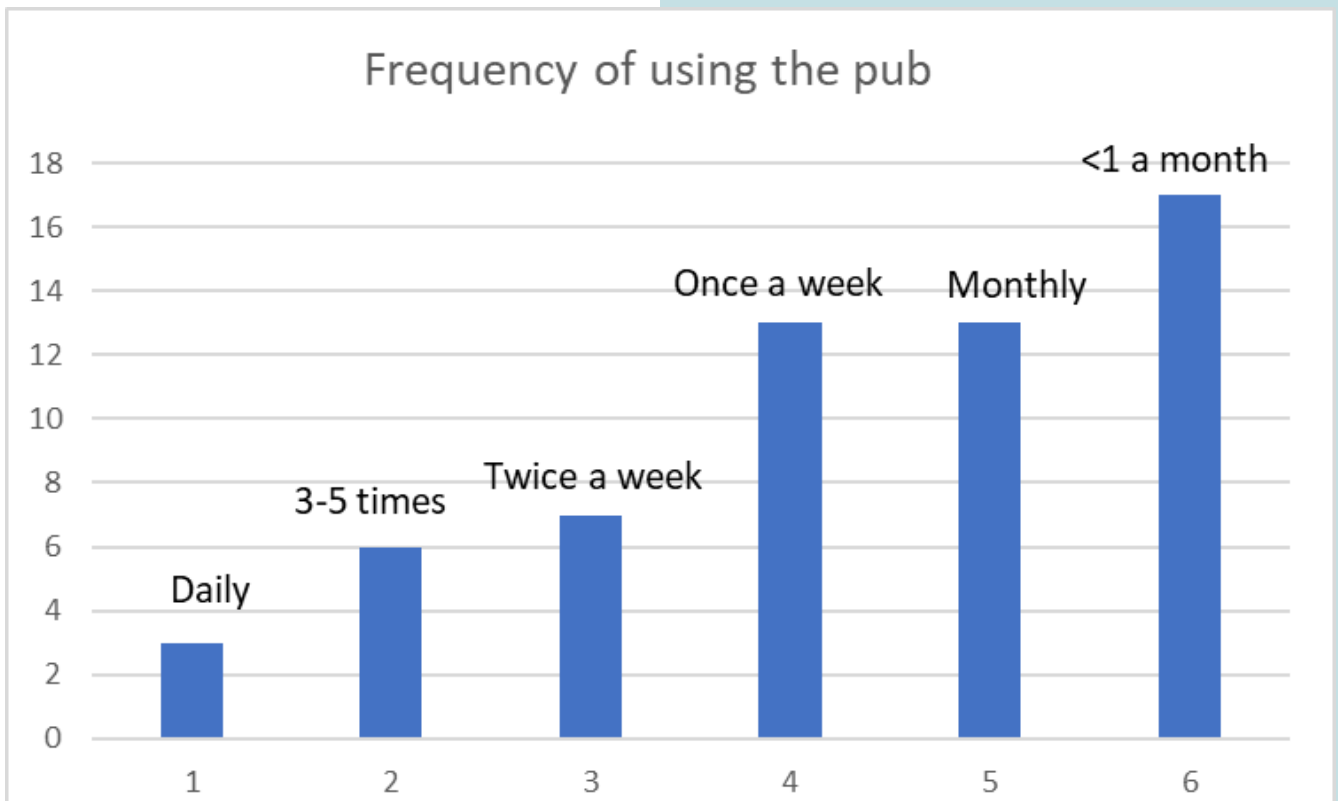
Empowering both groups of investors will be important to get the wider community buy-in. A significant number of respondents, over 40% were not interested in investment but prepared to make a loan or donation. Nearly a third were prepared to just donate.



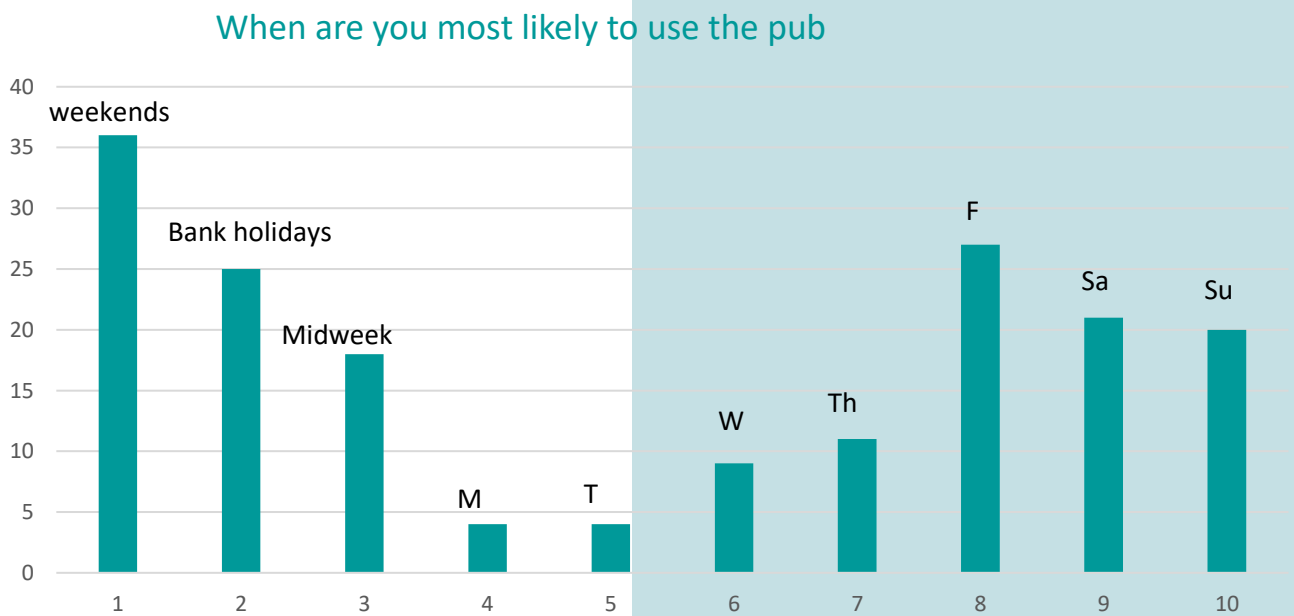
This question is about commitment of time to running the pub on a voluntary basis and although nearly half were not prepared to commit time there were a significant number of responders who were prepared to offer between 2 and 4 hours a week. Similarly with commitment to a rota where nearly half were prepared to commit.

### Commit to a rota

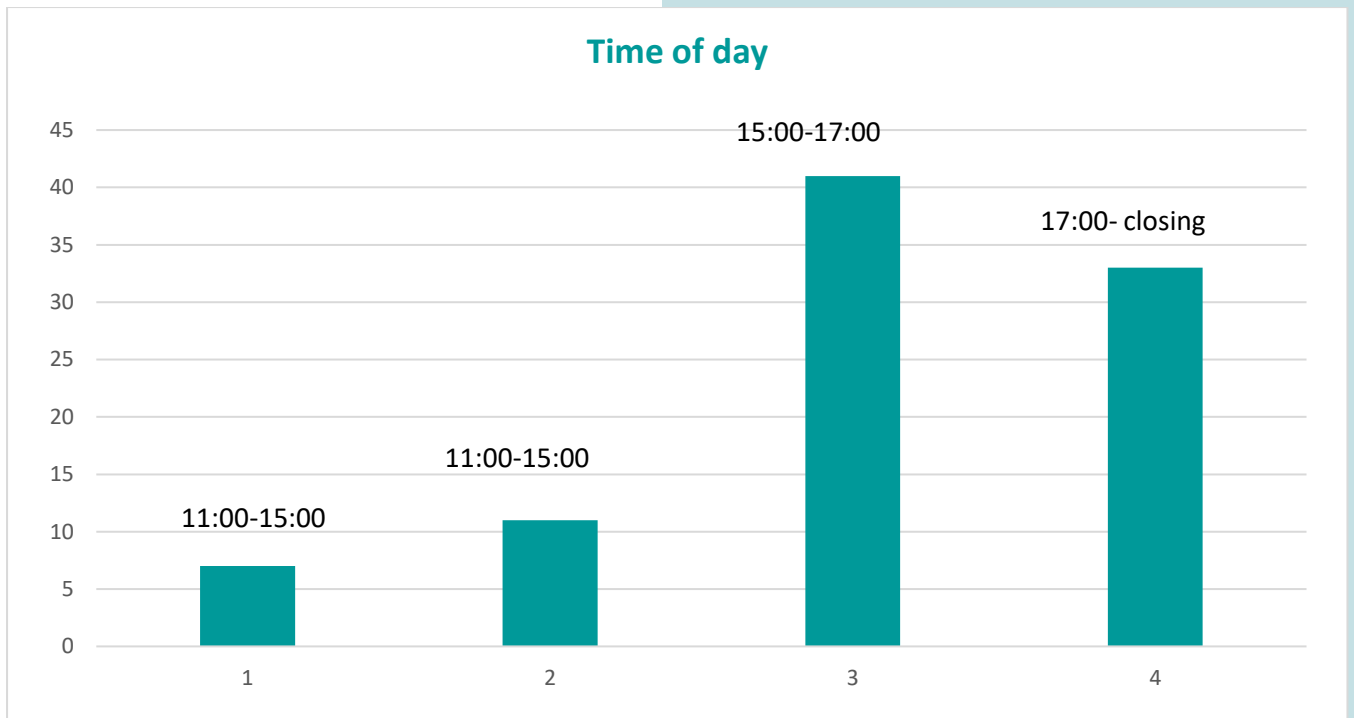




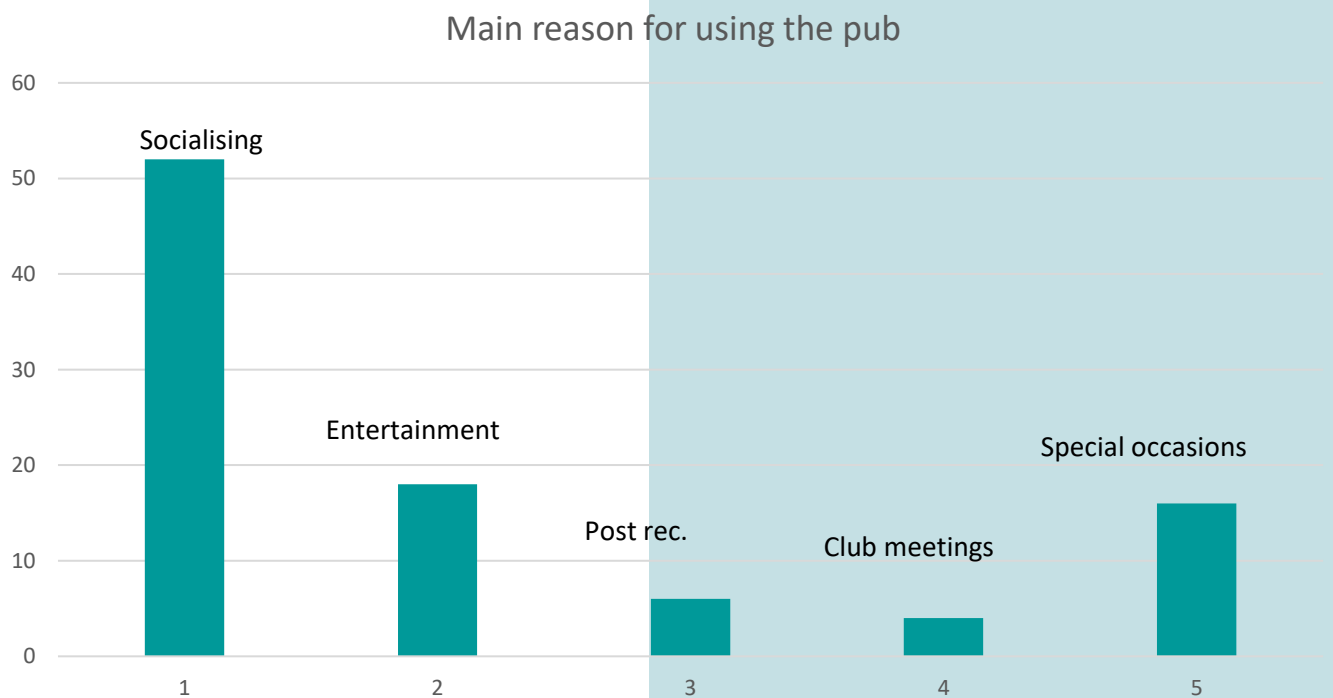
The response to this question reflects current use of the pub which tends towards infrequent use. An objective for a community run pub will be to increase the more frequent use.



This response very much reflects current trends and the tendency for the pub to be used more at weekends. More utilisation of the building for more of the time will be an objective for a community run pub.



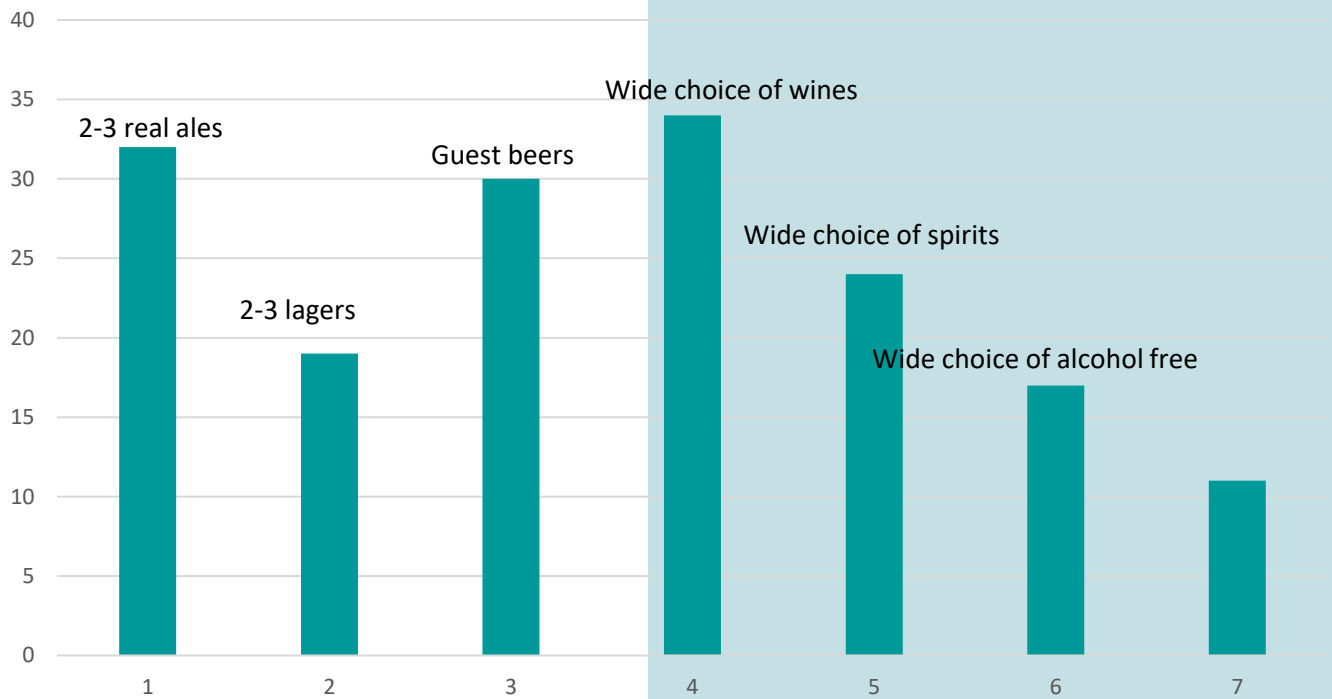
Early evening is currently the most popular. Except at weekends the pub is not open during the day at present which will bias this result. Experience at the tea hut, located in the village shows that there could be significant daytime use if the offering is there.



Socialising is the very clear winner here and shows how the pub is at the social heart of the village and the potential to build on this.

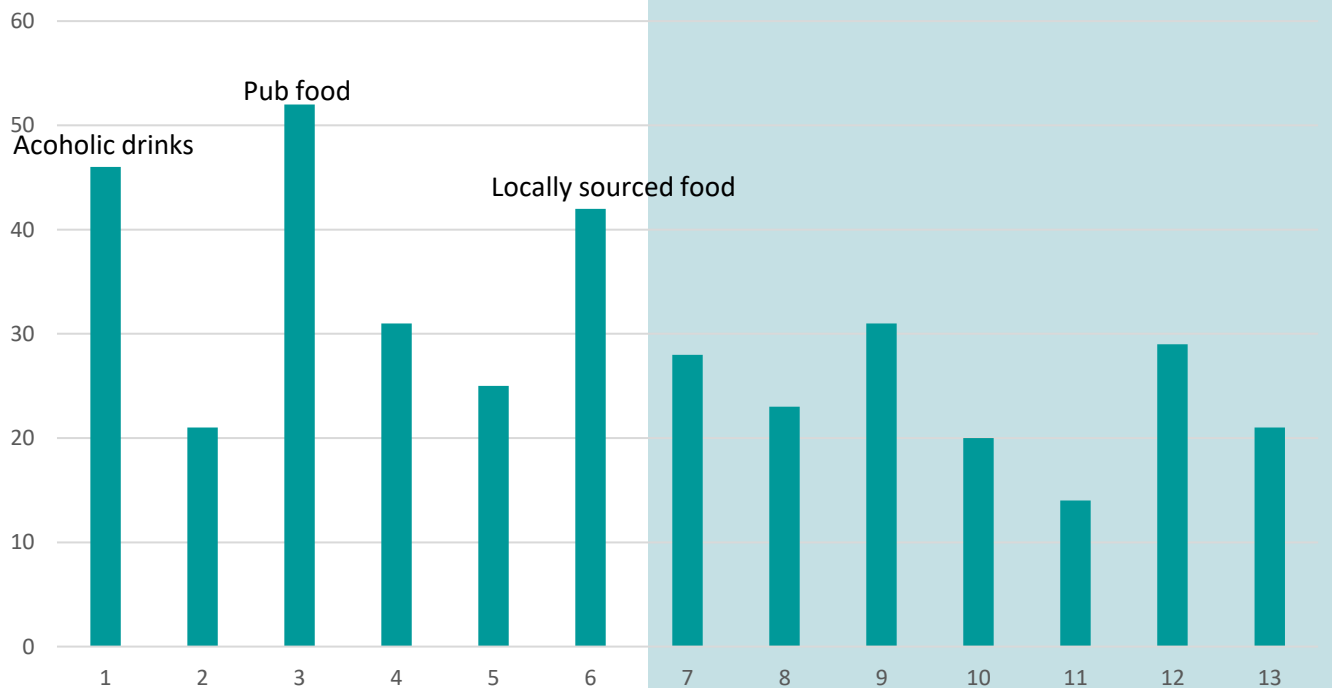


## Range of drinks

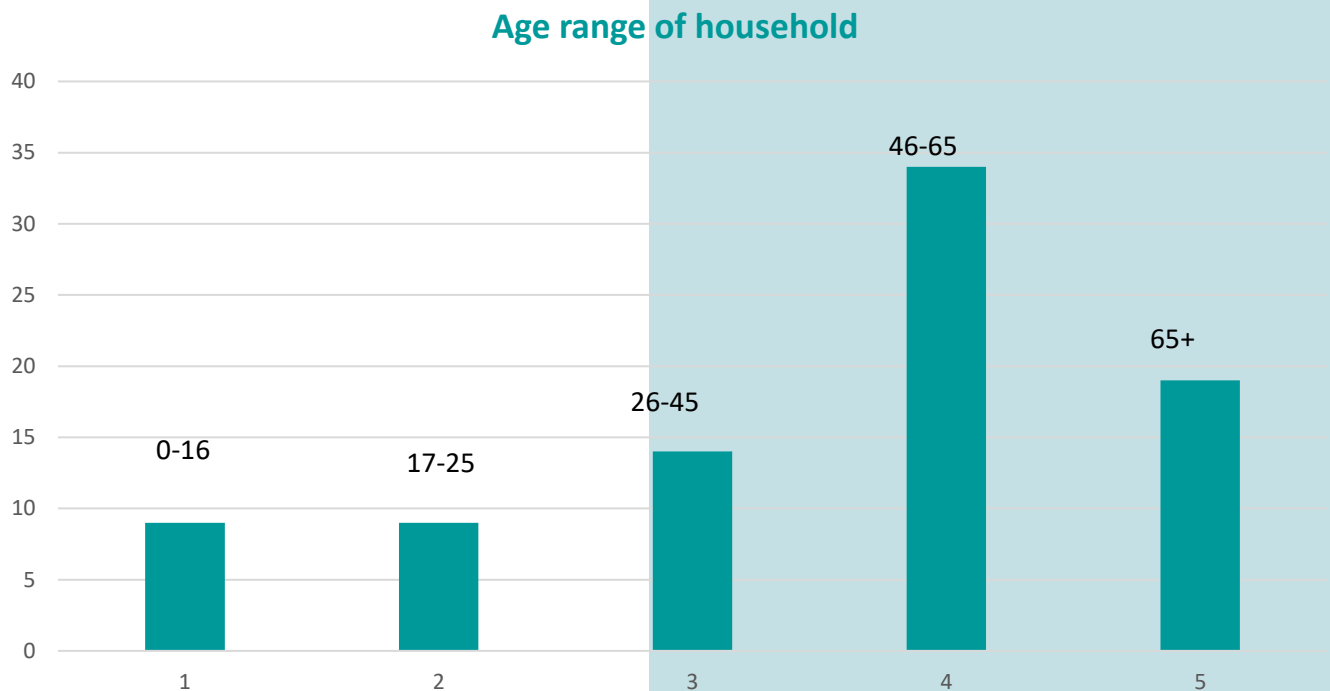


The response to this question shows that a community pub needs to cater for a wide range of taste and will need to be inclusive.

## What services are you interested in?



The front runners are identified here but the key to the other categories can be found in the appendix. Pub food, alcoholic drinks and locally sourced food come out in front but there is interest over the complete range of potential services.



This is the demographic of the respondents and not necessarily the demographic of the village. However, it is fair to say that we have a significant senior population in the village. On the other hand, there is a well-supported Welsh medium school in the village bringing the opportunity to provide services for young parents and their children.

## Comments made by the responders

It is a valuable and priceless hub for the community. Once a resource like this disappears from the village it will never reappear.

- We have to overturn the notion that people know the cost of things but not the value. The Salisbury's value to a community cannot be measured in monetary terms.
- Would be willing to use a community pub, but not sure I can commit time to help on a regular basis.
- Maybe every now and then.
- Brilliant idea
- I would be willing to be part of any discussion about the pub's future
- As in many rural areas services have become non-existent. However, this doesn't have to be so. Some communities have a weekly visit from the Post Office, mobile

bank etc. There are many community groups that could make use of the pub. Lunch clubs, reading group

- This is an opportunity to make the pub a true community focus for all in the village and make maximum use of the asset

## Conclusions

This survey shows overwhelming support from the village for a community owned pub and making it a social hub for all to enjoy. The Salusbury Arms is on or close to some major trails such as Offa's Dyke, The Clwydian Way and the Pilgrims Way to Bardsey Island.

Tremeirchion is recognised within the area as being a strong community with a wide range of activities throughout the year.

Having a community owned pub will enhance this sense belonging and participation in social activities.

The survey reflects a strong commitment whether through offering time or investment.

With the current owner willing to sell to a community group we are very keen to seize the opportunity that this affords.

| <b>Appendix 2 – current community activities</b><br><br>Name of group or activity located at the Salusbury Arms in Tremeirchion. | Frequency of use   |
|--|--|
| Location for the village craft/produce and shop  | Monthly  |
| Village quiz   | Weekly   |
| Entertainment, fancy dress competitions, karaoke, live band and singers  | Every 2-3 weeks  |
| Christmas and special themed markets   | 4 times per year   |
| Centre for local villages shooting and gun club  | Monthly  |
| Centre and location for International and national sporting events   | As and when on offer eg Male and female World cup, Rugby World cup, Euros, Cricket, Eisteddfods, |
| Villages Community Council meeting location  | Weekly   |
| Ukulele practice and playing group   | Weekly   |
| Village craft knitting and sewing group  | Every 2-3 weeks  |
| Bridge, darts and dominoes groups  | Weekly   |
| Tremeirchion 2000 meeting and events location  | Every 2 weeks  |
| Tremeirchion school PTA meeting location   | Monthly  |
| Rhyl and district rally club meeting location  | Monthly  |
| Tremeirchion Church meal club location   | Monthly  |
| Location for refreshments connected to Tremeirchion Church such as funerals, baptisms, Choir practice                            | As and when required   |
| Location for public lectures   | As and when required   |

## Appendix 3. Examples of Community Pub Initiatives

**The Star in Northumberland** is a small freehouse, whose new owners saw the potential of providing essential services to the community. They revamped an area to create a new community shop, including selling newspapers and delivering them to isolated farms. They also sold a range of household staples, like bakery, dairy and butchery products supplied by other local businesses and farms. Villagers were able to order online from the suppliers' full ranges for purchase and collection from the pub shop.

In addition, a small coffee shop and art gallery was created, so parents on the village school run had an opportunity to meet other neighbours somewhere other than at the school gate. It also provided a social hub for people in the community who may feel isolated living on their own.

**The Green Dragon in Hertfordshire** bought an old milk float to deliver food and drink around the village. This proved a lifeline for elderly or disabled people.

**Kingstone Community Society** created a workshop space for crafts and hobbies; adding bicycle racks to attract passing cyclists through the village. They purchased wheelchair-friendly picnic benches.

Volunteers also built a shed in the grounds with the future aim of setting up a workshop for a 'Men's Shed' group to combat loneliness

and isolation and to promote positive mental health.

A community pub in Brighton hosts a weekly seniors' lunch club, disability groups, a training kitchen, a weekday running club, a choir, storytelling workshops for children, art drop-ins, money advice, a local councillor surgery, massage plus Brains At The Bevy academic talks.

The 'Pubs Welcoming Creativity' campaign, which is also being championed by CAMRA, aims to encourage publicans to open their doors to regularly host a variety of creative activities run by local groups – anything from knitting circles, craft and painting groups to ukulele or folk groups.

The Salusbury Arms sits in wonderful walking country within the Clwydian Range in an area of Outstanding Natural Beauty. With other pubs along the Clwydian Range, a tourist route could be created promoting the pubs which welcome walkers and cyclists.

There is the possibility of adapting the upstairs rooms into self-contained units, again, these could be promoted for walkers and cyclists with the provision of a drying room and secure bicycle racks. Grants will be sought to help fund these improvements

## Appendix 4. Examples of other grant opportunities

### **Clocaenog Windfarm**

The fund has two tiers of funding, up to £10,000 and above £10,000. For more information about the fund please use the link below.

<https://www.cvsc.org.uk/en/?view=article&id=587:clocaenog-apply&catid=2>

The fund is open for small applications up to £10,000. It will be able to fund both capital and revenue projects that focus on the three themes of the fund:

- Prosperous Communities
- Health and Wellbeing
- The Economy
- Conservation and the Environment
- Digital

Large grants of over £10,000 are available, we would ask all potential applicants to contact the grants team to discuss their proposal before submitting an application. There is a rolling programme for applications, with the panel meeting 4 times a year, which includes a one panel meeting a year to discuss business grant application. It is recommended that applicants initially speak with the fund manager to ensure their project idea is eligible prior to submission. The grant manager will also be able to help assist in looking at other funding sources and help develop the project.

**The National Lottery Funding - Awards for All** - Lottery funding up to £10,000. People and Places, for projects £10,000 + <https://www.tnlcommunityfund.org.uk/funding/grants?country=Wales>

There is also the **Community Facilities Funding** direct from Welsh Government. This would need to be an application in partnership with a community group taking the lead rather than the community council

such as a Friends of group. <https://gov.wales/community-facilities-programme>

### Prince's Countryside Fund Rural Communities Grant (max of £25K)

<https://www.princescountrysidefund.org.uk/how-we-help/rural-communities/supporting-rural-communities/>

### Next application round scheduled March 2023

This Fund seems like a good fit for the project and it mentions helping small rural villages etc. It's best that the group make contact with the grants team to discuss directly and gauge interest. They will fund building works, but not much of the prelim work. [grants@countrysidefund.org.uk](mailto:grants@countrysidefund.org.uk)

### Community Foundation Wales (small grants)

<https://communityfoundationwales.org.uk/grants/fund-for-wales/>

Unclear if Community Councils are eligible, but worth approaching.

### Millennium Stadium Trust Grants

<https://www.millenniumstadiumtrust.org.uk/funding-timetable/>

Small grants available for community projects  
Funding round now open for Local Grant until Feb 2023

### NFU Mutual Charitable Trust

<https://www.nfumutual.co.uk/about-us/charitable-trust/objectives-of-the-charitable-trust/>

Worth exploring further (up to £50k)

The Trustees meet twice a year to consider applications received. These meetings are currently held in June and November. This one isn't clear cut on what it will and wont fund but worth a conversation.

### Community Ownership Fund

- <https://www.gov.uk/government/publications/community-ownership-fund-prospectus/community-ownership-fund-prospectus--2#applying-to-the-fund>

There is currently a round open for EOI submissions ending on the 14th December, there has been some slippage in this fund in terms of dates so it may be best to contact them to see when the next round for submission will be so that you could allow longer for preparation.

Community Share, advice from Cwmpas – <https://cwmpas.coop/what-we-do/services/community-shares-wales/#:~:text=Community%20Shares%20Wales%20Resilience%20Project,things%20that%20matter%20to%20them.>

This would be a good starting point for the group to enquire about Community Shares and get a better understanding of the process.

In addition to this depending on how the group are looking to set up there is also

support available for new and existing Social Enterprises from Cwmpas.

I would also recommend that the group looks at the Funding Wales platform (<https://funding.cymru/>) as they'll be able to search for specific grants and ones that cover, local, regional and national levels.

I'll also make sure enquires with Cadwyn Clwyd to see if they can offer any assistance.

Cofion cynnes / Kind regards

Amy D Selby

Swyddog Datblygu Cymunedol / Community Development Officer

Tîm Cynllunio Strategol / Strategic Planning Team

Gwella Busnes a Moderneiddio / Business Improvement and Modernisation

Cynrychiolydd y Cyngor Staff / Staff Council Representative

## Appendix 5. Rules of Tremeirchion Community Pub Ltd

The text of the rules is reproduced below and are based on the Plunkett Foundation Model Rules for Community Ownership (version 5 June 2019)

### Table of Contents

#### Clause Contents

- 1 INTRODUCING THE SOCIETY AND THE RULES
- 2 GOVERNANCE
- 3 MEMBERS
- 4 MEMBERS' MEETINGS
- 5 MANAGEMENT COMMITTEE
- 6 REPORTING
- 7 CHANGE
- 8 SHARE CAPITAL
- 9 ADMINISTRATIVE
- 10 START-UP PROVISIONS
- 11 TRANSITION PROVISIONS
- 12 SIGNATURES
- APPENDIX

### 1 INTRODUCING THE SOCIETY AND THE RULES

#### Name

1.1 The society is called **Tremeirchion Community Pub Limited** and it is called “the Society” in these Rules.

#### Registration

1.2 The Society is registered under the law as a society for the benefit of the community with the **Financial Conduct Authority**. Its registered office is The Salusbury Arms, St Asaph, Tremeirchion LL17 0UN

#### Why the Society exists

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

#### Commitments

1.4 The Society is committed to:

- 1.4.1 trading for the benefit of the community, and not for anyone's private benefit;
- 1.4.2 retaining profits and applying profit to advance the Society's Purpose.

#### Governing documents

1.5 These Rules set out the way in which the Society is owned, organised and governed.

1.6 In addition to the Rules, the Management Committee may make other provisions concerning how the Society operates, such as a code of conduct for the Management Committee. Such provisions must not be inconsistent with the Rules.

1.7 In the Rules

1.7.1 words starting with a capital letter (like Rules) refer to something specific, and the Appendix at the end of the Rules identifies the rule which makes this apparent; and

1.7.2 words which are highlighted in italics (like *partner*) have a special meaning and the Appendix lists all of these words and explains what they mean.

### 2 GOVERNANCE



## **Overview**

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

### **Members**

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

#### Information

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

#### Voice

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

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

2.4.2 voting at Members' Meetings;

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

#### Representation

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

### **Management Committee**

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

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

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

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

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

2.7.4 make use of the services of volunteers.

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

### **Secretary**

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

## **3 MEMBERS**

3.1 The Society shall encourage people to become Members, and to that end, the Management Committee shall

3.1.1 maintain a Membership Strategy for that purpose;

3.1.2 report to the Members at the Annual Members' Meeting on the state of the Society's membership and on the Membership Strategy.

3.2 The Members of the Society are those whose names are listed in its Register of Members.

3.3 Membership is open to any person (whether an individual, a corporate body or the nominee of an unincorporated organisation) who completes an application for membership in the form required by the Management Committee and:

3.3.1 is over 18 years of age;

3.3.2 supports the Society's Purpose;

3.3.3 pays for the minimum number of shares required by the Rules;

3.3.4 agrees to pay an annual subscription (if there is one); and

3.3.5 whose application is accepted by the Management Committee.

3.4 The Management Committee may refuse any application for membership at its absolute discretion.

3.5 A Member which is a corporate body shall appoint a representative to attend Members' Meetings on its behalf, and otherwise to take part in the affairs of the Society. Such

appointment shall be made in writing, signed on behalf of the governing body of the corporate body.

3.6 The Management Committee may divide Members into constituencies, based on geography, the nature of their interest in the society, or any other relevant factor. If Members are divided into constituencies:

3.6.1 the Members in each constituency will be able to elect at least one representative from amongst their number to the Management Committee;

3.6.2 no person may be a Member within more than one constituency; and

3.6.3 the Secretary shall make any final decision about the constituency which a Member belongs to.

### **Cessation of Membership**

3.7 A person ceases to be a Member of the Society in the following circumstances:

3.7.1 they resign in writing to the Secretary;

3.7.2 being an individual, they die;

3.7.3 being a corporate body, they cease to exist;

3.7.4 being a nominee of an unincorporated organisation, the organisation replaces them as its nominee;

3.7.5 they are expelled from membership under the Rules;

3.7.6 the Secretary removes them from the Register of Members, after completing procedures approved by the Management Committee on the grounds that:

3.7.6.1 the Society has lost contact with the Member; or

3.7.6.2 the person no longer wishes to continue to be a Member.

3.8 A Member may be expelled by a resolution approved by not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting. The following procedure is to be adopted.

3.8.1 Any Member may complain to the Secretary in writing that another Member has acted in a way detrimental to the interests of the Society.

3.8.2 If a complaint is made, the Management Committee may itself consider the complaint having taken such steps as it considers appropriate to ensure that each Member's point of view is heard and may either:

3.8.2.1 dismiss the complaint and take no further action; or

3.8.2.2 for a period not exceeding twelve months suspend the rights of the Member complained of to attend Members' Meetings and vote under the Rules;

3.8.2.3 arrange for a resolution to expel the Member complained of to be considered at the next Management Committee Meeting.

3.8.3 If a resolution to expel a member is to be considered at a Management Committee Meeting, details of the complaint must be sent to the Member complained of not less than one calendar month before the meeting with an invitation to answer the complaint and attend the meeting.

3.8.4 At the meeting the Management Committee will consider evidence in support of the complaint and such evidence as the Member complained of may wish to place before them.

3.8.5 If the Member complained of fails to attend the meeting without due cause, the meeting may proceed in their absence.

3.8.6 A person expelled from membership will cease to be a member upon the declaration by the Chairperson of the meeting that the resolution to expel them is carried.

3.9 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of not less than two-thirds of the members of the Management Committee present and voting at a Management Committee Meeting.

## **4 MEMBERS' MEETINGS**

4.1 Every year, the Society shall hold an Annual Members' Meeting, within six months of the close of the financial year.

4.2 Any other Members' Meetings are Special Members' Meetings.

4.3 The Management Committee (except where otherwise provided in the Rules) convenes Members' Meetings, and decides the date, time and place of any Members' Meeting and of any adjourned meeting.

#### **Annual Members' Meeting**

4.4 The functions of the Annual Members' Meeting shall include:

4.4.1 receiving from the Management Committee the Annual Accounts for the previous financial year; a report on the Society's performance in the previous year, and plans for the current year and the next year;

4.4.2 receiving from the Management Committee a report on the state of the membership and the Membership Strategy;

4.4.3 appointing any financial Auditors, and external Auditors of any other aspect of the performance of the Society;

4.4.4 declaring the results of elections of those who are to serve on the Management Committee;

4.4.5 Any other business included in the notice convening the meeting.

#### **Special Members' Meetings**

4.5 Special meetings are to be convened by the Secretary either by order of the Management Committee, or if a written requisition signed by not less than 12 Members or 10% of all Members (whichever is less) is delivered, addressed to the Secretary, at the Society's registered office.

4.6 Any requisition must state the purpose for which the meeting is to be convened. If the Secretary is not within the United Kingdom or is unwilling to convene a special meeting, any member of the Management Committee may convene a Members' meeting.

4.7 A special meeting called in response to a Members' requisition must be held within 28 days of the date on which the requisition is delivered to the registered office. The meeting is not to transact any business other than that set out in the requisition and the notice convening the meeting.

#### **Notice of Members' Meetings**

4.8 Notice of a Members' Meeting is to be given at least 14 clear days before the date of the meeting, by notice prominently displayed at the registered office of the Society's places of business, and such other places or in such other manner as the Management Committee decides.

4.9 The notice must state whether the meeting is an Annual Members' Meeting or Special Members' Meeting, give the time, date and place of the meeting, and set out the business to be dealt with at the meeting.

#### **Procedure at Members' Meetings**

4.10 Members' Meetings are open to all Members. The Management Committee may invite particular individuals or representatives of particular organisations to attend a Members' Meeting.

4.11 Before a Members' Meeting can do business, a minimum number of Members (a quorum) must be present. Except where these Rules say otherwise a quorum is present if 5 Members or 10% of the Members entitled to vote at the meeting (whichever is greater) are present.

4.12 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall be dissolved if it has been requisitioned by the Members. Any other meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such time and place as the Management Committee determine. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Members present during the meeting is to be a quorum.

4.13 The Chairperson, or in their absence another member of the Management Committee (to be decided by the members of the Management Committee present), shall chair a Members' Meeting. If neither the Chairperson nor any other member of the Management Committee is present, the Members present shall elect one of their number to be Chairperson.

4.14 The Chairperson may, with the consent of the meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from

place to place. But no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. No notice of an adjourned meeting needs to be given unless the adjournment is for 21 days or more.

#### **Voting at Members' Meetings**

4.15 Subject to these Rules and to any Act of Parliament, a resolution put to the vote at a Members' Meeting shall, except where a poll is demanded or directed, be decided upon by a show of hands.

4.16 The Management Committee may introduce arrangements for Members to vote by post, or by using electronic communications.

4.17 On a show of hands and on a poll, every Member present is to have one vote. Where postal or electronic voting arrangements have been introduced, every Member who has voted by such method shall also have one vote. In the case of an equality of votes, the Chairperson of the meeting is to have a second or casting vote.

4.18 Unless a poll is demanded, the Chairperson of the meeting will declare the result of any vote, which will be entered in the minute book. The minute book will be conclusive evidence of the result of the vote.

4.19 A poll may be directed by the Chairperson of the meeting or demanded, either before or immediately after a vote by show of hands, by not less than one-tenth of the Members present at the meeting. The Chairperson of the meeting shall decide how a poll is taken.

4.20 Unless these Rules or an Act of Parliament say otherwise, all resolutions are to be decided by a simple majority of the votes cast.

4.21 A resolution in writing signed by all the Members for the time being entitled to vote at a Members' Meeting shall be valid and effective as if it had been passed at a Members' Meeting duly convened and held. Such a resolution may consist of several documents in the same form each signed by one or more Members.

## **5 MANAGEMENT COMMITTEE**

### **Composition of the Management Committee**

5.1 The Management Committee shall comprise not less than three and not more than 12 persons, who shall mainly be elected by and from the Members. Not more than one quarter of the Management Committee may comprise persons co-opted by the Management Committee.

5.2 If Members are divided into constituencies, the Management Committee shall include persons elected by and from the Members in each constituency, and the Management Committee shall strive to ensure that its composition appropriately reflects the various constituencies.

5.3 If the size of the Management Committee falls below three, it may act only for the purpose of calling a Members' Meeting, the business of which shall be the election of new members to the Management Committee, and not for any other purpose.

### **Elections, appointments and removals**

5.4 Elected members of the Management Committee hold office for a period commencing immediately after the Members' Meeting at which their election is declared, and ending at the conclusion of the third Annual Members' Meeting after that.

5.5 Co-opted members of the Management Committee serve until the next Annual Members' Meeting.

5.6 A person retiring from office shall be eligible for re-election or re-appointment.

5.7 Elections shall be carried out in accordance with procedures determined by the Management Committee.

5.8 Only a Member over the statutory minimum age may be elected or appointed to serve on the Management Committee.

5.9 The Management Committee will adopt a code of conduct, and every member of the Management Committee must comply with the terms of such code of conduct.

5.10 A member of the Management Committee shall immediately vacate their office if they:

5.10.1 resign their office in writing to the Secretary;

5.10.2 cease to be a Member;

5.10.3 become bankrupt or subject to a disqualification order made under the Company Directors Disqualification Act 1986

5.10.4 are removed from office by a resolution passed by a two-thirds majority of those voting at a meeting of the Management

Committee, on the grounds that in the opinion of the Management Committee, they are in serious breach of the Management Committee's code of conduct or have not performed the duties which they agreed to perform or which they could reasonably have been expected to perform and it is not in the interests of the Society that they should continue in office.

5.10.5 are removed from office by a simple majority of the Members in a Special Members Meeting, the notices for which specified that the question of the Director's removal was to be considered

5.11 The Management Committee shall elect from amongst themselves a Secretary, Chairperson Vice-Chairperson and a Treasurer. These officers shall have such functions as the Rules or the Management Committee specify, and they shall serve until they are removed or replaced by the Management Committee, or until they resign.

#### **Meetings of the Management Committee**

5.12 The Management Committee shall hold such meetings as it considers appropriate to discharge its roles and responsibilities.

5.13 Every meeting of the Management Committee shall be chaired by the Chairperson, or in their absence the Vice-Chairperson, or in their absence another member of the Management Committee chosen by those present.

5.14 Three members of the Management Committee shall comprise a quorum.

5.15 Members of the Management Committee may be counted in the quorum, participate in and vote at meetings of the Management Committee by telephone, video or other electronic means.

5.16 Unless the Rules provide otherwise, in the event of a decision to be made by a vote at meetings of the Management Committee, the decision shall be decided by a majority of votes. Each member of the Management Committee shall have one vote, and in the event of a tied vote, the Chairperson of the meeting shall have a second or casting vote.

5.17 A resolution signed by all the members of the Management Committee has the same effect as a resolution validly passed at a meeting of the Management Committee. Each member of the Management Committee may sign a separate copy of the resolution and send a signed copy to the Secretary by email or other electronic means.

#### **Disclosure of Interests**

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

#### **Remuneration**

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

#### **Secretary**

5.20 The Management Committee appoints and may remove the Secretary, and decides the terms of the appointment and whether any remuneration is to be paid.

5.21 A person does not have to be a Member in order to be appointed Secretary, and a member of the Management Committee may be appointed Secretary. However a person employed to carry out other services may not be appointed Secretary.

5.22 The Secretary

5.22.1 has the functions set out in the Rules and any other functions which the Management Committee assigns;

5.22.2 acts as Returning Officer at and is responsible for the conduct of all elections described in the Rules;

5.22.3 has absolute discretion to decide any issue or question which the Rules require the Secretary to decide.

## **6 REPORTING**

### **Preparation of Accounts**

6.1 In respect of each year of account, the Management Committee shall cause Annual Accounts to be prepared which shall include:

6.1.1 a revenue account or revenue accounts which singly or together deal with the affairs of the Society as a whole for that year and

which give a true and fair view of the income and expenditure of the Society for that year; and

6.1.2 a balance sheet giving a true and fair view as at the date thereof of the state of the affairs of the Society.

#### **Auditors and Audit**

6.2 At the Annual Members' Meeting where, as a result of the provisions of the Cooperative and Community Benefit Societies Act 2014 the Society has the power to decide not to appoint an Auditor or Auditors to audit its Annual Accounts, a resolution shall be put to the Members to decide whether or not they wish to exercise the power.

6.3 Where required by law or the decision of the Members, the Society shall appoint in each year a qualified Auditor or Auditors to be the Auditors, and the following provisions shall apply to them.

6.3.1 The accounts of the Society for that year shall be submitted to them for audit as required by the law.

6.3.2 They shall have all the rights and duties in relation to notice of, and attendance and right of audience at Members' Meetings, access to books, the supply of information, reporting on accounts and otherwise, as are provided by the law.

6.3.3 Except where provided in the Rules, they are appointed by the Annual Members' Meeting, and the provisions of the law shall apply to the re-appointment and removal and to any resolution removing, or appointing another person in their place.

6.3.4 Their remuneration shall be fixed by the Management Committee in accordance with the Act.

6.4 The Management Committee may fill any casual vacancy in the office of Auditor until the next following Members' Meeting.

#### **Presentation of Accounts**

6.5 The Management Committee shall present the Annual Accounts and reports of the business and affairs of the Society to the Annual Members' Meetings.

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

#### **Publication of Accounts and Balance Sheets**

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

#### **Copy of Balance Sheet to be Displayed**

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

#### **Annual Return to be sent to Financial Conduct Authority**

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

6.9.1 the Society's financial statements for the period included in the return; and

6.9.2 the report of the Auditors thereon if Auditors have been appointed.

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

## **7 CHANGE**

#### **Alterations to Rules**

7.1 No new rule shall be made, nor shall any of the Rules be amended, unless it is approved by a two-thirds majority of the votes cast at a Special Members' Meeting.

7.2 Notice of such a Special Members' Meeting shall specify the Rules to be amended,

and set out the terms of all amendments or new rules proposed.

7.3 No amendment to any of the Rules and no new rule shall be valid until registered.

7.4 The Management Committee may change the situation of the Society's registered office. The Society will send notice of any such change to the **Financial Conduct Authority**.

#### **Restriction on use**

7.5 Pursuant to regulations made under section 29 of the Co-operative and Community Benefit Societies Act 2014:

7.5.1 All of the Society's assets are subject to a restriction on their use.

7.5.2 The Society must not use or deal with its assets except:

7.5.2.1 where the use or dealing is, directly or indirectly, for a purpose that is for the benefit of the community;

7.5.2.2 to pay a Member of the Society the value of their withdrawable share capital or interest on such capital;

7.5.2.3 to make a payment pursuant to section 39 (proceedings on death of nominator), 40 (provision for intestacy) or 36 (payments in respect of mentally incapable persons) of the Co-operative and Community Benefit Societies Act 2014;

7.5.2.4 to make a payment in accordance with the Rules of the Society to trustees of the property of bankrupt Members or, in Scotland, Members whose estate has been sequestrated;

7.5.2.5 where the Society is to be dissolved or wound up, to pay its creditors; or

7.5.2.6 to transfer its assets to one or more of the following:

(a) a prescribed community benefit society whose assets have been made subject to a restriction on use and which will apply that restriction to any assets so transferred;

(b) a community interest company;

(c) a registered social landlord which has a restriction on the use of its assets which is equivalent to a restriction on use and which will apply that restriction to any assets so transferred;

(d) a charity (including a community benefit society that is a charity); or

(e) a body, established in Northern Ireland or a State other than the United Kingdom, that is equivalent to any of those persons.

7.5.3 Any expression used in this Rule which is defined for the purposes of regulations made under section 29 of the Co-operative and Community Benefit Societies Act 2014 shall have the meaning given by those regulations.

#### **Transfers of Engagements**

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

7.7 The Society may also accept a transfer of engagements and assets from any **society** by resolution of the Management Committee or of a Members' Meeting, as the Management Committee shall decide.

#### **Dissolution**

7.8 The Society may be dissolved by an Instrument of Dissolution or by winding up in the way required by the law. If on the solvent dissolution or winding up of the Society there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred in accordance with the provisions above headed "Restrictions on use".

7.9 Subject to those provisions, such assets shall be transferred to one or more community organisations that support the objects of the Society chosen by the Members at a Members' Meeting, which may include any society established by the **Plunkett**

**Foundation** for the purpose of the creation, promotion and development of community-owned enterprises.

## 8 SHARE CAPITAL

8.1 The Society has shares of £100 each.

8.2 Application for shares shall be made to the Management Committee, and is subject to any maximum permitted by law. Shares shall be paid for in full on application or at the discretion of the Management Committee, shares can be paid in tranches over a period of not more than one calendar year. If the shares are not fully paid for at the end of the year the Society may terminate the membership and return all monies to the member.

8.3 The minimum shareholding shall be 3 share/s. The Society may from time to time make a public share offer, and any such offer may specify a minimum number of shares.

8.4 Shares are not transferable except on death or bankruptcy, and are withdrawable at the sole discretion of the Management Committee in accordance with the Rules as follows:

8.4.1 shares may be withdrawn by Members who have held them for a minimum period of three years or such other period as the Management Committee decides;

8.4.2 application for withdrawal shall be made on not less than three months' notice, on a form approved by the Management Committee;

8.4.3 the Management Committee may specify a maximum total withdrawal for each financial year;

8.4.4 All withdrawals must be funded from trading profits, reserves or new share capital raised from Members, and are at the absolute discretion of the Management Committee having regards to the long term interests of the Society, the need to maintain prudent reserves, and the Society's commitment to community benefit. If any withdrawal is to be funded from reserves, the Management Committee must be satisfied that:

8.4.4.1 as a result of such withdrawal there will be no ground upon which the Society could then be found to be unable to pay (or otherwise discharge) its debts; and

8.4.4.2 the Society will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the withdrawal.

8.4.5 all withdrawals shall be paid in accordance with the Society's policy on share withdrawals. If no such policy exists, all withdrawals shall be paid in the order in which the notices were received, up to a maximum total withdrawal specified for the financial year, following which no further withdrawals may be made until the following financial year;

8.4.6 except where a Member intends to terminate their membership, they shall not be permitted to withdraw shares leaving them with less than the minimum required by the Rules;

8.4.7 the Management Committee may in its absolute discretion waive the notice required for a withdrawal and may direct payment to be made without notice or on such shorter notice as it considers appropriate;

8.4.8 the Management Committee may suspend the right to withdraw either wholly or partially, and either indefinitely or for a fixed period. The suspension shall apply to all notices of withdrawal which have been received and remain unpaid at the time. Where the suspension is for a fixed period, it may be extended from time to time by the Management Committee;

8.4.9 during any period when the right of withdrawal has been suspended, the shares of a deceased Member may, if the Management Committee agrees, be withdrawn by their personal representatives on giving such notice as the Management Committee requires;



8.4.10 the Society may deduct such reasonable sum to cover administrative costs of withdrawal from the monies payable to a Member on the withdrawal of shares.

8.5 The Society may (but is under no obligation to) pay interest to holders of shares, as compensation for the use of such funds, subject to the following:

8.5.1 any payment of interest must be from trading profits and is at the discretion of the Management Committee having regard to the long term interest of the Society, the need to maintain prudent reserves and the Society's commitment to community benefit;

8.5.2 the rate of interest to be paid in any year is to be approved by resolution of the Members at the Annual Members' Meeting, and shall not exceed 5% or 2% above the base rate of the Bank of England whichever is the greater;

8.5.3 the Management Committee may decide that interest shall not be paid in relation to holdings of shares below a minimal level.

8.6 On the solvent winding-up of the Society, holders of shares will have no financial entitlement beyond the payment of outstanding interest and repayment of paid up share capital.

8.7 In the event that a Member resigns from membership, is removed from the Register of Members, or is expelled in accordance with the Rules, shares held by them at the date of resignation, removal or expulsion shall thereupon become a loan, repayable to the former Member by the Society. The terms of repayment shall be those applying to the withdrawal of share capital set out in the Rules, and notice of withdrawal shall be treated as having been given at the point of resignation, removal or expulsion.

## 9 ADMINISTRATIVE

### Purpose, objects and powers

9.1 The Society's Purpose is to carry on business for the benefit of the community.

9.2 The Objects of the Society are, in accordance with its Purpose:

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

1. Owning and maintaining the Salusbury Arms for the benefit of the community.
2. Provide an active and inclusive social hub at the heart of the community.
3. Provide services to the community and visitors to include a pub, café and restaurant.
4. Provide a location for community groups to meet.
5. Promoting health and wellbeing through providing a social focus for the village and surrounding area.
6. Promoting Welsh culture.
7. Provide local employment opportunities.
8. Help to promote local businesses.
9. Working in partnership with the local school and church.
10. Promoting sustainable development and reducing carbon footprint.
11. Provide a focus for any other activity that is deemed to be for the benefit of the community.

9.3 The Society has the power to do anything which appears to it to be necessary or desirable for the purposes of or in connection with its Objects.

9.4 In particular it may:

9.4.1 acquire and dispose of property;

9.4.2 enter into contracts;

9.4.3 employ staff;

9.4.4 make use of the services of volunteers;

9.4.5 receive donations or loans free of interest for its Objects.

9.5 Any power of the Society to pay remuneration and allowances to any person includes the power to make arrangements for providing, or securing the provision of pensions or gratuities (including those payable by way of compensation for loss of employment or loss or reduction of pay).

9.6 The Society shall not accept deposits or conduct any activity that constitutes a 'regulated activity' for the purposes of the Financial Services and Markets Act 2000 and 2012 without first applying for, and obtaining, authorisation for the conduct of any such

activity.

### **Borrowing**

9.7 Subject to the approval of the Management Committee, the Society may borrow money from its members and others for the purposes of or in connection with its Objects, providing that the amount outstanding at any one time shall not exceed £10,000,000.

9.7.1 The Society shall have the power to mortgage or charge any of its property, assets and undertakings, and to issue loan stock, debentures and other securities for money borrowed or for any contracts of the Society or its customers or persons or corporations having dealings with the Society under whatever security or conditions the Management Committee determine are necessary to obtain the capital required to fulfil the society's objects.

9.7.2 The rate of interest on money borrowed, except on money borrowed by way of bank loan or overdraft or from a finance house or on mortgage from a building society or local authority, shall not exceed a reasonable rate necessary, in the opinion of the Board, to obtain and retain the capital required to carry out the objects of the Society, nor shall it risk the Society's status as a Community Benefit Society.

### **Investments**

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

### **Books of Account**

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

### **Treatment of Profits**

9.10 The profits of the Society shall not be distributed either directly or indirectly in any way whatsoever among Members, but shall be applied:

9.10.1 to maintain prudent reserves;

9.10.2 social payments furthering the objects of the Society;

9.10.3 on expenditure in carrying out the Society's Objects.

### **Minutes**

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

### **Settlement of Disputes**

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

### **Register of Members**

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

### **Copies of Rules and Regulations**

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

copy of the rules.

### **Management Committee's and Officers' Indemnity**

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

The Society may purchase and maintain insurance against this liability for its own benefit and for the benefit of members of the Management Committee and the Secretary.

### **Deceased and bankrupt members**

9.16 Upon a claim being made by the personal representative of a deceased Member or the trustee in bankruptcy of a bankrupt Member, any property to which the personal representative or trustee in bankruptcy has become entitled may be used as the personal representative or trustee in bankruptcy may direct.

9.17 A Member may in accordance with the law nominate any person or persons to whom any of their property in the Society at the time of their death shall be transferred, but such nomination shall only be valid to the extent for the time being provided by the law. On receiving satisfactory proof of the death of a Member who has made a nomination the Society shall, in accordance with the law, either transfer or pay the full amount of such property to the person so nominated.

## **10 START-UP PROVISIONS**

10.1 The first Members of the Society shall be those who signed the application for registration.

10.2 The first Members shall appoint the first Management Committee who shall serve until the first Annual Members' Meeting.

10.3 At the conclusion of the first Annual Members' Meeting, all the members of the first Management Committee shall retire but shall be eligible for election to the Management Committee.

10.4 Those elected to the Management Committee shall take office immediately after the conclusion of the first Annual Members' Meeting, and the following provisions shall apply to them.

10.4.1 One third of those so elected, who obtained the highest number of votes, shall serve until the conclusion of the fourth Annual Members' Meeting.

10.4.2 One third who obtained the next highest number of votes shall serve until the conclusion of the third Annual Members' Meeting.

10.4.3 The remainder of those elected shall serve until the conclusion of the second Annual Members' Meeting.

## **11 TRANSITION PROVISIONS**

11.1 If these model rules are adopted on a complete amendment of rules, the following provisions shall apply.

11.2 Those holding office as elected members of the Management Committee immediately prior to the adoption of these model rules shall continue in office until the next Annual Members' Meeting, and the following will then apply:

11.2.1 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for a three year term of office, then the elected members of the Management Committee shall serve out the term of office for which they had been elected;

11.2.2 if, under the rules applying before the adoption of these model rules, members of the Management Committee were elected for any other term of office, all elected members of the Management Committee shall retire from office at the conclusion of the next Annual Members' Meeting; elections shall be held before the Annual Members' Meeting to fill the vacancies arising; and the following provisions shall apply:

11.2.2.1 one third of those elected, who polled the highest number of votes, shall serve a three year term of office ending at the conclusion of the fourth Annual Members' Meeting following

the adoption of these model rules;

11.2.2.2 one third of those elected, who polled the next highest number of votes, shall serve a two year term of office ending at the conclusion of the third Annual Members' Meeting following the adoption of these model rules;

11.2.2.3 the remainder of those elected, who polled the lowest number of votes, shall serve a one year term of office ending at the conclusion of the second Annual Members' Meeting following the adoption of these model rules.

11.3 Those holding office as Chairperson, Vice-Chairperson, and Treasurer immediately prior to the adoption of these model rules shall continue in office until the first meeting of the Management Committee after the next Annual Members' Meeting. At the commencement of that Management Committee meeting, they shall retire from office and the Management Committee shall elect a Chairperson, Vice-Chairperson and Treasurer.

11.4 The person holding office as Secretary immediately prior to the adoption of these model rules shall continue in office unless or until replaced by the Management Committee.

## **12 SIGNATURES OF MEMBERS**

### **Signatures of Members Full Names Date**

.....  
BELINDA JANE MARSH 18/03/2022

.....  
DAVID RODERICK LOWE 18/08/2022

.....  
GARETH HUW LITTLER JONES 17.03.2022

### **Signature of Secretary**

.....  
STUART JAMES CURZON IRVINE  
16/03/2022

## **Appendix 6. Valuation Report**

MJD Hughes Ltd , Business Buyer & Market Appraisal Valuation Report on Salusbury Arms,  
Tremeirchion, Saint Asaph, LL17 0UN

Report Date 12<sup>th</sup> December 2021

Full report available on request at [tremeirchioncommunitypub@outlook.com](mailto:tremeirchioncommunitypub@outlook.com)

Or click the attached link for the full report

<https://netorgft886087->

[my.sharepoint.com/:b/g/personal/hj\\_hannahjamesltd\\_com/EV61mMbVqdRDoufdVET4r0k  
B8MOiEhIxMc-W\\_Q1qdd5Sfw?e=vBB258](https://my.sharepoint.com/:b/g/personal/hj_hannahjamesltd_com/EV61mMbVqdRDoufdVET4r0kB8MOiEhIxMc-W_Q1qdd5Sfw?e=vBB258)

Overview below

### **Description**

The Salusbury Arms is a Public House located in Tremeirchion. Tremeirchion is a village about 2 miles or so off junction 30 of the A55 Expressway and a 5 mile drive to St Asaph. The village has a population of about 700 with a further 1,000 living in the Council ward. Tremeirchion is made up of a mixture of

styles of residential property. In addition, Tremeirchion has a church, primary school, bed and breakfast accommodation and provides a selection of outdoor leisure activities for inhabitants and visitors to the village.

The Salusbury Arms public house is currently owned by Frank Stephens. Mr Stephens has owned the property for more than 20 years The pub is currently open for business and operated by a tenant. Mr Stephens has advised the community that the property is for sale but has not placed the pub with a property agent.

The Salusbury Arms is a detached property with two detached outbuildings. The property also has a beer garden to the rear of the main building. Parking is available on the car park although a there is some uncertainty as to the ownership of the land that provides access into the car park. The main building is constructed of stone, block, and brick under a multi-pitched roof with tile covering. There is also a flat roof in addition to the extended rear section of the building. We are advised the property is not listed but it is in the AONB Clwydian Range.

### Valuation

IMPORTANT NOTE: Please find below a report with comments and recommendations for the above property. The information provided is for the sole use of the party to whom it is addressed. MJD HUGHES Ltd or the author of this report take no responsibility for any assumptions and decisions made from the use of this report or the information contained within it. RICS Valuation Standards - The Valuation and Report has been prepared in accordance with the RICS Valuation - Global Standards 2020. The report and valuations are summarised here for convenience, but they should be read together with the full report to establish the observations and assumptions upon which they are based.

|   |          |
|---|----------|
| Market Value as a Fully Equipped Operational Entity having regard to Trading Potential ("Market Value Trading,")  | £445,000 |
| Market Value as a Fully Equipped Operational Entity having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default") | £335,000 |
| Market Value of the Empty Property having regard to Trading Potential and subject to  | £280,000 |

|  |          |
|--|----------|
| Special Assumptions ("Market Value - Closed - in Default") |          |
| Reinstatement Insurance Value                              | £575,000 |

## Appendix 7. Detailed 3-year financial forecast

## Year 1 Forecast

| Year 1              | Current revenue & Costs |               |               |               |               |               |                | Food serving @ August '22 rates |                |                |                |                |                 |
|---------------------|-------------------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------------------------|----------------|----------------|----------------|----------------|-----------------|
|                     | Apr-23                  | May-23        | Jun-23        | Jul-23        | Aug-23        | Sep-23        | Oct-23         | Nov-23                          | Dec-23         | Jan-24         | Feb-24         | Mar-24         | Year 1          |
| Drink Revenue       | £14,625                 | £14,625       | £14,625       | £14,625       | £14,625       | £14,625       | £14,625        | £14,625                         | £14,625        | £14,625        | £14,625        | £14,625        | £175,500        |
| Food Revenue        | 0                       | 0             | 0             | 0             | 0             | 0             | £4,875         | £4,875                          | £4,875         | £4,875         | £4,875         | £4,875         | £29,250         |
| Wet Stock           | £5,633                  | £5,633        | £5,633        | £5,633        | £5,633        | £5,633        | £5,633         | £5,633                          | £5,633         | £5,633         | £5,633         | £5,633         | £67,600         |
| Dry Stock           | 0                       | 0             | 0             | 0             | 0             | 0             | £1,733         | £1,733                          | £1,733         | £1,733         | £1,733         | £1,733         | £10,400         |
| <b>Gross Profit</b> | <b>£8,992</b>           | <b>£8,992</b> | <b>£8,992</b> | <b>£8,992</b> | <b>£8,992</b> | <b>£8,992</b> | <b>£12,133</b> | <b>£12,133</b>                  | <b>£12,133</b> | <b>£12,133</b> | <b>£12,133</b> | <b>£12,133</b> | <b>£126,750</b> |
| Bar Wages           | £4,030                  | £4,030        | £4,030        | £4,030        | £4,030        | £4,030        | £4,030         | £4,030                          | £4,030         | £4,030         | £4,030         | £4,030         | £48,360         |
| Chef Wages          | 0                       | 0             | 0             | 0             | 0             | 0             | £2,875         | £2,875                          | £2,875         | £2,875         | £2,875         | £2,875         | £17,250         |
| Business ins        | £164                    | £164          | £164          | £164          | £164          | £164          | £164           | £164                            | £164           | £164           | £164           | £164           | £1,964          |
| British gas         | £1,350                  | £1,350        | £1,350        | £1,350        | £1,350        | £1,350        | £1,350         | £1,350                          | £1,350         | £1,350         | £1,350         | £1,350         | £16,200         |
| LPG gas             | £271                    | £271          | £271          | £271          | £271          | £271          | £271           | £271                            | £271           | £271           | £271           | £271           | £3,250          |
| Rates               | £0                      | £0            | £0            | £0            | £0            | £0            | £0             | £0                              | £0             | £0             | £0             | £0             | £0              |
| Dwr Cymru           | £92                     | £92           | £92           | £92           | £92           | £92           | £100           | £100                            | £100           | £100           | £100           | £100           | £1,153          |
| Maintenance         | £150                    | £150          | £150          | £150          | £150          | £150          | £150           | £150                            | £150           | £150           | £150           | £150           | £1,800          |
| Internet            | £43                     | £43           | £43           | £43           | £43           | £43           | £43            | £43                             | £43            | £43            | £43            | £43            | £520            |
| Licences            | £22                     | £22           | £22           | £22           | £22           | £22           | £22            | £22                             | £22            | £22            | £22            | £22            | £260            |
| <b>Costs</b>        | <b>£6,122</b>           | <b>£6,122</b> | <b>£6,122</b> | <b>£6,122</b> | <b>£6,122</b> | <b>£6,122</b> | <b>£9,004</b>  | <b>£9,004</b>                   | <b>£9,004</b>  | <b>£9,004</b>  | <b>£9,004</b>  | <b>£9,004</b>  | <b>£90,756</b>  |
| <b>Profit</b>       | <b>£2,870</b>           | <b>£2,870</b> | <b>£2,870</b> | <b>£2,870</b> | <b>£2,870</b> | <b>£2,870</b> | <b>£3,129</b>  | <b>£3,129</b>                   | <b>£3,129</b>  | <b>£3,129</b>  | <b>£3,129</b>  | <b>£3,129</b>  | <b>£35,994</b>  |

| Year 2              | Wet 10% Uplift |                |                |                |                |                |                | Wet 20% uplift |                |                |                |                |                 |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|                     | Apr-24         | May-24         | Jun-24         | Jul-24         | Aug-24         | Sep-24         | Oct-24         | Nov-24         | Dec-24         | Jan-25         | Feb-25         | Mar-25         | Year 2          |
| Drink Revenue       | £16,088        | £16,088        | £16,088        | £16,088        | £16,088        | £16,088        | £17,550        | £17,550        | £17,550        | £17,550        | £17,550        | £17,550        | £201,825        |
| Food Revenue        | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £4,875         | £58,500         |
| Wet Stock           | £6,197         | £6,197         | £6,197         | £6,197         | £6,197         | £6,197         | £6,760         | £6,760         | £6,760         | £6,760         | £6,760         | £6,760         | £77,740         |
| Dry Stock           | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £1,733         | £20,800         |
| <b>Gross Profit</b> | <b>£13,033</b> | <b>£13,033</b> | <b>£13,033</b> | <b>£13,033</b> | <b>£13,033</b> | <b>£13,033</b> | <b>£13,932</b> | <b>£13,932</b> | <b>£13,932</b> | <b>£13,932</b> | <b>£13,932</b> | <b>£13,932</b> | <b>£161,785</b> |
| Bar Wages           | £4,433         | £4,433         | £4,433         | £4,433         | £4,433         | £4,433         | £4,836         | £4,836         | £4,836         | £4,836         | £4,836         | £4,836         | £55,614         |
| Chef Wages          | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £3,163         | £37,950         |
| Business ins        | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £175           | £2,100          |
| British gas         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £1,500         | £18,000         |
| LPG gas             | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £300           | £3,600          |
| Rates               | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0              |
| Dwr Cymru           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £120           | £1,440          |
| Maintenance         | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £1,800          |
| Internet            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £600            |
| Licences            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £35            | £420            |
| <b>Costs</b>        | <b>£9,926</b>  | <b>£9,926</b>  | <b>£9,926</b>  | <b>£9,926</b>  | <b>£9,926</b>  | <b>£9,926</b>  | <b>£10,329</b> | <b>£10,329</b> | <b>£10,329</b> | <b>£10,329</b> | <b>£10,329</b> | <b>£10,329</b> | <b>£121,524</b> |
| <b>Profit</b>       | <b>£3,107</b>  | <b>£3,107</b>  | <b>£3,107</b>  | <b>£3,107</b>  | <b>£3,107</b>  | <b>£3,107</b>  | <b>£3,603</b>  | <b>£3,603</b>  | <b>£3,603</b>  | <b>£3,603</b>  | <b>£3,603</b>  | <b>£3,603</b>  | <b>£40,261</b>  |



### Year 3

Wet & Dry 10% Uplift

|                     | <b>Apr-25</b>  | <b>May-25</b>  | <b>Jun-25</b>  | <b>Jul-25</b>  | <b>Aug-25</b>  | <b>Sep-25</b>  | <b>Oct-25</b>  | <b>Nov-25</b>  | <b>Dec-25</b>  | <b>Jan-26</b>  | <b>Feb-26</b>  | <b>Mar-26</b>  | <b>Year 3</b>   |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Drink Revenue       | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £19,305        | £231,660        |
| Food Revenue        | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £5,363         | £64,350         |
| Wet Stock           | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £7,436         | £89,232         |
| Dry Stock           | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £1,907         | £22,880         |
| <b>Gross Profit</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£15,325</b> | <b>£183,898</b> |
| Bar Wages           | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £5,320         | £63,835         |
| Chef Wages          | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £3,479         | £41,745         |
| Business ins        | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £180           | £2,160          |
| British gas         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £1,750         | £21,000         |
| LPG gas             | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £325           | £3,900          |
| Rates               | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0             | £0              |
| Dwr Cymru           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £150           | £1,800          |
| Maintenance         | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £200           | £2,400          |
| Internet            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £60            | £720            |
| Licences            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £50            | £600            |
| <b>Costs</b>        | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£11,513</b> | <b>£138,160</b> |
| <b>Profit</b>       | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£3,811</b>  | <b>£45,738</b>  |