



THE WATTEN SHOP GROUP LIMITED

Business Plan for Woodside Stores

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1 Executive Summary

1.1 Vision and values

Vision: A busy community hub encouraging all ages and interest groups to come together around the community shop.

Values: To save and grow the local shop and PO for the benefit of the people of Watten district & wider Caithness.

The Watten Shop Group Limited aims to purchase, renovate and run the property currently known as Woodside Stores in Watten Village, Caithness. It has been run as a shop for the last 50+ years and is currently up for sale with no prospective buyers. We intend to buy the property, renovate it to a high standard and focus on providing a well-stocked & well-equipped local shop. A public meeting revealed a very strong consensus that the purchase and redevelopment of Woodside Stores by the community would stimulate community activity, help reduce social isolation, improve wellbeing, and provide economic benefits to the village and the wider area.

A questionnaire has generated a powerful response and provided valuable information regarding people's priorities for the shop and their willingness to provide financial and other support. The publication of this Business Plan, together with the accompanying draft Share Offer, is the next step in the Society's bid to realise a vision which has energised the whole community.

This vision is not simply to keep the shop open, but to create a genuine, busy community hub, encouraging all age and interest groups to come together by providing a welcoming place to shop.

Opportunities will be created for volunteering, leading to improved health and democratic participation, and strengthening resilience in the aftermath of the pandemic.

In addition to the commitments made by individual members of the community and their families, letters of support have been obtained from a wide range of local societies, businesses, and prominent individuals. Volunteers have offered their services in areas ranging from marketing and communications to painting and working in the shop.

The Society intends to place an emphasis on skills development, training and work experience and to work with local agencies active in these areas to maximise opportunities for such benefits.

We intend to both carry on and build on the existing business for the benefit of the people of Watten district & wider Caithness by providing retail services, Post Office Services and any other service that may be of social benefit to the surrounding community. We intend also to provide a sustainable business where products are sourced locally where possible, keeping wastage levels low and improving our carbon footprint.

Our vision for the shop

Our vision is founded on these principles:

Community - We are committed to serving as a community hub where people can gather, connect, and make friends. Connecting people to build a community so they can feel valued and involved rather than isolated.

Welcoming – We want everyone to feel that the shop is there for them day in, day out and that they have a role to play in shaping the vision over the next few years as the community develops, and that when they use the shop, they are given a friendly welcome and encouraged to engage within the community.

Affordable – Providing a wide range of products to fit the purse of residents offering a range of options from “Happy Shopper” to high end, locally sourced products.

Economic – Supporting local business, working with local suppliers, other traders and other community organisations to benefit the local economy.

Sustainable and ethical – We are committed to sustainable business practices that ensure we are a resource for the community for generations to come by providing locals with access to ethically sourced sustainably produced local goods and services to reduce food miles and to encourage residents to walk to the shop instead of travelling to Wick or Thurso by car.

Inclusive – Offering local employment, training, and volunteering opportunities to local people who would like to get involved and working with others to enable all residents gain access to healthy and affordable food.

Accessible – We’re committed to making our products and services accessible to everyone, including people with disabilities and we will consider their needs in the layout and design of the shop (e.g. lighting, and allowing plenty of space to enable wheelchair users to maneuver freely in the shop).

Communication – We aim to keep the locals engaged and informed of events, news and offers for the shop and to take on board feedback and be accountable to the needs of the community and our partners.

Our core values:

1. GOOD FOR PEOPLE AND RESIDENTS OF WATTEN
2. GOOD FOR THE WIDER COMMUNITY
3. GOOD FOR THE PLANET

The vision for the shop is to provide Watten and the wider area with a well-stocked shop filled with local and high-quality produce as well as basic everyday essentials to meet the needs of those living in

the area. Also, to run the shop in a way that is sustainable and where possible make conscious choices to help the environment and reduce our carbon footprint.

We want it to be a welcoming, brightly lit, well-organised, clean open plan space that is accessible, where customers can feel comfortable grabbing and going if in a rush, or to browse and get great customer service; where the staff will be friendly and warm but not overpowering and suggestions from customers as to stock range will be encouraged.

We want to offer an affordable alternative for shoppers, and we recognise that our shop will not be a place someone does their only weekly shop but offers the items people need daily, in an emergency or what is not offered by a larger supermarket chain, including local and eco-friendly options.

1.2 The project

Following the initial community meeting in Watten, a steering group was formed with the agreement to investigate all possible options for the shop following the guidance set out by The Plunkett Foundation. The steering group consisted of both residents new to the area and some who had been there a long time.

Various options were considered including:

- Other premises within the village.
- A completely new build on a site in or around the village.
- A portacabin option on existing open ground.
- Space inside other business premises within the village.
- The current premises.

The options appraisal found that buying the shop without the house was the best and most cost-effective option.

The green space with a small portacabin on the site was considered but the steering group decided that it was not practical. The obstacles included installing all utilities, purchasing the land, planning permission and it was questionable whether a portacabin would meet the needs of the community.

If looking for other empty properties in the village, it was found costs would be high and there were no suitable premises that passers-by would use.

The operating shop offers what the group is looking for. The one issue was that it is attached to a house which is part of the sale but the group on reviewing the property decided that they only want to purchase the shop and not the house attached. They felt that the property required too much work and they did not want to take on a rental property as well.

Much discussion took place and with the assistance of the Plunkett Foundation, site visits and advice

from professionals, the steering group decided that the best option was the current shop premises. This was for various reasons including:

Location – Roadside, in the heart of the village. A new location may require the purchase of land and a completely new build which would be a more expensive option as connections to power/sewage would all need to be considered, as well as the cost of materials.

Parking – easily accessible, parking directly in front of the shop. Space for three cars at least with other parking available nearby. Other locations would need parking spaces created or pavements/boundaries moved and after discussions with Highland Council and other businesses that may be affected, it was deemed too difficult.

Cost – the cost of a new build would be much more expensive than a renovation of the existing shop.

Room for Improvement – the shop fulfils its function at the moment, however there is a lot of unutilised space at the current location which means there is potential to increase and expand the services offered in the future. There is a large back room currently unused which has potential to be a seating area or an extension of the shop floor.

1.3 Watten



Location of Watten Village as indicated by red pin drop (although location would be more accurately described by the darker red circle in the middle as opposed to the pinpoint at the bottom).



Watten – coming from the West (Thurso) towards the Wick side of Caithness.



Loch Watten – popular with fishers, kayakers and many locals who like to walk and picnic on the loch.

1.4 Potential customer base

Our customers will mostly be local residents and those passing through on their way to work for example. However we will aim to bring people in from around the county with a good range of local products as well as attracting tourists visiting the area and passing trade.

For the Watten Shop Group, local residents are at the core of why they began this project; to ensure that this asset was not lost to the detriment of the community. Therefore, the shop's primary function will be to deliver services and amenities to the people who live in and/or work in Watten village and district. As noted previously, Watten is at the very heart of Caithness county and the road that goes through the village is one of the busiest thoroughfares in the area, with a significant amount of people travelling throughout the county for work. At either end of the road lies the towns of Wick & Thurso but in the 20 miles in between there are little to no services available to people travelling, save those in Watten.

Since the inception of the North Coast 500 – a route which travels 500 miles around the far north of Scotland - Caithness as a whole has seen a large increase in tourists. In its 1st year (2015) 29,000 additional tourists were brought to the area. And excluding COVID times, this number has grown year

on year. In 2018 just under 500,000 visitors were recorded as having visited Caithness as part of the NC500 route. Since 2020 and in COVID recovery times, not only are tourists travelling along the official NC500 route, but a large percentage of visitors are now choosing to spend more time throughout Caithness and taking the time to explore all that is on offer here. By stocking both convenience foods such as fresh sandwiches, pastries and ice cream as well as an array of local produce it is believed that tourists looking for conveniences on the go or a token to remember their visit to Caithness will use the shop frequently and on a returning basis.

It must be also noted that many visit Caithness not as part of the NC500 but to see more of their own country, and to explore the many attractions Caithness has to offer including its incredible beaches, peaks and history. These tourists are also potential shop customers. Caithness is also the gateway to the islands with 3 ferry services currently running to Orkney and beyond. People staying locally may look for produce from Caithness or perhaps food on the go as their travels continue on.

Strategic requirements to deliver the shop.

This project will require:

- A creative, entrepreneurial approach to deliver an attractive shop.
- A building which is fit for purpose, meeting all modern health and safety, fire, equalities and environmental standards.
- An effective marketing strategy, including a digital presence and an identity that is reflected and reinforced on the premises and in all marketing materials.
- Earned income generation from the shop could, in time, re-circulate into the local community to meet other unmet needs e.g. tackle social exclusion and isolation.
- Appropriate staff and volunteers to ensure that the vision for the project is carried out on a daily basis.
- The on-going support of the local community in terms of the Share Offer and customers to the shop.
- Increasing visitors and footfall to the village to benefit all businesses and projects as well as community members in the long term.

1.5 Refurbishment and remodelling

Extensive work is needed to deliver the existing building in an acceptable condition. The Society's ambition, however, is to remodel the premises using the skills of locals wherever possible.

1.6 Project costs and funding

Currently, it is estimated that funding this development programme will cost £176,000 plus VAT for works, and an additional £35,000 for overheads and other expenses over and above the cost of purchase £48,000 which includes a 5k business goodwill.

This Business Plan forms the basis of the Share Offer by which members of the community and the

wider public are now invited to participate in and support Woodside Stores.

Our target for funding from all sources is £294,200. We know that a substantial proportion of this amount will need to be raised from grant funding and we are confident that the plan for Woodside Stores meets the criteria of a number of currently active grant programmes. The target we are setting for the amount to be raised specifically from the Share Offer is £15,000.

The financial plan for the business is based on services and facilities, the provision of which will be dependent on reaching the overall funding target. This plan is based on income from the sale of goods in the shop.

1.7 Marketing

From the outset, the Society will be able to take advantage of marketing expertise from members. An extensive range of social and traditional media - both paid-for and free, direct and interactive, and aimed at specific target audiences - will be used to ensure that relevant and credible messages relating to what Woodside Stores has to offer will continually be reaching the attention of potential users, so as to create and retain awareness and build on the existing customer base which will generate recurring business for many years to come. Custom-labelled merchandise will both raise funds and spread the 'Woodside' message far and wide.

1.8 The Society itself

The community has adopted the model of a Community Benefit Society as being that which is most in keeping with the spirit which has brought the venture into being. Model Rules have been adopted and an Initial Management Committee of 11 is in place, supported by six sub-committees responsible for different areas of activity. Membership is by purchase of £5 shares or multiples thereof and voting at General Meetings is on a one-member one vote basis.

The Share Offer will be launched in February 2024. Grant applications, design and planning applications will follow, prior to adoption of final plans, tendering, and appointment of contractors. Work on site will take place from June 2024. The intention is that the shop should reopen in late summer.

2. Introduction

2.1 Background

The village of Watten is in the heart of Caithness County in the far north of Scotland. Located on the A882 the village is on the main route through the county of Caithness and connects the two towns in the county, Wick and Thurso. The population sits around 869 people in 448 households. As of 2021,

Caithness as a whole has a population of 25,347 people. 16.0% of the population are children aged 0-15 years, 59.7% are aged 16-64 years, and 24.3% are aged 65 years and over.

Watten's geographical location, about 8 miles west of Wick and 12 miles east of Thurso on the main road between Wick and Thurso, provides a good location for people working in and commuting to either of these main Caithness settlements. Amenities in Wick and Thurso are also accessible to people who can drive there. The village is set in a rolling agricultural landscape, surrounded by farmland and close to Loch Watten, a renowned fishing loch which is popular with local, national, and international fishers.

Watten is a safe place to live with significant community assets including a school, playpark, football pitch, community hall and the village shop & Post Office. Its population enjoys a good quality of life with access to larger economic centres for jobs, regional services and for secondary, further and higher education. The closest city is Inverness, approximately 114 miles south.

2.2 The need for this project

Community shops have provided lifeline services and activities to support local people in need during the pandemic. Community shops are so often more than a shop, they are uniquely rooted in community needs and they know their local customers. This special connection with the community is what makes community businesses such valuable and unique assets – and what also gives them increased financial resilience.

It is more important than ever to invest in community facilities to assist and support people with their recovery from the pandemic. Community shops play a critical role in supporting our long, slow recovery; the value that comes from providing a place that local residents feel they collectively 'own' is immeasurable and provides a springboard for wider engagement. It is generally accepted that community shops lead to thriving networks of volunteers, improved health and wellbeing, increased democratic engagement, and communities with the resilience to cope with any challenges that may follow in the future.

2.3 Watten without a shop

The reality of losing the shop in Watten really hit home this year as the current owner advised that he was keen to cut ties and get started with a new life in Perthshire and has on several occasions hinted at closing the shop until a buyer is found. This is what has spurred the community to move quickly and get into a position to buy the property and run the shop.

The loss of the shop would, in the view of the committee, begin a process of decline in the village. Without access to basic amenities, people will move away from the area and travel further afield for all services. The lack of amenities will also act to discourage people from moving to the area. The wellbeing of the community would suffer greatly as the shop is not just a shop, it is the social hub of

the village where some people have their only social interaction of the day or the week. It gives the elderly access to their pensions and provides basics for those unable to travel further. The fear is that with the closure of the shop, there will be less community buy-in and support for other projects and that will have a detrimental effect on the community. We have even received a letter of support from a local medical practice citing the increased numbers of people suffering isolation and were Watten to lose its shop there is a real chance that people's health would be affected.

There would also be a negative impact on the environment. People unable to fulfil their needs locally will travel further afield to do so, increasing their carbon footprint and causing a higher level of pollution in the rural area.

2.4 Document status

This high-level business plan presents our vision for Woodside Stores and outlines how we intend to develop and run the venture, ensuring its future viability and that it achieves our social mission. The business plan will also support our grant applications; **Appendix A** outlines some of the grant funds for which we may be eligible.

This document has been developed by the Watten Shop Group Limited management committee and sub-groups. External review and advice have been provided by the following:

The Plunkett Foundation provides practical advice, business support and training to help communities establish and run innovative and inclusive community businesses that make a positive impact for local people. A community business is any type of business that trades for community benefit and is democratically owned and controlled by the local community. Plunkett supports community businesses across the UK, providing business advice to all types of community business, at all stages of their journey – from the initial idea, to long after the business is open and trading.

The business plan was formally adopted by the Watten Shop Group Management Committee on January 30th 2024. We recognise that this business plan will evolve, and we will develop a more detailed plan once final architectural plans and cost estimates have been finalised for the building.

3. About Watten

Watten lies in the heart of the most northern mainland county in the UK. Caithness spans an impressive 1,600km² of some of the most remote land in the country with the only road south being the A9, which stretches from the Ferry Pier in Thurso to Perth in the central belt – a distance of 221 miles, and is also known as the most dangerous road in Scotland.

The vastness of the Highlands and lack of amenities means that people in Watten must travel to places

like Inverness for hospital appointments, clothes shopping etc. The village is the definition of rural. The intervention by the community is necessary due to the potential closure of the shop due to the current owner's situation. The current owners of Woodside Stores, Robbie & Wendy McGowan have had the property on the market since November 2021 and are eager to sell. There has been very minimal interest in the property with one viewing to date. If no one comes forward to take the business on, they have advised they will have no option but to close the business for good – they have already moved to Perth and are commuting weekly for three days to keep the shop open for the community.

The next nearest shops where people can buy groceries are in Wick, 7 miles away. The nearest Post Office is in Wick also; for banking, retail and other necessary services, people have to travel to Thurso 12 miles away.

Unless one can drive, Watten appears quite isolated. It is on the main thoroughfare through the county yet public transport is somewhat lacking. There are bus services only approximately every 2 hours to Thurso and Wick, even less regularly at evenings or weekends, and anecdotal evidence would suggest these are often unreliable.

Those who have moved to the area in recent years are not all moving into the village itself but many to houses and smallholdings out with the village for a more rural lifestyle. Further anecdotal evidence would suggest that if the village lost its shop, it would be much less attractive to those looking to buy property in the area.

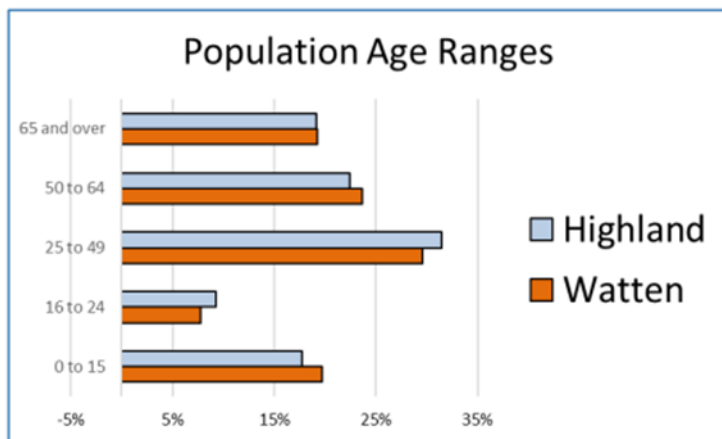
In summary, the key challenges facing Watten and wider Caithness are its remoteness and the lack of other facilities in the area except the village hall, small hotel & primary school. Those living in the district face an hour's round trip just to buy basic provisions or to have access to banking facilities. **The renovation of Woodside Stores would stem the decline in amenities, create employment and build a hub for a community who are already so passionate about saving their shop.**

3.1 Key statistics and assets

Population

The District of Watten is situated in the Caithness North East Ward 01 and has a population of 869 people in 448 households. There are 33 children currently registered at Watten Primary and for secondary school, children must travel to the town of Wick.

As is common with rural areas, regular figures around the age of the population are difficult to obtain. The last available figures come from a community development plan created by Athena Solutions for the Watten District Community council in 2016. The figures are based on those that were available from the 2011 census and compare Watten with the Highlands as a whole.



Employment & income

Levels of employment in the area are high with only 4% of residents deemed to be employment deprived in the recent Demography and Deprivation report, meaning they are unable to find work in the direct area. The report also shows that 11% are income deprived, meaning that they are not making enough money to sufficiently meet all their needs. The Demography and Deprivation report is an NHS Highland Report released in November 2023 based on 2022 data. Wider Caithness itself has some of the most deprived areas in Scotland as indicated in the report. The most prominent industries in the area are agriculture and rural industries, other labour-intensive jobs such as roadwork, quarry work or construction and as throughout all of Caithness, a percentage of people are employed in secondary industries, especially in relation to the Dounreay nuclear plant decommissioning process.

There is little specific information available as to the mean income for those of working age in the county. On the whole, people's incomes allow them a decent standard of living but one must remember how remote and far north the village of Watten is. 114 miles north of Inverness and by extension 114 miles from vital medical, financial and other services. Women often have to travel this distance in labour to give birth in Inverness as the facilities in Caithness have been downgraded significantly. To put this into perspective – this is the equivalent of women in Edinburgh having to drive to Newcastle to give birth. Were the village and the shop located further south and in a much more affluent area then raising the money for the project through share release and fundraising would be quite achievable. However in Caithness this is not a viable option. It must be reiterated that whilst many people work and are not on the poverty line, the people of Watten are not in a position to be able to afford to purchase, redevelop and run Watten shop without significant assistance and funding.

Despite the fact that Watten sits in a rural, isolated location in the far, far north of Scotland, what can be guaranteed is that the people of Watten WILL use the shop and they WILL value it as it is such an integral part of village life. But they may not necessarily be able to afford to finance the project up front. Through the Share Offer the Watten Shop Group will be keen to ensure that the vast majority of people can afford to contribute to the Share release - which will be subject to Standard Mark Assessment to ensure it is of the highest standard. We recognise that the more people who become shareholders, the more sustainable the project. It is for these reasons we intend to price our shares at

£5. Most people can afford to contribute at this cost and will buy for children or grandchildren to ensure their involvement in the project continues throughout the years.

Access to services

The people have access to a number of services in Watten and have significant community assets including a school, playing fields and playpark, a community hall, and a petrol station come garden centre. Its population, at 869 people in 448 households, enjoy a good quality of life with access to larger economic centres for jobs, medical treatment, prescriptions, regional services, and for secondary, further, and higher education.

The shop and Post Office are the absolute heart of the village of Watten and without it, the village would undoubtedly be a much less attractive place to live. The retention of the village shop will stem the decline in Watten which will become inevitable if the shop closes. People will move away to be closer to amenities and services, people looking to move to the area will ultimately dismiss Watten as it does not meet their needs and it could ultimately contribute to the closing of other businesses whose services may have worked well alongside the shop and without whose partnership may now suffer financially as a result. Places like the Brown Trout Hotel hosts fisherman, workmen and local Auction Mart staff who like to stay there as they have access to the shop for food, beverages and other daily essentials. Without this, the patrons would be as well staying in the bigger towns where their needs can be met. This is only one example of the critical role the shop plays in village life and how vital it is to the community it serves.

Crime

Watten is a safe place with very little in the way of crime or other police matters. However, the community has experienced some vandalism in the last couple of years and this is believed to be due to young people with nothing better to do. The group have discussed plans to protect the shop from possible criminal actions and have a security plan in place that will involve an alarm system and potentially Close Circuit Television. They also want to ensure they are best serving the community and as a result would also offer work experience to young people in the village and also perhaps paid weekend work. They are also keen to support young people looking to volunteer or who perhaps need to work in the community for schemes like the Duke of Edinburgh's award scheme. Young people are part of the community and will be included in any further consultation to ensure their opinions are heard. It should also be noted that the shop is in a location on the main road that is highly visible to both the public and passing traffic and therefore any vandalism or damage is highly unlikely. Community police officers will be encouraged to visit the store for a coffee and perhaps a regular appointment can be set up where members of the community come and speak regarding any concerns they have with the issues mentioned above; this will likely be an excellent deterrent.

Health and wellbeing

The plan to make the shop a bright and inviting space for the community will further increase its standing as a social hub. Throughout COVID and even as recently as January 2024 information shows a high level of social isolation within rural communities in Scotland. It is so important that people are afforded the opportunity to keep their minds and bodies active and the trustees are keen to provide

support to those where they can. By providing a welcoming space where people can get the majority of their requirements, it encourages people to visit and to spend time on the premises. Whilst they're shopping, it is hoped they may take advantage of the facilities and amenities available – have a coffee, read a paper, chat with staff and acquaintances. This may be the only social interaction some people have in a day and so the board of directors are keen to nurture this and encourage this socialising and welcoming atmosphere, hopefully leading to a decrease in feelings of loneliness, depression and anxiety and an increase in feelings of community and belonging. Within the proposed works in the shop there are plans to make the premises fully accessible and plans will include special accommodation for those with additional needs. Discussions around specific 'quiet hours' for those with dementia or other conditions have already taken place and will be implemented at an appropriate time once the group has taken ownership of the shop. Volunteering opportunities for those who wish to fill their day will be part of the staff consideration.

By offering a wide array of fresh food, store cupboard essentials and other ingredients it is hoped that WSG will contribute to improved physical health in the area. People, encouraged to walk to the shop instead of using the car to go further afield, will be able to buy ingredients to make a balanced meal from the shop. This was really important to the committee as they do not want to sell just low-quality convenience foods but also staples that can assist with maintaining a healthy diet.

Cycling and walking groups within Watten and wider Caithness often come to the village to walk the Loch or make use of many of the local trails. Many in these groups have indicated they would like to exercise and finish with a coffee as a treat or reward. This shows that a well thought out shop with conveniences important to the community will potentially have a positive impact on the physical health of the residents of Watten.

Government policies

Scottish Government neighbourhood policy.

20-minute neighbourhoods are deeply rooted in *Scottish policy*. They are an important part of plans for regeneration and addressing climate change. The 20-minute neighbourhood is all about 'living locally' and enabling people to meet most of their daily needs within a 20-minute return walk from home. Generally, the characteristics of a 20-minute neighbourhood will include: a safe, accessible, and well-connected movement network for pedestrians and cyclists; high-quality public spaces, streets and open space; good access to services that support local living.

Significant areas of activity regarding this policy are to bring services and facilities into these neighbourhoods, and to connect neighbourhoods to each other through accessible and affordable public transport.

<https://www.gov.scot/publications/local-living-20-minute-neighbourhoods-planning-guidance/pages/4/>

Scottish Government policy – Community Councils.

A Community Council is a voluntary organisation set up by statute by the Local Authority and run by the local residents to act on behalf of its area. As the most local tier of elected representation, Community Councils play an important role in local democracy. Community Councils are comprised of

people who care about their community and want to make it a better place to live.

As well as representing the community to the Local Authority, Community Councils facilitate a wide range of activities which promote the well-being of their communities. They bring local people together to help make things happen, and many Community Councils protect and promote the identity of their community. They advise, petition, influence and advocate for numerous causes and cases of concern on behalf of local communities. Here are some examples of their work from across the country:

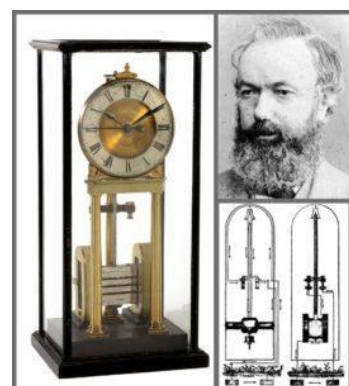
- Carry out projects to enhance their community for all types of citizens – elderly, single mothers, minority groups, youths etc.
- Issue community newsletters.
- Conduct local surveys.
- Campaign on local issues.
- Organise community events such as local galas.

Community Councils are the strongest means of becoming involved with your local area. It will give you a good understanding of the workings of local government and what is going on locally and nationally. All Local Authorities in Scotland encourage citizens to become a member of their Community Council.

Watten Community Council elections took place in November and the new council is now firmly in place for the next 4-year term. The WSG finds itself with a firm ally and a strong partnership where both parties have the goal of working towards the betterment of the community.

3.2 Our history and heritage

Watten has had an interesting history. It was the birthplace of Alexander Bain who was the inventor of a type of pendulum-regulated electric clock and the fax machine. During World War Two, Watten was host to a prisoner of war camp known to have held some high-profile Nazis and was known as 'Britain's most secret prisoner of war camp'. The shop itself has been central to the village for the last 70 years and has had various uses including that of a general store and a fish and chip shop. The shop has had various owners but has been owned by Robert & Wendy McGowan for the last decade who have run it as a family business. The McGowans have moved to Perth and the shop is their remaining tie to Caithness.



The site of Watten's POW camp and an image of Alexander Bain & his invention

3.3 Tourism and potential customer base

The main all-year customer base for Woodside Stores will be the local residents of Watten, and the surrounding areas. There is, however, a much broader visitor market that we can tap into during certain parts of the year including tourists heading to John O' Groats and those coming to fish as well as visiting workers to the local economy.

Woodside Stores is situated in a perfect location for the passing trade. It sits on the main A882 road from Thurso to Wick and is in very close proximity to Wick Airport which currently has flights to Aberdeen and is looking to expand its offerings.

Since the introduction of the NC500 in 2015, the numbers of tourists visiting the area have increased greatly. In 2018, nearly half a million people visited Caithness as part of the route.

3.4 The competition

There is one other community-run shop currently in the county. It is situated in the town of Thurso. 'Socially Growing' has been in place almost 2 years and its aim as a zero-waste refill shop has been to be as environmentally sustainable as possible with customers encouraged to bring their own containers and to pay based on the weight of product purchased. They also stock higher end treats and food items. We agree with and admire the ethos of the Socially Growing shop and feel there is a large amount of helpful information and knowledge we could learn from them. They are the first of their kind in Caithness and are leading the way in terms of offering this type of project. Our main concern is that the shop perhaps needs to complete more consultation and work more closely with the community, to listen to what the community needs and what they would like to see and implement these changes to ensure it is sustainable and profitable.

These are potential issues that we have foreseen and throughout this process the Watten Shop project have had many discussions around how to involve the community and avoid any such pitfalls. WSG aims to do this by ensuring we are carrying out a large amount of community engagement and consultation and ensuring the community is involved every step of the way. In the future, the group would like to see a shop set up for and run by the community. We would like the WSG and other community assets to swap information and assist each other; we may need a discussion forum to meet and share ideas.

The main competition for the village store in Watten will be the larger supermarkets; Tesco Extra in Wick, 7 miles from the village, and Lidl stores in both Wick & Thurso. These shops offer a wider variety of produce due to their size and sourcing capabilities, which the group will be unable to match. The size of these supermarkets, their market share and their ability to keep prices lower will also be something the shop is unable to compete with. The shop will not be buying in stock at the same levels and therefore unable to compete with the best deals – however it is our aim to be priced as competitively as possible to encourage as much business as possible.

Other local villages have small shops like Watten's (such as the shop in Halkirk which is off the main road and therefore less convenient for commuters), however in most cases these have been taken over by well-known brands such as McColl's, Morrisons & Spar. These shops are well known to be slightly dearer than their larger counterparts as people are paying for the convenience of having a shop in their locale and not having to travel into town to go to a larger store. We do not aim to intentionally charge more but will have to price at a point that covers our costs and allows us to make a slight profit that can be reinvested to build and improve the business.

When deciding on an avenue for the shop and developing strategies to promote success and sustainability, the trustees were of the mind that trying to compete with supermarkets was not how the shop would succeed. The shop will succeed by being a reflection of the community it serves – by being warm and friendly, helpful and sustainable. Keeping to the core values and working alongside members and other stakeholders to provide services and amenities that meet their needs through regular feedback and consultation. This is how the shop will differentiate itself from its competition and how it will attract customers through its doors.

This topic was discussed at length by the trustees, and it became apparent that this was a question with two forms of an answer. As a business WSG wants their target customer to be someone who can shop regularly within the shop, buys quality, high value produce and has disposable income. As a community asset the target customer is those within our community who want quality produce at an affordable price and use the shop frequently (perhaps as their main shop) for essentials and other services. Both sides need to be balanced and formed into a strategy whereby the committee can fulfil their promise to the community and run a profitable sustainable business.

In order to reach our target customer, we will use a varied strategy. Promotion and special offers will help promote the goods and services to people and we will do this in accordance with our communication strategy noted later in this plan. As discussed at previous meetings, there is the option of introducing a loyalty scheme whereby faithful customers receive additional benefits that could be introduced in the future.

Increasing our footfall

In its very basic current state, the shop still receives anywhere between 40-70 customers a day as it is the only place locally to buy newspapers, drinks, milk and other daily essentials. It is the firm belief of the WSG that with a wider array of quality stock – stock that the people of Watten have indicated they would like to see - will instigate higher footfall initially. We aim to increase footfall with the following steps:

Word of mouth – if people have a good experience, they will be likely to talk about it and pass on to others, giving them more incentive to visit and return.

Creating a friendly pleasant atmosphere – Creating a space that is pleasant to shop in; warm, well lit,

lots of space to browse, well stocked, with friendly, helpful staff, creating a positive experience that more customers will be likely to want to repeat.

Marketing strategy – Using various forms of media, the shop and its produce will be advertised regularly keeping it to the forefront of people’s minds and reminding them that they can pick up essentials locally without having to travel further afield.

Community feedback – Regular consultation and encouraging feedback means that the trustees will make use of every opportunity to ensure that they are meeting the needs of the community they serve.

3.5 Social impact of keeping the shop open

It is the intention of the Watten Shop Group to run their business and make decisions in order that they might create significant levels of positive social impact. A high level of social impact is expected from a community venture when attracting public funding. As we have seen the shop is viewed as very important to the local community and enabling a sustainable future for both the shop and the village. Loss of the shop (in its current run down state) is already having a negative impact on the village so NOT reinstating the shop in some way will continue this trend.

There are many areas where the shop will have a significant social impact and the most important ones are listed here:

Health & Wellbeing – By being able to stock a variety of products and by giving patrons proper options to prepare a balanced meal with fruit and veg, meats and high quality ‘ready’ meals, the shop is going to aid in improving the health of those who buy their meals from the shop. People need to have access to good quality food to maintain their health and this will always be a priority for the group – to be a place where as well as having access to drinks, sweets and ice cream, you can also get good quality ingredients and eat well whilst shopping locally. Having the shop within walking distance is also an added benefit encouraging people to walk, run and cycle to collect items and use the services. With increased footfall projected it is hoped that more people will use these options to visit the shop and get exercise whilst going to the shop.

Mental Health – Starting from the current shop and building it up to create a social hub for the village is always at the forefront of the trustees’ minds. Living rurally can mean that in some cases people can suffer from feelings of isolation and loneliness. Mental health issues have risen significantly in Caithness since the pandemic and are affecting people of all ages. Many elderly residents are not very mobile and many struggle with not being able to socialise. With the take-over of the shop one of the goals is to increase interaction and socialisation within the village. New services such as increased paper and magazine stock, a book share, hot food, and hot drinks machine as well as longer opening times are all factors that it is hoped will contribute in some way to allowing patrons to interact socially, meet new people and chat and swap news with neighbours. We aim to have a small seating area where locals can help themselves to a hot drink and socialise. A potential shop delivery service is proposed in year 2; this will enable stock purchase runs as well as deliveries to people living in outlying areas and

could also enable more isolated customers to buy from the shop. It will also enable those who are sick or unable to visit to receive their items and have them delivered by a friendly member of staff.

Social Awareness – The shop will be central to keeping people informed around social events and other important things happening within the village; things such as community groups, local elections etc. In this way, it is hoped that by increasing awareness among those using the shop that attendance and participation in other village social events may increase as a result.

Economic - Other local businesses will see an increase in footfall and hence the local economy will become increasingly sustainable. In order to show some positive economic impact on the area, the Watten Shop Group believes it is vital to provide the community with a well-stocked, well-equipped shop that has been built around the wants, needs and requirements of the people it serves. If the shop stocks what people want, then people will spend more. If the shop branches out and does hot food and drinks, then this will bring in a new market sector or workers and passing trade as well as those who work remotely and on the road. The money made from these enterprises will then be returned into the community by supporting other local businesses, paying staff and supporting community projects and enterprises.

Agriculture and other local businesses – Following on from the projected economical social impact, WSG also hopes to directly impact those in the community who run small businesses, in particular local food producers and farmers. It is our aim to stock products from as many local producers as is feasible and to buy produce locally to support farmers and reduce airmiles and the carbon footprint we leave on the planet. Agriculture, growing and food production is a huge part of what Caithness does and WSG are keen to take advantage of what is available on the doorstep and support those we know and whose products we enjoy. This in turn will create a sense of pride in the community at what Watten & Caithness has to offer and it will be a great asset to have for passing trade and tourists in the summer months. Visitors to the village will have a place to stop and buy food/drinks, ice cream and provisions whether they are staying or passing through and similarly visitors to local holiday accommodation will be able to buy provisions without leaving the village.

Workforce development – The group are creating jobs and opportunities in and around Watten with plans to increase staffing levels by at least two, possibly three members who will all be paid a living wage, with plans to include weekend and evening posts for younger people. We also plan to have volunteering opportunities for those who are looking to fill their days and do some work in the community and for people looking to gain some retail experience or join the workforce for the first time. Volunteers will feel included in the community and their well-being will be enhanced. For those volunteers looking for work, they will gain real experience and enhance their CVs. A recent survey has identified a decline in volunteering in the community but re-opening the shop as a high priority, so it is hoped that succeeding in this could also kick start bringing people back together again and encouraging volunteering to support the shop.

Poverty – By charging reasonable prices for products and services we aim to keep prices at a point

where we are competitive to the people of Watten. People like to know that they are getting value for money, although we cannot compete with the likes of Tesco or Lidl. If people know they can get quality products and services at a reasonable, comparative price then they would be likely to use the shop repeatedly. In the future the shop may consider a loyalty scheme this will also mean that people can spend less and hopefully gain more.

Engagement & relationships – As mentioned throughout this plan, it is important for the WSG to build productive relationships with stakeholders in the community; this builds trust and will create a cohesive approach going forward with any new projects that come to light. It will strengthen the bonds within the community and by engaging with patrons of the shop to see what they like about the shop, what they would like to change and what they want to see going forward, you will see the impact within the community. The relationships that are formed between the shop committee members, customers, staff and other groups will form the backbone of a positive and thriving community. Additionally, other unmet social needs will be identified and can be addressed thus developing the resilience of the village.

Environmental – By making environmentally conscious choices where possible and again providing a wide range of essential products and services, the Watten shop will aim to be sustainable not only economically, but also environmentally. Consideration will be given in most cases to making the most environmentally-friendly choice; from packaging to storage, waste disposal and energy generation, the shop will try to make the best decisions possible by treading as lightly as we can on the planet. Also, by stocking as wide a range as we can, it will mean potentially less trips to big supermarkets in cars meaning a better step towards net zero and a lower carbon footprint.

The main social outputs, outcomes and impacts are summarised below:

Social Output	Social Outcome	Social Impact
Supply good value food locally for Watten residents.	Every staple product line has a good value alternative. Sufficient products are stocked to be able to put together a nutritious daily menu. Stock levels will be adjusted to reflect upcoming weather expectations.	Households with lower incomes, households without cars, older and vulnerable people and those with caring responsibilities will be able to source affordable meals without leaving the village. In times of bad weather, when the village is cut off due to snow, residents will be able to source an affordable meal.
Stock the shop with high quality	Fresh fruit and veg is always available in the	The local economy is boosted by supporting existing local

<p>local produce.</p>	<p>shop. Local producers of all scales are encouraged to sell through the shop and are promoted effectively.</p>	<p>producers and encouraging micro-businesses to start. People's health is improved by having access to good value fresh fruit and vegetables. The impact on the environment is lessened by selling low food-mile produce and by encouraging people to shop in the local store instead of travelling to Wick – a 14-mile round trip.</p>
<p>Ensure the shop is a welcoming place where locals and visitors are encouraged to stop and chat. Post advertising of local events and opportunities on a dedicated noticeboard.</p>	<p>Staff are trained and expectations are made clear as to their social role as well as their trading role. The noticeboard is well maintained and up to date.</p>	<p>Local people can meet and chat in the shop, increasing the sense of community belonging and decreasing social isolation. Vulnerable residents feel part of a caring community and unexpected changes to routine can be followed up on.</p>
<p>Create/maintain jobs in the local community. Offer work experience opportunities to local teenagers. Offer volunteering opportunities for local residents.</p>	<p>Recruit a Shop Manager and other staff as required/budget allows, ensuring all are trained to a high standard in all aspects of running the shop. Ensure volunteers get full training and work experience in all aspects of the project.</p>	<p>The local economy is boosted by the creation /retention of jobs. Students are better equipped to start work and have a higher chance of finding work due to an enhanced CV. Volunteers feel included in the community and well-being is enhanced. For those volunteers looking to return to or start work, their CV is enhanced by the experiences.</p>
<p>Encourage visitors to stop in</p>	<p>The shop is a pleasant</p>	<p>Other local businesses will see an increase in footfall and</p>

the village and stay longer/spend in an inviting, welcoming shop.	environment for all, with a range of staples and treats that will encourage people to stay and browse.	hence the local economy will thrive and become increasingly sustainable. New entrepreneurial opportunities will arise, and new micro-businesses will be created to meet them.
Explore new approaches to local transport/ partner with local schemes to offer transport to those in outlying areas to bring them to the shop.	A community delivery service is in discussions for year 2 to deliver food to outlying customers and bring others to the shop.	The social isolation facing older people in particular in remote rural areas will be reduced. More people will be trained as volunteer drivers, increasing community capacity and personal skills.

3.6 Equality, diversity and inclusion

It is at the core of the board’s philosophy that taking over the Watten shop for the good of the community means that the shop is there for all, without prejudice. The trustees of the Watten Shop Group are a diverse group of individuals from different backgrounds and with different life experiences and as such reflect the community that the shop will benefit.

All staff will be treated fairly, and employment applicants will be offered jobs solely based on their merit and ability to do the job and will not be excluded due to differences, disabilities or any other factor that will not impact their ability to do the job.

The group wants to run an inclusive and diverse business and is taking steps to ensure the business is accessible to as many people as possible. This will mean ensuring the shop building itself is physically accessible with facilities to cater to all, including wide shopping spaces and accessible toilet facilities. It may also mean that the trustees and members trial different services to ensure they are providing for as many people as possible.

The plan is to include information regarding this policy as part of staff training to make them aware and to provide everyone who is involved with the tools to ensure this policy remains at the forefront and at the heart of the business.

4. Community involvement and partnership working

The Watten Shop Group Limited exists at the most basic level to meet the needs of the Watten community. It is important to the trustees that they work closely in partnership with the people in

Watten and with local businesses and stakeholders. In the survey that was taken in November 2023, the group wanted to be sure there was enough support to proceed with the project and what form the project should take.

Below are some excerpts and statements from people within the community which give examples of the most common types of responses received. They quite clearly demonstrate the support for the project.

Also included is some information gathered during the recent snowstorms where Caithness was cut off from the rest of the country for nearly a week – demonstrating further how important the shop is to the community!

Watten is in a period just now where, due to the change in Community Council and buzz around the shop, other community groups have formed and are making a huge difference in the area.

One such group is Watten Helps Out (WHO) – a group that formed in 2023 and has hit the ground running with a large number of community events. They have had an incredible impact assisting the community during snow and bad weather, and also organising village maintenance and village clean ups where over 70 members of the community arrived to help out, which in a small community such as Watten is outstanding. WHO has organised many successful events, including a family Christmas Fun Day, Burns Supper, events for children on Halloween, a first aid course and whist drives.

The WSG board of trustees has held joint public meetings with WHO to keep the wider community up to date with the progress both groups are making and have a very positive and productive relationship with the group.

It is important to foster this relationship and work closely with WHO for their benefit and also for the benefit of the shop project going forward. It shows solidarity and dedication to developing and improving Watten for the benefit of its people.



Watten Helps Out – Village Tidy Up. Some of those in attendance.

4.1 Community views

“The shop to me is at the heart of the village. Why not try and catch more passing trade? Selection of filled rolls, maybe hot tea and coffee. Have it better signposted and have signs at both sides of the village.” - Ali, Watten district resident

“I feel if the shop could be open in the evening, even to 7pm, it would get more footfall. The Post Office service is very important to us.” - Maria P, Watten village resident

“Good availability of regularly used foods such as milk, bread, ham, cheese and some fruit and veg would mean I would regularly shop in Watten and only do a larger shop in town when needed. If it was possible to stock meat e.g. chicken breast and mince etc. this would mean I could shop for dinners in Watten too. I find the Post Office extremely useful and would love to see it stay.” - Laura O, Watten district resident

“I fully support the retention of the village shop. Travelling from Wick to Thurso and back daily for work, I fully appreciate that Watten is a half-way house village with nothing on the doorstep. Not only is the local shop great for people who have run out of supplies unexpectedly, it is also a vital part of the community. Local shops often know their customers incredibly well and care about individuals on more than a transactional level. The staff could well be the only person the customer sees in a day, for instance elderly folks in the village coming in for their paper, etc, and can be key in maintaining mental health in individuals who would otherwise be isolated by their location. I would only use the shop as

passing trade once or twice a month, but can really appreciate how important the retention of the shop would be to locals.” - Kay T, Watten village resident

“Although I am outside of Watten, I would use the shop for everyday essentials and, if available, have a nice coffee and a chat. Also, would be really interested in decent fruit and veg, which sadly, is missing from most shops here.” – Linda, Watten district resident

“Lighting is very important to a shop. It should be bright, clean and fresh. Outside should also have bright exterior lights to attract customers in rather than the dark and dank exterior it has now.” – Scott M., Watten village resident

“Local village shops are a lifeline especially in winter months when roads are dangerous and older people can walk to the shop. Local families depend on good local shops for a variety of reasons. I also know many people who do not live in the Watten area using the village Post Office as it’s a good efficient Post Office.” - Tamara S, Watten district resident

“I would use this shop while working in the area. I think it’s a great asset to the village and important to a community to have access to conveniences locally.” - Donna W, works in Watten area

“I would use the shop as I commute to and from work to home. I think this is a fantastic opportunity for the village and fully support it.” - Allan B, commutes through Watten

“Would love to buy local meat, veg, fruit, eggs and dairy. Something different for the kids... milkshakes, smoothies, slushies or ice cream machine would be great!” - Kirsty O, Watten village resident

“Local fruit and veg & local meats. Knock through the wall and make it a larger space, maybe have a small seating area where people could have a coffee and a chat”. – Calvin J, Watten district resident

“Open early til late as [it’s] in such a good location to stop for bakery bits, coffees, breakfast, lunch and snacks. Coffee machine. Bakery such as croissants, sausage rolls. Think [this] would get a lot of people stopping by” - Zeb, Watten village resident

“I would love the shop to include more local produce, more daily use products like a good stock of milk, etc. more fruit and veg. I use the Post Office regularly and would really love it to stay. A nice coffee machine making proper coffees and making use of stocking local baking etc. would go down a treat”. – Lucy W, Watten district resident

“[I would like] the shop to be a social hub for people to gather for a coffee as they collect their morning paper. [I would like the] shop to have a better selection of groceries and to promote local products.” –

Martin S, Watten district resident

Snow gates story

The importance of the village shop is without question but there has been the opportunity to discover just how vital the shop is to the people of Watten in recent days. In the week commencing the 15th January, Caithness received some of the worst snow it has had in the last 5 years, with Watten and other areas seeing over 12 inches of snow lying. The snow gates on the A9 were closed, meaning as this is the only road south, that no one was able to go in or out of the county. There were no deliveries, and the roads were so bad due to lying snow and drifts that most main roads were closed leaving supermarkets and most shops inaccessible by car. Many were completely cut off for up to 5 days. It is in times like this you recognise the importance of having a village shop that can provide essential services to the community. The community of Watten rallied in this instance and community groups organised for access roads to be cleared. But with a well-stocked shop within walking distance, run by the community, it would be a relief to many residents knowing that they will not be without basic services and amenities, especially when they can see weather reports ahead and stock up in advance.



Local Businesses, farmers & volunteers assisting during the snow storm.

4.2 Community consultation

4.2.1 Public meetings

A village coffee morning around community engagement and involvement highlighted the most important thing to people in the area was that they did not lose their community shop. Over 65 people in attendance noted the importance of the shop in their community and felt that people would suffer if it were to close. A public meeting held in Watten Village Hall on 2nd March 2023 saw more than 50 people attend to discuss possible solutions to buying the shop. It was agreed at this meeting to form a steering group to investigate all the possible options for a village shop.

Monthly meetings were held by the steering group to look into the options. These included the existing premises, alternative premises and building a purpose-built structure or hiring/buying a portacabin. In the end it was decided that the situation of the existing shop was the best option due to its size and accessibility. Public meetings will continue throughout the lifetime of the project as it is important that the community is kept informed of the progress being made.

4.2.2 Community questionnaire

The Watten Shop Group Limited (WSG) was formed in October 2023 with 13 trustees from the Watten district. We are now down to 11 members due to various reasons; for example one of our members took an office bearer's position on the community council so felt it would be a conflict of interest to be on both committees. WSG have worked in close conjunction with Rural Development Officer for Watten, Alix Sutherland, who has assisted in carrying out community consultation and has gathered and recorded community support for the project.

A survey was carried out in late 2022 to create a vision of what the community wanted from their local shop. The initial members of the group also gathered over 160 signatures in support of a community buy out of the shop.

In November 2023 a community survey was initiated and was made available to everyone in the district via Facebook and a door drop. Information has been collated and is shown here. The results of the survey will be collated and will be presented to the public in a meeting planned for February 2024.

The Survey consisted of 9 questions which were decided on by the trustees. Questions included were those that the committee deemed relevant to demonstrate the need for funding and to help portray the importance of the project to potential funders and shareholders. The survey was available electronically and shared widely on social media. As well as this, paper copies were distributed within the village and surrounding areas by the trustees with additional copies of the survey being made available in the shop itself, plus at the village fuel station and garden centre. After the closing date data was collated and information from paper surveys was input on our online survey portal. 228 surveys were completed, which represents a good proportion of local residents.

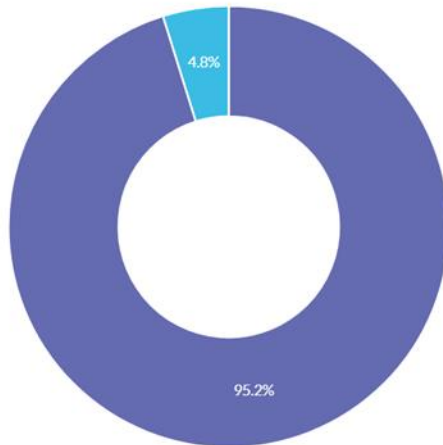
The full report can be seen in **Appendix 2**.

4.3 Key findings from the questionnaire

Firstly, the survey ascertained whether or not there was sufficient support for the Watten Shop Group to take over ownership of Woodside Stores in principle. Based on information collected there is a very large proportion of people who support a community buy out of the shop.

Q1

Do you support a community buy out of Woodside Stores?
Multiple Choice

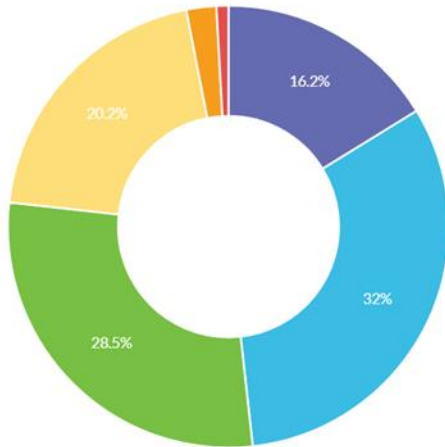


Choice	Total
Yes	217
No	11

As seen in the above data collected from the survey, 95% of the participants would support a community buyout of the village shop in Watten. Whilst overwhelmingly positive, looking at comments left by those who would not support a community buy out, it indicates a slight trepidation within the community in supporting a community group taking over the shop. Some have noted it would be easier if the business was bought outright by an individual but recognise that in order to keep the shop this may be their only option. It is the group's intention, through public consultation and reassurance, to ensure a smooth transfer of operations, creating little to no disturbance for the customers of Woodside Stores. By being transparent and focused, we aim to gain and keep the highest level of support from the people of Watten. There is a risk with projects of this nature to be viewed as stagnant or slow moving, however by working with advisors like Plunkett and having support from Caithness Voluntary Group and our Rural Development Officer, WSG Limited are demonstrating their commitment to moving the project forward.

Question two gauged how many people in the area would use the shop regularly. This provided the committee with a fuller understanding of estimated footfall within the shop and the expected usage by patrons. This information will also be helpful when the time comes to discuss stock and opening hours.

Q2

Would you use a community owned village shop? If so, how often?
Multiple Choice

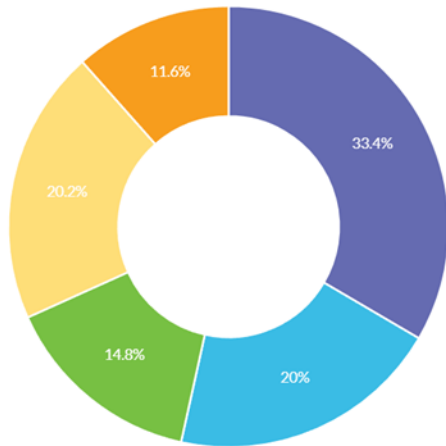
Choice	Total
Yes - Daily	37
Yes - A few times a Week	73
Yes - Weekly	65
Yes - Monthly	46
No - I wouldn't use the shop	5
archived	2

As can be seen above; 221 people (96%) of those surveyed advised they would use the shop were it to be taken over by the Watten Shop Group Ltd. The largest percentage of people said they would use it either a few times a week or weekly, indicating that people would use the shop as a convenience to purchase essentials. This also indicates a reliance on the service showing that where possible, people would enjoy the chance to shop locally without having to travel further afield to stores in Wick or Thurso. A considerable percentage (16 %) advised they would use the shop daily – information which is again indicative of a reliance by local residents on the shop.

Question three was included to give people the opportunity to vocalise what services they would like to see within the shop. Of greatest importance to the community was the ability to access Post Office and banking services. People could select as many options as they wanted and 95% of those who took part noted the Post Office as the service that was the most important to them. In rural Caithness, the Post Office services available can often be unreliable. However, this is not the case with Watten. Watten Post Office has reliable service, decent opening hours and is manned daily. People are passionate about ensuring this service continues after the WSG take over the shop. This has been a priority for the trustees from the beginning.

Q3

What services would you want available in the Watten Village Shop? (Please tick all that apply.)
Multiple Choice

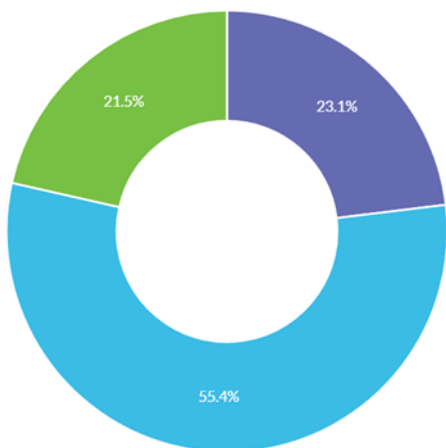


Choice	Total
Post Office	217
Banking	130
Coffee Machine	96
Hot Food/Sandwiches	131
Other (Please write any additional information below)	75

After the PO being the most important, the others listed were all at fairly even levels of importance. 75 people mentioned other items they would like to see in the shop, these were noted and included in additional research that will be presented to the public in due course.

Q4

What times would you be most likely to use the shop? Please tick all that apply.
Multiple Choice



Choice	Total
7am - 9am	72
9am - 5pm	173
5pm - 8pm	67

bf3#

The survey has indicated that people would like to see the shop open for longer hours. 23.5% of people asked said they would like to see the shop open as early as 7am to be able to buy things on their way to work. 23.1% said they would be keen to see the shop open after work hours. Watten is at the heart of Caithness and bisected by the main county thoroughfare therefore it is in an ideal situation to attract

passing trade from people on their way to work and on their way home as well as the expected trade from the village and surrounds during normal working hours.

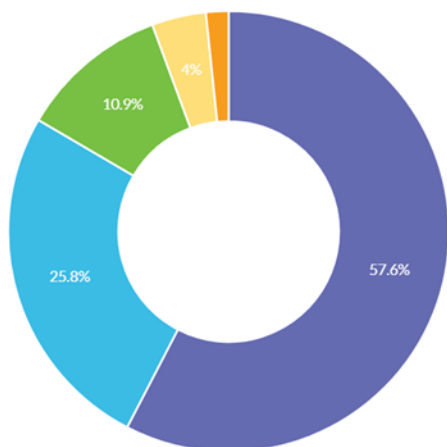
It is also the intention of the WSG committee to look to keep the shop open, without the Post Office, on a Sunday for limited hours to meet the demands of the community, possibly from 10am-2pm.

WSG are aware of the implications of longer opening hours. Financially this will increase the costs of staffing and the group has accounted for increased staffing costs and energy bills in their financial forecasting included later in our business plan.



This question was included to gain a rough idea of people’s spending habits in the current shop and to provide further information to allow WSG to forecast people’s spending going forward. This is most definitely not foolproof. However, the group expects an increase in footfall with higher stocking levels and better-quality produce and if people can buy more of the products they want then consequently, spending is likely to increase.

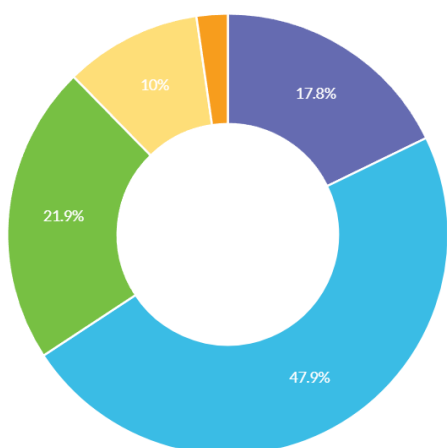
Q6 The Village Shop would be an important hub for the community
Rating



Choice	Rating	Total
1 - Strongly Agree	174	174
2 - Agree	78	39
3 - Neutral	33	11
4 - Disagree	12	3
5 - Strongly Disagree	5	1

There is a very positive atmosphere of support around this project and this question was included to provide evidence of the fact that people view the shop as an important hub in the village. Over 83% of respondents agreed to some level with the above statement and this shows an unprecedented level of community support. For the trustees this is very encouraging as it means people will be keen to engage with them on the project and would like to see it succeed. It also indicates that those who have a positive outlook on the project will perhaps be more likely to support and use it.

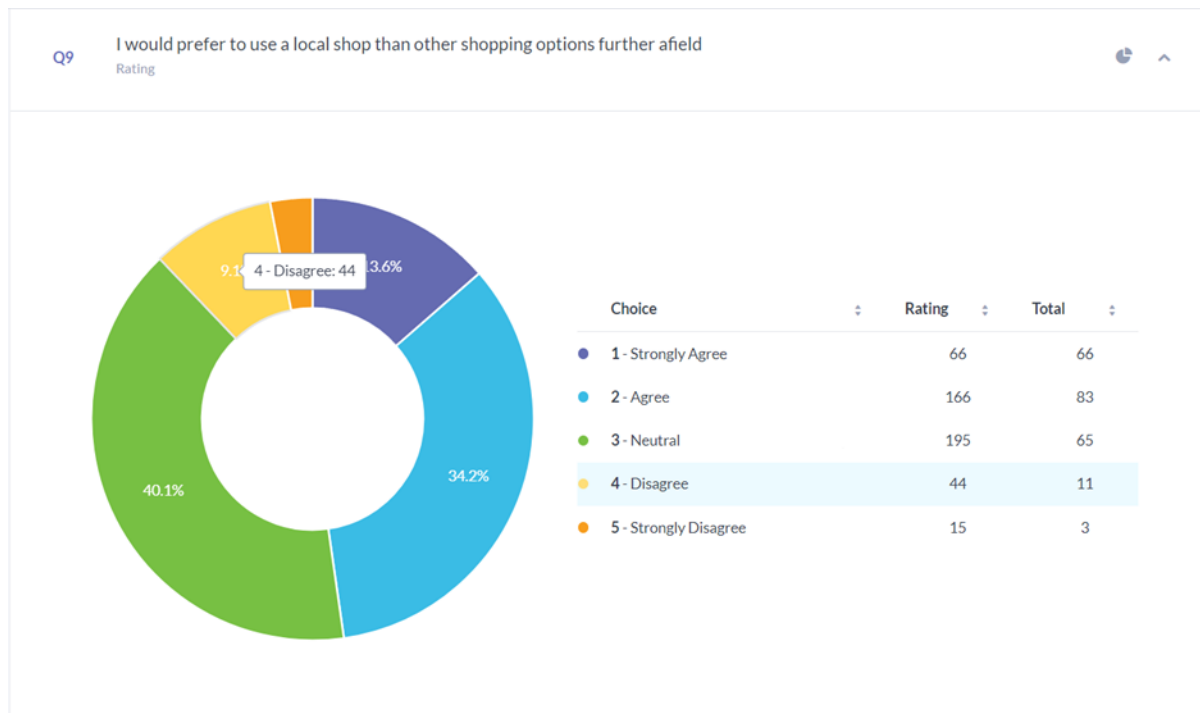
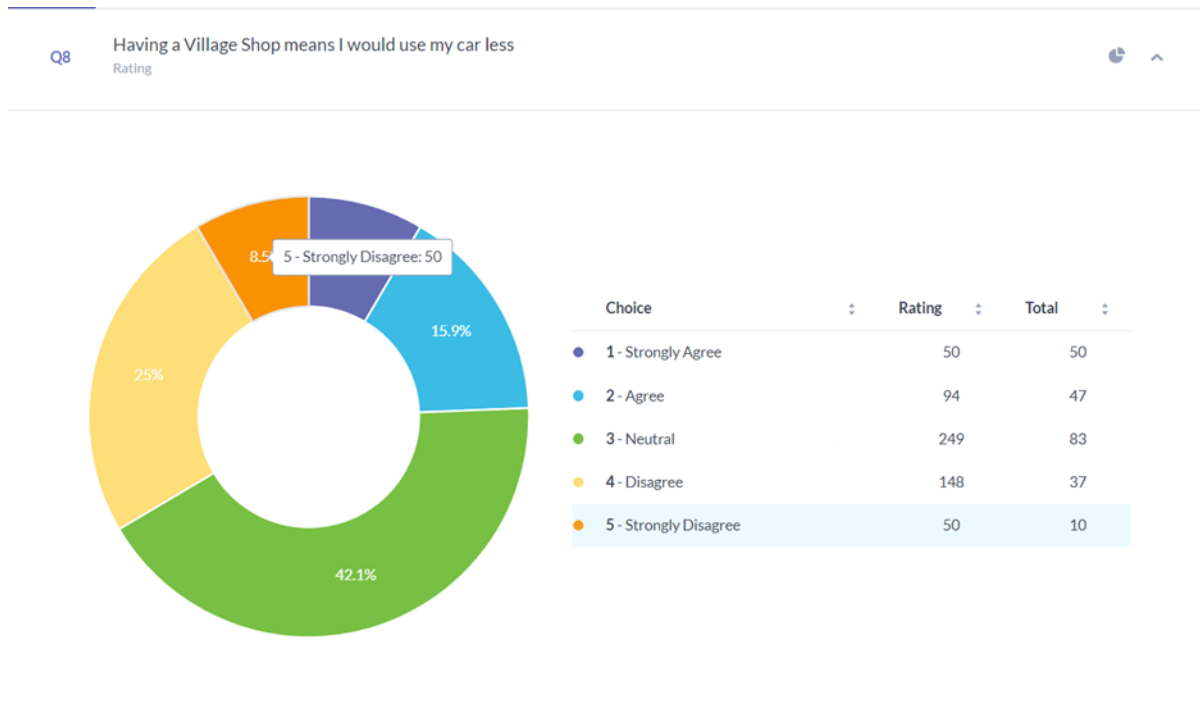
Q7 I would be prepared to pay a little more for the convenience of having a Village Shop
Rating



Choice	Rating	Total
1 - Strongly Agree	78	78
2 - Agree	210	105
3 - Neutral	96	32
4 - Disagree	44	11
5 - Strongly Disagree	10	2

People are very aware that in today's world, one must often pay for convenience. A local shop cannot compete with larger brands and supermarkets, and it is not the intention of the WSG to do so. While it is the aim of the project to provide high quality produce at a sustainable price, the group aims to find a balance between making a good profit and providing its customers with value for money. It is very

encouraging to see that 149 people (65%) of the people who took part in the survey would be willing to pay a little more for the convenience of having a local shop. In these uncertain financial times and with the current cost of living crisis, it bodes well that when the financial outlook improves, people will continue to shop locally.



4.4 Getting a wider range of people involved and partnership working

There is much community support for this project, and we have support from the wider area from stakeholders, societies and businesses (See examples of support letters **Appendix 3**).

Discussions have been held with some key stakeholders and partners, who are in full support of this development. These include the local community council and local councillor for Watten. Local machinery businesses, teachers, doctors, and members of other community groups have all written letters of support for the village shop and are very much involved as discussions are moving forward. There will be a range of opportunities to volunteer and be part of this project at every stage. Maintaining our social mission, our responsibility to the shareholders and wider community is an important factor governing the success of this project.

Through our initial community questionnaire, over 10% households (around 20 people) noted they would be interested in volunteering - to develop the building and to help run the venture. We intend to provide volunteering opportunities at every stage. Examples of volunteering opportunities include the following:

- Project development stage - committee and sub-groups, clearing site, painting, decorating, gardening and landscaping, interior design, menu design.
- Running the business - helping in the shop, serving, cleaning.
- Promotion of social activity - arranging community events and activities of all kinds to increase participation, opportunities for socialising and to get more people involved.

We also recognise that the project will create a couple of job opportunities and are eager to maximise the social and economic benefits of this project.

We will also work with local partners to maximise the benefits of this project for all and to ensure that we reach a wider range of people. We already have support from the following organisations and will continue to discuss with various other partners:

Wind farm funding opportunities in Caithness

Caithness as a whole has many different wind farms and many of these have set up community funds for the areas affected. Four wind farms fall within the district and as a result, the people of Watten have access to two community funds – RWE Camster Fund & The Watten Windfarm Trust. Both funds are managed by Foundation Scotland and have panels of local representatives who review all funding applications and make the decisions.

Our project has been discussed at length with both panels for the last 18 months and members on both the Camster & the Watten Trust showed interest in supporting it. Currently, and after advice from Foundation Scotland Fund Manager Eilidh Coll, the group have decided to apply to the Camster fund to fulfil the funding requirements that are not met by the Community Ownership Fund Grant scheme. It was felt by the committee that with the package of support offered by the Community Ownership Fund – that they should look to fund the majority of our capital costs through them. The fund has a higher limit available and could cover many of the project's costs. It is our intention that an application to the Camster fund should cover elements of the project that would not be covered

under any grant awarded via the COF scheme – such as staff wages, running costs and other non-tangibles.

The Camster process follows a similar process to the COF grant with an application to be completed and any other relevant supporting documents to be included. A copy of the business plan is essential. The Camster Fund receives £190,000 annually for the Watten district and although this large sum of money is available for the group to apply for, it was felt that the sum of money needed for the shop would require a huge percentage of the money available and therefore potentially disadvantaging other community organisations who may be looking to support projects of their own. This is not in keeping with the ethos of the group as they want to work with and for the community and it was felt that by applying for a large percentage of the money available that they were not best serving the community but potentially putting themselves ahead of the people they wish to support.

The panel for this fund, who are made up of local business owners, community representatives and those keen to help in the community, indicated they would be happy to receive an application from the group when they are able to prepare one. Alix Sutherland, rural development officer assisted with this application process and the trustees submitted it for the panel to review a few weeks before the COF application was submitted. The Camster fund has recently approved our application and awarded us £29,233 towards the cost of our lease agreement with the current owners.

Support from local businesses

Watten, though rural, has many businesses and professionals living and working locally. It is imperative to the trustees that their shop project can work with and alongside many of the businesses in the village. They are very aware that forming relationships with those around them can be beneficial to all parties and again, and most importantly, bring the community closer together and make it function as a more cohesive unit.

It was also important to the group that local businesses be kept up to date with the project's progress along the way. The group are keen to create a positive 'buzz' around the project and are keen to share information about the progress of the project with the people of Watten. We feel this is the most effective way to keep people engaged and to avoid speculation. This means people feel included and able to become more engaged with the project which has indeed created lots of positivity around the shop takeover. Businesses and organisations are always given invitations to attend open meetings and encouraged to provide feedback and new ideas. Local producers are invited to speak at committee meetings to tell the group what they would like to see and how they could assist. As seen in many comments from the survey, local produce is very important to people who engaged. In response to the findings, the trustees have begun to work with a number of food producers from the area to provide stock for the shop on a regular basis. So far these include, but are not limited to: Local egg producers, jams, chutneys and soft fruits, two local bakeries, potato & turnip farmer, local pork farmer, beef producer, a local dairy and a local distillery. They have also put feelers out to a chocolatier in the area to see if they would be interested in providing stock.

The application has included letters of support from many local businesses and other organisations within the village including the Community Council. These again show how the community feels about the shop project and gives a clear indication that many want the group to succeed in their

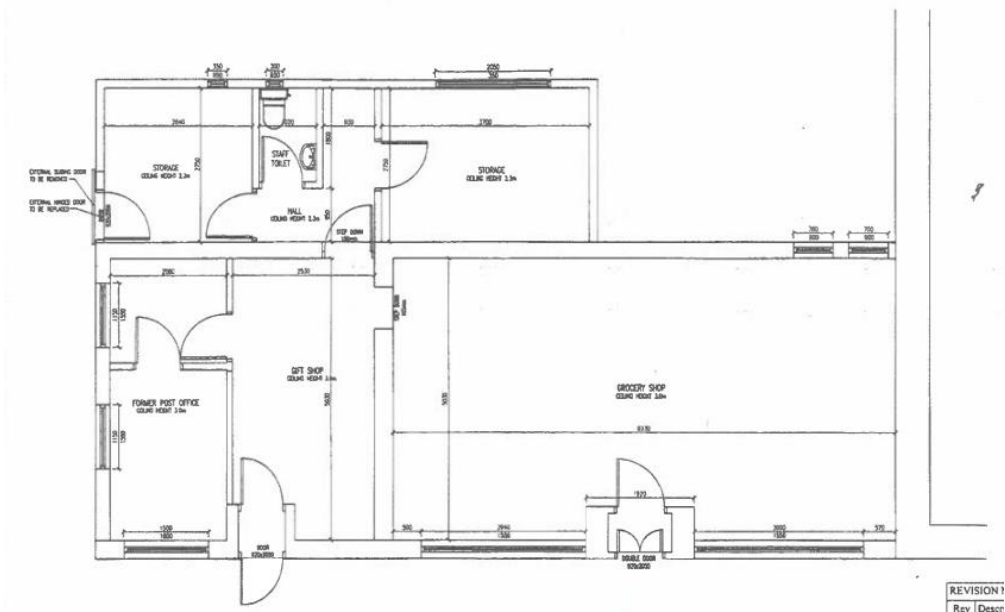
endeavours.

Current condition – the building - what is included?

The Building of the shop is in serious need of repair and in recent years any work done has been to stem issues and has been remedial in nature. No significant improvements have been made except separating the house from the shop by blocking up the door way and installing a separate electrical meter.

The shop currently is dark and in need of a number of improvements. The shop consists of a main shop floor, a back ‘gift shop’ area, a small bathroom and 3 large storable areas. The idea would be to amalgamate the shop and gift shop into one larger open area and make better use of the storage space as well as putting in a disabled bathroom to replace the existing facilities. Along the vein of accessibility – the flooring is currently at different levels in each of the areas and the plan would be to create a fully accessible building with everything on one level. There are currently to staff facilities - break out area or kitchen facilities and no office space to complete paperwork or other tasks daily.

There is currently no heating in the shop – which in Caithness winters causes significant discomfort to both staff and patrons. Lighting is dated and glaring creating an unpleasant atmosphere for clients. Much of the wiring is patchwork and the trustees feel for insurance and safety purposes the whole place will need to be rewired. No telephone line – which will need rectified as this will be important for customers and making orders as well as when we get to the point of taking phone orders.



Current shop floor plan

4.5 Developing and remodelling to meet needs

In summary, the building works will take place in phases reaching our end goal of complete renovation by the end of 2024. Our initial aim is to take over the shop without closing it for any length of time and to keep it serving the local community. We intend to use local suppliers where possible for all

works but will potentially have to use shopfitters from the south as no such specialists exist in Caithness. They will complete the work over a very concentrated period of time, causing the least amount of disruption possible to the general public. The plan come spring/early summer is to shut off parts of the shop for renovation whilst keeping access to the till and essentials open as well as the Post Office. Another option would be to hire a portacabin for a short period whilst the works are in progress. The group have received two quotes from local firms who have tendered to complete the project. 4 firms were approached but due to the remote location and the level of commitment required for such a job, only two quotes have been received. These range in price from £145,000 + VAT to £176,000 plus VAT. Both have quoted for the same works to be completed

- New External Doors and Windows
- External Paint to Building
- New Signage to Front of shop
- New Roof coving to Extension to rear of shop
- Slapping to Internal of Shop & Formation of ramps
- Uplift floor to rear of shop
- Formation of Disabled Toilet
- Formation of kitchen area at rear of shop
- New insulated ceiling to main shop
- Strap, plasterboard and insulate external walls
- Installation of electric heating
- All Plumbing works
- New light and power point though out the building
- Internal decoration to building
- Allowance for floor finishes

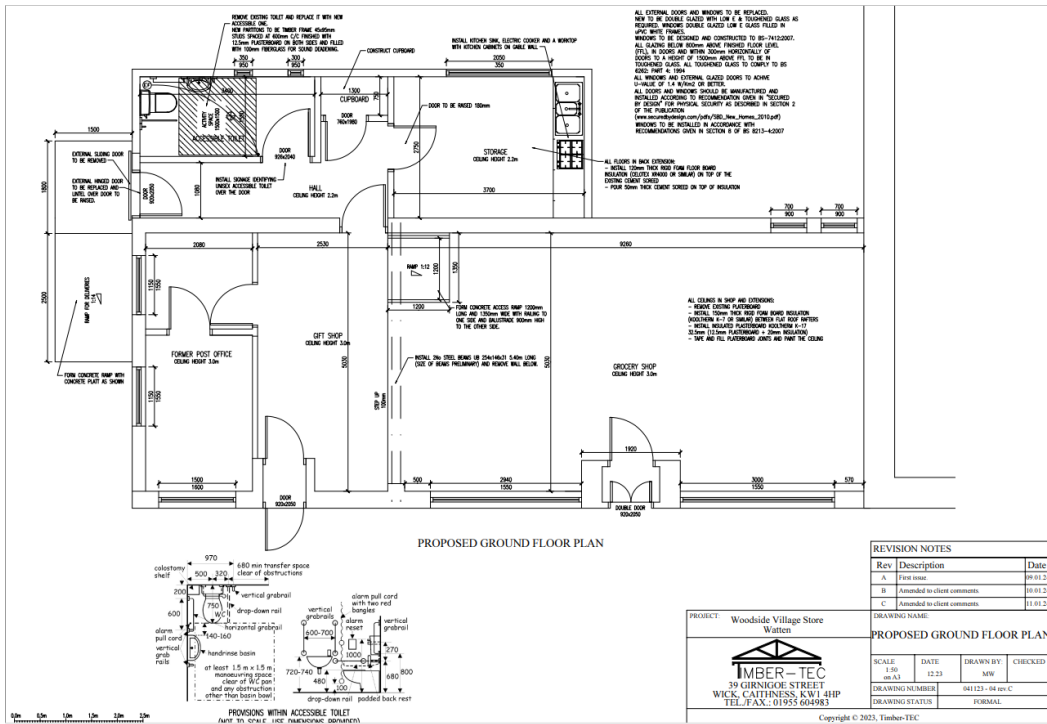
The only difference between the quotes is the roof coving, noted in the more expensive Quote from GMR Henderson. The group believe that by asking for these works to be funded together it allows the project to proceed quicker and solves many potential issues and problems that may occur down the line. The quote at £176,000 has included every improvement the group wish to make and listed it clearly. The lesser quote has condensed a number of the points so it remains to be seen if all the above noted points would be included like for like.

Both businesses have stated that the works will take a period of 2 months to complete and this has been taken into account with the proposed timeline. The time line is not completely rigid and will be fairly flexible, however, the board members focussing on this part of the project will liaise with the chosen contractors to ensure that they are aware of the timetable and are on schedule for the relaunch of the shop which has been proposed for late summer.

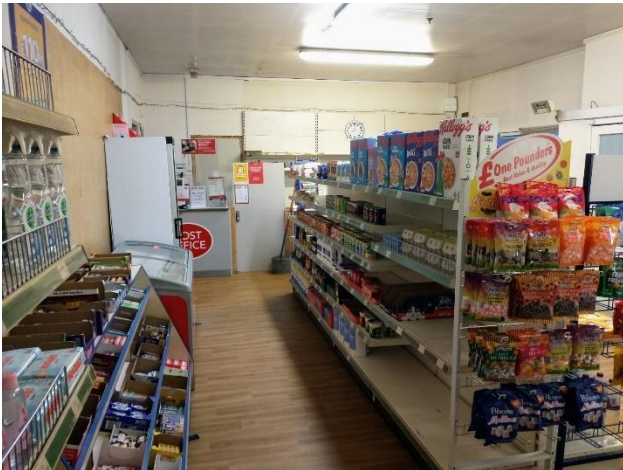
Quotes are included in Appendix 4

WSG Ltd will consider options to improve access for those not able-bodied, hard of hearing, with poor sight, or with other limitations. The research and planning for this project will be done ASAP and will bring the shop into line with the Disability Discrimination Act. Responses may require building works, or they may be more about staff training and other facilities, such as ramps.

Below are the drawings that we have received from our architect which show the layout of the building and what works are required and why.

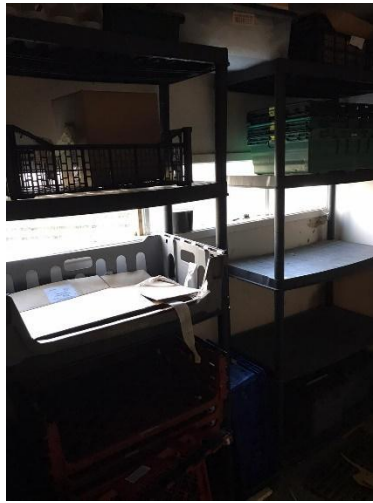
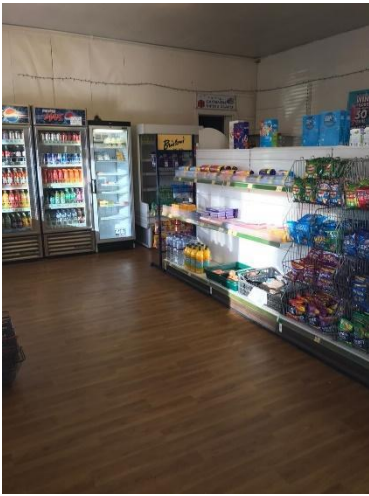


Proposed new shop floor plan.



Pictures of Shop taken 25/01/2024 – Tired, unwelcoming and in need of an upgrade.

The shop building is in a poor state of repair. It has no heating, making it very cold in the winter, and no opening windows, making it very stuffy in the summer. The only toilet is in a small room down a steep step. The back of the shop which houses the pre-existing Post Office is not directly visible from the main shop. However, it represents a large usable space, and the Post Office would provide a much better workspace to deal with parcels etc than the current provision, which is very small. The lighting is also incredibly poor, giving the whole place a dingy, dark feel and does not work with the bright and welcoming space the committee have envisioned.



The main shop and storage areas, taken 25/01/24. Dark, dingy, dated and in need of upgrading.

We would therefore look to open the shop into a single space, creating a more workable and welcoming environment for shoppers, a meeting place where people could stop for a chat or a coffee and a workspace where staff could see the whole shop at all times. This will involve removing part of the existing partition wall.

Many of the window frames and doors are rotten. We would hope to replace these with double glazed UPVC units which are low maintenance and would also conserve energy. We hope to insulate the walls, floors and ceilings again to reduce heat loss and conserve energy.

The current toilet facilities are inaccessible to disabled shoppers and not large enough for baby changing or to allow a carer to accompany a child or adult if required. By raising the floor level, we would make the toilet accessible to all and by repositioning it using existing windows it would become bright and inviting.



The current toilet facilities – 25/01/24

Raising the floor will necessitate a ramp to allow for ease of stock deliveries and increasing the height of the external door.

The existing electrical wiring is old and has clearly been extended many times over the years. As the building requires refurbishment, re-wiring to current standards with smoke alarms will be required.

Central heating is needed to make the shop warm enough to spend time in during the long winter months and to make it a pleasant working environment.

Now that the shop is no longer part of the adjoining house and its facilities, a small kitchen area where staff and volunteers can make warm drinks and food would be ideal.

What does this mean in practice?

In the short term there will inevitably be some disruption. We would try to keep this to a minimum but would probably have to accept some shop closures for re-wiring, removal of ceilings and walls to insulate and removal of windows and doors to replace. We would hope to work closely with the construction firm to limit the disruption as much as possible, possibly carrying out the work in phases or during the summer when a short time without windows could be feasible.

In the long term we envisage that the refurbishment will ensure an improved environment for shop users and staff. It will be warm, bright, welcoming and energy efficient. It will be easy to maintain and will provide a community shop fit for service for many years to come.

4.6 Reducing our environmental impact

The Watten Shop Group believes in the importance of protecting the environment and society for future generations and is committed to the use of sustainable resources. These principles will be embodied in our activities and are essential to achieving our vision to develop Woodside Stores as a community hub, a sustainable business and multipurpose facility which meets the needs of the whole community, whilst also safeguarding this vital asset.

We will adhere to the Sustainable Development Principles by:

- thinking and planning for the future.
- preventing problems before they occur.
- integrating our services, skills, planning, and responsibilities.
- involving our customers, colleagues, volunteers, and the community in our decision making.
- working with other organisations to ensure everyone's well-being.

We will seek expert advice to ensure we follow best environmental practices and will incorporate the recommendations in our development.

We have an environmental policy and eco-code that will be followed and monitored by the management committee and the office bearers.

5. Project costs and timescales

5.1 How we will fund the purchase of the building

The sale price of £48,000k has been agreed and we anticipate the total cost of the sale and associated costs to be around £296,200.

The purchase will be funded through a mix of the sale of community shares as a result of the Share Offer and grant funding. If there is a shortfall, the balance of the purchase price will be met from other sources, and other fund-raising activities including long-term loans and some refurbishment work will be delayed whilst we increase reserves via the shop trading.

The group is fortunate in that local wind farm community trusts are keen to see the project succeed and would be keen to try and support funding applications for additional support where they can. These funds are set up to provide some form of community benefit and as such when a grant is awarded the group must be accountable and ensure the money is spent as they advised it would be. Often if projects don't go ahead the group will return the funding if not already spent however the panel is unlikely to support a project that does not demonstrate longevity and sustainability. The application will be reviewed quite rigorously before a decision is made. Similarly, if a project is given a timeline to spend their grant money and the group are facing delays, in almost all cases, discussions with the panel and explanations of why the delay has occurred will suffice to keep the award and provided progress is being made the group will not have to return any funding.

5.2 Overall project costs and funding

We have appointed a local architect to develop design proposals for the refurbishment and upgrade works. Based on the final plans agreed, we anticipate these costs to be around £176,00 plus VAT for the building and refurbishment works. These costs will be financed through fundraising activity and grant funding. The total costs of the enterprise, including the initial purchase, contingency and working capital, are estimated to be £296, 200

The evidence is that The Watten Shop Group is eligible for grant funding on a number of grounds: principally, those of creation of jobs, social need and well-being and community engagement. Several potential funds appear to be available to meet the likely needs which have previously been made available to similar projects. **Appendix 1** outlines possible grant finance available for this project.

The sale of Community Shares will be both a key component of the funding of the project and an important indicator of community support and of the demand for the facilities the redevelopment will provide. The target set for the initial Share Offer is £15,000.

5.3 Fallback plan

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

If they are not, the plan will be scaled back, and individual parts of the development will be shelved

or postponed until funding becomes available. At an appropriate point, and before major expenditure is incurred, (above and beyond the actual purchase of the premises), a finalised plan, based on funding which has been secured, will be put to the members for approval.

To obtain full funding for the project we have identified the following funding sources as the project's 'plan A':

- Community Ownership Fund
- RWE Camster Watten fund
- Community Share Offer

In the event the applications are unsuccessful we have identified the Scottish Land Fund and the Watten Wind Farm Trust as potential alternative funding sources.

If the funding application is unsuccessful the main areas that would need to be scaled back would be the renovations of the shop and the increase in staffing. The trustees took on the project as an effort to keep the shop open for the people of Watten first and foremost and whilst the current shop is less than ideal, it could be run as is until funding is acquired. The group will also have to shelve plans for hiring more staff as the shop earnings may not initially cover this expense and they will have to rethink their plans for longer opening hours as this will no longer be feasible at current staffing levels.

5.4 Timeline

We estimate the timeline for this project to be as follows:

1. COF application in by end Jan 2024
2. Short term 'license to occupy' (ie lease) beginning 1st Feb 2024
3. Camster Watten Fund application submitted February 2024
4. Community Share Offer release February/March 2024
5. Community logo competition launched Spring 2024
6. Purchase estimated by May 2024
7. Refurbishment throughout June/July 2024
8. Official relaunch event in August/September 2024

6. The business proposition

6.1 Business model

Our core aim is to enrich lives by bringing people together. This means maximising the opportunities and the reasons for coming to Watten. Doing so successfully will also be what will enable the venture to succeed as a business.

Our potential funding sources include a combination of selling shares, securing grants (see **Appendix 1**), if necessary issuing loans, and other fund-raising activities. The business plan as described here assumes that our efforts to raise sufficient funding from a range of sources are successful.

In the event that funding income is minimal, the management committee is confident, and has modelled such a scenario, that basic repairs and redecoration of the premises as they stand, undertaken primarily by volunteers and then staffed by them, would allow the shop to remain open. This does not, however, represent the extent of Watten Community Shop Group's vision and ambition. It should be viewed purely as an ultimate fallback plan.

The three-year financial model, together with cash flow forecasts, is to be found in **Appendix 4**. A number of assumptions have been made with regards the financial projections and costs likely to be incurred

Trading figures for the existing shop are of little use as although they show a turnover of 250,000-270,000 it is impossible to identify and separate out the Post Office figures. In addition many of the overheads are underestimated particularly staffing costs as the owner did not identify their own hours of work and the paid staff had zero hours contracts and so Paye and Pension etc were not included within the accounts. Therefore within our financial projections we have looked at the worst case scenario of only achieving a turnover of £250,000 however with increased hours, enthusiasm and stock range we anticipate that the shop should easily turnover in excess of 300,000. We feel justified in this assumption as this projection is supported by evidence of trading levels for community shops within the Plunkett Foundations Better Form of Business report.

As the group intend to employ a full time paid manager as well as the assistant manager and the casual part time staff the staffing costs are significantly higher than the group had initially thought and make up half of the overheads for the business. Obviously the recruitment of the new manager will not happen straight away and so there will be some savings to be made whilst the refurbishment work is taking place. The committee however feel that paying a fair and realistic wage is essential to the success of the shop and to ensure a happy and motivated staff, who will receive all benefits including holiday pay. Costs have also been assumed for training for both staff and committee. The development grant applied for should also help with training staff Post Office procedures.

Based on the projected financial forecast we have put together should the shop only turnover 250,000 the project will make a significant loss for their first few years, however the group have identified a grant funder who will pay towards the cost of staff for their first few months of trading, and the committee and volunteers may end up playing a bigger role than initially planned in order to cut the wage bill.

In addition to this many of the overhead have had a generous budget applied to them as at this stage although some quotes have been received for items such as insurance, the cost of electricity is likely to increase as the shop comes out of its existing contract and tariff within the next few months.

We have also put in place a budget for accountancy, legal costs, and audit reporting some of which may be included within the development grant.

The group have spoke with the council who have confirmed a zero rate for business rates and who have quoted for waste disposal.

6.2 Timing

Year 1 is assumed to commence on February 1st 2024. This date marks the beginning of a 'phased-opening' period during which staff outgoings will be kept to a minimum, notably by postponing the appointment of a manager until trading patterns are well established. This period will also allow a degree of experimentation with opening hours and stock to trial customer response. It is hoped that it will be possible, during building works and renovation in summer 2024, to continue to provide limited shop services in a portacabin beside the existing building, to maintain an uninterrupted service for the local community. The current owner Robbie McGowan will be involved with a number of shop visits per month on a decreasing scale during the 6 months of the lease agreement, while we use his expertise and he hands over the shop.

6.3 Key assumptions

Turnover figures for trade have been calculated based on detailed modelling of the existing accounts and other community shops and small shops in the area. Lastly, direct advice with respect to margins, prices, turnover, opening hours and staffing costs has been taken from an established community shop, which indicate our assumptions are reasonable and, if anything, conservative.

6.4 Staffing

Following the 'phased opening' period, a full time Store Manager will be employed with responsibility for day-to-day management of the business. Consideration will be given to payment of a performance-related bonus. The Store Manager will act as line manager for all employed staff and will have a supervisory role regarding the team of volunteers. He/she will provide monthly reports to the business sub-committee and will report on a day-to-day basis to a named member of the management committee who will act as his/her line manager. The business sub-committee will discuss these reports and provide summaries and advice to the overall committee.

It is anticipated that as well as the part-time Store Manager there will be a part-time Assistant Manager currently this role is filled by a local resident who has expressed an interest in expanding their current role, and potentially 2 other part-time members of staff to cover the extended opening hours planned (see below). Any volunteers will be additional to the key staff and support during busy times and assist in the day-to-day tasks of running the shop. Working hours for paid staff will allow time for opening and closing (including cashing up, reporting and cleaning). Paid members of staff will cover each other's holidays. Holidays will ideally be taken during quieter times of the year.

The Store Manager and Assistant Manager should have retail experience and an interest in community engagement. We will seek energetic, practical and organised individuals who are good with people and care about the community. They will look after the staff and volunteer team, run the shop and buy for the store, manage stock, as well as bookkeeping and carrying out other required reports. They will have a very important role in fostering community involvement and developing the

community benefits provided by the shop. The rate of pay for Store Manager will be £23-25k per year (pro rota) which was established by researching similar roles in community shops. The Assistant Manager will be paid at c. 10% above the National Living Wage. This is an excellent opportunity for a keen person to gain some advancement and extra skills locally. All other staff will be paid at the national living wage in accordance with the trustees' aims of supporting local people through employment opportunities.

One member of the board will be designated as responsible for staff development. The committee wants to encourage training at all levels within the team and have put aside a small budget for the purpose. This can be added to as the business develops.

Volunteers will be vital to the store. They will look after general trading, shelf restocking, preparation for trading, cleaning the shop and serving customers. They will be given training in the product lines stocked, in the use of the till and in customer service. Each will become an expert in a chosen product area and actively communicate ideas to the Assistant and Store Managers. They will also have an important role in fostering community benefits. This might include offering lifts to those not able to travel to the shop or delivering orders to the housebound - or simply coming up with ideas for additional community benefits and passing on feedback.

Customers will be encouraged to share thoughts and ideas of their own about how to make the shop better, the volunteers collating and communicating these ideas to the Managers. Volunteers may work a 3-hour shift one day a week - a manageable level - but providing stimulation, opportunities for sociability and skills training. Crossover of volunteers could cover lunch breaks for full-time staff.

Woodside Stores will aim to provide opportunities for young people to obtain work experience during the school holidays. The rate of pay will be minimum wage, but the team will, wherever possible, work with schools and colleges to provide opportunities for skills and training to be recognised and count towards both formal qualifications and schemes such as the Duke of Edinburgh Awards.

Current opening hours:

Mon - Sat : 7.30am - 5pm

Sun : 10am - 1pm

Post office is 9am - 4.30 (Mon - Fri)

Planned extended opening hours to meet customer demands:

7am – 7pm (Monday to Friday)

8am – 6pm (Saturday)

10am – 2pm (Sunday)

The business model provides a detailed hourly breakdown of the other staff required to maintain the

services which have been described. For the purposes of this plan, it is assumed that these hours are all provided by paid staff, both permanent and temporary, though the opportunity for volunteering offers the possibility of savings. Any reasonable adjustments will be made once trading commences and trading patterns have been established.

Profit and loss 5-year plan

To be able to return profits to the community it is important to create them in the first place. Therefore, this 5-year plan will demonstrate how performance can be improved, while also paying interest to our shareholders and ensuring healthy reserves in the business, without the need to significantly raise prices within the standard product range.

The 5-year plan takes the reported turnover for the trading year end March 2024 as a starting point for the performance of the store.

Growth is predicated on three metrics - an improvement in £ taken per square foot of trading space; by increasing the trading area of the store; and improving the gross margin.

Although inflation is rising the board have decided not to reflect this trend in the financial models, because doing so would complicate the sales figures. To exclude sales inflation keeps any increases resulting from three key metrics mentioned above, clear in the plan. However, a more conservative view has been taken on the cost lines. Costs are taken as an average of the last 4 years trading, with other costs being forecast by taking credible information pulled from other community shops with similar outlook and research as to local costs of items such as insurance, local accountancy and business waste disposal in Caithness. Salary increases are included. An extra allowance has been included in energy costs to reflect the extra volatility in the energy market.

Trading growth

Trading growth will depend on solid retail principles:

- Having good desirable stock at the right price, ready to buy, in a well-managed and appealing space.
- Increasing the product range and adding to existing product ranges.
- Increasing the trading area of the shop.
- Ensuring stock is suitable for the needs of the customer base.
- Having helpful staff with good product knowledge to assist with customers' buying decisions.
- Using marketing to effectively publicise what goods and services are offered by Woodside Stores.

We have built the plan based on:

- An increase in the number of transactions.
- An increase in the value of each transaction – which in turn is made up of two further variables a) an increase in the average value of items bought and b) an increase in the number of items in each transaction.

We have used the convenient £/sq ft metric to build the plan and to easily evaluate if the plan is achievable. This is an industry standard term that combines these interrelated transactional performance measures into one metric.

The current £/sq ft performance was taken as a base, and 1% - 1.5% improvement added over the 5-year plan. This is a very low % improvement and therefore a conservative target. In general retail,

more typical annual increases would be 2-3%.

Developing the ranges - by both adding to existing ranges, and by adding new ranges - will be vital to the delivery of the business plan.

Similarly, the importance of a good energetic culture will improve performance. The following is our imaginative vision of how to help the shop deliver for as many people as possible:

Increase in number of transactions: If we had two extra transactions a day with a spend of £5 this would mean based on being open 6 days a week an extra 624 transactions a year worth £6,240 in turnover. We feel that the shop has a huge potential for growth and whilst the figures show a loss based on current turnover this feels like a shop that has been underperforming for several years.

While the focus of the committee is to keep prices accessible for the local community, the value of each transaction can be increased via a number of means, while still keeping base prices accessible.

- Looking for opportunities to include well-priced and desirable higher priced goods.
- Increasing the number of items bought in each transaction by ensuring everyone knows what's in the shop; by making it easy to choose the shop over the internet; by clear arrangement of the stock; by having more things that people need and want to buy.

Stock

At the start of the project, we will actively seek all suggestions from the community to understand their needs and make sure we stock what they want. We will ask everyone who comes into the shop what they would like to see and have an ongoing suggestion/feedback box. There are many areas in which the range could be enhanced or extended.

- A more comprehensive range of gifts appealing to locals and tourists alike.
- More local produce to support the local economy from ice cream to meat.
- Essential bits for campers and fishermen and other visitors.
- A wider range of household goods.
- Firewood, kindling and firelighters.
- Using feedback and requests to identify where ranges can be added to – do we have enough fishing equipment for example?

Services

We plan to increase and improve the services provided by the shop. These services will be provided free, at cost or with a small administrative margin. The intention is to ensure that there is no need to travel far out of the area to serve daily shopping needs. Some services will help support the older members of the community, others to educate and inform. Ideas include:

- Dry cleaning
- Selling tickets to local events
- Amazon drop offs (already available but needs marketing)
- Key cutting
- Pack lunches
- An expanded noticeboard for people to advertise local businesses and services – free to all

customers.

- Other services as suggested by the community and volunteers, as and when achievable.

Post Office

The post office will form an integral part of the Watten Shop and will be relied upon by many in the area as well as those further afield. Both towns have Post Offices, but these are both unreliable with changeable hours and staffing issues. As a result, many of those who travel through Watten stop to use the Post Office in the village as it is far more convenient. It is also essential for banking and pension services. The village does not have a cash machine and for many of the senior generation who are not as comfortable using card or online banking services it is the only way that they will be able to access their cash without having to travel to the nearest cashpoint in Wick. Some of the trustees are going through Post Office training and whilst the transfer of the contract is happening current staff are happy to man the Post Office. A relationship has been built with the Post Office network lead for Caithness, David Duff, to allow the process to progress smoothly with no hitches.

7. Marketing and promotion

Community is at the heart of the Watten Shop Group's vision. This has been evident throughout the process so far, from well-attended public meetings and discussions, open communications with local people, positive responses to surveys and ongoing engagement by the residents of Watten village. Our intention is to purchase, renovate and run the village shop as a community venture: by the community and for the community. We want the people of Watten and surrounding areas to engage with our project and to feel that the village shop is theirs, which the share offer should go some way to do. We also want them to be confident that their views are and will be continually and actively sought and then acted upon to best represent the community of Watten. Below sets out our marketing strategy in order to achieve this.

Communication Strategies

Regular communication is vital so that everyone in the local community feels included and involved in our project every step of the way. Therefore, it will be necessary to use a variety of approaches to reach everyone across the community.

So far, we have used:

- Public meetings: Several public meetings have been held in the village hall over the past year to gauge interest, share ideas and to allow local people to connect. It is out of these meetings that our Watten Shop Group has formed.
- Social media: We created a Watten Shop Group 'group' on Facebook in October 2023 and within a couple of weeks we had around 200 members. Through active and engaging posts and sharing in other local groups, we hope to maintain and increase local involvement.
- Letter box drops: We have successfully reached out to everyone in the village through posting information leaflets, invitations to meetings and market surveys through the doors of those

in and around Watten. This is the best way to reach those who do not use social media and/or do not or cannot leave their home regularly.

- Through the shop itself: To reach regular customers who stay outside the village it is important to have visible information displayed in the shop, and we also have copies of our survey available in the shop.

Going forward we plan to incorporate (in addition to the above):

- Social media: To expand our social media presence, including a business page for the shop once launched. Here we will share community news, success stories and local companies/funders, as well as offers and promotions. We also hope to establish an Instagram page to reach a different population dynamic and promote our community shop to tourists and visitors with the use of relevant hashtags.
- John O' Groat Journal: Our local newspaper journalists (one happens to live in the centre of Watten) will help promote our share offer and shop launch and will increase awareness of our project and plans for the shop.
- Caithness FM: We can use local radio interviews with key shop personnel to help promote our share offer, and to increase awareness of our project and plans for the shop.
- Website: We will develop a website for the shop once we are up and running. The site will not just promote the shop itself, but will feature local producers, highlight local events, as well as local people and community successes. This will also enable us to reach a much wider audience and connect with other similar community projects elsewhere.
- Noticeboard: A public noticeboard and suggestion box in the shop will contribute to maintaining communication and feedback amongst the community.

Demographics / target audience

Our customer base is anticipated to be made up of three groups:

1. Local residents living in the village and surrounding areas, including pensioners, school-age children, and working people. Trade is on foot or by car throughout the day until early evening.
2. Passing trade from local workers, tradesmen/women and commuters. Trade is typically early morning, lunchtimes and late afternoons.
3. Tourists and visitors to the area. Trade is typically seasonal (mostly March to October) and daytime/weekends.

Competition and USP

There are Tesco, Lidl and Co-op stores in both Thurso (approximately 12 miles) and Wick (approximately 8 miles). Post Offices can be found in Thurso, Wick and Halkirk (the closest is approximately 8 miles). Larger stores are suitable for weekly shops but not always convenient for 'on the way home' groceries or local residents who don't have transport. There is also a small store in Halkirk, but it isn't on the main through route to Thurso or Wick from Watten. Post Office opening hours are limited and they are often closed at short notice and don't open at weekends. Again, these

services are essential for older residents who don't have their own transport.

Our Unique Selling Point is our perfect location within the county and the fact that the shop in Watten would not just be a village shop and Post Office, but a way of bringing the community together. By providing a welcoming environment where everyone will feel they are valued and appreciated, we aim to exceed the experience of visiting larger stores. We wouldn't always be able to compete with multinational companies on price, but we can outshine them with our community welcome and first-class customer service. For residents who live alone and don't leave the village regularly, a friendly smile, a conversation and a hot drink may be the highlight of their day.

Marketing and promotion

- Promotion of the share issue to as wide an audience as possible.
- Competition to design a logo for the shop – aimed at school children/under 18s.
- Newspaper features surrounding the launch of the shop's official opening event.
- Regular promotions and information on new lines available.
- Website features of local producers and their products.
- Features on local wind farms/funders who enable the project to take place.
- Sharing reviews and feedback.
- Local news, events and community success stories (online, press and radio).
- All of these will be shared through various media in order to reach the maximum audience and increase engagement.

Measurable outcomes

We will know our marketing plan is working when the shop begins making a profit that can be reinvested into the shop and potentially other community ventures. Proactive marketing will be essential to the success of the project. As we look to market our products and services, we will be guided by the established marketing mix of the 7 'P's. The following outlines each 'P' in relation to Woodside Stores.

7.1 Product

There is a distinct mix of products in this instance; however, each product is marketed under the main Woodside brand with its varying target markets. Each product will have a different method of promotion, which we will look at in the promotions section.

The first 'product' on which to concentrate is, of course, the Share Offer. We will use the promotional methods highlighted in the document to promote the Share Offer to a broad range of potential investors.

Once Woodside Store is under community ownership, the product mix will include food, drink, household goods, newspapers, postal services and a range of gifts and other offerings. The exact nature of these is yet to be decided.

7.2 Price

Our pricing strategy is yet to be finalised; however, each product and its price contributes towards our income projections. We aim to provide quality local products at a fair price to the producer and yet still affordable to the consumer to enable a small profit to be made that can be reinvested into the shop and local community.

7.3 Place

The place in terms of a marketing plan is the venue in which the product is distributed, in this instance, Woodside Stores. The interior décor and overall image of the building will have an impact on its promotion and our pricing strategy, and consequently on the success of the business. For this reason it is a priority for the WSG Ltd committee as part of the planned renovations.

7.4 Promotion

This element of the plan looks at how Woodside Stores' products and services will be communicated. The Marketing Communications Mix is traditionally known as the Promotion Mix. The 'mix' can be categorised as 4 tools:

- Advertising
- Sales Promotion
- Public Relations
- Direct Marketing

to which we can add a fifth,

- Interactive Communications

It's important to state here the power of coordinated marketing communications; every tool will be used in a coordinated manner, conveying the same messages to the same market segments, and aiming for the same goals; the tools work more effectively in this way.

7.4.1 Advertising

There is a huge variety of print advertising media available throughout the UK; however, these have very expensive rate cards and have quite a poor impact and return on marketing investment.

We therefore intend to concentrate on web-based advertising to communicate product information about Woodside Stores. It could also be in the form of a number of social media campaigns supported by paper-based newsletters to reach those in the community who are not regular internet users.

7.4.2 Sales promotion

Although this is a non-personal form of communication, its ability to add value and bring forward future sales is strong. This section is obviously linked to the price section, and careful consideration needs to be given to how our products, services and sponsorship opportunities are priced and promoted. This kind of approach can be invaluable in promoting seasonal and special products as well as new local products/suppliers.

Printed marketing materials such as brochures and leaflets can also be effective marketing tools,

mainly as part of an 'in destination' strategy for visitors to the area.

7.4.3 Public and media relations

General press releases and interesting stories about Woodside Stores will maintain its profile. Articles in the broadcast, printed and online media are a trusted way of communicating with the market. We will build and maintain relationships with various members of the press; this is a basic but essential way of obtaining coverage. Interesting and entertaining releases will maintain the press interest in the offer available.

7.4.4 Direct marketing

There are two ways to approach direct marketing: one would be to use a third party to distribute our marketing communications, and the other would be to have a database of 'opted-in' individuals and/or groups.

Distribution via a third party would involve creating printed literature sent out by direct mail or inserting a copy into various specific publications. This would communicate directly with a large portion of our target market; however the usual success rates for such campaigns can be low (<5%). Building a database of organisations and people likely to engage is the first task that needs to be completed, and Watten Community Shop Group plans to add a subscription facility to the website (see below) to collate 'opted in' data which will be held in our MailChimp account. We will keep in regular contact with this database with the latest news and offers based on each 'tag' within the database, be they local, visitors, members, etc.

7.4.5 Interactive communication

The Internet is the most cost-effective marketing method when looking to promote a product/service to a market some distance away. We plan to build a website once ownership is established and it is essential that we optimise the SEO to appear in various search terms, e.g. food in Watten, shop Watten, etc and to reach locals and visitors to the area alike.

Probably the most interactive medium to develop at the moment would be our social media sites, mainly Facebook, but also Instagram once we start work on the building and we become operational. These platforms offer brands the opportunity to talk to their customers on a daily basis, to engage with them, to answer their queries. They are, essentially, 'free' marketing tools when used properly.

7.5 People

The people involved in delivering this plan include everyone associated with Watten Community Shop.

Any marketing strategy and action plan is only as strong as those delivering it. The management committee has a strong mix of expertise and experience, all of which is focused on this particular project and on supporting staff and volunteers in delivering a first-class experience to our customers and stakeholders.

On the front line our staff, volunteers and members of the committee are those that will form the face of the Watten Shop that will serve our community and customers. Hence, it is essential to ensure that everyone receives a warm welcome and experiences a friendly and helpful service. This is a priority for the committee in order to create not just a thriving shop but a community hub.

7.6 Physical evidence

Nobody sells a product or service better than someone who has experienced that service, and peer experiences and opinion is something that is increasingly common and powerful within marketing. Our aim would be to utilise these experiences as part of the promotion and to encourage posting of positive reviews on various social media accounts. Whatever anyone's opinion is of these platforms, they are widely used and are powerful marketing tools when someone has had a positive experience. We need to ensure that everyone's experience is a positive one and this is why our 'people' are so important.

The concept of 'User Generated Content' is something that tourism organisations have undertaken successfully, and these would be communicated via the website with dynamic content, as well as posting videos/photos on our social media platforms.

7.7 Process

The transactional process has to be focused on the customer at every point during the sales channel. The website has to be welcoming, the staff need to be welcoming and informed, and our response as an organisation needs to be proactive and supportive.

Above all, throughout the marketing and promotion process, it will be essential that we monitor, control and evaluate each campaign to ascertain the response rates and the success of each one. Only by doing this can we know what the return on investment is.

7.8 Marketing the Share Offer

The Share Offer will be promoted using a number of tactics, with a prospectus being created from the outset which will be a shortened and 'punchier' version of the Share Offer. Alongside this will be a number of visual marketing aids such as photographic content and video content to be used on our social media channels.

8. Governance

8.1 Legal structure and community shares

In Autumn 2023 the steering group registered the group as a CBS and became incorporated. At this point the steering group ended, and a committee began to form. We approached the community at large and gained a huge amount of support and quickly a committee was formed to take the project forward.

The next, and possibly most important part at this stage, was deciding what governance structure would be best for the project and committee. The committee decided that the best option for their group and the project going forward was to form a Community Benefit Society.

What is a Community Benefit Society?

A Community Benefit Society (CBS) is a type of legal organisation that's registered with the Financial Conduct Authority (FCA). It is a not-for-profit business model which makes it very attractive to funders who offer grants and set aside land and assets for not-for-profit bodies. Membership of a CBS is organised on the principle of one-member, one-vote, so it's a great structure where there's a fundamental equality between members which needs to be baked into the business. That's a big reason why it's so popular for community ownership of local assets which have meaning and importance for the whole community, such as pubs, shops, football clubs, leisure facilities and so on. The Watten Shop Group and Alison Macklin, our advisor from the Plunkett Foundation, went through the various options for the group in regard to their governance structure and after discussions, the group felt this was the right path for them to take and offered the best solution for them.

Community Shares

As mentioned previously, the group, as part of being a CBS, will release shares to the public to enable people with an interest in the project to become members and purchase a share in the Watten Shop. Many groups do this to gain capital and for WSG this framework was seen as the best as not only will they gain some funding but also, and most importantly, it will create community buy-in as members will now have a vested interest in the project and will be keen to see it succeed.

It was agreed that the price of the shares would be kept affordable, at £5. This is to enable more people to become members and have a say and promote wider community buy-in. Also, because the group has the opportunity to apply for outside funding from both the Community Ownership Fund & local wind farm trusts, they are not solely reliant on people buying shares.

The Initial share release is planned for February/March 2024 and will be handled by the group and Development Officer who will be guided by Standard Mark & The Plunkett Foundation.

9.3 Management committee

The Watten Shop Group Limited is registered under the law as a society for the benefit of the community (Community Benefit Society) with the Financial Conduct Authority. 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 and applying profit to advance the Society's Purpose.

The Watten Shop Group Limited is subject to the rules of the organisation and the management committee will manage the affairs of the Society. During a public meeting held in October 2023 the initial management committee was formed from among those who indicated an interest in being members. This committee consists of 11 people. Our members are as follows:

Gordon McPhie (Chair)

Gordon has many years' experience in different industries. First working in academia and latterly for several multi-national companies managing multidisciplinary studies. One of the key skills was communication with clients and across internal departments. This is incredibly useful in a project like this. Gordon has lived in Watten for just over a year now with his wife Sally Ann and for him the shop and especially the Post Office are so important.

Ros Nash (Secretary)

Ros is a writer, independent editor and woodland crofter. Her vision for the Watten Community Shop is to help make it a hub in the heart of the county where everyone is welcome. Her skillset and background are in publishing and journalism.

Sam Wybrew (Treasurer)

Sam is a local farmer with a retail element to his business selling home-reared pork to local hotels, businesses and members of the public. For him, the shop is the heart of the village, and it would be nice to have somewhere that sells local produce and brings people together in the village.

Sally Ann Akitt

Sally Ann and her husband Gordon moved here just over a year ago and love rural living. Sally Ann joined to support the community buyout of the shop as she believes having a shop in Watten is vital to keeping the village alive.

Suzie Anderson

Suzie grew up in Watten and has lived in the area all her days. She's seen the shop change over the years and can't imagine the impact on the village if the shop were to close. She wants to prevent that from happening.

Shelly Mowat

Shelly was raised west of Thurso, in the remote area of north Sutherland. She ran a croft out there and organised and managed the building of her house, working closely with the contractors. Shelly's family moved into Watten about 5 months ago and her children go to Watten Primary School. She is working towards a degree in Business and Marketing and felt she could gain some good experience

being involved in the project. Shelly feels the shop is vital to the area and she is happy to assist where she can, even if that means stepping up behind the till.

Zoë McIntosh

Zoë has over 13 years' experience in the retail and tourism sectors, including setting up and managing a zero waste community shop. Whilst currently working in education she also has valuable experience of supporting volunteers in the local community as well as in marketing and communications. Zoë moved to Caithness with her family in early 2021 and to Watten in 2022. She is impressed by the strong and supportive community spirit here and is keen to contribute to sustaining and building on this through the success of this project.

Sue Mangham

Sue has valuable experience of running her own cleaning business and has a very hands-on practical approach. She has experienced first-hand what happens when a village loses its shop and has seen the devastating impact it has on the local people, and so she is passionate about ensuring that this does not happen to Watten.

John Mowat

John has lived in Caithness all his life and is a local farmer and agricultural contractor. John has been involved in many committees over the years and has invaluable experience working with others. As a contractor John travels for work and uses the shop frequently and would like to see it thriving again.

David Thomson

David farms at West Watten and has been a resident all his days. David was the instigator of this entire project and is delighted to see progress being made. David feels that without the shop, the village would decay and become a less pleasant place to live. He sees the shop as the heart of the village and also sees its potential.

Maria Wybrew

Maria is a local GP and has lived just outside Watten for a number of years. She has witnessed the effects of isolation in remote communities during the COVID-19 pandemic and saw the amazing community cohesion and support in Watten during these difficult times. Maria's vision for the shop is not just as a resource for providing high quality, locally sourced goods but as a meeting place for both locals and passing visitors. Her vision for the future is a sustainable shop that supports local producers and offers a range of goods and services to the local community, reducing their need to travel to the big towns. Maria became involved after the steering group formed as she was keen to drive the project forward and keep it moving.

Lesley Young

Lesley has lived in Watten with her family for most of her life and is an active member of the local community, being involved in several groups and committees. Lesley is keen to see the shop project through and to get involved with the practical side of setting up the shop. Lesley is a realist and an

asset to the board of trustees. She helps the group keep their feet firmly planted on the ground whilst whole-heartedly supporting the project.

9.4 Support to the committee

Alix Sutherland (Rural Development Officer for Watten District)

Alix became involved in the project in January 2023 and from the beginning has been an invaluable asset to the project. Her role as Rural Development Officer is to work with community groups and to help facilitate their projects. Alix can also help with accessing and applying for funding and with governance and training. Alix has facilitated the steering group, the forming of our board of trustees and worked with Alison Macklin on the business plan and funding applications.

Alison Macklin (Group Advisor and Support, Plunkett Foundation)

Alison ran her own community shop for 16 years and as such has an incredible knowledge of the process. She is providing important advice as well as pointing out potential mistakes and pitfalls to avoid. The group made initial contact with Alison, however through the Community Ownership Fund Support Scheme, we have been awarded 12 days of support from Alison via Plunkett and we are deeply grateful to have her working alongside us and for all her ongoing support.

9.3 Subgroups

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
- Building Redevelopment and Maintenance
- Food and Drink
- Outside Area and Garden
- Community activity and entertainment

These groups will assist the Management Committee in carrying out its functions, ensuring effective development and running of the shop and carrying out specific tasks on its behalf.

10 Risk management

10.1 SWOT Analysis

This SWOT Analysis identifies the Strengths (S), Weaknesses (W), Opportunities (O), and Threats (T) pertinent to the project. Weaknesses can be countered, threats can be overcome, prevention is key!

Strengths	Weaknesses
<ul style="list-style-type: none">- Ongoing concern- Historic goodwill- Currently set up as a shop- For sale- On street parking outside- Only shop for 7 miles- Regular shoppers, loyal customer base- Local and through traffic- Tourist route- Strong community support for the idea- Plunkett Foundation Support and experience- Rural Development Officer to hand to assist.	<ul style="list-style-type: none">- Reliant on funding applications being successful- Shoppers may already shop elsewhere- Shopping habits of locals are changing- Lack of retail experience- Low footfall- Lack of community buy-in- New business doesn't hit targets

Opportunities

- Creating employment locally
- Creating work experience
- Creating volunteering opportunities
- Creating wealth in the community
- Selling new products
- Promoting local produce
- Tailor stock to community wants/needs
- Expanding into coffee machine & seating area
- Developing a social hub in the village

Threats

- Other larger local supermarkets
- Tesco/Asda online delivery
- Finding and retaining suitably qualified management & staff
- New regulations and requirements
- Someone else might buy the shop tomorrow!
- Unexpected costs
- Failure to achieve and maintain a correct balance between quality and value

10.2 Responding to the risks

Risk assessment

Any venture carries risks but being aware of those risks and taking steps to mediate them enables most enterprises to move forward. Here we identify potential risks associated with the Watten Shop Group taking on Woodside Stores and operating it as a community-run venture to meet the needs of the village and its visitors. The table below considers the risks and how they could be mitigated.

A scoring system of 1 to 5 has been used to assess the chance and impact of each risk. These are multiplied to give a combined score which then falls into one of three categories.

Category	Risk Description	Chance	Impact	Score	Response/Actions
Funding (development)	Failure to agree a sustainable plan for developing the business and secure funding to refurbish the building.	2	4	8	Take time to properly consider, research and test possible options. Get good plans prepared with expert advice and submit well prepared and targeted funding applications. Have Secondary Options available – like the Scottish Land Fund
Funding (purchase)	The WSG fails to secure start-up funding for phase two – purchase of the building.	3	4	12	Submit funding applications and run a successful well organised community share offer
Legal	Community fails to purchase the shop from current owner.	2	4	8	Begin negotiations as soon as possible. Identify potential “deal-breakers” and conduct

					sensitive discussions.
Planning and building works	Fall foul of planning and building regs or necessary warrants.	2	3	6	Seek prof advice, work with Highland Council Planning Officers to prepare plans, use professional trades to deliver.
Governance	Trust board taking on significant responsibilities.	3	4	12	Ensure board have shared and agreed vision, bond well as a team, have relevant training and experience, experienced advisors and proper processes for informing and making decisions. Ensure volunteers have time to give priority to the venture they are taking on. Training for the board in running a community enterprise and share offer.
	Insufficient planning	2	3	6	
	Poor decision making				
	Risk averseness Capacity and time of board members to make this work.	3	4	12	
Operational	Lack of business /social enterprise experience in running a community project.	2	3	6	Ensure an excellent business plan and seek good advisers around delivery of business.
Staffing the shop	Getting the right balance of paid staff and volunteers to make business work.	2	3	6	Sound cash flow projections, seek an experienced manager and have a well-trained team of volunteers with good support.

As we saw earlier in the SWOT analysis and above in the risk assessment, there are considerable strengths to WSG's proposed plans as the model is tried and tested across the UK. However, each venture is different as the circumstances in each community vary along with the skills and experience of those developing and delivering the idea. The Watten Shop Group has a very committed board with a wide range of experience in different industries which should stand them in good stead as they will know where to go if they don't have the answer. Professional legal skills and financial support will be brought in when advice and key tasks are required. The support from the Plunkett Foundation and their expertise in this area, and our Rural Development Officer in regard to funding and other parts of the project has allowed the group to progress without any substantial issues or significant pitfalls thus far.

Securing the purchase of the shop is currently a fair risk as the current owner has high expectations of the sale price and whilst he is keen for us to take over, ensuring a fair price is his priority. The group would investigate other options for housing the shop should this purchase not go ahead.

An experienced retail manager for the shop will be key to making it a success operationally and it is worth scouting about for possible candidates as soon as practically possible. It may be that there is an ideal person who lives locally or would be prepared to travel to Watten. The current staff are invaluable, but some form of day-to-day management will be required to run the shop. The ability and willingness to drive for said person and ownership of a car should be other factors for consideration. A pool of available and willing volunteers who will undertake training on the various aspects of shop operation will also be helpful, as well as work experience students and young people from the area.

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:

10.3.1 Attracting business

Once the shop is owned by the community, the commitment to use the shop 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 shops. We also plan to conduct a marketing/PR campaign aimed at residents of surrounding areas and at seasonal visitors.

Consistent provision of competitively priced goods together with reliable opening hours will provide a good basis for establishing the reputation of the shop, which should then attract a steady flow of customers by word of mouth.

10.3.2 Lack of grant funding for refurbishment and unexpected costs

A condition survey has been undertaken and our offer to purchase the shop reflects the current condition and valuation provided. We recognise that bringing the building up to standard will require some refurbishment and repair work. However, in order to achieve our full vision, and to meet the needs of the community and increase the project's viability, we are eager to re-model and develop the building. We intend to fund these works through a mixture of community shares, fundraising and

grant funding. Based on initial enquiries with potential funders, we are confident that the project meets the criteria of some capital grant funds. We identify a small risk that our grant applications might not be successful and are ready to scale down our plans and repair the building with the funds available, should we need to. Our management committee includes members who are experienced in successful grant applications, and this will be an advantage. The financial impact of unanticipated repairs can, to some extent, be mitigated by using volunteers from the community and fundraising activities. Many have indicated that they would be willing to donate their time and skills in-kind to assist with repairing the building.

10.3.3 Loans not paid and shareholder withdrawal

We will purchase the building with the funds raised from the sale of community shares and temporary loans and small grants. The intention is that these loans will be repaid eventually, from trading. The Loan Agreements provide for the possibility, by agreement, of extending the loans or varying the terms of repayment, should the Society be unable to make the repayments on the due date.

The Society's rules provide that members cannot withdraw their shares in the first three years of the operation of the business, to allow it to establish itself. After that, members will be required to give notice as per the Rules if they wish to withdraw shares, and approval will be subject to funds being available and management committee confirmation. Cash reserves will be built up where possible to enable withdrawal of shares subject to the requirements of the business. Ideally, new or existing shareholders will be willing to invest to replace shares being withdrawn. If they cannot be replaced, then the reserve fund would be utilised. Whilst the Society's rules require that every member commits their investment for at least three years, there are certain circumstances in which the management committee is authorised to allow early withdrawal (e.g. death or bankruptcy). In practice we do not anticipate that the Society will be in a position to fund any withdrawals before Year 5. When it is possible to consider share repurchase, the committee will set out appropriate criteria and annual limits. The Committee may suspend withdrawals depending on the long-term interests of the Society, the need to maintain adequate reserves, and the commitment to the community.

10.3.4 The business is unviable

If, despite a sound business plan, vigorous and sustained marketing, and the support of members and other customers, the business does not develop as anticipated, then the management committee would be forced to close the shop, sell the premises and repay the original investors, with any residual assets to be used for the benefit of the community. This is clearly not an outcome that we seek, nor one that we think is likely, but this possible course of action should give investors some security that in the event of the enterprise being unsuccessful they may be able to recover some or all of their investment.

10.4 Data Protection Act 2018

The Society adheres to the principles of the Data Protection Act 2018 and will use and process

personal data only for the purposes of Watten Community Shop Group. We will:

- use it fairly, lawfully and transparently.
- keep personal information that we hold securely and up to date.
- only use it for the specific purposes for which it was collected.
- keep it for no longer than is necessary.

11 Conclusions

The community of Watten and stakeholders are clearly very supportive of the proposal to purchase, preserve and develop Woodside Stores as a community venture. There is much evidence to support the need for further facilities in the area to support people with their health and wellbeing and help tackle social isolation and loneliness and provide vital facilities for a rural community. Working with other local facilities and businesses will be important, ensuring that they complement each other and take a coordinated approach to maximise the potential for all.

The aspiration that Woodside Stores will be self-financing is realistic, provided that a stable customer base is built, and that sufficient investment is forthcoming at the outset to make the building high quality and environmentally efficient. Ensuring appropriate staffing levels will be crucial to promoting and marketing the shop effectively, to continuing to create links with stakeholders and to ensuring that the asset maintains its social mission and responsibilities.

We are confident that - provided the community, shareholders and stakeholders continue to offer their ongoing support and that the project can deliver the facilities and services needed to a standard that meets the community's expectations – then Woodside Stores will be a thriving business and community asset.

12 List of Appendices

Appendix 1 – Potential funding sources

Appendix 2 - November 2023 full survey results

Appendix 3 – Examples of support letters (anonymised)

Appendix 4 – Building Quotations

Appendix 5 - Three-year financial model, together with cash flow forecasts

Appendix 6 - Cyber Policy

Appendix 7 – Equality, Diversity & Inclusivity Policy

Appendix 8 – Data Protection Policy

12.3 Appendix 1 - potential funding sources

Community shares

Community share ownership is a fundamental part of the whole venture as it is the means by which the community participates in and takes ownership of the shop. In addition, it provides vital funds to the project and is seen by most grant givers as a necessary demonstration that the community is committed to the project.

Grant funding application support

- **UK Government Community Ownership Fund**

The UK government has launched a new £150 million Community Ownership Fund to help ensure that communities across Wales, Scotland, England and Northern Ireland can support and continue benefiting from the local facilities, community assets and amenities most important to them. Community groups will be able to bid for up to £250,000 matched-funding to help them buy or take over local community assets at risk of being lost, to run as community-owned businesses.

- **RWE Camster Wind Farm Fund**

This fund supports charitable activities or services of benefit to those living in the following Community Council areas in Caithness: Latheron, Lybster and Clyth; Watten; and Tannach and District. Constituted not-for-profit groups or organisations working to benefit people in these areas may apply.

The fund is provided by RWE, owner of the Camster Wind Farm. Starting in September 2013, it receives at least £150,000 annually (index-linked) for the Wind Farm lifetime, expected to be 25 years. The annual donation is split equally between the three Community Council areas.

<https://www.foundationscotland.org.uk/apply-for-funding/funding-available/camster>

- **Watten Wind Farm Trust**

Watten Wind Farm Trust, formed in partnership between Watten Community Council and Foundation Scotland, has been set up to allow funds from different donors, pledged for the benefit of the Watten community, to be managed in an efficient and effective way. Donors are currently received to the Trust from Scottish Power Renewables, RWE & Gresham House Asset Management

<https://www.foundationscotland.org.uk/apply-for-funding/funding-available/watten#:~:text=About%20this%20fund,an%20efficient%20and%20effective%20way.>

The Scottish land Fund

We support community ownership of land and land assets primarily through the Scottish Land Fund. The Scottish Land Fund is funded by us and delivered in partnership with the National Lottery Community Fund and Highlands and Islands Enterprise. It offers grants of up to £1 million to help communities take ownership of the land and buildings that matter to them, as well as practical support to develop projects.

<https://www.tnlcommunityfund.org.uk/funding/programmes/scottish-land-fund>

In-kind funding

In-kind contributions may be used as a contribution within grant fund applications. An in-kind contribution is a non-monetary contribution, goods or services offered free or at less than the usual charge result in an in-kind contribution. Similarly, when a person or entity pays for services on the committee's behalf, the payment is an in-kind contribution

12.4 Appendix 2 – Full Survey Results from 2023 Survey

November 2023 Watten Shop Group Limited Survey Report (Plus example survey attached)

Q1

Out of 228 respondents 217 supported a community buy out of Watten Shop. This represented 95% of respondents. 11 Respondents were not in favour of a community buy out. A couple of respondents noted they would prefer a single owner as opposed to a committee.

Q2

37 Said they would use the shop Daily (16%)
73 Said they would use the shop a few times a week (32%)
65 Said they would use the shop Weekly (29%)
46 Said they would use the shop Monthly (20%)
7 Said they wouldn't use the shop (3%)

Q3

217 respondents wanted the post office to remain (95%)
130 Felt banking was important (57%)
96 Felt a coffee machine would be a useful service (42%)
131 wanted hot food and take away sandwiches etc. (58%)
75 respondents put other and things mentioned in this box were:
Johnstons Bakery Deliveries, Local produce, Later Opening hours, Newspapers/Magazines, Ice Cream/Slushie Machine, Delivery Service to be made an option, Fresh Rolls, Notice Board for local Events, Cigarettes and Tobacco, Take Away Food, Café, Aftershave, Store cupboard essentials ,Healthy Snacks for Kids, Flowers, Cards, Good Quality ready meals, Butcher

Q4

72 respondents said they would be most likely to use the shop between 7am & 9am (32%)
173 Said they would be most likely to use the shop between 9am & 5pm (76%)
67 would use the shop most between 5pm & 8pm (29%)

Q5

65 would spend less than £10 a week (29%)
121 would spend between £10 & £20 a week (53%)
41 would spend over £20 a week (18%)

The Last 3 questions are done in Statement form and respondents decided on a scale whether they agreed with the statement.

Q6

174 of those asked strongly agreed that the Shop would be an important hub for the community (76%)
39 Agreed it would be an important hub (17%)
11 Felt indifferent or neutral (5%)
3 people disagreed that the shop would be an important hub (1%)
1 Strongly disagreed with the statement (>1%)

Q7

75 Strongly agreed they would be willing to pay a little more for the convenience of having a shop (33%)
105 Agreed with the above statement (46%)
32 were indifferent or neutral on this point (14%)
11 Disagreed with the above statement (5%)
2 strongly disagreed with the statement (1%)

Q8

50 People who completed the survey strongly agreed that they would use their car less if they had a village shop (22%)

47 agreed somewhat with the statement (21%)

83 were indifferent or neutral toward the above statement (36%)

37 Disagreed with the statement (16%)

10 Strongly disagreed (4%)

Q9

66 participants said they would strongly agree with above statement and would prefer to use a local shop than shopping at options further afield (29%)

83 respondents agreed with the above statement (36%)

65 felt indifferent about having to travel further afield for shopping (29%)

11 disagreed with the above statement (5%)

3 strongly disagree with the above statement (1%)

Community Engagement Survey from November 2023



The Watten Shop Project
The Watten Shop Group Limited

Community Engagement Survey

Dear members of the Watten Community

We would love you to complete this questionnaire to assist the Watten Shop Project to move to the next stage. We want the shop to reflect what the people of Watten want to see. Your opinion matters! Please drop your survey into the shop, or email wattenshopchair@gmail.com and we can collect for you. **DEADLINE 30TH NOVEMBER 2023**

1. Do you support a community buy out of Woodside Stores?	Yes <input type="radio"/>	No <input type="radio"/>			
2. Would you use a community owned Village Shop? If so, how often?	Yes - Daily <input type="radio"/>	Yes - a few times a week <input type="radio"/>	Yes - Weekly <input type="radio"/>	Yes - Monthly <input type="radio"/>	No - I wouldn't use the shop <input type="radio"/>
3. What services would you want available in the Watten Village Shop? (Please tick all that apply)	Post Office <input type="radio"/>	Banking Services <input type="radio"/>	Coffee Machine <input type="radio"/>	Hot Food <input type="radio"/>	Other <input type="radio"/>

What other services would you like to see? Please fill in below.

4. What times would you be most likely to use the shop? (please tick all that apply)	7am - 9am <input type="radio"/>	9am - 5pm <input type="radio"/>	5pm - 8pm <input type="radio"/>		
5. Based on your current spending, how much money do you think you would spend in the Village Shop on a weekly basis?	Less than £10 <input type="radio"/>	Between £10 - £20 <input type="radio"/>	Over £20 <input type="radio"/>		
6. The Village Shop would be an important Hub for the community	Strongly Agree <input type="radio"/>	Agree <input type="radio"/>	Neutral <input type="radio"/>	Disagree <input type="radio"/>	Strongly Disagree <input type="radio"/>
7. I would be prepared to pay a little bit more for the convenience of having a village shop	Strongly Agree <input type="radio"/>	Agree <input type="radio"/>	Neutral <input type="radio"/>	Disagree <input type="radio"/>	Strongly Disagree <input type="radio"/>
8. Having a village shop would mean i would use my car less	Strongly Agree <input type="radio"/>	Agree <input type="radio"/>	Neutral <input type="radio"/>	Disagree <input type="radio"/>	Strongly Disagree <input type="radio"/>
9. I would prefer to use a local shop rather than other shopping options further afield	Strongly Agree <input type="radio"/>	Agree <input type="radio"/>	Neutral <input type="radio"/>	Disagree <input type="radio"/>	Strongly Disagree <input type="radio"/>

Please use this box to include any suggestions and/or comments you would like noted in regards to the Watten Shop Project

Survey Results 2022

After collating the information of the survey that many of you took part in at the end of the year the results were very positive.

136 People responded to the survey & 105 people provided a signature in support.

77% of respondents felt that having a shop in the village was Very important

13% felt it was important.

Only 10% of respondents were unsure or unconcerned.

33% of those asked said they would use a shop 2/3 times a week

31% said they would use it occasionally 20% Said once a week

96% Said they would use the shop for the Post Office

The most popular time for using the shop was between 8am & 6pm with 58% of respondents most likely to use it between 2- 6pm.

When asked what they wanted to see in the shop the top results were as follows:

71% want to see Bakery goods

53% want Local Produce

52% want Sweets/Ice Cream

49% want Meat/Dairy /Eggs

46% want Newspapers/Mags

38% want Fruit & Veg

27% want Sandwiches, Packed/tinned groceries & beers, wines & spirits

12.3 Appendix 3 – Examples of Support Letters (Anonymised)

To whomever this may concern,

I am writing to voice my support for the proposed community buy out of Watten Shop.

As currently stands, our local shop has been on the market with no interest for a considerable period of time. It seems likely that, without community intervention, the shop will completely close its doors.

The village shop is an integral part of our community. It is convenient for so many of us when we do not wish to travel the distance to towns to collect items, particularly those groceries required on a very regular basis. The shop gives our children independence, allowing them to learn about money and making purchases in the familiarity of their own locality. It is a social hub for many, particularly the elderly (in some cases their only social contact), and it is a lifeline for those who don't drive or feel well and able to travel by bus. Our local shop has supported local businesses and promotes activities and functions within the village, often being a drop off point for fundraisers.

Our village attracts visitors, particularly in the warmer months. Families regularly gather at the loch and local park, purchasing items from the shop as they do. Due to its accessible location, Watten shop has long since been a stop off point for people travelling to and from work, buying lunches or shopping for a few items that they would rather not head into a large store for.

The Post Office provides an essential service, particularly for the elderly and those at home looking after young families.

Knowing what we do about 'The Supermarket Giants', we should be encouraging and supporting diversity of ownership in retail.

I fully support the community buy out model as outlined by The Watten Shop Group. I believe it to be the best way to ensure a sustainable future for our village store.

Yours faithfully,

██████████

Appendix 4 – Building Works Quotes



GH/KB

17/01/2024

Woodside Village Store
Watten
By Wick

Ref:- Existing Shop Repairs

We here by carry out the following works all as your contract drawings

- 1 New External Doors and Windows
- 2 External Paint to Building
- 3 New Signage to Front of shop
- 4 New Roof coving to Extension to rear of shop
- 5 Slapping to Internal of Shop
- 6 Formation of ramps
- 7 Uplift floor to rear of shop
- 8 Formation of Disabled Toilet
- 9 Formation of kitchen area at rear of shop
- 10 New insulated ceiling to main shop
- 11 Strap, plasterboard and insulate external walls
- 12 Installation of electric heating
- 13 All Plumbing works
- 14 New light and power point though out the building
- 15 Internal decoration to building
- 16 Allowance for floor finishes

All the above for the total sum of £176,424.41 One Hundred-Seventy-Six Thousand, Four Hundred and Twenty-Four Pounds, forty-one Pence plus Vat at the applicable rate.



MARTHA TERRACE, WICK, CAITHNESS, KW1 5EL

Tel – 01955 604664 Mobile – 07770 807 550 - V.A.T. Registration No:- 552 4917 34



Should you require further information please do not hesitate to contact the office.

Yours Faithfully,

A handwritten signature in black ink, appearing to read "G Henderson", is written over a light grey rectangular background.

Gerald Henderson, Managing Director for GMR Henderson
Builders Ltd

Maria Wybrew
Woodside village hall

ESTIMATE 2081

17 January 2024

Quantity	Details	Unit Price (£)	VAT	Net Subtotal (£)
1	Renovation and up grade to village shop As per drawing 041123-04 rev c To soft strip building and remove materials from site To supply and fit new steel work To supply and fit insulation as per drawings To supply and fit all plaster boarding To alter floor areas as required To Carry out all electrical works To carry out all plumbing works Supplying all pipe work fittings and sanitary ware To supply and fit windows and doors To create internal and external ramps To tape and fill as required Paint as required To leave site clear off all debris	145,200.45	20%	145,200.45
			Net Total	145,200.45
			GBP Total	£145,200.

Yearly Shop Summary – 25% Margin

	Year 1	Year 2	Year 3	Year 4	Year 5
	Year to 31st March 2025	Year to 31st March 2026	Year to 31st March 2027	Year to 31st March 2028	Year to 31st March 2029
Shop income	250,000	275,000	302,500	332,750	366,025
Other income	200	200	200	200	200
Total income	250,200	275,200	302,700	332,950	366,225
Cost of sales (stock) & depreciation	191,250	210,375	231,413	254,554	280,009
Gross profit margin	25%	125%	225%	325%	425%
Gross profit	58,950	64,825	71,288	78,396	86,216
Total Expenses	91175.5	94785.17	98679.4	102747.1	112996.9
Net Profit	(32,226)	(29,960)	(27,392)	(24,351)	(26,781)

1. Turnover					

SHOP
 The turnover for the village store element is assumed to be c. £250k which equates to £4,807 per week. This is assuming that the shop will receive 490 people per week spending an average of £9.80 per shop. This will build from the initial start up period and will likely increase over time as the footfall also increases. The average spend is conservative at £9.80 based on a basic essentials shop as the shop gains understanding of peoples needs and stocks speciality items this is likely to further increase.

As turnover is more than the current VAT threshold of £85,000, there is a need to register for VAT.

	Open	Close	Total hours open	Hours
Opening Hours	?	?	#VALUE!	#VALUE!
Average daily spend expected	£10	Based on Essential shop for milk (£1.5) eggs (£1.5) Bread (£2), meat/cheese (£3), impulse purchases (£2)		
Total weekly Takings	4,807			
Total monthly Takings	20,830			
Total annual takings	249,964			

2. Cost of Sales					
-------------------------	--	--	--	--	--

The average community shop gross margin is 25%, according to the Plunkett Foundation, however, individual shops will vary, depending on the product mix. In line with Forecasts, initially, Watten Community shop would ideally need to assume a 28% profit margin to remain profitable from year 2. Over time the shop may be able to reduce margins by absorbing increased costs from suppliers rather than passing these straight on to the customer.

Stock levels are expected to be kept low in order to maintain it as fresh as possible and to have an ordering system for meat and larger purchases in order to avoid keeping too much money tied up in stock.

--

3. Other income					
<p>Grants have not been assumed within the forecasts and if achieved would be used as investment capital to develop other shop income work streams and community opportunities, stock variety and improved systems (security, etc)</p>					

4. Expenses					

Admin & Other Expenses

Cleaning	1,350	
Sundries	350	(community average)
General	350	(contingency)
Volunteer management	250	
Fuel reimbursement	200	
	(2,500)	

Day one Costs with 25% Margin

Ref	Revenue		Full Year	First Quarter	Day 1 - 30	Commentary
			Year to 31st March 2025	End of June 2024	End of April 2024	
1	Total income		250,200	62,550	20,833	£250k divided by 12
1.1	Shop income	Note 1	250,000	62,500	20,833	
1.2	Other income	Note 3	200	50	0	Events, courier service, fundraising
	Expenses					
2A	Staff costs		58,500	9,450	2,292	Assumed from 3 months pay
	Shop Manager 1 FTE @ 40 hours per week		27,500	6,875	2,292	
2.1	Shop Deputy Manager		23,000	575	0	
2.2	Hourly paid staff		8,000	2,000	0	
	Mandatory Employee Contributions					
2B	Mandatory NI contributions		8,073	1,304	316	
2.4	Mandatory NI contributions		8,073	1,304	316	Assumed on current rate of 13.8%
3	Training Staff & Volunteer		1,500	1,150	500	Assumed 50% of budget in first quarter and £500 for start up.
3.1	Training Committee		1,000	1,000	500	
3.2	Training		500	150	0	
4	Utilities		13,613	3,403	1,134	All assumed 3 months utilities
4.1	Energy (Electric)		9,600	2,400	800	Fridges freezers, lighting, heating assumed £1,000 per month
4.2	Water		600	150	50	£50 per month. Will just be cleaning and drinks
4.3	Telephone & internet Business rates		1,500	375	125	£100 / month (includes EPOS) £25 telephone/internet
4.4	Bank charges for POS transactions		0	0	0	Rateable value £14,750. Assuming 20% relief obtained from council.
4.5	Bank charges for POS transactions		1,913	478	159	Assumed 90% of transactions by card payment.

5	Licensing, Insurance, Subscriptions		1,890	1,890	1,890	All annual costs assumed from day 1
5.1	Insurance		1,500	1,500	1,500	
5.2	Licensing		190	190	190	
5.3	Subscriptions		200	200	200	
6	Equipment, Contents, Maintenance		1,750	1,000	833	Leasing assumed 3 months
6.1	Fire maintenance		250	250	250	
6.2	Shop Repairs		500	500	500	
6.3	Refridgeratio n leasing		1,000	250	83	Assume £500 per month lease fee. TBC
7	IT Costs		1,100	550	550	Assumed 50% of costs as start up
7.1	Google and cloud hosting		600	300	300	
7.2	Website & domain hosting		500	250	250	
8	Advertising & marketing		500	250	125	Assumed 50% of budget used in first quarter
9	Accountancy & legal costs		1,750	625	375	Assumed 3 months
9.1	Accountancy software / book keeping		500	125	125	
9.2	Annual audit		750	0	0	Not required in first three months
9.3	Legal costs		500	500	250	Assumed 50% of budget used in first quarter
10	Admin & other expenses	Note 4	2,500	625	208	
Total Expenses			91,176	20,247	8,224	
11	Stock		191,250	45,938	15,313	Assumed initial stock purchase of £20,500 plus £14,000 per month for month 2 and 3 for restocking (c.66% of total stock). Assumed stock list will grow in second trading quarter.
11.1	Stock purchase - Start up Day 1 to stock shop	Note 2	187,500	43,750	14,583	Assumed 70% cost of expected revenue for first three months of trading. Gross profit margin target 25% year 1, but initial stock will likely cost less in day 1 compared to day 364. This approach allows for some inflationary increases through the year (max 5%) to be absorbed without direct price increase.
11.2	Stock depreciation		3750	2187.5	729.1667	Assumed 5% of stock cost for first 3 months as quantities unknown due to lack of purchase history. 2% total per annum.
Total Expenses + Stock			282,426	66,185	23,536	
Total Income			250,200	62,550	20,833	

Net
Profit/Loss
before tax

(32,226)	(3,635)	(2,703)
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5 Year detailed £250K Forecast

Ref			Year 1	Year 2	Year 3	Year 4	Year 5	
	Revenue		Year to 31st March 2025	Year to 31st March 2026	Year to 31st March 2027	Year to 31st March 2028	Year to 31st March 2029	Commentary
1	Total income		250,200	275,200	302,700	332,950	366,225	
1.1	Shop income	Note 1	250,000	275,000	302,500	332,750	366,025	Year 2, assumed 35% increased in income. Year 3 onwards 10%
1.2	Other income	Note 3	200	200	200	200	200	Events, courier service, fundraising
	Expenses							
2A	Staff costs		58,500	60,840	63,274	65,805	68,437	Assume 4% increase year on year across all categories.
2.1	Shop Manager 1 FTE @ 40 hours per week		27,500	28,600	29,744	30,934	32,171	Assumed from day 1
2.2	Shop Deputy Manager		23,000	23,920	24,877	25,872	26,907	Assumed from day 1
2.3	Hourly paid staff		8,000	8,320	8,653	8,999	9,359	Assumed one paid weekend employee at minimum wage (21+) £11.50, 7 working hours x 48 weeks (4 days paid holiday assumed). From year 3, assumed hourly paid employee for two days a week.
2B	Mandatory Employee Contributions		8,073	8,396	8,732	9,081	9,444	
2.4	Mandatory NI contributions		8,073	8,396	8,732	9,081	9,444	Assumed on current rate of 13.8%
3	Training		1,500	1,500	1,500	1,500	1,500	
3.1	Staff & Volunteer Training		1,000	1,000	1,000	1,000	1,000	
3.2	Committee Training		500	500	500	500	500	
4	Utilities		13,613	14,389	15,213	16,090	17,022	All assumed 5% annual increase
4.1	Energy (Electric)		9,600	10,080	10,584	11,113	11,669	Fridges freezers, lighting, heating assumed £800 per month
4.2	Water		600	630	662	695	729	£50 per month. Will just be cleaning and drinks
4.3	Telephone & internet		1,500	1,575	1,654	1,736	1,823	£100 / month (includes EPOS) £25 telephone/internet
4.4	Business rates		0	0	0	0	0	Rateable value £3000. Assuming 100% relief obtained from council.
4.5	Bank charges for POS transactions		1,913	2,104	2,314	2,546	2,800	Assumed 90% of transactions by card payment. 8.5p fee per transaction
5	Licensing, Insurance, Subscriptions		1,890	1,830	1,861	1,892	1,924	

5.1	Insurance		1,500	1,530	1,561	1,592	1,624	Assumed 2% increase annually
5.2	Licensing		190	100	100	100	100	
5.3	Subscriptions		200	200	200	200	200	
6	Equipment, Contents, Maintenance		1,750	1,773	1,826	1,880	7,937	
6.1	Fire maintenance		250	258	265	273	281	Assumed 3% increase annually
6.2	Shop Repairs		500	515	530	546	563	Assumed 3% increase annually
6.3	Refridgeration purchase		0	0	0	0	6,000	Assumed £6000 initial purchase for refridgeration
6.4	Refridgeration maintainence		1,000	1,000	1,030	1,061	1,093	Assumed 3% increase annually
7	IT Costs		1,100	1,133	1,167	1,202	1,238	Assumed 3% increase annually
7.1	Google and cloud hosting		600	618	637	656	675	
7.2	Website & domain hosting		500	515	530	546	563	
8	Advertising & marketing		500	515	530	546	563	Assumed 3% increase annually
9	Accountancy & legal costs		1,750	1,785	1,821	1,857	1,894	Assumed 3% increase annually
9.1	Accountancy software / book keeping		500	515	530	546	563	
9.2	Annual audit		750	773	796	820	844	
9.3	Legal costs		500	515	530	546	563	
10	Admin & other expenses	Note 4	2,500	2,625	2,756	2,894	3,039	
	Total Expenses		91,176	94,785	98,679	102,747	112,997	
11	Stock	Note 2	191,250	210,375	231,413	254,554	280,009	
11.1	Stock purchase		187,500	206,250	226,875	249,563	274,519	75% cost of expected revenue. Gross profit margin target 25% year 1
11.2	Stock depreciation		3750	4125	4537.5	4991.25	5490.375	Assumed 2% of stock cost
	Total Expenses + Stock		282,426	305,160	330,092	357,301	393,006	
	Less Total Income		250,200	275,200	302,700	332,950	366,225	
	Net Profit before tax		(32,226)	(29,960)	(27,392)	(24,351)	(26,781)	

5 Year detailed £300K Forecast

Ref			Year 1	Year 2	Year 3	Year 4	Year 5	
	Revenue		Year to 31st March 2025	Year to 31st March 2026	Year to 31st March 2027	Year to 31st March 2028	Year to 31st March 2029	Commentary
1	Total income		300,200	330,200	363,200	399,500	439,430	
1.1	Shop income	Note 1	300,000	330,000	363,000	399,300	439,230	Year 2, assumed 35% increased in income. Year 3 onwards 10%
1.2	Other income	Note 3	200	200	200	200	200	Events, courier service, fundraising
	Expenses							
2A	Staff costs		58,500	55,320	56,464	57,654	58,891	Assume 4% increase year on year across all categories.
2.1	Shop Manager 1 FTE @ 40 hours per week		27,500	28,600	29,744	30,934	32,171	Assumed from day 1
2.2	Shop Deputy Manager		23,000	18,720	18,720	18,720	18,720	Assumed from day 1
2.3	Hourly paid staff		8,000	8,000	8,000	8,000	8,000	Assumed one paid weekend employee at minimum wage (21+) £11.50, 7 working hours x 48 weeks (4 days paid holiday assumed). From year 3, assumed hourly paid employee for two days a week.
2B	Mandatory Employee Contributions		8,073	7,634	7,792	7,956	8,127	
2.4	Mandatory NI contributions		8,073	7,634	7,792	7,956	8,127	Assumed on current rate of 13.8%
3	Training		1,500	1,500	1,500	1,500	1,500	
3.1	Staff & Volunteer Training		1,000	1,000	1,000	1,000	1,000	
3.2	Committee Training		500	500	500	500	500	
4	Utilities		13,995	14,810	15,676	16,599	17,582	All assumed 5% annual increase
4.1	Energy (Electric)		9,600	10,080	10,584	11,113	11,669	Fridges freezers, lighting, heating assumed £900 per month
4.2	Water		600	630	662	695	729	£50 per month. Will just be cleaning and drinks
4.3	Telephone & internet		1,500	1,575	1,654	1,736	1,823	£100 / month (includes EPOS) £25 telephone/internet
4.4	Business rates		0	0	0	0	0	Rateable value £3000 Assuming 100% relief obtained from council.
4.5	Bank charges for POS transactions		2,295	2,525	2,777	3,055	3,360	Assumed 90% of transactions by card payment. 8.5p fee per transaction
5	Licensing, Insurance, Subscriptions		1,890	1,830	1,861	1,892	1,924	

5.1	Insurance		1,500	1,530	1,561	1,592	1,624	Assumed 2% increase annually
5.2	Licensing		190	100	100	100	100	
5.3	Subscriptions		200	200	200	200	200	
6	Equipment, Contents, Maintenance		1,750	1,773	1,826	1,880	7,937	
6.1	Fire maintenance		250	258	265	273	281	Assumed 3% increase annually
6.2	Shop Repairs		500	515	530	546	563	Assumed 3% increase annually
6.3	Refridgeration purchase		0	0	0	0	6,000	Assumed £6000 initial purchase for refridgeration
6.4	Refridgeration maintainence		1,000	1,000	1,030	1,061	1,093	Assumed 3% increase annually
7	IT Costs		1,100	1,133	1,167	1,202	1,238	Assumed 3% increase annually
7.1	Google and cloud hosting		600	618	637	656	675	
7.2	Website & domain hosting		500	515	530	546	563	
8	Advertising & marketing		500	515	530	546	563	Assumed 3% increase annually
9	Accountancy & legal costs		1,750	1,803	1,857	1,912	1,970	Assumed 3% increase annually
9.1	Accountancy software / book keeping		500	515	530	546	563	
9.2	Annual audit		750	773	796	820	844	
9.3	Legal costs		500	515	530	546	563	
10	Admin & other expenses	Note 4	2,500	2,625	2,756	2,894	3,039	
	Total Expenses		91,558	88,942	91,429	94,036	102,769	
11	Stock	Note 2	229,500	252,450	277,695	305,465	336,011	
11.1	Stock purchase		225,000	247,500	272,250	299,475	329,423	75% cost of expected revenue. Gross profit margin target 25% year 1
11.2	Stock depreciation		4500	4950	5445	5989.5	6588.45	Assumed 2% of stock cost
	Total Expenses + Stock		321,058	341,392	369,124	399,500	438,780	
	Less Total Income		300,200	330,200	363,200	399,500	439,430	
	Net Profit before tax		(20,858)	(11,192)	(5,924)	(0)	650	

5 Year detailed £350k Forecast

		Year 1	Year 2	Year 3	Year 4	Year 5		
Ref	Revenue	Year to 31st March 2025	Year to 31st March 2026	Year to 31st March 2027	Year to 31st March 2028	Year to 31st March 2029	Commentary	
1	Total income	350,200	385,200	423,700	466,050	512,635		
1.1	Shop income	Note 1	350,000	385,000	423,500	465,850	512,435	Year 2, assumed 35% increased in income. Year 3 onwards 10%
1.2	Other income	Note 3	200	200	200	200	200	Events, courier service, fundraising
	Expenses							
2A	Staff costs		58,500	55,320	57,213	59,181	61,229	Assume 4% increase year on year across all categories.
2.1	Shop Manager 1 FTE @ 40 hours per week		27,500	28,600	29,744	30,934	32,171	Assumed from day 1
2.2	Shop Deputy Manager		23,000	18,720	19,469	20,248	21,057	Assumed hire after six months in year 1, 50% of annual costs of £22,500
2.3	Hourly paid staff		8,000	8,000	8,000	8,000	8,000	Assumed one paid weekend employee at minimum wage (21+) £11.50, 7 working hours x 48 weeks (4 days paid holiday assumed). From year 3, assumed hourly paid employee for two days a week.
2B	Mandatory Employee Contributions		8,073	7,634	7,895	8,167	8,450	
2.4	Mandatory NI contributions		8,073	7,634	7,895	8,167	8,450	Assumed on current rate of 13.8%
3	Training		1,500	1,500	1,500	1,500	1,500	
3.1	Staff & Volunteer Training		1,000	1,000	1,000	1,000	1,000	
3.2	Committee Training		500	500	500	500	500	
4	Utilities		14,378	15,230	16,139	17,108	18,142	All assumed 5% annual increase
4.1	Energy (Electric)		9,600	10,080	10,584	11,113	11,669	Fridges freezers, lighting, heating assumed £900 per month
4.2	Water		600	630	662	695	729	£50 per month. Will just be cleaning and drinks
4.3	Telephone & internet		1,500	1,575	1,654	1,736	1,823	£100 / month (includes EPOS) £25 telephone/internet
4.4	Business rates		0	0	0	0	0	Rateable value £3000. Assuming 100% relief obtained from council.
4.5	Bank charges for POS transactions		2,678	2,945	3,240	3,564	3,920	Assumed 90% of transactions by

							card payment. 8.5p fee per transaction	
5	Licensing, Insurance, Subscriptions		1,890	1,830	1,861	1,892	1,924	
5.1	Insurance		1,500	1,530	1,561	1,592	1,624	Assumed 2% increase annually
5.2	Licensing		190	100	100	100	100	
5.3	Subscriptions		200	200	200	200	200	
6	Equipment, Contents, Maintenance		1,750	1,773	1,826	1,880	7,937	
6.1	Fire maintenance		250	258	265	273	281	Assumed 3% increase annually
6.2	Shop Repairs		500	515	530	546	563	Assumed 3% increase annually
6.3	Refridgeration purchase		0	0	0	0	6,000	Assumed £6000 initial purchase for refridgeration
6.4	Refridgeration maintenance		1,000	1,000	1,030	1,061	1,093	Assumed 3% increase annually
7	IT Costs		1,100	1,133	1,167	1,202	1,238	Assumed 3% increase annually
7.1	Google and cloud hosting		600	618	637	656	675	
7.2	Website & domain hosting		500	515	530	546	563	
8	Advertising & marketing		500	515	530	546	563	Assumed 3% increase annually
9	Accountancy & legal costs		1,750	1,785	1,821	1,857	1,894	Assumed 3% increase annually
9.1	Accountancy software / book keeping		500	515	530	546	563	
9.2	Annual audit		750	773	796	820	844	
9.3	Legal costs		500	515	530	546	563	
10	Admin & other expenses	Note 4	2,500	2,625	2,756	2,894	3,039	
	Total Expenses		91,941	89,345	92,708	96,228	105,914	
11	Stock	Note 2	267,750	294,525	323,978	356,375	392,013	
11.1	Stock purchase		262,500	288,750	317,625	349,388	384,326	75% cost of expected revenue. Gross profit margin target 25% year 1
11.2	Stock depreciation		5250	5775	6352.5	6987.75	7686.525	Assumed 2% of stock cost
	Total Expenses + Stock		359,691	383,870	416,685	452,603	497,927	
	Less Total Income		350,200	385,200	423,700	466,050	512,635	
	Net Profit before tax		(9,491)	1,330	7,015	13,447	14,708	

Year 1 Projections 25% Margin

Column1	Column2	Column3	Year 1	Year 1_1	Year 1_2	Year 1_3	Year 1_4	Column9
Ref	Revenue		Year to 31/3/25	Year to 31/3/25	Year to 31/3/25	Year to 31/3/25	Year to 31/3/25	Commentary
	Forecast Projection		V.LOW	LOW	MID	HIGH	V.HIGH	
1	Total income	Note 1 & 3	251000	302000	352000	402000	453000	
1.1	Shop income	Note 1	250000	300000	350000	400000	450000	
1.2	Other income	Note 3	1000	2000	2000	2000	3000	Events, parcel service, fundraising
	Expenses							
2A	Staff costs		58500	58500	58500	58500	58500	Assume 4% increase year on year
2.1	Shop Manager 1 FTE @ 40 hours per week		27500	27500	27500	27500	27500	Assumed from day 1
2.2	Shop Deputy Manager		23000	23000	23000	23000	23000	Assumed from day 1
2.3	Hourly paid staff		8000	8000	8000	8000	8000	
2B	Mandatory Employee Contributions		8073	8073	8073	8073	8073	
2.4	Mandatory NI contributions		8073	8073	8073	8073	8073	Assumed on current rate of 13.8%
3	Training		2500	2500	2500	2500	2500	
3.1	Staff & Volunteer Training		2000	2000	2000	2000	2000	
3.2	Committee Training		500	500	500	500	500	
4	Utilities		13612.5	13995	14377.5	14760	15142.5	All assumed 5% annual increase
4.1	Energy (Electric)	Note 5	9600	9600	9600	9600	9600	Fridges freezers, lighting, heating assumed £900 per month
4.2	Water	Note 5	600	600	600	600	600	£50 per month. Will just be cleaning and drinks
4.3	Telephone & internet	Note 5	1500	1500	1500	1500	1500	£100 / month (includes EPOS)
4.4	Business rates		0	0	0	0	0	£25 telephone/internet
4.5	Bank charges for POS transactions		1912.5	2295	2677.5	3060	3442.5	Rateable value £3k. Assuming 100% relief obtained from council.
5	Licensing, Insurance, Subscriptions		1890	1890	1890	1890	1890	Assumed 90% of transactions by card payment.
5.1	Insurance	Note 5	1500	1500	1500	1500	1500	
5.2	Licensing		190	190	190	190	190	
5.3	Subscriptions		200	200	200	200	200	
6	Equipment, Contents, Maintenance		1750	1750	1750	1750	1750	
6.1	Fire maintenance		250	250	250	250	250	
6.2	Shop Repairs		500	500	500	500	500	
6.3	Refridgeration leasing		1000	1000	1000	1000	1000	
7	IT Costs		1100	1100	1100	1100	1100	Assumed 3% increase annually

7.1	Google and cloud hosting		600	600	600	600	600	
7.2	Website & domain hosting		500	500	500	500	500	
8	Advertising & marketing		500	500	500	500	500	Assumed 3% increase annually
9	Accountancy & legal costs		2250	2250	2250	2250	2250	Assumed 3% increase annually
9.1	Accountancy software / book keeping		500	500	500	500	500	
9.2	Annual audit		750	750	750	750	750	
9.3	Legal costs		1000	1000	1000	1000	1000	
10	Admin & other expenses	Note 4	2500	2500	2500	2500	2500	
	Total Expenses		92675.5	93058	93440.5	93823	94205.5	
11	Stock	Note 2	191250	229500	267750	306000	344250	
11.1	Stock purchase		187500	225000	262500	300000	337500	75% cost of expected revenue. Gross profit margin target 25% year
11.2	Stock depreciation		3750	4500	5250	6000	6750	Assumed 2% of stock cost
	Total Expenses + Stock		283925.5	322558	361190.5	399823	438455.5	
	Less Total Income		251000	302000	352000	402000	453000	
	Net Profit/Loss before tax		-32925.5	-20558	-9190.5	2177	14544.5	

Year 2024-25

Cash flow Forecast													
INCOME	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Total
Shop Sales (Ino Post office)	20000.00	21000.00	21000.00	23000.00	25000.00	21000.00	19000.00	21000.00	22000.00	18000.00	19000.00	20000.00	£250,000.00
Total Receipts	£20,000.00	£21,000.00	£21,000.00	£23,000.00	£25,000.00	£21,000.00	£19,000.00	£21,000.00	£22,000.00	£18,000.00	£19,000.00	£20,000.00	£250,000.00
EXPENDITURE	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Total
hours per week	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	£2,291.67	27500
Shop Deputy Manager	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	£1,916.67	23,000
Hourly paid staff	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	£666.67	8,000
Mandatory NI contributions	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	£672.75	8,073
Staff & Volunteer Training	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	1,000
Committee Training	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	500
Energy (Electric)	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	£800.00	9,600
Water	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	600
Telephone & internet	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	1,500
Business rates	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0
transactions	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	£159.42	1,913
Insurance	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	£125.00	1,500
Licensing	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	£15.83	190
Subscriptions	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	200
Fire maintenance	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	£20.83	250
Shop Repairs	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	600
Refridgeration purchase	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0
Refrigeration maintenance	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	1,000
Google and cloud hosting	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	£50.00	600
Website & domain hosting	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	600
Accountancy	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	500
Annual audit	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	£62.50	750
Legal costs	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	500
Admin & other expenses	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	£208.33	2,600
Total Expenditure	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£91,176.00
Difference	£12,402.00	£13,402.00	£13,402.00	£15,402.00	£17,402.00	£13,402.00	£11,402.00	£13,402.00	£14,402.00	£10,402.00	£11,402.00	£12,402.00	£158,824.00
Opening Balance	£0.00	£12,402.00	£25,804.00	£39,206.00	£54,608.00	£72,010.00	£85,412.00	£96,814.00	£110,216.00	£124,618.00	£135,020.00	£146,422.00	£0.00
Income	£20,000.00	£21,000.00	£21,000.00	£23,000.00	£25,000.00	£21,000.00	£19,000.00	£21,000.00	£22,000.00	£18,000.00	£19,000.00	£20,000.00	£250,000.00
expenditure	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£7,598.00	£91,176.00
Closing Balance	£12,402.00	£25,804.00	£39,206.00	£54,608.00	£72,010.00	£85,412.00	£96,814.00	£110,216.00	£124,618.00	£135,020.00	£146,422.00	£158,824.00	£158,824.00

Year 2025-26

Cash flow Forecast													
INCOME	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Total
Shop Sales (Inc Post office)	21000.00	23000.00	23000.00	25000.00	29000.00	27000.00	23000.00	21000.00	23000.00	19000.00	20000.00	21000.00	2275,000.00
Other Income													£0.00
													£0.00
													£0.00
													£0.00
TOTALS	£21,000.00	£23,000.00	£23,000.00	£25,000.00	£29,000.00	£27,000.00	£23,000.00	£21,000.00	£23,000.00	£19,000.00	£20,000.00	£21,000.00	£275,000.00
EXPENDITURE	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	Total
Shop Manager 1 FTE @ 40 hours per w	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	£2,383.33	28600
Shop Deputy manager	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	£1,993.33	24,920
Hourly paid staff	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	£693.33	8,420
Mandatory NI contributions	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	£699.66	8,396
staff & volunteer training	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	1,000
Commitee training	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	£41.67	500
Energy (Electric)	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	£1,199.06	14,389
water	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	£52.50	630
Telephone & Internet	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	£131.25	1,575
Business rates	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0
bank charges for FOU transactions	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	£175.31	2,104
Insurance	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	£152.50	1,830
Licensing	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	£8.33	100
subscriptions	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	£16.67	200
Fire maintenance	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	£21.46	268
shop repairs	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	515
refrigeration purchase	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	0
Refridgeration maintenance	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	£83.33	1,000
google and cloud hosting	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	£94.42	1,133
Website & domain hosting	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	515.00
Advertising	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£148.75	£1,785.00
Accountancy	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£515.00
Annual audit	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£64.38	£772.50
Legal costs	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£42.92	£515.00
Admin & other expenses	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£218.75	£2,625.00
Total Expenditure	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£101,196.42
Difference	£12,566.97	£14,566.97	£14,566.97	£16,566.97	£20,566.97	£18,566.97	£14,566.97	£12,566.97	£14,566.97	£10,566.97	£11,566.97	£12,566.97	£173,803.58
Opening Balance	£158,824.00	£171,390.97	£185,957.93	£200,524.90	£217,091.86	£237,658.83	£256,225.79	£270,792.76	£283,359.72	£297,926.69	£308,493.65	£320,060.62	£158,824.00
Income	£21,000.00	£23,000.00	£23,000.00	£25,000.00	£29,000.00	£27,000.00	£23,000.00	£21,000.00	£23,000.00	£19,000.00	£20,000.00	£21,000.00	£275,000.00
expenditure	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£8,433.04	£101,196.42
Closing Balance	£171,390.97	£185,957.93	£200,524.90	£217,091.86	£237,658.83	£256,225.79	£270,792.76	£283,359.72	£297,926.69	£308,493.65	£320,060.62	£332,627.58	£332,627.58

Year 2026-27

Cash flow Forecast				
INCOME	APR	MAY	JUNE	JULY
Shop Sales (inc Post office)	23000.00	25000.00	26000.00	27500.00
Other income				
TOTALS	£23,000.00	£25,000.00	£26,000.00	£27,500.00
EXPENDITURE	APR	MAY	JUNE	JULY
Shop Manager 1 FTE @ 40 hours per week	£2,478.67	£2,478.67	£2,478.67	£2,478.67
Shop Deputy Manager	£2,073.07	£2,073.07	£2,073.07	£2,073.07
Hourly paid staff	£721.07	£721.07	£721.07	£721.07
Mandatory NI contributions	£727.58	£727.58	£727.58	£727.58
Staff & Volunteer Training	£83.33	£83.33	£83.33	£83.33
Committee Training	£41.67	£41.67	£41.67	£41.67
Energy (Electric)	£882.00	£882.00	£882.00	£882.00
Water	£55.13	£55.13	£55.13	£55.13
Telephone & internet	£137.81	£137.81	£137.81	£137.81
Business rates	£0.00	£0.00	£0.00	£0.00
Bank charges for POS transactions	£192.83	£192.83	£192.83	£192.83
Insurance	£130.08	£130.08	£130.08	£130.08
Licensing	£8.33	£8.33	£8.33	£8.33
Subscriptions	£16.67	£16.67	£16.67	£16.67
Fire maintenance	£22.08	£22.08	£22.08	£22.08
Shop Repairs	£44.17	£44.17	£44.17	£44.17
Refrigeration purchase	£0.00	£0.00	£0.00	£0.00
Refrigeration maintenance	£85.83	£85.83	£85.83	£85.83
Google and cloud hosting	£53.05	£53.05	£53.05	£53.05
Website & domain hosting	£44.20	£44.20	£44.20	£44.20
Advertising	£151.73	£151.73	£151.73	£151.73
Accountancy	£44.20	£44.20	£44.20	£44.20
Annual audit	£66.31	£66.31	£66.31	£66.31
Legal costs	£44.20	£44.20	£44.20	£44.20
Admin & other expenses	£229.69	£229.69	£229.69	£229.69
Total Expenditure	£8,333.70	£8,333.70	£8,333.70	£8,333.70
Difference	£14,666.30	£16,666.30	£17,666.30	£19,166.30
Opening Balance	£332,627.58	£347,293.88	£363,960.19	£381,626.49
income	£23,000.00	£25,000.00	£26,000.00	£27,500.00
expenditure	£8,333.70	£8,333.70	£8,333.70	£8,333.70
Closing Balance	£347,293.88	£363,960.19	£381,626.49	£400,792.79

Set up costs & expenditure

Project costings	£
Funding request via COF	
Capital Grant COF	246,200
Purchase of asset	48,000
Matched funding	
Community Shares and /or long term loans	15,000
Grant Funding (Windfarm)	70,000
Revenue cost grant	8,935
Total Grant Request from COF including purchase cost	294,200
Expenditure	
Purchase of premises including 5k business goodwill	48,000
Repairs and refurbishment	176,000
Other expected costs listed below	30,000
Coffee machine	2000
Shelving and racking	2000
Fridges freezers	5000
Slushie machine	2000
Ice cream machine	2000
Security system	3000
Uniforms	350
Portacabin hire	4000
Insurance	650
Phone line	400
Office furniture and other pieces	1000
New shop signage	1000
Contingency	2000
Promotional cost/website	5000
Other costs- stock	8000

The Watten Shop Group (WSG) Limited – Cyber Policy

1) Definitions

1. Personal data is information about a person which is identifiable as being about them. It can be stored electronically or on paper, and includes images and audio recordings as well as written information.
2. Data protection is about how we, as an organisation, ensure we protect the rights and privacy of individuals, and comply with the law, when collecting, storing, using, amending, sharing, destroying or deleting personal data.

2) Responsibility

1. Overall and final responsibility for data protection lies with the Trustees, who are responsible for overseeing activities and ensuring this policy is upheld.
2. All volunteers are responsible for observing this policy, and related procedures, in all areas of their work for the group.

3) Overall policy statement

1. The Watten Shop Group needs to keep personal data about its committee, members, volunteers and supporters in order to carry out group activities.
2. We will collect, store, use, amend, share, destroy or delete personal data only in ways which protect people's privacy and comply with the UK General Data Protection Regulation (GDPR) and other relevant legislation.
3. We will only collect, store and use the minimum amount of data that we need for clear purposes, and will not collect, store or use data we do not need.
4. We will only collect, store and use data for:
 - purposes for which the individual has given explicit consent, or
 - purposes that are in our group's legitimate interests, or
 - contracts with the individual whose data it is, or
 - to comply with legal obligations, or
 - to protect someone's life, or
 - to perform public tasks.
5. We will provide individuals with details of the data we have about them when requested by the relevant individual.
6. We will delete data if requested by the relevant individual, unless we need to keep it for legal reasons.
7. We will endeavor to keep personal data up-to-date and accurate.
8. We will store personal data securely.

9. We will keep clear records of the purposes of collecting and holding specific data, to ensure it is only used for these purposes.
10. We will not share personal data with third parties without the explicit consent of the relevant individual, unless legally required to do so.
11. We will endeavour not to have data breaches. In the event of a data breach, we will endeavour to rectify the breach by getting any lost or shared data back. We will evaluate our processes and understand how to avoid it happening again. Serious data breaches which may risk someone's personal rights or freedoms will be reported to the Information Commissioner's Office within 72 hours, and to the individual concerned.
12. To uphold this policy, we will maintain a set of data protection procedures for our committee and volunteers to follow.

4) Review

This policy will be reviewed every two years

Date.....

Signature (Chair).....

Signature (Secretary).....

Data Protection procedures

1) Introduction

1. The Watten Shop Group has a data protection policy which is reviewed regularly. In order to help us uphold the policy, we have created the following procedures which outline ways in which we collect, store, use, amend, share, destroy and delete personal data.
2. These procedures cover the main, regular ways we collect and use personal data. We may from time to time collect and use data in ways not covered here. In these cases we will ensure our Data Protection Policy is upheld.

2) General procedures

1. Data will be stored securely. When it is stored electronically, it will be kept in password protected files. When it is stored online in a third party website (e.g. Google Drive) we will ensure the third party comply with the UK GDPR. When it is stored on paper it will be filed carefully in a locked filing cabinet.
2. When we no longer need data, or when someone has asked for their data to be deleted, it will be deleted securely. We will ensure that data is permanently deleted from computers, and that paper data is shredded.

3. We will keep records of consent given for us to collect, use and store data. These records will be stored securely.

3) Mailing list

1. We will maintain a mailing list. This will include the names and contact details of people who wish to receive, publicity and fundraising appeals from Anytown Community Group.
2. When people sign up to the list we will explain how their details will be used, how they will be stored, and that they may ask to be removed from the list at any time. We will ask them to give separate consent to receive publicity and fundraising messages, and will only send them messages which they have expressly consented to receive.
3. We will not use the mailing list in any way that the individuals on it have not explicitly consented to.
4. We will provide information about how to be removed from the list with every mailing.
5. We will use mailing list providers who store data within the EU.

4) Supporting individuals

1. From time to time, individuals contact the Group to ask us to help them resolve an issue they are having with other local services.
2. We will request explicit, signed consent before sharing any personal details with the council or any other relevant third party.
3. We will not keep information relating to an individual's personal situation for any longer than is necessary for the purpose of providing them with the support they have requested.
4. Personal data relating to housing issues will be stored securely by a member of the committee, and not shared among the rest of the committee or with other volunteers unless necessary for the purpose of providing the support requested.
5. Details relating to individual's circumstances and housing will be treated as strictly confidential.

5) Selling merchandise

1. We may, in the future, decide to make and sell calendars, cards and other items featuring photos of the local neighborhood, to help raise money for the group.
2. To order these products, people complete an order form on our website, which includes providing a name and address for the items to be delivered to.
3. When ordering, people will be asked if they wish to be added to our mailing list (see section 3). If they do not opt to be on the mailing list, their details will be deleted within one month of processing their order, and will not be used for any purpose other than communicating with them about their order.

6) Contacting volunteers

1. Local people volunteer for The Watten Shop Group in a number of ways.
2. We will maintain a list of contact details of our recent volunteers. We will share volunteering opportunities and requests for help with the people on this list.

3. People will be removed from the list if they have not volunteered for the group for 12 months.
4. When contacting people on this list, we will provide a privacy notice which explains why we have their information, what we are using it for, how long we will keep it, and that they can ask to have it deleted or amended at any time by contacting us.
5. To allow volunteers to work together to organise for the group, it is sometimes necessary to share volunteer contact details with other volunteers. We will only do this with explicit consent.

7) Contacting Members

1. The Trustees need to be in contact with one another in order to run the organisation effectively and ensure its legal obligations are met.
2. Member contact details will be shared among the committee.
3. Committee members will not share each other's contact details with anyone outside of the board of Trustees, Development Officer, or use them for anything other than Watten Shop Group business, without explicit consent.

8) Review

These procedures will be reviewed every two years

Date.....

Signature (Chair).....

Signature (Secretary).....

The Watten Shop Group Limited Equality, Diversity and Inclusion policy

The Watten Shop Group Limited (WSG) is committed to encouraging equality, diversity and inclusion among our workforce, and eliminating unlawful discrimination.

The aim is for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected and able to give their best.

The organisation - in providing good, services and facilities - is also committed against unlawful discrimination of customers or the public.

Our policy's purpose

This policy's purpose is to:

1. Provide equality, fairness and respect for all in our employment, whether temporary, part-time or full-time
2. Not unlawfully discriminate because of the Equality Act 2010 protected characteristics of:
 - age
 - disability
 - gender reassignment
 - marriage and civil partnership
 - pregnancy and maternity
 - race (including colour, nationality, and ethnic or national origin)
 - religion or belief
 - sex
 - sexual orientation
3. Oppose and avoid all forms of unlawful discrimination. This includes in:
 - pay and benefits
 - terms and conditions of employment
 - dealing with grievances and discipline
 - dismissal
 - redundancy
 - leave for parents
 - requests for flexible working
 - selection for employment, promotion, training or other developmental opportunities

Our commitments

The organisation commits to:

1. Encourage equality, diversity and inclusion in the workplace as they are good practice and make business sense
2. Create a working environment free of bullying, harassment, victimisation and unlawful discrimination, promoting dignity and respect for all, and where individual differences and the contributions of all staff are recognised and valued.

This commitment includes training managers and all other employees about their rights and responsibilities

under the equality, diversity and inclusion policy. Responsibilities include staff conducting themselves to help the organisation provide equal opportunities in employment, and prevent bullying, harassment, victimisation and unlawful discrimination.

All staff should understand they, as well as their employer, can be held liable for acts of bullying, harassment, victimisation and unlawful discrimination, in the course of their employment, against fellow employees, customers, suppliers and the public

3. Take seriously complaints of bullying, harassment, victimisation and unlawful discrimination by fellow employees, customers, suppliers, visitors, the public and any others in the course of the organisation's work activities.

Such acts will be dealt with as misconduct under the organisation's grievance and/or disciplinary procedures, and appropriate action will be taken. Particularly serious complaints could amount to gross misconduct and lead to dismissal without notice.

Further, sexual harassment may amount to both an employment rights matter and a criminal matter, such as in sexual assault allegations. In addition, harassment under the Protection from Harassment Act 1997 – which is not limited to circumstances where harassment relates to a protected characteristic – is a criminal offence.

4. Make opportunities for training, development and progress available to all staff, who will be helped and encouraged to develop their full potential, so their talents and resources can be fully utilised to maximise the efficiency of the organisation.

5. Make decisions concerning staff being based on merit (apart from in any necessary and limited exemptions and exceptions allowed under the Equality Act).

6. Review employment practices and procedures when necessary to ensure fairness, and also update them and the policy to take account of changes in the law.

7. Monitor the make-up of the workforce regarding information such as age, sex, ethnic background, sexual orientation, religion or belief, and disability in encouraging equality, diversity and inclusion, and in meeting the aims and commitments set out in the equality, diversity and inclusion policy.

Monitoring will also include assessing how the equality, diversity and inclusion policy, and any supporting action plan, are working in practice, reviewing them annually, and considering and taking action to address any issues.

Agreement to follow this policy

The equality, diversity and inclusion policy is fully supported by the board of trustees and has been agreed with all parties involved including Shareholders.

Our disciplinary and grievance procedures

Details of the organisation's grievance and disciplinary policies and procedures can be found at **Woodside Stores, Watten**. This includes with whom an employee should raise a grievance – usually their line manager.

Use of the organisation's grievance or disciplinary procedures does not affect an employee's right to make a claim to an employment tribunal within three months of the alleged discrimination.

The Watten Shop Group Limited (WSG)

Data Protection Policy

[The Watten Shop Group Limited]

Note about this policy template: Lots of template policies are unhelpfully long and simply reiterate large portions of the legislation. This template is different: it aims to provide a concise and practical document that can be used by trustees of small charities as the foundation for a working Data Protection Policy. If you have any doubt about your legal obligations you should always check with a lawyer.

Last updated	29/01/2024
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Definitions

Charity	means [The Watten Shop Group Limited], a registered Community Benefit Society.
GDPR	means the General Data Protection Regulation.
Responsible Person	means [Board Of Trustees].
Register of Systems	means a register of all systems or contexts in which personal data is processed by the Charity.

1. Data protection principles

The Charity is committed to processing data in accordance with its responsibilities under the GDPR.

Article 5 of the GDPR requires that personal data shall be:

- a. processed lawfully, fairly and in a transparent manner in relation to individuals;
- b. collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes; further processing for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes shall not be considered to be incompatible with the initial purposes;
- c. adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- d. accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data that are inaccurate, having regard to the purposes for which they are processed, are erased or rectified without delay;
- e. kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; personal data may be stored for longer periods insofar as the personal data will be processed solely for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes subject to implementation of the appropriate technical and organisational measures required by the GDPR in order to safeguard the rights and freedoms of individuals;

and

- f. processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.”

2. General provisions

- a. This policy applies to all personal data processed by the Charity.
- b. The Responsible Person shall take responsibility for the Charity’s ongoing compliance with this policy.
- c. This policy shall be reviewed at least annually.
- d. The Charity shall register with the Information Commissioner’s Office as an organisation that processes personal data.

3. Lawful, fair and transparent processing

- a. To ensure its processing of data is lawful, fair and transparent, the Charity shall maintain a Register of Systems.
- b. The Register of Systems shall be reviewed at least annually.
- c. Individuals have the right to access their personal data and any such requests made to the charity shall be dealt with in a timely manner.

4. Lawful purposes

- a. All data processed by the charity must be done on one of the following lawful bases: consent, contract, legal obligation, vital interests, public task or legitimate interests ([see ICO guidance for more information](#)).
- b. The Charity shall note the appropriate lawful basis in the Register of Systems.
- c. Where consent is relied upon as a lawful basis for processing data, evidence of opt-in consent shall be kept with the personal data.
- d. Where communications are sent to individuals based on their consent, the option for the individual to revoke their consent should be clearly available and systems should be in place to ensure such revocation is reflected accurately in the Charity’s systems.

5. Data minimisation

- a. The Charity shall ensure that personal data are adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed.

6. Accuracy

- a. The Charity shall take reasonable steps to ensure personal data is accurate.
- b. Where necessary for the lawful basis on which data is processed, steps shall be put in place to ensure that personal data is kept up to date.

7. Archiving / removal

- a. To ensure that personal data is kept for no longer than necessary, the Charity shall put in place an archiving policy for each area in which personal data is processed and review this process annually.
- b. The archiving policy shall consider what data should/must be retained, for how long, and why.

8. Security

- a. The Charity shall ensure that personal data is stored securely using modern software that is kept-up-to-date.
- b. Access to personal data shall be limited to personnel who need access and appropriate security should be in place to avoid unauthorised sharing of information.
- c. When personal data is deleted this should be done safely such that the data is irrecoverable.
- d. Appropriate back-up and disaster recovery solutions shall be in place.

9. Breach

In the event of a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data, the Charity shall promptly assess the risk to people’s rights and freedoms and if appropriate report this breach to the ICO ([more information on the ICO website](#)).

END OF POLICY