

Miners Arms Community Pub Limited



Business Plan April 2024

The last eight months have been a whirlwind of activity as the Management Board and I have worked towards a community buy out of the Miners Arms, Nenthead. We were expecting a steep learning curve and that is exactly what we have had.

From that first Public Meeting in August 2023 to the launch of the upcoming community share offer, each step of the way the team has taken on the challenge and overcome the many obstacles we found in our way.

The Miners Arms Community Pub Limited would like to thank all those, too numerous to list, that have assisted us in getting the project to this stage; without your help, advice, and guidance, it would not have been possible.

Special thanks must go to Plunkett UK and our friends at the Bampton Valley Community Pub and the Gilsland Community benefit Society for sharing their experiences.

The greatest thanks are reserved for you our supporters; without your time, investment and patronage the project is nothing.

Cheers and with good fortune we will be able to raise a drink in the Miners in the not-too-distant future.



Simon Walker
Chair Miners Arms Community Pub Ltd.

The Community's Pub by Andrew Hewison

In Nenthead's heart, The Miners Arms did shine, A pub where stories wove like ancient twine.
But in the year 2020, fate took its toll, And closed its doors, an empty, silent soul.

Now 'tis up for sale, a treasure to reclaim, A beacon of hope, a flicker of the flame.
The community unites, with spirits bold, To buy it back through shares, a story to be told.

A justgiving page, where kind hearts unite, To raise some funds and bring back the light.
For in The Miners Arms, memories reside, Where laughter and warmth forever coincide.

Let's gather our strength, and dreams align, To save this pub, a gem of Nenthead's design.
With each share offered, with every dime, The Miners Arms will again brightly shine.

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Introduction

The Miners Arms, located in Nenthead, Cumbria, and on the borders of both Northumberland and County Durham, sits within the North Pennines National Landscape (formerly known as an Area of Outstanding National Beauty) and a UNESCO Global Geopark, and before Covid was a thriving pub. It attracted custom from across Alston Moor and further afield given the area's stunning landscape, popularity with walkers, and location on the sea-to-sea (C2C) cycle route.

It has however been closed since March 2020 and is now offered for sale by the current owner.

Historically Nenthead supported several pubs but in more recent times this was reduced to two: The Crown and the Miners Arms. The Crown has not traded as a public house for some time and has become a small restaurant with very restricted opening and does not have an alcohol/drinks licence. The owner has no intention of returning it to a public house.

The race is now on to save and restore the Miners Arms as a community owned pub at the heart of the village's social and economic life. We need to avoid the potential 'change of use' of the Miners Arms to residential accommodation, and instead guarantee a welcoming community hub for locals and visitors to enjoy together for generations to come.

The Miners Arms Community Pub (MACP) working group was set up in August 2023 after a public meeting and quickly started to explore the possibility of a community purchase with community engagement through a digital and hard copy survey, face to face discussions, and our social media platforms. The survey outcome for 178 respondents overwhelmingly confirmed an interest with 97% in agreement that the village needed a pub at its heart. The Miners Arms Community Pub Ltd (MACPL) was subsequently incorporated as a Community Benefit Society (CBS) in November 2023.

The impact on communities of pub closures has been seen not only locally but across rural communities. Pub closures not only threaten the social cohesion of a community, but also increase the impact of rural isolation. This was exacerbated through the effects of Covid-19 and the closure of the Miners Arms.

Pubs are one of Britain's oldest and most popular social institutions and are essential in fostering and developing social relationships amongst residents, strengthening the level of social cohesion in villages, and positively contributing to communal well being and provision of social capital. Research has highlighted that villages with pubs have more community events – such as sports matches, charity events, and social clubs – than those without or those with just sports or village halls. Simply speaking, opportunities for communal initiatives would be vastly reduced, if not non-existent, without the presence of pubs.

Rural village life is recognised as being an important part of our heritage and deserving of considerably more care and attention than it has had in recent years. As amenities such as pubs disappear from our communities it becomes harder to retain a local population as people move into areas where amenities are closer to hand.

Nenthead: a History

The small village of Nenthead in the North Pennines can claim to be England's highest village at 1,500 feet above sea level, although due to the nature of the terrain many of the households in Nenthead are considerably higher than this average. The village is located astride the A689 which runs from Carlisle to Hartlepool, and which can be described as a true coast-to-coast route, in that it is the classified road closest to the sea on both the west and east coasts of England. The nearest settlement of any size is the town of Alston some 5 miles to the North. The larger settlements of Penrith, Hexham, Haltwhistle and Brampton are all about 25 miles away and the nearest major city is Carlisle at 30 miles. Due to the altitude and its location in the north of England, the village suffers from an inclement climate with high winds, heavy rain and frequent winter snowfalls. Nenthead sits just inside the county of Cumbria but is only a mile from the borders of County Durham and Northumberland.



All roads lead through Nenthead

From Roman times until the end of the nineteenth century, Alston Moor in Cumbria was famed for the production of lead. For over 180 years from the early 1700s, the leading exponent was the London Lead Company with smaller, locally based enterprises operating throughout the same period.

The London Lead Company was formed by Quakers in 1704, and the directors, in common with other Quaker industrialists, recognised a moral responsibility to their workforce. In 1825, they built the first purpose-built industrial village in England and laid the foundations for today's social welfare system. Complete with a free lending library and compulsory schooling for all children, the village of Nenthead was born. The benevolent Quakers built, amongst other things, housing, a school, a reading room, public baths and a washhouse for the miners and their families. Nenthead was the first village in the UK to have electric street lighting from excess power generated by the mines. The foresight of the Company, and its caring attitude towards its employees, brought immense prosperity to one of the most remote and inhospitable regions in the country. Nenthead was the major centre for lead and silver mining and in its time had the most productive lead mine in the country. At its peak the population of the village and surrounding area was in the region of 2,000.

The Reading Room was the first free library in England, built by the company in 1833. All company workers were encouraged to read and study, especially technical subjects and chemistry, in order to develop the superior smelting techniques, which were essential if the company was to maintain its reputation for the best quality lead and silver on the market.

The industry went into steep decline from the 1860s onwards due to the decreasing ore reserves, the cost of extraction and foreign competition. In 1882 the London Lead Company sold its interests to the Nenthead and Tynedale Lead and Zinc Company. After initial success, a sharp decrease in the value of zinc and the Earl of Carlisle's refusal to renew the company's lease of the spelter works at Tindale Fell, fourteen miles away, led to the company's failure after a tenure of only fourteen years. The new purchaser of the mineral leases, mines, royalties, mills, works, and machinery on Alston Moor in 1896 was the Société Anonyme des Mines et Fonderies de Zinc de la Vieille-Montagne of Belgium or VM for short.

Nenthead was the focal point of their operations in the UK and was the place where they operated for the longest period. From its mines in Nenthead and West Allendale, the company obtained zinc ore by mining and by reprocessing old waste dumps from former lead ore extraction, at one time VM was responsible for more than 60% of the output of UK zinc ore. In addition, although zinc was the main mineral the company was seeking, any lead found was not discarded, but processed as well. Both ores were not smelted, instead they were sorted, crushed and cleaned at Rampgill Mill in Nenthead, then transported by road, rail and sea to the parent plant in Belgium. This was the practice of the company with its mines worldwide.

Miners Arms Public House

For almost the entire history of the village of Nenthead, there has been a public house where the Miners' Arms now stands. As far back as the 18th century there are references to a coaching house and we know that the Miners Arms has been operating in its current guise since 1827 – almost 200 years.



At one time there were at least half a dozen pubs in Nenthead and the surrounding countryside but one by one they have fallen by the wayside. The last one within walking distance (two miles), Nent Hall, closed its doors in December 2023 following the collapse into administration of its parent company. Except for the community owned "Hive" event venue, open for occasional events only, there are no other licensed premises within 5 miles to the North (in the town of Alston) and for some 10 miles in any other direction.

The present owner's family acquired the pub in 1988 and the accounts filed at Companies House show an increasing turnover until 2010 when it became no longer compulsory for small companies to publish full accounts. Turnover for the year ending in 2010 was £106,635. There have been no other pubs in the village for many years so this was the only place that the local community could use to socialise and interact. The pub was forced to close its doors in 2020 due to "lockdown" imposed because of the Covid-19 pandemic and never reopened.

The Miners Arms was a popular stop for cyclists on the Sea-to-Sea route (C2C) and was, indeed, an official "stamping point" for those who wished to keep a permanent record of their achievement. During the winter, although less busy it was still well frequented by local people and visitors.

The Miners Arms was used by many local groups to host meetings, some have folded due to losing this valuable asset while others have moved their activities to Alston some 5 miles away. It held music nights which were often an opportunity for local individuals and bands to perform and hosted traditional pub games nights, all great activities for residents and visitors to socialise.

In 2018 when the village was completely cut off by snowfall for 4 days (the "Beast from the East"), the Miners Arms and nearby community owned shop provided residents with a source of basic essentials, warmth, food and company. The storm was so severe and outlying houses so inundated with snow that the Royal Air Force had to fly supplies in by Chinook helicopter and supplies by road were brought in using tracked rescue vehicles borrowed from Morecambe Bay. The pub has solid fuel heating and wood burning stoves so it can remain heated in times of power cuts, which are not uncommon in this part of the world and the present owners installed a generator to allow the property to operate fully in times of a power outage.

In more recent times (December 2021) the village suffered a 5-day blackout in the aftermath of Storm Arwen but unfortunately the pub was by then closed and it was not possible to utilise it for the community.

The asset will be permanently lost unless the Community can intervene. The present owner decided not to re-open the Miners Arms following its enforced closure in 2020. She indicates that she had become tired of the effort required to keep the pub going and wished to retire and move away to be close to her family.

In July 2020 she applied to Companies House to wind up the limited company through which she operated the pub and the pub itself was offered for sale through a specialist licensed premises agent and a domestic estate agent but generated very little interest. One potential buyer did make enquiries in 2022 but subsequently withdrew their interest. In November 2022, with little prospect of sale as a pub, the owner applied to the local authority, Eden District Council (now Westmorland and Furness Council), for planning permission for "change of use" to a private dwelling, which she believed would result in a higher value and a quicker sale than as a pub. Without community intervention the property will be sold as a private residence and the asset will be lost to the village forever.

Demographics, Infrastructure and Visitors

Alston Moor in general and Nenthead in particular are widespread, rural communities with many isolated dwellings. The total population is some 2,000 with around 450 of those living in the Nenthead ward. Eden District (amalgamated into Westmorland and Furness in 2023) had the lowest population (other than the Isles of Scilly) and the lowest population density of any council district.

The 2021 UK Census shows that Alston Moor is a deprived area with 34% of households in the “deprived” category by at least 1 metric and 14% by 2. 35% of the population live in a one-person household which, combined with the size of the district, gives rise to rural and social isolation, especially in winter when travel can be difficult. 33% of the population works from home, which also contributes to feelings of isolation. Despite the widespread nature of the community, 13% of households still have no car or van and a similar percentage has access to only 1 vehicle. With virtually no public transport links, many can be confined to the village for weeks on end, if not months. This is evidenced by the success of the community shop which includes a Post Office.

17.3% of the population is aged between 15 and 34 compared with the national average of 25.5%. There is no facility in Nenthead whatsoever for young people within this age group. It is therefore vital that the younger members of the community have somewhere that they can go to socialise and enjoy themselves or we run a real risk of seeing them move away from the area to seek employment and fulfilment elsewhere.

47.8% of the population is aged between 50 and 75 compared with the national average of 29.3%. Older people are more likely to live on their own, less likely to own a car or van, receive below average income and suffer from social isolation. It is vital that a community has a centre point (a “heart” if you like) where people can meet and exchange views and opinions. Alston has several groups for men and women that meet regularly but with almost no public transport, many of these are unavailable to the villagers of Nenthead. There are 3 buses per week that serve Nenthead. On Mondays and Wednesdays the service runs as far as Carlisle, via Alston and on Fridays a service from Alston to Hexham runs via Nenthead. These buses do not necessarily run at times that are convenient for the facilities that are on offer.

Internet access across the Moor is limited and slow with full fibre being restricted to the main population centres. Mobile phone coverage is by no means universal. It may be difficult to believe in this day of gigabit internet speeds and 5G mobile phone systems, but we can suffer from internet speeds of 2 Mb per sec, there is no 5G mobile phone service, the 4G service is patchy at best and the 3G service is being removed. Power cuts are a regular occurrence and when the power goes off, so does the cell network. The decision by BT to cut off the analogue telephone lines carries further risk of social isolation and danger in case of an emergency. It is possible to obtain a battery backup for a VOIP phone but these have limited life so the phone cannot be plugged in all the time thus meaning that the power pack has to be located and then connected in times of emergency. Such power outages are not only frequent but can also be long-lasting. As previously mentioned, during Storm Arwen in 2021, the entire village was without power for 5 days.

The ambulance response time to Alston Moor is in the region of 45 minutes for a Category One incident (the national response is 8 minutes usually). There is an emergency first response team on the Moor, but they can only deal with one incident at a time. Other emergency services are also thinly spread. The rural position of the village often means we must fend for ourselves to a far greater degree during major incidents. It is essential that the community has a focal point not only for social interaction so that people can get to know their fellow inhabitants but also somewhere that is open

throughout every day where guaranteed internet connection, phone connection, heating and lighting can be found.

There is very little employment within the village of Nenthead. There are 2 caravan parks, one campsite, a bunkhouse and numerous bed & breakfast facilities within walking distance of the pub and many of the houses are holiday lets. A significant proportion of the population derives all or part of its income from tourism. With nowhere for visitors to go for a meal or a drink, there is a real danger that these facilities will themselves close as demand will undeniably fall; anecdotal evidence supports this. The nearest pub to the village closed in December 2023 when its parent company went into administration with the loss of several jobs. There is little alternative employment for those people.

The C2C cycle route passes directly in front of the pub. There is a bicycle shop and repair facility next door whose very existence is predicated upon the number of cyclists travelling this route. There are no other hospitality facilities on the C2C route for 12 miles in either direction (Melmerby to the west and Allenheads to the east) and the only pub in Allenheads is also under threat. Nenthead is no longer an official stopping point for the C2C route because of the lack of food and drink facilities and in turn the cycle shop has suffered accordingly.

[Visit Eden](#) reports the following for the Council area of Eden in 2022

- 4.61 million tourism visits
- Bringing £582 million into the economy
- Creating 6,108 full time equivalent posts

The C2C is the cycling equivalent of the coast-to-coast walking route. It was created in 1994 and takes riders on a 137-mile journey through North English landscapes, (Coastal, Lakes, Dales, Pennines, Post-Industrial, Coast). It is England's most popular leisure cycle route, with an estimated 12,000 - 15,000 people attempting it each year.



Community

Given the nature of the environment in which we live, the community of Nenthead has learned, through necessity, to be self-sufficient and resilient. There is one shop in the village which is operated by the community, which incorporates a Post Office. The Hive, a former Methodist Chapel, was

renovated under community involvement in 2016 with lottery funding and turned into an events, arts, and display centre. It does have a licence to serve alcohol but only operates for events and functions.



Nenthead Community Shop

There is a large children's playground in the village which is operated and funded by a local committee and so are the adjacent public toilets. There was an old, abandoned tennis court behind the village hall and in 2022 a group of residents completely restored it in their own time and at their own expense, for the benefit of all in the community.

With many isolated properties and the aforementioned inclement weather, there is a real risk of people being cut off for days at a time in winter. In 2010 a local engineer cobbled together pieces of a tractor and a snowplough and set out to clear the lane onto which his drive exited. Now in 2024 we have 2 vehicles: a heavy-duty snowplough and a smaller gritter with light front plough attachment. A team of community volunteers is on standby, receiving the county council weather forecasts and gritter orders. Twice a day in bad weather the team is out, on an hour-long journey, clearing the back roads that the council gritters (which do only the main A689 road) don't touch. As a result, people can get out to do whatever they need to, and the school only closes in the most appalling of conditions.

On the subject of the school – it has its own place at the centre of the community. With 21 pupils split across just 2 classes, it is possibly the smallest in England and where the pupils proudly undertake "Learning with altitude"!

Community involvement

When the pub was placed on the market there was a genuine belief that it would be bought as a going concern but once the owner applied for a change of use, realisation that it may be lost forever dawned. It became evident that there was a groundswell of objections to the owner's plans. A village meeting was held to discuss whether there was appetite within the community for trying to keep the pub going. Over 50 people (more than 10% of the population of the village) attended the meeting at which a presentation outlining the current situation and possible ways forward was given. During the subsequent discussions, it became apparent that all of those present had a strong desire to see the pub back at the heart of the community.

At the conclusion of the meeting several members of the community stepped forward to indicate their willingness to take on the project and a working group was formed to investigate what a community buy out of the Miners Arms might look like. The first action was to hand deliver a survey to every property in the immediate community. Of the 178 surveys returned 173 were in favour of seeing the

pub open again. The survey also asked responders to indicate what they would like to see the asset used for and this information has then been used as the basis for the aims of the project.

We believe the results of the survey gave the group a very strong green light to proceed.

We then widened our field of engagement, not just with the local community but also with other interested parties further afield, by using several approaches including social media, creation of a website, JustGiving page, verbal updates, and hand delivered updates at major project milestones. Press releases have been issued and numerous people with influence in the demographics we are trying to reach have been approached to help spread the project's aims.

Our social media campaign was launched in October 2023; the reach is recorded as tens of thousands. We appreciate that reach by itself is no indication of support but shows the message is being spread and consumed.

Following as of March 2024:

- Facebook group – 473
- Facebook page – 361
- X (Twitter) – 315
- Instagram – 155

A website was launched in October 2023 and as of March 2024 has had 2,402 unique visitors, while the JustGiving page had donations from 170 supporters.

The community run village shop and village notice boards have been pivotal as places to assist with the distribution of information, gathering opinion, and a point to return surveys etc and these will continue to be focal points for those with little or no access to digital updates.

We have engaged with and have letters of support from our parish ward group, local unitary councillors, the local MP, candidates for the new parliamentary constituency, community groups, and local businesses.

Although not arranged by the group we continue to attend the village ward meeting where the Miners Arms is a standing agenda item to allow updates to be given to the residents and for them to ask questions and give opinions.

Aims

The aims of the Miners Arms Community Pub Ltd, Community Benefit Society are to secure the Miners Arms for the long-term benefit of Nenthead village and the wider community, preserving for future generations a key element of the village's rural heritage by:

- Securing a pub at the heart of our community with a warm welcome for residents and visitors alike and which delivers a vital service to the community.
- Developing the pub as a community hub - for it to be 'More than a Pub'
- To be a friendly and inclusive pub which welcomes people of all ages and backgrounds and helps avoid social isolation.

- To be a customer focused pub which helps realise the area's tourism potential, investing into the community by sourcing locally where possible and by providing employment for residents.
- To be in a position to save/establish other assets of community value as required.

We believe the Miners Arms will continue its near 200-year heritage, to be at the heart of the village as a place for social gathering, cultural activities, somewhere to meet people and exchange information. A good pub is about the diversity of its people, and a place for a cohesive and friendly community to be forged. Partnership and active support of other community facilities and clubs in the area is also high on our list of priorities. We aspire to be a flourishing, friendly and welcoming village pub with letting rooms and manager's accommodation. The Miners Arms will operate as a free house that wherever possible serves local beers and sensibly priced, good food prepared using locally sourced ingredients.

The key factors that will contribute to our success are:

- Establishing a broad membership of the Community Benefit Society.
- Purchasing the freehold of the Miners Arms from the current owner.
- Completing a program of refurbishment where needed.
- Employing an experienced and professional manager and running the pub as a free house.
- Ongoing community involvement in the society to manage, maintain and improve the property, and to ensure community support for, and input into, the future success of the pub.
- Investing any surplus profits in improving the pub and additional facilities for the benefit of the community and paying a modest level of interest to all shareholders.
- Progressing low carbon building improvements as capital permits to reduce operational costs.
- Working with the manager to promote a sustainable agenda through local sourcing and good waste management.

Community Benefits

Our belief is that the pub is an important amenity for Nenthead and that the best interests of the wider community will be served by acquiring the pub through a limited liability Community Benefit Society (CBS). This legal structure is explained in detail later in this document.

A community purchase will enable the village to secure and safeguard the pub for future generations. This represents a fantastic opportunity to strengthen the vibrancy and long-term sustainability of our community, which is an important aspect of being part of the North Pennines National Landscape and a UNESCO Global Geopark.

Community purchase of the 'bricks and mortar' of the Miners Arms offers many benefits, including:

- Security of tenure, the pub will no longer be subject to change of ownership or use.
- Direct control over investment in the fabric and facilities of the building.
- Influence over the offerings of the day-to-day operation through selection of, and ongoing partnership with, a professional manager.
- Direction of spend into the local economy supporting local employment.

While the manager may not necessarily be local, a vibrant and well supported Miners Arms will again offer employment to local people. Given the tourism to the Moor, this will include valuable learning opportunities for young people who can take on short-term employment in school and college

holidays. We expect the number of paid posts and learning opportunities to increase as additional amenities are added.

There will also be scope for volunteer contributions from residents in helping to maintain the fabric of the building, its surroundings, and contribute to community activities.

A community purchase will enable the Miners Arms to be 'More than a Pub' for Nenthead village.

There has been significant interest from local people in the proposal, which is in line with government and local authority policy, to extend the range of amenities offered by a community pub. By investing in a range of potential developments, services will be provided to the community, which will enable fuller use to be made of the community-owned pub building.

Pubs are one of Britain's oldest and most popular social institutions. It was a way of life in the village of Nenthead and the Miners Arms was certainly a place where the community could come together to mix and socialise.

One of the most important contributions pubs make to local community life is that they act as hubs for the development of social networks. However, they are currently under pressure, with 16 pubs closing every week according to a study carried out by Rick Muir in 2012, this number is rising in recent years during and after the covid pandemic. Many of the old industrial and village communities surrounding local pubs have changed out of all recognition. Nenthead falls into this category, without a pub there simply wouldn't be a village in years to come.

The Miners Arms is an integral part of the community. It provides a meeting place where social networks can be strengthened and extended. Pubs are perceived by people to be the most important social institution for promoting interactions between people from different walks of life. This is evidenced by a study undertaken by the Campaign for Real Ale (CAMRA) in 2016. CAMRA suggests that pubs, and small community pubs in particular, provide a safe environment in which to meet old and new friends face to face over a drink. The pub offers an enriching environment where we have the opportunity to meet a greater diversity of people.

Local businesses that used to rely on their clients being able to use the Miners Arms for overnight stays, food and general hospitality more than welcome our efforts to reignite this asset. Other businesses that profited from those that visited the village also welcome our efforts. Many local businesses have discussed with the group the huge impact on their livelihoods since the pub has closed, the decline in footfall of visitors as opposed to those that simply pass Nenthead by for other villages and towns with better amenities, makes some fear they may have to close their doors permanently if trade doesn't improve soon.

Community groups broadly support our aims and some look forward to moving their activities back to the pub, however it isn't these established groups we need to identify and cater for, it is those that fall outside of these categories: those that don't have a group they can identify with; for example the youth who have nowhere to congregate in a safe environment, the elderly, those that need a warm space, those that are socially isolated, the ability to provide opportunities for local people to get work experience, generally a place to go that is open welcoming and always provides a space without prejudice or judgement

"Long live the local" launched in 2018 to raise awareness of the high number of pub closures across the UK have published research which indicates:

- 25 million people in the UK are experiencing severe loneliness.
- During the cost-of-living crisis the pub's role as a meeting place became more important, a place where people can sit without feeling pressured to move on.
- 7 in 10 people agree that pubs aren't just places for drinks but a lifeline against loneliness.
- A local pub on average adds £100,000 to the local economy, creates jobs, acts as a social hub, and is a sought-after amenity when house hunting.
- 85% of pubs are based in community and rural areas, bringing jobs to parts of the UK that need them most.
- They employ over 600,000 people, of which 43% are under 25 and countless people's first job was in a pub.
- If all this wasn't enough, 1 in 5 of us fall in love in the pub, making the pub integral to the very relationships the country is built on.

To sum up we believe that the re-opening of the Miners Arms will bring the following benefits to the people of Nenthead and the surrounding area:

- It will help to instil a sense of community pride and improve perceptions of the local area as a place to live.
- It will create social trust, cohesion and a sense of belonging.
- It will encourage participation in community life, arts and culture, and sport.
- It will create beneficial local economic outcomes, such as employment and volunteering opportunities, and employability skills.
- It will deliver a positive impact on physical and mental health, reducing loneliness and isolation.

Planned Activities and Services

The main activity will be the operation of a country pub. The pub has a large kitchen which is still fully functional, although nearing end of life, and a wonderful conservatory restaurant. The aim will be to open at least 5 days a week, preferably 7.

Alston offers some social facilities - warm hubs in the town hall and Masonic Hall, a weekly men's club, a repair cafe, a project planning group - but almost none of these are accessible to the residents of Nenthead unless they have their own transport. 35% of households have one vehicle or none at all and whilst this may be in line with the national average, this has far greater impact in such an isolated area where the nearest major shopping centres are more than 20 miles away.

Funding is available via the local council for some social activities, and we propose that similar facilities be provided in the Miners Arms so that the residents of Nenthead can have them on their doorstep.

In addition to the normal pub facilities, we intend to offer the following (not an exhaustive list):

- Warm hub with free tea & coffee (funding is available from the local council).
- Internet café (we have promises of donations of serviceable computers).
- Book/CD/DVD exchange.
- Emergency response coordination hub.
- Disaster refuge – in conjunction with our sustainability plan.

All of these can help to provide a release from social and rural isolation. Our investigations have already identified a need for some activities listed below, however the project will continue to work with the community to identify areas where the community pub can help to provide services and a space for the community to come together.

- There are no facilities for persons under 18 in the village or nearby area to socialise. The intention is to set aside an area (away from the main bar) for use by under 18's.
- Chatty Cafe or similar type model to provide a safe space for anyone to have the ability to sit down, grab a coffee and have a chat.
- Pensioners' lunch at reduced prices.
- Men's Pie Club or similar type model to encourage men to come together.
- Sports and pub games nights/afternoons.
- Music events and other themed events.
- A warm hub.
- A centre for coordinating the response to incidents such as severe weather, and power outages.
- A space for social functions, birthdays, anniversaries, and funeral teas as examples.

This vision will however require considerably more than just the usual pub manager or tenant. There will also be a need for a significant volunteer involvement. In the initial stages we hope that many within the community will be willing to get their hands dirty with some physical help in the cleaning and re-decoration of the pub. Once we are up and running the many additional services that we intend to offer will require supervision by a team of volunteers although it should not be necessary for any one person to commit to more than 2 or 3 hours a week, but this is something that has been proven to work in this community on many previous occasions. We believe that the uptake of shares by the residents will encourage them to "take ownership" of the pub in a unique way. After all, as shareholders, they will indeed be the owners on a one person one vote footing.

Buying the Miners Arms



Business Model

Miners Arms Community Pub Ltd (MACPL) has been established as a Community Benefit Society (CBS) to purchase and refurbish the Miners Arms through a combination of share offer and grants. MACPL would own and maintain the fabric of the property and will employ a manager to run the business day to day.

Share Offer

Our intention is to fund the above through a community share offer targeted at a minimum of £95,000 and through grants. A share uptake realising the minimum target of £95,000 is required for a viable project. A pledge in principle request during December 2023 saw almost £85,000 pledged towards community shares. The share offer will be launched in May 2024 and close in June 2024 or sooner if the maximum target is reached.

The concept of community shares has been explored in depth and will be promoted through community meetings and newsletters (both online and in print). Marketing for the share offer will exploit all these methods in addition to posters, local leaflet drops, direct mail and focused communication with local businesses and organisations. Our aim is to have the highest possible membership from the local community.

We want to ensure we don't exclude people from membership because of their financial situation. If you would like to become a member of the society but are on low/no-income or are unable to afford the minimum share requirement, and live within a mile of the Miners Arms please email us at minersarms.nenthead@gmail.com.

If you can afford to invest more than the minimum amount we would appreciate it if you would consider purchasing pay-it-forward shares (no minimum amount) in addition to your own shares. Once the share offer closes, all pay it forward shares will be pooled and allocated on a first come first served basis to those excluded from membership because of their financial situation.

There will be one class of share: interest-bearing withdrawable shares. These shares offer shareholders interest on their investment in due course, according to the performance of the business, and to retain the option of withdrawing their investment at some future time.

All shareholders will be members of the Society and entitled to vote on matters affecting the Society. The price for each share will be £1, and the minimum permitted investment will be £100 (i.e. 100 shares) although we hope that most investors can invest considerably more than the minimum. The maximum permitted individual investment will be £9,500 in order that no single member owns more than 10% of the society shares. The widest possible community ownership will be encouraged. To that end the minimum investment has been set at a level that our research has shown to be realistic for local people.

Shares are not transferable or tradeable and must be redeemed with the society. If we are unsuccessful in our bid to purchase the Miners Arms, then all investment monies will be returned.

Any investment in securities involves a degree of risk. The shares in MACPL will not be capable of being traded or transferred – any redemptions must be transacted directly with the Society. The initial share offering will seek to raise a minimum of £95,000 and a maximum of £105,000. If applications exceed this figure, then a waiting list will be created. The MACPL secretary will maintain a waiting list of parties interested in purchasing shares. Whilst no budget has been set in the financial forecast for capital withdrawals in the first five years, any buy back can be carried out by reselling the shares to interested parties on the waiting list or using reserves at the discretion of the board. If we are unsuccessful in our bid to purchase the Miners Arms, then all investment monies will be returned.

Shareholders will be able to leave their shares to their beneficiaries upon their death. You will be able to buy shares on behalf of a minor (under 18) and transfer the shares once they reach 18 years of age. There will be no dividends paid in respect of the shares. In the fullness of time, if trading conditions permit, we hope to be able to pay interest at the maximum rate of 2% over the prevailing Bank of England base rate. Rather than take these payments in cash form, we hope to offer the option to have more shares issued or indeed be paid in beer tokens.

In the event of the failure of MACPL it is possible that members could lose some or all of their investment. The shares will be issued “fully paid”, which means that it will never be possible for members to lose more than they invested. In reality, if the Community Ownership Fund (COF) bid for funding is successful (and without it we will not be able to proceed with the project) the CBS will own the freehold of the building and the sale of this should be more than sufficient to cover any debts and ensure that all investors receive back their initial investment.

One of the conditions of the COF grant is that the constitution of the CBS includes what is called an “asset lock”. This is to ensure that any capital assets (such as the freehold of the pub) cannot be sold, and the proceeds distributed to the shareholders. In the event of the winding up of the company all debts and taxes must first be settled and then the shareholders can receive back their initial investments. If need be, the property will be sold for this purpose. Once everyone has had their investment returned and all fees accounted for, any surplus must be passed on to another charitable or community organisation with a similar asset lock.

Member Benefits

- Interest may be paid on your investment from Year 5.

- This will be at a rate decided by the Management board on an annual basis in accordance with the Society's Rules.
- The maximum rate will be 2% over the prevailing Bank of England base rate. This can be in the form of shares or cash. Interest can only be paid where the Society is profitable, and the level of interest is set at a level required to attract and retain the investment.
- Investors are eligible to vote at the AGM on important matters facing the society.
- Investors can stand for election to join the Management Board.
- Investors can elect the Management Board
- Investors will have the chance to have their money returned on a first-come-first-served basis if share capital is available for withdrawal from year 5 onwards.

The table below gives a projected cost of interest at 3% and the withdrawal of share capital at a maximum of 4% per annum from year five onwards.

Community shares	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Shares at start of year	-	95,000	95,000	95,000	95,000	94,050
Shares issued	95,000	-	-	-	-	-
Interest on shares	-	-	-	-	(2,850)	(2,822)
Shares Withdrawn in Year	-	-	-	-	(3,800)	(3,800)
Total Shares	95,000	95,000	95,000	95,000	94,050	93,072
	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
Shares at start of year	93,072	92,064	91,026	89,956	88,855	87,721
Shares issued	-	-	-	-	-	-
Interest on shares	(2,792)	(2,762)	(2,731)	(2,699)	(2,666)	(2,632)
Shares Withdrawn in Year	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)	(3,800)
Total Shares	92,064	91,026	89,956	88,855	87,721	86,552

Grants, Donations and Loans

Assuming the share offer reaches its minimum target of £95,000 , an additional £431,828 will need to be raised through a combination of grants and donations. There are several grant sources that are being pursued including the Government's Community Ownership Fund (COF) and Westmorland and Furness Council, to name a few. A crowdfunding initiative was launched in October 2023 through JustGiving to elicit donations. In the event sufficient funds cannot be raised through shares, grants and donations, MACPL has assessed that the purchase of the Miners Arms will not go ahead, and the project will fail. It is not intended to raise any loans to purchase the Miners Arms.

Managing the Miners Arms

The Miners Arms Community Pub Ltd (MACPL) is a Community Benefit Society (CBS) registered with the Financial Conduct Authority (FCA) using the Plunkett UK's model rules for Community Ownership Version 6, December 2021, a copy of which is available to download at www.minersarmsnenthed.com . The society has members, a Management Board and a Secretary. Membership is the means by which the society is owned, membership is by the purchase of the minimum number of community shares required by the model rules.

Members can:

- Vote at the AGM on important matters facing the society.
- Stand for election to join the Management Board.
- Elect the Management Board.

The Society will hold an annual general meeting where each member of the society has an equal vote no matter how many shares are held. Special Members meetings can be convened by the Secretary either by order of the Board or if a written request is received by not less than 12 members or 10% of all members whichever is fewer.

As a community benefit society, the members as community shareholders have the ultimate decision in how the asset is run through the AGM or the ability to call a Special Members Meeting.

In addition, there will be a continuous process to measure customer satisfaction. Residents' views will always be welcome and indeed the Management Board will make themselves available to hear the views of the community on a regular basis. Members of the board already attend several community events and meetings to give updates on progress and hear views of the wider community. The community are very good at voicing their views in both formal and informal situations and there is no doubt the running of the community pub will not be immune to this. The board will have a process in place to record the views expressed and will discuss them at their regular minuted strategic management meetings.

We considered three operational models for the Miners Arms:

- Tenanted: a tenant runs the pub as their own business under a lease agreement with MACPL and pays MACPL rent for the premises.
- Managed: MACPL employs a manager and paid staff to run the pub.
- Volunteer-led: the pub is staffed and run on an unpaid basis by volunteers with MACPL as the management board.

The latter was discounted almost immediately as this is a serious commercial operation with too much at stake to rely on volunteers to run the business. Voluntary help will be essential in operating many of the social activities that we will offer.

A tenanted operation would be preferable - our group has significant experience of management in both business and the public sector and several of the Board have formerly worked in pubs, but we have no-one with extensive experience of managing pubs. Unfortunately, because the Miners Arms has been closed for such a long time and has no real "goodwill" we feel that we have insufficient to offer a tenant at the moment, although the intention is absolutely that this will be the model that we follow. In the first instance therefore, we will have to accept the overall business responsibility ourselves.

The pub will be owned and strategically managed by the board of MACPL, with day-to-day operational management vested in an experienced employed manager. This means that we, the community, can ensure that it is managed in line with the community's wishes. Due to the extensive range of community services that we will provide, one of the main criteria for selection of a manager will be their willingness to provide for those community needs. While we will expect the manager to honour our agreed values and behaviours, we will not micro-manage them day to day.

Following the closure of a number of public houses over recent years, we are aware of at least 2 suitable local candidates for the position of manager.

Through Corbridge Cricket Club our Chair is personally acquainted with the CEO of Admiral Taverns, one of the UK's largest pubcos. Indeed, they own the Angel Inn, one of the pubs in Alston that recently closed. He has offered his professional assistance with the recruitment of a manager and has offered to assist with other management issues that may arise.

In addition to the manager, we will need to appoint a cook/chef. Ideally this would be the spouse/partner of the manager but there are suitably qualified individuals on Alston Moor who have already expressed an interest in the position. We would expect the Manager to have some input into the recruitment of the staff as they will be their immediate supervisor.

We will also appoint bar / waiting / kitchen staff. There are almost no employment opportunities in the Nenthead area and many people from the village worked in the pub when it was last operational. We anticipate no difficulty in attracting staff for these positions.

Where there are skills gaps we will bring in external advice whenever necessary both in respect of the initial phase of acquisition and the subsequent phase of running the pub. The Board already possesses a broad range of skills and experience.

We have already commissioned:

- Assistance from Plunkett UK in the first stages of our bid.
- An independent expert valuation of the Miners Arms from MJD Hughes consulting.
- A full structural survey of the building from SWH Surveys.

In the future we:

- Will engage an independent solicitor for property conveyancing.
- Will engage advisers for commissioning of the kitchen.
- Have access to expert advice on managing public houses and dealing with breweries.

We hope that members of the community will support the pub by offering voluntary help, assisting or being elected to the Management Board. Most importantly we hope they will come to eat, drink and make friends at the Miners Arms. Ultimate public support will be evidenced by the use, or not, of the facility getting it right it will be used, getting it wrong customer levels will diminish.

A community approach will make a significant difference to the future potential of the Miners Arms:

- People care enormously about their local pubs and are willing to invest their money, time, skills and energy to save them.
- A wide membership provides a large pool of people to draw on for support and custom and generates great commitment to a well-run enterprise.
- In the Plunkett UK's experience, the community model is resilient, as their strong local identity sets them apart from traditional competition.
- Plunkett membership opens access and preferential rates for the pub business to a range of benefits including energy supplies, insurance, accountancy, telephony, food, newspaper, fixtures and fittings, and other supplies.

The Miners Arms business will be built on providing accommodation, food, and drink for locals and visitors to the area. By showcasing the best of local produce our unique position at the intersection of three counties has to offer, we aim to boost the local economy by building relationships with other businesses to provide local beers, local produce, and local services to help us maintain and operate the pub.

Sustainability and self sufficiency

The pub is already equipped with an electric vehicle charging point, connections for a generator and a water harvesting system which provides all the water required for the toilets and washing facilities.

Our funding bid includes a significant sum for the installation of solar panels and as the site is south facing we believe that this can provide almost all the energy needed to power the pub in the summer months when the trade will be at its peak. The drinks cooling systems have perhaps the largest energy demand and they are operating at their maximum during these summer months.

We will install a battery backup of up to 20 kW. These will store any surplus energy created by the solar panels in summer, but they can also be used to power the pub's electricity demand in winter. Trade will be lower in winter, and we can use a lower electricity tariff to charge up the batteries overnight and then use the battery power during the day to power the pub. The kitchen equipment needs to be replaced and we will look to use the most energy efficient electric appliances so as to maximise the use of self-generated power.

We will also investigate the use of environmentally efficient chilling solutions for beer delivery, energy efficient lighting & signage, and use automatic controllers to reduce energy consumption where possible.

While we continue to investigate the points above we have committed to the following where possible during our campaign, the refurbishment, and once open.

- Digital by default.
- Use upcycled/recycled furniture.
- Targeting walkers, campers and cyclists in our advertising .
- Use of local beer and food suppliers to reduce food miles.
- Recyclable containers will be used for takeaway food.
- Cleaning and washing products will meet high environmental standards.
- Be diligent with recycling - ensuring that no recyclable waste is sent to landfill.

The pub benefits from solid fuel heating – there are 2 open fires and a multi-fuel stove that also provides the hot water and central heating. This is likely to remain for the foreseeable future as there is no connection to mains gas in Nenthead and the solar panels will simply not provide sufficient power in the depths of winter. Although not completely carbon free, it is possible to source sustainable solid fuel alternatives and there is a working colliery on Alston Moor that can provide one of the most energy efficient carbon-based fuels - Alston anthracite. Although this is a fossil fuel, that disadvantage can be offset by the fact that it is mined locally using traditional methods and requires no manufacture or transport.

In addition to the battery backup, we intend to utilise a diesel generator so that electricity can be provided in times of power outages.

The intention of all of this is to ensure that the pub can operate as an emergency hub when required, for 24 hours a day 365 days per year in all weather conditions and all circumstances as a place where the community can come and be together. This also fits in with our vision for it to be somewhere where there can provide warmth, power, light and communications that can be used by anyone during emergencies.

Accessibility

The Miners Arms is situated on the roadside with a gently sloping walkway to the main entrance, which is wheelchair accessible. All facilities are available on the ground floor with no steps or other hindrances. There is an accessible toilet.

There is some car parking on the site and there is a large public car park across the main road, opposite the children's playground. The route from the car park is flat and paved.

Marketing Plan

Target Market

MACPL engagement as it works towards and during the share offering will span a diverse set of audiences far and wide including but not limited to the following:

1. Local Community Residents able to invest.
2. Local Community Residents unable to invest.
3. Friends & family of Residents – local, UK & international.
4. Second Home and Rental Cottage owners.
5. Tourists with associations to the area.
6. Local Interest Groups, eg Solway CAMRA.
7. Local Businesses.
8. Local Councillors and MPs.

Our engagement strategy was initially to focus on categories 1 to 4 (enabled via public meetings, leafleting, notices on boards and Facebook) and then gradually turn up digital channels to reach further afield utilising the website, X, and Instagram. We have lobbied local interest group meetings, e.g. Solway CAMRA, Ramblers Association Groups, Cycling Clubs, and local politicians. We are also engaging with owners of local businesses to both attract financial support as well as to build an audience amongst their customer bases.

Once the pub is purchased and an opening date is established the marketing will expand from the broad categories above to include more focused potential patrons in addition to local residents and groups.

Nenthead is in an area of outstanding natural beauty and is frequently visited by many different groups who will be targeted by the pubs marketing including:

- Walkers who visit simply to take in the views and the countryside.
- Hikers taking on the challenge of the highest and bleakest fells in the North Pennines
- Cyclists wishing to test themselves on the challenge of our mountainous roads and off-road tracks and those taking part in the coast to coast cycle route.
- Motorists / motorcyclists wanting to take advantage of roads described by TV shows and magazines as some of the most scenic and challenging driving routes in the country.
- Drivers / riders "green-laning" our off-road routes.
- Visitors drawn by our rich mining heritage to visit the mine workings & visitor

attractions.

- Visitors drawn by our rich wildlife such as red squirrels, black grouse, curlews, lapwings, owls and other raptors and flora, many of which are alpine due to our altitude and which have developed due to the residue from the mining activities.
- Alston Moor is a UNESCO global geo-park with its rich geology.
- Alston Moor has some of the darkest skies in England with little or no light pollution and an observatory is being established nearby, which will attract visitors, many of whom will want to eat and/or drink before night time stargazing. Kielder Observatory, in Northumberland, whilst a much larger organisation receives over 20,000 visitors per year.
- Local businesses, guest houses and campsites, targeted to direct their customers to use the pub for evening meals and as a social meeting place. As the accommodation at the Miners Arms is limited to 2 bedrooms, we will be actively referring accommodation enquiries back to these businesses.

We have already contacted many of the North's cycling groups to try to gain their support and we are aware of one which is looking for a base to operate a North of England Sportive, taking in our 3 roads that reach 2,000 feet in elevation.

A large house in the village is owned by a prestigious London school and used for its outward-bound programme. They have already expressed interest in and support our bid.

We will look to attract back to the village those groups that have moved elsewhere for their meeting space. This will include (not exclusively):

Nenthead Leek Club.

Nenthead Community Shop.

Nenthead Snowplough.

Nenthead toilets committee.

Nenthead playground committee.

Nenthead Tennis Club.

Women's "Knit & natter".

The game of Quoits is showing a remarkable resurgence throughout Northumberland and into Cumbria. We know of 2 new teams recently formed in the area and will be looking to create our own. There is sufficient space at the side of the Miners Arms building for a quoits pitch.

The Miners Arms used to support a very competitive darts team and we hope that this can be resurrected.

Website and Social Media

Our website www.minersarmsnenthead.com went live in October 2023. It covers the story of the campaign, an overview of the Miners Arms, a summary of what a Community Benefit Society is and an ability to join our mailing list. However, it will develop more content as the campaign progresses.

Facebook, X, and Instagram presences were launched in October 2023 with a common handle of Miners Arms Nenthead.

At launch, content was posted daily to build a following however the eventual target will be to post something every 2-3 days on one or more of our digital channels - this will again increase as we move nearer to the Share Offer.

Campaigns

We believe it is important to leverage digital channels fully but also ensure we cover 'offline' channels given that not all of our target audience wish to use digital. To this end, we will hand deliver a hardcopy version of our newsletter to every house in the village at key milestones and update the Notice Boards around the Village.

We have built a Press campaign covering both local and national titles particularly those which cover our target market. We will also aim to cover as much regional live media as possible and have already had coverage through several outlets.

Competition

Historically the village of Nenthead supported several pubs, however for some time the Miners Arms was the only establishment operating as a traditional pub with a food offering. While there are several bed and breakfast, bunkhouse and Airbnb establishments in Nenthead offering accommodation, the nearest pub or restaurant is situated in Alston some 5 miles by road, meaning that there is no on-demand access to food or drink for residents or visitors outside the Village Store opening hours.

Victoria Inn	Bar and 8 bedrooms	Alston - 4.6 miles from Nenthead
Turks Head (<i>currently for sale</i>)	Bar	Alston - 4.6 miles from Nenthead
Angel Inn	Bar and dining	Alston - 4.7 miles from Nenthead
The Cumberland Inn	Bar, dining and 5 bedrooms	Alston - 4.8 miles from Nenthead
Alston House Hotel	Bar, dining and 9 bedrooms	Alston - 4.8 miles from Nenthead
Lowbyer Manor Country House	Bar, dining and 11 bedrooms	Alston - 5 miles from Nenthead

Finance

Feasibility Assessment and Valuation

The Miners Arms is on the market through a specialist licensed premises agent Sidney Phillips at an asking price of £380,000 for the freehold interest. MACPL have applied to the Community Ownership Fund (managed by the DLUHC) for a capital grant to be able to meet the asking price. The present owner has already indicated that she is not open to negotiation on the price although this may be necessary.

The opening up of our JustGiving page attracted some £4,000 in donations and this has been sufficient for us to engage the services of a professional public house business adviser and surveyor who inspected the property on 10/02/2024. The main points raised by his inspection were as follows:

- Market Value as a Fully Equipped Operational Entity having regard to Trading Potential ("Market Value Trading,") £430,000.
- Market Value as a Fully Equipped Operational Entity having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default") £380,000.
- Market Value of the Empty Property having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default") £325,000.
- Anticipated Fair Maintainable Trade (FMT) - £275,000 per annum.

Given the amount of expenditure and work required, the market value of the pub is at the lower end of the range given. Although the property does have potential for a change of use to a private residence, it would require a considerable amount of expenditure to convert.

Financial feasibility

There are three distinct aspects to financial feasibility:

- Cost to deliver the project; what confidence do we have in these costs?
- Will the pub be financially successful?
- Can we raise the funds?

Cost to deliver the project; what confidence do we have in these costs?

The project costs are set out in the table below. This covers all project costs from inception through to the opening up of the pub, which we plan to be in the spring of 2025. Our project cost list has been built up with input from the board since the start of the project and has been reviewed regularly. The main capital cost is of course the purchase of the pub itself. As indicated above, this is on the market for £380,000, reduced from an initial £395,000. In addition to the purchase price there will be Stamp Duty and legal fees.

There are some essential costs required after acquisition and before re-opening:

- The kitchen equipment assessment identified that all of the equipment, whilst still serviceable, was nearing the end of its useful life and it would be preferable to replace this completely rather than try to operate with it as it is and replace it as we go along, which would undoubtedly result in downtime and lack of functionality. The estimate for this in the surveyor's report was £25,000.

- All the bar and restaurant furniture, the cellar and beer delivery and cooling equipment have been removed and will have to be replaced. The bar servery remains in situ and was refurbished during lockdown, but we will also need cellar equipment, crockery, glassware, utensils etc. We have budgeted a further £20,000 for this.
- We are absolutely committed to operate the pub in a sustainable manner (see below) and we have budgeted £26,000 to equip the pub with solar panels, battery bank and back-up generator.
- We have commissioned a full structural survey of the premises to ensure that the property is sound and to identify any remedial works that need to be done before it can be opened. The report is not yet ready, but we have put in place a contingency fund of £5,000 for internal work and £10,000 for external work. A local electrician has already pledged to carry out any essential electrical work free of charge and we expect that volunteers will provide much of the labour.
- Any future major building works, refurbishments or alterations will need a separate business case.

The total projected capital cost is £464,000, of which £380,000 is the purchase price for the pub, and £84,000 is the funds needed for the legal fees and Stamp Duty, essential repairs and refurbishment, all other project costs, and contingency.

The ratio of pub purchase price to all other costs for the Miners Arms is 82:18. We have attempted benchmarking this against some other successful community pub projects to verify our costs were reasonable. Typical ranges that we found were between 81:19 and 75:25. Compared to other community pubs the additional costs the project needs, over and above the purchase price, are at the low end. This is consistent with the independent valuer's view that the pub can be re-opened for business relatively quickly and easily.

The share offer's minimum target, the COF grant we are applying for together with donations and grants already received generate the minimum amount of capital that we need to buy the pub, refurbish it, carry out any remedial work and reopen.

We estimate that it will cost around £50,000 to re-stock the bar and kitchen, to buy consumables and to pay the staff for the time that it takes to bring turnover up to a level whereby it can be self-financing. We are applying to the Community Ownership Fund for a revenue grant of this amount, but again this gives us the bare minimum required and leaves nothing in the kitty for unexpected expenditure requirements.

We were awarded a small additional grant of £3,995 to enable us to engage specialists to help us with the fundi application and we have also been awarded £8,500 by Westmorland & Furness Council which we are keeping as a contingency fund.

The table below outlines the main costs that we anticipate having to meet in order to complete the project. We have commissioned a full structural survey of the building which will provide greater detail of any internal and refurbishment costs but have not yet received the report.

MACPL will register for VAT and costs here are shown inclusive of VAT. We estimate that recoverable VAT on these costs will be in the region of £10,400. Our cash reserves will allow for the delay between this expenditure and subsequent reclaim.

Project Costings prior to re-opening

Capital/Revenue requirements	Total cost inc VAT	Initial capital costs ex VAT
Purchase of building	£380,000	£380,000
Refurbishment (internal)	£5,000	£4,167
Refurbishment (external)	£10,000	£8,333
Upgrade to cellar	£2,500	£2,083
Furniture	£10,000	£8,333
Solar panels	£20,000	£20,000
Generator	£6,000	£5,000
New stock	£11,000	
Kitchen utensils / dishwasher	£2,500	£2,083
Kitchen equipment	£25,000	£20,833
Crockery	£1,000	
Glassware	£1,000	
Beermats, towels, napkins	£1,000	
Beds and Bedding	£3,000	
Coffee machine	£1,500	£1,250
Bar equipment	£2,000	£1,667
Survey	£3,594	
Legal fees	£2,500	£2,083
Stamp duty	£8,500	£8,500
Share offer costs/marketing	£1,200	
Working capital (inc VAT)	£29,534	
Total	£526,828	£464,333
Funded by		
Community shares	£95,000	£95,000
Community Ownership Fund	£369,333	£369,333
COF devpt. grant (revenue)	£3,995	
COF Revenue grant funding	£50,000	
Council funding	£8,500	
Total	£526,828	£464,333

Will the pub be financially successful?

The cash flow projections and key financial indicators for the first five years are set out in the tables below.

The financial forecasts were derived and validated from the following data:

- We based our original projections on the report produced by the British Beer & Pub Association's Benchmarking report for 2022 with the Miners Arms categorised as a "Rural Character Pub" providing 50% wet and 50% dry sales and a target turnover of £5,000 per week. Obviously, the turnover will be significantly higher in the summer season, so this is the average throughout the year.
- Our independent valuer's expert advice on the Fair Maintainable Trade (FMT) achievable in the Miners Arms.
- The Fair Maintainable Trade is the total Gross Income considered reasonably achievable by the pub. We have no recent trading data to compare with these figures as the Miners Arms has been closed for the last 4 years and in the 2 years prior to that the owner was quite apparently running the business down. The last year for which we have verifiable figures was 2010 when the turnover was £106,000. In the 14 years since then, costs and prices in the licensed trade have more than doubled and therefore we believe that with good management and competent oversight, the FMT is clearly an achievable figure.
- Our target turnover in the first years has been set well below the FMT figure at £190,000. There are no alternative premises within 5 miles, and we have a clear marketing plan in place. Our perception is that the local community is looking forward to having the pub re-open and will patronise it heavily - this is clearly in the community's interest as well.
- The Gross Income is apportioned across 50/50 across food and drink, and accommodation is considered as an extra by reference to the current owner's use of the letting rooms as an Air B&B. The accommodation sales are based upon 2 letting rooms, both double en-suite, and assuming an average room rate of £85 ex VAT per night. The current plan assumes a very low occupancy rate, but this can be increased very significantly once the pub is operating, and the marketing plan is in action. A 50% occupancy rate could generate up to £30,000 per annum. This is below industry average (60%) and we are in a popular tourism area which should exceed average.
- Residents staying in the rooms are likely to eat in the Miners Arms, especially as many will be walkers or cyclists. This will provide up to 4 covers per night at peak.
- There is a large bunkhouse within walking distance of the Miners Arms which has a self-catering kitchen but no food or drinks service. A pub serving food and drink would be an attractive option for groups staying there.
- Nenthead has a high percentage of holiday lets and owners have indicated that the existence of a pub in the village is a question asked by many of their holidaymakers.
- Local community diners will be encouraged to use the Miners Arms much more as well – our community surveys will ensure a food offering designed to meet local needs and help to deliver winter dining trade as well.
- To achieve the required turnover in food sales we need to achieve an average of 110 covers per week, which is an average of 22 per day, 5 days per week. The restaurant can accommodate 60. The required turnover can be achieved by reaching 35 covers per day throughout the peak season (May-Sep) falling to an average 12 per day in winter.
- An average food spend of £20.00 ex VAT per diner is a reasonable assumption. Visitors to the area, on holiday, are likely to spend more than this per head, the local community may spend a little less.

Using these figures the food sales figure is clearly achievable.

An average drink spend of £8 ex VAT per dining cover delivers 60% of the drinks sales forecast. The remainder will come from customers who are drinking but not dining.

Our advisers think that drinks sales will easily exceed this level, particularly with stronger community use, however we wanted to remain cautious with our financial forecast.

The Miners Arms is intended to be “more than just a pub”. As previously indicated the intention is that it should also be a meeting place, a centre for activities, a “warm hub”, a disaster coordination centre and quite simply “the heart of the community”. We have been advised that grant funding is available to cover the “warm hub” function in winter and we will be using voluntary help to run these activities so as not to increase the overheads. These activities will themselves bring potential customers into the pub with a view to them staying there and partaking of the food and drink on offer.

The target market for the pub is described in detail in the Marketing Plan above.

We have already identified that there is a need for a pub in the village because the nearest ones are in Alston, at least 5 miles away, and there is very limited public transport and absolutely none whatsoever at the weekends or in the evening.

Alston Town has very limited parking, particularly at these very times when local residents are generally at home with their cars taking up the majority of car parking spaces. It's quite common for there to be no parking spaces at all anywhere in the Town centre in the evenings. Furthermore, if local residents and visitors have to drive their cars to go to the pub they will of necessity be limited in their consumption. The Miners Arms therefore has an albeit small, captive audience and we believe that it can be restored to its former place at the heart of the community where everyone will be content to visit, aided by the large and free public car park that is situated just across the road from the Miners Arms

The Miners Arms has a prime location right on the main A689 road. Many pubs along this road have limited opening hours - most are not open during the day on weekdays and those that are do not serve food. For visitors travelling north along the A689, this may well be the first opportunity for a stop-off after the town of Wolsingham, some 25 miles away.

The Miners Arms will be a pub for all. The newly refurbished Kirkstyle Inn some 15 miles further north has re-opened as a “gastropub” and proved extremely successful. We do not intend to compete with this type of establishment. Many of the visitors will be walkers and cyclists who will seek good quality, home-cooked food at a reasonable price point. We will be comparing prices in the pubs in Alston on a weekly basis to ensure that we are competitive. There are several breweries based within a 50 miles radius of the Miners Arms. We intend to source our beer from one or more of these outlets, thus reducing both delivery costs and food miles. We will also seek assistance from them in respect of our beer delivery equipment. Our Chair is also personally acquainted with the owner of Hadrian & Border Brewery, main sponsor of Corbridge Cricket Club, and is in discussion with him over the supply of beer and delivery equipment and also maintenance of the cellar.

We can source locally produced meat at very competitive prices from an independent butcher in Allendale.

Alston Wholefoods is an ethical grocer based in the town of Alston, specialising in local and national cheeses and ethically produced foods. We hope to partner with them for sourcing of some ingredients

and propose, in return, to offer a food delivery service from Alston to Nenthead for those unable to access the shop due to the lack of public transport.

There are numerous small local food suppliers in Cumbria, Northumberland & Durham: small organic and traditional farms; cheesemakers; dairy and ice-cream producers. Use of local suppliers ensures low food miles, and our region is well known for quality agricultural products.

Our intention is that the Miners Arms will be open all day every day for the various purposes for which it is planned. Much of this time it will be staffed by volunteers running it as a cafe, drop-in centre, internet cafe and workspace. We have already seen how the local community throws itself wholeheartedly into such ventures and we have many offers of help already. We intend to open for wet sales at lunchtimes and evenings through the week and all day at weekends and Bank Holidays.

Staffing costs initially are based upon one full time manager plus one cook and 2 waiting staff operating 6 hours per day 5 days per week. We understand that it will take some time to develop the trade up towards the FMT figure and will be relying heavily on volunteer activity, particularly in the first year.

The overall gross profit margin (GPM) of 65% is based on the following data:

- Our independent valuer's expert and very firm advice on achievable gross profit margin for the Miners Arms of 65%. Pubs which trade below 65% are often unprofitable. An experienced manager will be able to run the pub at this margin.
- Guidance from the British Beer and Pub Association. There wasn't a directly comparable benchmark including accommodation, we based our cost of sales for drink and food on their guidelines for the nearest comparable pub models.
- Operating costs are based on guideline percentages of full FMT provided by our valuer and the BBPA. We have made some adjustments to these.
- Wages and Salaries have increased this year with minimum wage increases.
- Rates: The Miners Arms has historically qualified for full rates relief, and we anticipate this will continue.
- Utilities: there has been a significant increase in electricity prices since the BBPA guidelines were published and we have allowed for a large increase in these costs. Our commitment to sustainability will allow us to minimise the effect of high energy prices by maximising self-sufficiency and storing lower priced electricity for use at peak times.

The tables on page 34 set out our anticipated cashflow and consolidated income and expenditure figures for the first 5 years of trading. We also include our anticipated balance sheet for the same period.

By necessity these figures are all based upon the assumptions described above.

The table on page 35 (available as a separate document if required) sets out a detailed month by month cashflow analysis for the 7 months from September 2024, when we hope to conclude the purchase of the pub. If our funding bid is successful we anticipate having funds available at around this time and our share offer will also have concluded. This table covers all of the capital costs of the project together with the costs involved in recruiting a manager and stocking the pub. The Miners Arms is on the market, and we hope to conclude a sale within a matter of weeks although we need to pay due deference to the needs of the current owner to find a suitable property to move to. We have therefore anticipated a completion date of 1st September. Refurbishment and re-equipping will take

at least 2 to 3 months, which would theoretically allow us to open in time for Christmas. Any potential excitement generated by such a festive opening would soon be diluted by the slow months ahead in the depths of winter and we would run the risk of running out of cash.

We have received professional advice that we should not consider opening until the spring of 2025 to ensure that the summer months generate sufficient reserves to carry us over the following winter and we will therefore take the winter months to ensure that we have everything that we need in position for that opening.

The table on page 36 (available as a separate document if required) sets out a detailed month by month cashflow projection for the first 12 months of trading (commencing April 2025). We have set the opening month's turnover to the FMT figure as we anticipate significant trade due to the euphoria that this event should create in the village and the surrounding area, coinciding with Easter weekend. This will be maintained throughout the summer months to build up cash reserves and then tail off into the winter when staffing levels can be reduced.

The final chart shows how our profit and cash reserves start to accumulate as our turnover approaches the FMT figure, based upon an annual increase in turnover of 5%.

Cashflow

	Year 1	Year 2	Year 3	Year 4	Year 5
Net operating cash flow (including grant income)	11,476	5,078	5,555	5,847	3,304
Net investing cash flow (purchase of assets)	(464,000)	0	0	0	0
Net financing cash flow (shares and grants)	464,333	0	0	0	(950)
Net cash movement	11,809	5,078	5,555	5,847	2,354
Opening balance	10,300	22,109	27,187	32,743	38,590
Closing bank balance	22,109	27,187	32,743	38,590	40,944

Income and expenditure

	Year 1	Year 2	Year 3	Year 4	Year 5
Turnover	190,000	199,975	210,474	221,524	233,154
Gross profit (£)	113,750	119,722	126,007	132,623	139,585
Overheads	(107,909)	(113,574)	(119,537)	(125,813)	(132,418)
Operating profit (EBITDA)	5,841	6,148	6,470	6,810	7,168
Interest on shares	0	0	0	0	2,850
Surplus after tax	5,585	4,980	5,241	5,516	3,497
Accumulated profit	5,585	10,565	15,806	21,322	24,819

Balance sheet

	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed assets	442,600	432,200	421,800	411,400	401,000
Current assets	28,528	33,366	38,668	44,249	46,323
Current liabilities	(360,243)	(349,701)	(339,363)	(329,027)	(318,154)
Net assets	110,885	115,865	121,106	126,622	129,169
Reserves					
Balance brought fwd	0	5,585	10,565	15,806	21,322
Profit/loss for year	5,585	10,565	15,806	21,322	24,819
Member share capital	95,000	95,000	95,000	95,000	94,050
Cumulative reserves	100,585	105,565	110,806	116,322	118,869

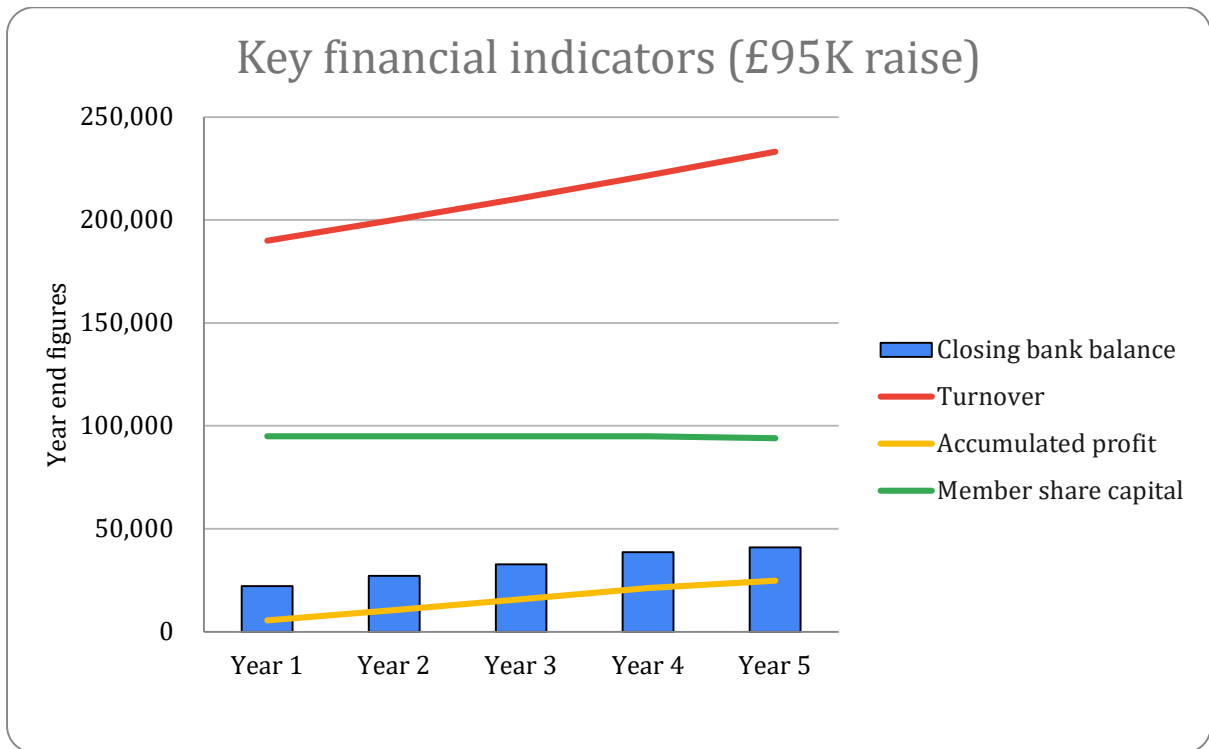
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Miners Arms Community Pub Ltd													
Cash Flow Forecast for the 12 months commencing 1st April 2024 (Year "0")													
Starting cash on hand	£50,000.00		Starting date	Apr-24		Cash minimum balance alert	£0.00						
Month	01 April 2024	01 May 2024	01 June 2024	01 July 2024	01 August 2024	01 September 2024	01 October 2024	01 November 2024	01 December 2024	01 January 2025	01 February 2025	01 March 2025	Total
Cash on hand (beginning of month)	£50,000.00	£50,000.00	£50,000.00	£50,000.00	£50,000.00	£50,000.00	£44,151.20	£43,734.50	£43,130.29	£42,526.37	£42,871.78	£37,019.14	
Cash Receipts													
ODF Capital Grant						£389,333.00							£389,333.00
ODF Revenue Grant						£50,000.00							£50,000.00
Share offer						£95,000.00							£95,000.00
Sales (accommodation)													£0.00
Recoverable VAT on expenditure							£83.30	£120.79	£204.06	£287.39	£287.39	£953.79	£1,993.73
VAT on sales													£0.00
													£0.00
Total Cash Receipts						£534,333.00	£83.30	£120.79	£204.06	£287.39	£287.39	£953.79	£510,269.73
Total Cash Available						£584,833.00	£44,234.50	£43,855.29	£43,334.37	£42,396.76	£43,859.14	£37,972.93	
Cash Paid Out													
Purchase of Miners Arms						£380,000.00							£380,000.00
Stamp duty						£8,500.00							£8,500.00
Legal fees						£2,083.00							£2,083.00
External refurbishment						£8,333.00							£8,333.00
Internal refurbishment						£4,587.00							£4,587.00
Generator						£5,000.00							£5,000.00
Furniture						£8,333.00							£8,333.00
Kitchen equipment						£20,833.00							£20,833.00
Dishwasher/ coffee machine						£3,333.00							£3,333.00
Bar equipment						£1,887.00							£1,887.00
Cellar upgrade						£2,083.00							£2,083.00
Utilities/gas/elect						£250.00	£250.00	£475.00	£475.00	£475.00	£475.00	£4,675.00	£6,875.00
Cleaning & materials											£215.00	£1,000.00	£1,215.00
Licensing/marketing						£250.00	£250.00	£250.00	£750.00	£1,250.00	£1,250.00	£5,250.00	£8,250.00
Insurance Health & safety / HR						£4,000.00					£2,000.00		£6,000.00
Manager's salary												£2,580.00	£2,580.00
Food stock												£3,000.00	£3,000.00
Beer and other bar stock												£8,000.00	£8,000.00
Cutlery/crockery/glassware/linen												£8,000.00	£8,000.00
Solar panels						£20,000.00							£20,000.00
VAT on capex						£11,649.80							£11,649.80
Subtotal	£0.00	£0.00	£0.00	£0.00	£0.00	£480,481.80	£200.00	£725.00	£1,325.00	£1,725.00	£3,940.00	£28,285.00	£514,862.30
Cash on hand (end of month)	£0.00	£0.00	£0.00	£0.00	£0.00	£44,151.20	£43,734.50	£43,130.29	£42,526.37	£42,871.78	£37,019.14	£11,687.43	

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Miners Arms Community Pub Ltd Cash Flow Forecast for the 12 months commencing 1st April 2025

Starting cash on hand	£11,687.00		Starting date	Apr-25		Cash minimum balance alert	£0.00						
Month	01 April 2025	01 May 2025	01 June 2025	01 July 2025	01 August 2025	01 September 2025	01 October 2025	01 November 2025	01 December 2025	01 January 2026	01 February 2026	01 March 2026	Total
Cash on hand (beginning of month)	£11,687.00	£15,928.26	£20,170.56	£24,403.40	£27,952.70	£31,502.00	£39,836.97	£29,430.92	£26,399.86	£28,392.14	£28,361.09	£22,330.03	
Cash Receipts													
Sales (bar)	£10,000.00	£10,000.00	£10,000.00	£10,000.00	£10,000.00	£8,000.00	£7,000.00	£5,000.00	£8,333.00	£5,000.00	£5,000.00	£7,500.00	£95,833
Sales (food)	£10,000.00	£10,000.00	£10,000.00	£9,000.00	£9,000.00	£7,000.00	£8,000.00	£4,000.00	£8,500.00	£4,000.00	£4,000.00	£5,000.00	£87,500
Letting rooms	£666.00	£667.00	£667.00	£667.00	£667.00	£600.00	£500.00	£400.00	£633.00	£400.00	£400.00	£400.00	£6,667
Input tax reclaimed on overheads	£241.67	£241.67	£243.02	£243.17	£243.18	£838.03	£243.18	£243.18	£274.23	£243.18	£243.18	£243.03	£3,321
Input tax reclaimed on cost of sales	£1,231.25	£1,231.25	£1,231.25	£1,178.75	£1,178.75	£838.75	£818.75	£578.75	£1,039.98	£578.75	£578.75	£578.75	£11,437
VAT on sales (output tax)	£4,133.20	£4,133.40	£4,133.40	£3,933.40	£3,933.40	£3,120.00	£3,700.00	£1,860.00	£3,492.20	£1,880.00	£1,880.00	£2,760.00	£38,000
Total Cash Receipts	£26,273.12	£26,273.32	£26,274.68	£25,022.32	£25,022.33	£20,276.78	£17,261.93	£12,101.93	£22,273.40	£12,101.92	£12,101.92	£17,775.53	£242,758
Total Cash Available	£37,950.12	£42,201.58	£46,445.24	£49,425.72	£52,975.03	£51,778.77	£47,098.90	£41,532.84	£48,673.27	£40,494.07	£37,463.01	£40,105.56	
Cash Paid Out													
Manager's salary	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£2,250.00	£27,000
Staff salary	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£3,120.00	£37,440
Other staffing expenses	£827.58	£827.58	£827.59	£827.58	£827.58	£827.59	£827.58	£827.58	£827.59	£827.58	£827.58	£827.59	£9,931
Utilities	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£950.00	£11,400
Food stock	£3,500.00	£3,500.00	£3,500.00	£3,150.00	£3,150.00	£2,450.00	£2,100.00	£1,450.00	£2,975.00	£1,400.00	£1,400.00	£2,100.00	£30,625
Beer and other bar stock	£4,500.00	£4,500.00	£4,500.00	£4,500.00	£4,500.00	£3,600.00	£3,600.00	£2,250.00	£3,749.85	£2,250.00	£2,250.00	£3,375.00	£43,125
Letting rooms	£208.33	£208.33	£208.34	£208.33	£208.33	£208.34	£208.33	£208.33	£208.34	£208.33	£208.33	£208.34	£2,500
VAT on cost of sales	£1,641.67	£1,641.67	£1,641.67	£1,571.67	£1,571.67	£1,251.67	£1,091.67	£771.67	£1,386.64	£771.67	£771.67	£1,136.67	£15,250
Marketing	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£3,000
Insurance						£2,500.00							£2,500
Phone, internet, postage, stationery	£59.41	£59.41	£59.41	£59.41	£59.42	£59.42	£59.42	£59.42	£59.42	£59.42	£59.42	£59.42	£703
Licensing									£208.00				£208
Accountancy/bookkeeping	£278.00	£278.00	£277.00	£278.00	£278.00	£277.00	£278.00	£278.00	£277.00	£278.00	£278.00	£277.00	£3,332
Cleaning & materials	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£250.00	£3,000
Repairs & maintenance	£486.08	£486.06	£486.09	£486.08	£486.08	£486.09	£486.08	£486.08	£486.09	£486.08	£486.08	£486.09	£5,833
Others	£277.67	£277.67	£277.66	£277.67	£277.67	£277.66	£277.67	£277.67	£277.66	£277.67	£277.67	£277.66	£3,332
VAT on expenditure	£223.23	£223.23	£224.05	£224.23	£224.23	£824.03	£324.23	£365.03	£224.23	£224.23	£224.23	£224.23	£4,428
Output tax to HMRC	£3,099.90	£3,100.05	£3,100.05	£2,950.05	£2,950.05	£2,340.00	£2,025.00	£1,410.00	£2,619.90	£1,410.00	£1,410.00	£2,065.00	£26,500
Subtotal	£22,030.87	£22,031.02	£22,041.84	£21,473.02	£21,473.03	£21,941.80	£17,667.96	£15,132.96	£20,361.13	£15,132.96	£15,132.96	£17,996.80	£232,336
Cash on hand (end of month)	£15,928.26	£20,170.56	£24,403.40	£27,952.70	£31,502.00	£39,836.97	£39,430.92	£29,430.86	£26,392.14	£28,361.09	£22,330.03	£22,108.76	



Can we raise the funds?

Our funding model is made up of the following principal elements:

A match-funded grant of £369,333 from the Community Ownership Fund. We applied for this grant in the current window which closes on Wednesday 10th April 2024. If we are unsuccessful in our application, the project will fail.

A community share offering. We asked for share pledges from the community in December 2023. 142 individuals have made pledges of support totalling £85,000 with a further 20 asking to be contacted again when the share offer is launched, without giving a specific figure. We will be launching the share offer in May 2024, asking for these to be honoured. We are confident that the minimum target will be reached.

We have been awarded £8,500 towards the project by Westmorland & Furness Council with no restrictions on how the money is to be allocated.

We have received a Small Revenue Grant of £3,995 from the Community Ownership Fund plus additional professional support in preparing our bid.

Our JustGiving appeal throughout the winter raised in excess of £4,000 which has allowed us to set up MACPL, enabled membership of the Plunkett UK and covered the cost of the business survey as well as ancillary costs such as website, social media residents' survey etc.

If we are successful in our application for funding and the share offer reaches its minimum target we will have the funds that we need to buy and refit the Miners Arms for opening in the spring of 2025.

There is no "Plan B". We are looking simply to acquire, refurbish, stock and re-open the Miners Arms. If we are lucky enough to exceed our minimum share offer, the additional funds will simply give us additional working capital to ensure that the business is on a sounder financial footing. We cannot justify a higher maximum share offer simply to have more "cash in the bank".

Once the business is up and running, if we identify further development opportunities, we can look to raise further funds by exploring funding avenues and opening up a second share issue.

We estimate that it will cost a further £50,000 to re-stock the bar and kitchen, to buy consumables and to pay the staff for the time that it takes to bring turnover up to a level whereby it can be self-financing. We are applying to the Community Ownership Fund for a revenue grant of this amount. If that application is successful we will have the funds that we need to stock up the Miners Arms in anticipation of re-opening in the spring of 2025 and to operate it for the next 3 months while trade develops.

Risk Register and Mitigation Plan

ID	Risk Description	Project Risk	Category	Likelihood	Impact	Scoring	Mitigations	Likelihood	Impact	Scoring
			Before Mitigations					After Mitigations		
01	A lack of interest in the community share offer	Failure to raise sufficient funds to buy the property	Financial	Possible (3)	Critical (5)	15	A marketing plan and public awareness campaign has been developed both locally and nationally. Pledge in principle resulted in over £85K of shares pledged.	Unlikely (2)	Critical (5)	10
02	Failure to secure sufficient Grant Funding	Grants may not deliver sufficient funding in the timeframe needed to deliver the business plan	Financial	Possible (3)	Critical (5)	15	Project will fail.	Possible (3)	Critical (5)	15
03	Failure to appoint a suitable manager.	The business plan and/ or accommodation does not attract a manager of sufficient calibre.	Operational	Possible (3)	Critical (5)	15	Manager appeal has been high on the priority list during assessment and planning. We will build an attractive package including a profit share while delivering the vision and operating approach of the shareholders.	Unlikely (2)	Critical (5)	10
04	Lack of Custom	The Miners Arms has been closed for a considerable period	Financial	Possible (3)	Significant (3)	9	The public awareness campaign has reawakened interest in the Miners Arms.	Remote (1)	Significant (3)	3

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		and to sustain the business plan requires custom beyond the village residents					We believe a broad membership base in the village is particularly important to establish a set of customers emotionally engaged with the pub. We anticipate the Management Board actively supporting the manager in transitioning from the focus of 'marketing save the miners arms' to 'marketing the pub offer'			
05	Failure to achieve and maintain a correct balance between quality/ value/ profit	Could lead to poor reputation and a reduction in customer base, leading to a reduction in income	Reputational	Unlikely (2)	Significant (3)	6	We will build a clear brief for the manager around the operating model and values and behaviours to be observed. Our plan at the outset is to find sufficient funds to make the pub appealing as a destination as well as for food and drink.	Remote(1)	Significant (3)	3
06	Property has been closed for a considerable time and needs refurbishment	Deterioration in the fabric of the building may lead to increased refurbishment costs	Financial	Unlikely (2)	Significant (3)	6	Property is being used as a home by the present owners. Survey to be carried out.	Unlikely (2)	Significant (3)	6
07	Financial projections not achieved.	Inability to pay interest and buy shares back as projected in the business plan.	Financial	Possible (3)	Minor (2)	6	Postpone share buyback. Lower or postpone interest payments.	Remote (2)	Minimal (1)	2
08	Economic Downturn	Economic downturn could lead to reduced	Operational	Remote (1)	Minor (2)	2	We will encourage and support creativity and	Remote (1)	Minimal (1)	1

		customer numbers and reduction in income					diversity in the offer.			
09	Competition	New competition reduces customers and undermines the occupancy rates in the business plan.	Operational	Remote (1)	Minimal (1)	1	Although the Miners Arms is 5 miles away from any other pub, we maintain a high level of awareness of local competition. Reputation management will be a key element of the managers responsibility to ensure that review sites rate the Miners Arms highly and mitigate any risks of new competition taking away our custom.	Remote (1)	Minimal (1)	1

Risk Matrix

Risk	Impact				
	Minimal (1)	Minor (2)	Significant (3)	Major (4)	Critical (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Remote (1)	1	2	3	4	5

Impact Definition

Impact Definition		
Impact	Finance	Project
Minimal	< £10K	< 1 month
Minor	> £10k <£30k	>1 month <3 months
Significant	>£30K <£50k	>3 months <6 months
Major	>£50k <£100k	>6 months <12 months
Critical	>100K	>12 months

Management Board

An interim management board has been formed from the members of the initial working group to run the MACPL CBS until the first AGM when members will have joined, and a formal election of the positions can take place.

The Management Board is collectively responsible for everything done by or in the name of the Society, on the basis it may:

- Delegate any of the powers which are conferred on it under the rules of the society to any person on such terms as they think fit.
- Delegate to any employee responsibility for day-to-day management of some or all the society's business.
- Authorise members of the board to deal with specific matters.
- Make use of the services of volunteers.

The board has a wide range of both public and private employment experience. Although none have been directly involved in the wider hospitality industry they have many transferable skills which range from business owners, finance industry professionals, to having asset, people, and project management experience.

All are passionate about village life and bringing this asset back into public use however at the same time understand the need to call on subject matter experts where needed be they paid consultancy or on a volunteer basis. The management board has no significant vested interests or potential conflicts of interest in relation to this project.

The interim Management Board comprises the following individuals:

Simon Walker - Chair



Simon was born in Headingley, Leeds within sight of the cricket ground. At the age of 4 his family moved to Corbridge, and he has stayed "up North" ever since. A keen cricketer, he has played at Corbridge since 1977 and has been 2nd XI captain, treasurer, chairman and is currently the volunteer groundsman. He also represents Durham at the over 60s age group.

Simon dropped out of an Astrophysics degree in 1982. After 3 years in Northumbria Police, he moved into financial services where he still operates as an independent financial adviser working from home here in Nenthead. He finally got his degree (in Financial Services) in 2019 just before his 60th birthday!

Simon has 2 adult daughters from a first marriage and moved up to Nenthead in 2017 with his wife Angela and 18-month-old son Rory. Now 8, Rory attends Nenthead primary school and Angela is a partner in Alston Wholefoods shop.

Simon will chair board meetings (if absent another member will be nominated to act as chair). Represent the group at any meetings the group is invited too and act as spokesperson for the group when necessary. Simon runs his own business and has experience of employing staff so will be responsible for the payroll, PAYE, pension and other HR matters.

Laura Seaton - Secretary



Laura was born in Carlisle, Cumbria and raised in Alston before emigrating with her family to South Africa in 1984. She returned to the UK in 1993 to Nenthead. She attended Samuel King's school and ended up working in a pharmacy after falling out of love with A levels.

She then had various jobs including the local hotel down the road and the Co-op in Alston before heading to Newcastle where she started working in the NHS as an auxiliary nurse in 2002. She completed her nursing degree in 2013 at Northumbria University and is now working at Hexham General Hospital as a Nurse Practitioner.

Laura has been married to Jamie for nearly 10 years and they have two cats called Miss Marple and Chief Ironside. Laura is a music enthusiast and enjoys live gigs and festivals. She is very passionate about Nenthead and is involved with a few community groups already.

She spent many a night in the Miners Arms when it was open and would absolutely love to see it reopen as a Community Pub.

As secretary Laura will be responsible for the taking of minutes at all meetings and the distribution of all papers. Prepare the agenda for meetings in consultation with the Chair (Members may put forward items for inclusion on the agenda submitted either to the Chair or secretary). Keep a copy of approved minutes for all meetings. Laura is also responsible for creating, maintaining and updating the Company's policies.

Peter (Mac) Mckenzie - Treasurer



Mac was born and raised in Sunderland, County Durham (as it was then) however a great deal of his youth was, some would say misspent, in and around the North Pennines. At 16 he left the Northeast for a career in the Royal Navy which lasted over 23 years.

On leaving the Royal Navy Mac started a second career working for Local Authorities in Essex involved with resilience planning before eventually drifting into managing an IT and Resilience department. He also completed a Bachelor of Arts degree in Fine Art Valuation as a mature student.

The call of the North was never far away, Mac and his wife Heather moved to Nenthead in 2021 with their two cats Tabitha and Felix. Since returning North he has found a new, albeit very novice, interest in growing pot leeks and can also be found exploring the North Pennines and surrounding areas on foot.

Mac is a firm believer in community and the village pub being the heart of it and will try his hardest to save the Mines Arms for use by locals and visitors for generations to come.

As treasurer Mac will record all transactions and give receipts for all monies received, bank or deposit all cash held, work out budgets for the organisation and regularly update the management board on the financial situation. Also responsible for the social media and website content. There may be a need to add additional treasurer roles in the future.

Colin McNulty



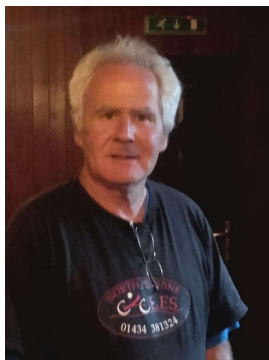
Colin is a Chartered Engineer by trade and went on to spend 15 years as a freelance IT consultant, before turning his hand to investing.

Having retired at 46, he soon got bored of that nonsense and now has a "job" helping people achieve the same financial freedom he has.

Whilst a geek at heart, Colin has a keen interest in health, diet and exercise, and is a former: British Masters Olympic Weightlifting champion, CrossFit coach, and Self Defence instructor.

He spends most of his spare time volunteering as an instructor with the Royal Air Force Air Cadets but has now found himself helping to save the only pub in the village!

Dave Raeside



Dave was born in Kensington in 1955 but moulded by Bellingham, where his dad ran a pub and Sunderland! He was a research biochemist for too many years; and then a science teacher for way too many years. Dave has always found an escape in outdoor activities and adventure. He arrived in Nenthead in 2010, with his family, who have now gone their own ways. He absolutely loves this place and his work at North Pennine Cycles.

Trade is suffering these days, as Nenthead gets bypassed due to the closure of the pub. He is passionate about getting the Miners Arms open again, both for the sake of the local community and for his business.

Andy Reay



Andy was born in North Shields in 1965 and lived in Shiremoor until 1987. Went to George Stephenson High School in Killingworth.

Andy has 4 grown up kids, 2 daughters Sally and Sophie, 2 step sons Sam and Alex, 2 dogs (Harry and Basil) and 4 sheep.

His first job was as a draughtsman at Swan Hunter Shipbuilders between 1982 and 1986. Joined Northumbria Police Jan 1987, and posted to Hexham and finished as the Sgt at Newcastle Airport. 30 years later retired from the police and worked 1 year with Northumbria NHS then became a Counter Terrorism Security Advisor in 2018 and is still doing that.

Moved from Newcastle to Nenthead in Aug 2022 and we are passionate about getting the Miners Arms up and running again.

Timeline

Outline project timeline from date of grant award are shown below. All activities can be completed within 12 months.

Month	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Milestones/Project timelines											
Notification of award of grant	•										
Collect match funding											
COF funds available		•									
Acquisition											
Refurbishment											
Kitchen refit											
Energy efficiency fitting.											
Beer delivery equipment refit											
Manager recruitment											
Manager responsibilities											
Reopening event planning											
Staff recruitment											
Grand reopening											•

A summary of the detailed project plan is below:

- Collect match funding:
 - Conversion of share pledges to share purchases.
- Property Acquisition:
 - Appointment of solicitor.
 - Draft contracts
 - Exchange of Contracts.
 - Completion on property
- Refurbishment
 - Appoint tradesmen.
 - Organise volunteers.
 - Carry out refurbishment.
- Kitchen refit:
 - Appoint tradesman.
 - Procure equipment.
 - Install equipment.
- Energy efficiency fitting:
 - Appoint tradesman.
 - Procure equipment.
 - Install equipment.
- Beer delivery equipment refit:
- Recruitment of manager:
- Manager responsibilities:
 - Source suppliers.
 - Re-stocking.

- Staff recruitment and training.
- Menu
- Operational procedures and policies.
- Grand re-opening

Annex A - Anti-fraud and Anti-corruption Policy

First produced: 25/03/2024.

Approved by MACPL Management Board on: 25/03/2024.

To be reviewed 25/03/2025.

This policy applies to Directors and Staff.

Introduction

MACPL expects directors and employees at all levels (including temporary and agency workers) to adopt the highest standards of propriety and accountability. This procedure is non-contractual and sets out the steps we are taking to combat fraud and corruption in line with the UK Bribery Act 2010 and Fraud Act 2006.

Fraud is defined as: "The intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain".

In addition, fraud can also be defined as: "The intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to mislead or misrepresent".

Corruption is defined as: "The offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person". In addition, "the failure to disclose an interest in order to gain financial or other pecuniary gain".

Receiving of gifts

We recognise that sometimes people connected with MACPL will wish to say thank you to individuals. Any small gifts or hospitality to the individual value of £15 need not be declared, although we would encourage all staff to inform their manager. If gifts or hospitality to the value of £30 or over are received in any 6-month period these should be declared using the form at the end of this policy.

Where you feel uncomfortable receiving a gift you should politely decline.

You should avoid receiving hospitality or gifts from our suppliers wherever possible. On occasion these arrive without prior knowledge. Please inform your manager who will make a judgement about what to do with such a gift – if of a small value (less than £15), this will be shared across the team if possible. If of a value more than £15 the manager will decide what to do and declare this on the form at the end of this policy.

Reporting allegations of fraud or corruption

Concerns must be raised when employees reasonably believe that one or more of the following has occurred, is in the process of occurring, or is likely to occur:

A criminal offence

A failure to comply with a statutory or legal obligation.

Improper authorised use of funds

Deliberate concealment of or complicity in any of the above.

Any allegations received in any way, including by anonymous letters or phone calls, will be taken seriously, and investigated in an appropriate manner.

We will deal firmly with those who defraud MACPL, or who are corrupt, or where there has been financial malpractice. There is, of course, a need to ensure that any investigation process is not misused and therefore any abuse may be dealt with as a disciplinary matter (for example, employees raising malicious allegations).

If fraud or corruption has occurred partly or wholly because of a breakdown in our systems or procedures, we will ensure that appropriate improvements in systems of control are implemented to prevent a reoccurrence.

The role of managers

Managers at all levels are responsible for the communication and implementation of this policy in their work area. They are also responsible for ensuring that their employees are aware of our Financial Regulations and that the requirements of each are being met in their everyday business activities.

Managers are expected to strive to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities. Managers are responsible for initially following up any allegation of fraud or corruption received and will:

Deal promptly with the matter.

Report the matter to the Chair or another member of the Board.

Obtain advice from the Chair or another member of the Board who will arrange for an appropriate investigation to be carried out.

Record all the evidence received.

Ensure that evidence is sound and adequately supported.

Contact other agencies, for example the police, when necessary

Notify our insurers where appropriate.

Implement our disciplinary procedures when appropriate.

Responsibilities of employees

Employees are responsible for ensuring that they follow the instructions given to them by their manager particularly in relation to the safekeeping of the assets of MACPL.

Employees are expected to always be aware of the possibility that fraud, corruption or theft may exist in the workplace and to share their concerns with their manager. However, should they prefer (perhaps because the manager is unavailable or indeed might be the cause of the concern) then they should contact the Chair or another member of the Board.

If employees still feel unable to raise their concerns through any of the above internal routes, then they may wish to raise them through Protect, a registered charity whose services are free and strictly confidential. They can be contacted on 020 31172520 and at [Protect - Speak up stop harm - Protect - Speak up stop harm \(protect-advice.org.uk\)](https://www.protect-advice.org.uk)

We recognise that a key preventative measure in dealing with fraud and corruption is to take effective steps at the recruitment stage to establish as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary, or casual posts. Our recruitment policies will be adhered to during this process.

References will be obtained regarding known honesty and integrity of potential employees before employment offers are made.

Detection and investigation

There are systems and controls in place to deter fraud or corruption, but it is often the vigilance of employees that aids detection.

In some cases, fraud is discovered by chance or by “tip-offs” and arrangements will be in place to enable such information to be properly dealt with. Any decision to refer a matter to the police will be taken by the Chair or another member of the Board.

We will normally wish the police to be made aware of and investigate independently where financial impropriety is discovered.

Our disciplinary procedures will be used to facilitate a thorough investigation of any allegations of improper behaviour by employees.

Awareness and training

We recognise that the continuing success of this strategy and its general credibility will depend in part on the effectiveness of programmed training and an awareness of employees throughout the organisation.

To facilitate this, positive and appropriate provision will be made via induction and for employees via their development plans. This may include specialist training for certain employees.

Review of this policy

This procedure will be kept under regular review to ensure its effectiveness. Any comments on this procedure should be made to the Chair.

Declaration of gifts/hospitality

Name of staff / director.	
Date.	
Description of gift hospitality.	
Source of gift and connection to MACPL.	
Approximate value.	
Manager informed and any other action taken.	

Annex B – Financial Procedures

First produced: 25/03/2024.

Approved by MACPL Management Board on: 25/03/2024.

To be reviewed 25/03/2025.

1. GENERAL RULES

1.1 Financial records will be kept so that MACPL can:

- Meet legal and regulatory obligations.
- Monitor finances and undertake financial planning.
- Meet contractual obligations and requirements of funders.
- Show how funds were used to benefit the community.

1.2 Directors will ensure that accurate records are kept including:

- Computerised accounts analysing all transactions and detailing the use of restricted funds where appropriate.
- Payroll records
- Petty cash records
- Asset register.

1.3 The financial year for MACPL is April to March

1.4 Annual accounts will be drawn up after each financial year within six months of the end of the year and will be subject to audit or independent examination using the appropriate SORP as set out in the audit process below.

1.5 Before the start of each financial year directors will discuss and approve a budget.

1.6 A report comparing actual income and expenditure with the budget will be presented to directors of MACPL every three months.

1.7 The AGM will appoint an appropriately qualified auditor/independent examiner to audit/independently examine annual accounts.

2. BANKING

2.1 MACPL banks with Lloyds Business Banking.

2.2 Decisions on opening and closing bank accounts are taken by the Board.

2.3 Bank reconciliations are carried out each month, by the Treasurer.

3. INCOME

3.1 The preferred method of receiving income is bank transfer. Cheque or cash can be accepted where this is not possible.

3.2 Cash and cheques received should be banked as soon as possible – at least weekly.

3.3 All cash or cheques received by post should be listed as soon as they arrive.

3.4 Cash or cheques should be placed in a safe or locked cash box if they cannot be banked on the day of receipt.

3.5 A duplicated receipt should be given for any cash income.

3.6 If a large amount of cash income is received (e.g., from a fund-raising event) two people should count it and sign a sheet confirming the amount.

3.7 All documentation (e.g., the terms and conditions of a grant) relating to income should be kept and filed.

3.8 For all grants over £25k, the Board will be provided with a term sheet setting out the amount of the grant, its purpose, any restrictions, its timescale, and reporting arrangements.

4. PAYMENTS BY CHEQUE/ ELECTRONIC TRANSFER

4.1 Money will only be spent to meet the conditions and requirements of the funders and for the benefit of the community within the objectives of the governing document of MACPL.

4.2 The preferred method of payment is bank transfer. Payment by cheque or cash will only be considered where this is not possible.

4.3 The Treasurer will be responsible for ensuring safe storage of any cheque books.

4.4 The bank mandate specifies one signatory to approve a payment from a “pool” of three people authorised as signatories for the organisation. Board minutes must record the appointment and replacement of signatories.

4.5 Blank cheques will never be signed. The cheque stub must always be filled in.

4.6 A payment may not be authorised by the person to whom the payment is made.

4.7 Payments will only be made against an invoice or other documentary evidence.

4.8 The same person should not be responsible for ordering, processing, and checking invoices, raising, and authorising payments.

4.9 Placing orders and signing contracts for goods and/or services must be carried out in line with MACPL’s procurement policy.

4.10 Each item of expenditure is recorded on an electronic database with supporting documentation.

5. PAYMENTS BY CASH

5.1 Cash transactions will be kept to a minimum.

5.2 All cash payments should be from a cash float which is replenished from the bank account. The cash float will never exceed £200.

5.3 The Manager is responsible for holding the petty cash tin key and for paying petty cash against a properly authorised petty cash voucher with receipt attached.

5.4 All payments and topping up of petty cash is recorded in the petty cash book.

5.5 The cash float is reconciled to the petty cash book by the Treasurer.

6. WAGES, SALARIES AND PENSION CONTRIBUTIONS

6.1 Salaries are paid by bank transfer.

6.2 Pay records including starting/leaving date and salary level are kept for each employee.

6.3 All members of staff are employed under a contract of employment and in compliance with PAYE and National Insurance regulations.

6.4 Expenses must not be rounded up. Actual expenses must be authorised and will then be reimbursed to staff, board members and volunteers, providing:

- Fares are evidenced by tickets.
- Other expenditure is evidenced by original receipts.
- Car mileage is based on a scale approved and minuted by the Board.

6.5 Pension provision is compliant with UK law. Pension contributions are administered in line with the requirements of our pension provider. Records of pension contributions for each employee are maintained.

7. CONTROLS OVER FIXED ASSETS

7.1 A register of fixed assets (i.e., land, buildings, and equipment) is held and updated regularly. Information held on each asset should include date of acquisition and if appropriate refurbishment, description, cost, age of asset, name and address of supplier, serial numbers, details of guarantees as appropriate, depreciation or amortisation policy on asset, location of title deeds where appropriate and details of disposal of any asset.

7.2 Assets are checked regularly, and adequate insurance cover taken out.

8. FINANCIAL RESPONSIBILITIES

	Financial Responsibility
Board	<ul style="list-style-type: none"> ● Approves budget. ● Approves applications for grant funding, bids for contracts and new earned income streams.. ● Authorises any spend outside agreed annual budget. ● Scrutinises management accounts and cashflow projections. ● Approves annual accounts. ● Oversees fixed asset register. ● Oversees risk register. ● Ensures compliance with legal and regulatory requirements. ● Oversees pension arrangements.

	<ul style="list-style-type: none"> • Appoints signatories to bank account.
Treasurer	<ul style="list-style-type: none"> • Oversees financial policy, procedures and controls. • Gives detailed scrutiny to financial information including management accounts. • Oversees audit process. • Gives detailed oversight of pension provision. • Gives detailed scrutiny of risk register. • Presents financial information to Board. • Makes recommendation to Board on appointment of auditor/external examiner. • Oversees all financial transactions, ensuring alignment with approved budgets. • Oversees all contracts. • Ensures compliance with procurement policy. • Ensures finance system is up to date. • Prepares management accounts and cashflow projections. • Prepares reports and make claims to funders. • Works with Chair to prepare regular finance reports to Board. • Prepares fixed asset register. • Reviews insurances and make recommendations to Chair. • Gives day to day scrutiny of risk register, alerting Chair and Board to changes.
Chair	<ul style="list-style-type: none"> • Secures resources. • Works with treasurer to develop annual budget. • Reviews financial reports including cashflow projections. • Reviews banking for any irregularities. • Works with treasurer to prepare regular finance reports to Board. • Approves insurances. • Oversees internal controls.

9. OTHER RULES

9.1 Once a year the Board will consider the level of reserves that it is prudent to hold. Consideration will be given to redundancy liabilities, and any other significant costs should the organisation need to close.

9.2 The Chair is responsible for ensuring appropriate insurance. The Board will review insurance cover at least once every year.

9.3 These procedures will be reviewed every year or earlier if necessary.

Annex C – Procurement Policy

First produced: 25/03/2024.

Approved by MACPL Management Board on: 25/03/2024.

To be reviewed 25/03/2025.

1. OVERVIEW

1.1 MACPL was established to meet the needs of local people in Nenthead. We hold land and buildings to benefit the community and have a responsibility to manage our finances and assets effectively and transparently.

1.2 The procedures laid out in this document establish standards and guidelines for the procurement of supplies, equipment, construction, and services, through open and competitive processes, and for managing contracts using good administrative practices and sound business judgement.

0. CODE OF CONDUCT

2.1 The code of conduct set out below governs performance, behaviour, and actions of MACPL, including board members, employees, volunteers, and agents who are engaged in any aspect of procurement including, but not limited to, the purchase of goods and services, the awarding of contracts, or the administration and supervision of contracts.

2.2 No board member, employee, volunteer, and agent acting on behalf of MACPL shall participate in the selection, award or administration of a bid or contract if there is a conflict of interest, real or apparent to a reasonable person. Conflicts of interest may arise when any board member, employee, volunteer, and agent acting on behalf of MACP has a financial, family or any other beneficial interest in a firm considered or selected.

2.3 No board member, employee, volunteer and agent acting on behalf of MACPL shall do business with award contracts to or show favouritism toward a member of their immediate family, spouse's family, or to any company or concern that employs or has any relationship to a family member. We have adopted the definition of related parties set out in the Statement of Recommended Practice for Charities.

2.4 No board member, employee, volunteer, and agent acting on behalf of MACP shall solicit, accept gratuities, gifts, consulting fees, trips, or financial favours from a company, an employee or an individual seeking to do business with us, or from members of their family or from any party with a sub-agreement or ancillary contract.

2.5 As permitted by law, MACP shall pursue appropriate legal, administrative, or disciplinary action against any board member, employee, volunteer and agent acting on behalf of MACP, who is alleged to have committed or has been convicted of a procurement related infraction.

0. SOLICITATION AND COMPETITION

3.1 All procurement transactions should deliver value for money.

3.2 MACPL must identify and clearly specify standards for the goods and services it requires.

3.3 The procurement requirements for different levels of expenditure are set out in the table below.

AMOUNT	PROCUREMENT – MINIMUM PROCEDURE
£0 - £2,499	A direct award can be made
£2,500 - £24,999	Three written quotes or prices must be obtained from relevant suppliers of goods, works and/or services
£25,000 or over	A formal tender process is required

3.4 There may be situations where a more formal bidding process is required for goods or services at values below £25,000. This should consider the balance between the process and the size of contract and should not be onerous or complex.

3.5 Decisions will not be solely based on cost but will take account of quality and service. Examples of criteria other than cost include:

- Quality of the goods or service.
- Quality of customer service.
- Use of local labour.
- Sustainability.
- Equality and diversity.
- Affirmative efforts to utilise local companies and small businesses.
- Guarantees, warranties and insurance cover.

3.6 In relation to procurements of £2,500-£24,999, the procurement files will include copies of the three quotes and a brief written rationale for contractor selection.

3.7 For procurement of £25,000 and above, selection will be through a tender process based on a written specification of the goods and/or services required. Where appropriate, we will use a pre-qualification questionnaire (PQQ). Selection criteria will be agreed in advance and made explicit to prospective suppliers. Criteria may be absolute hurdles or given as a weighting. The balance between cost and other criteria will be decided in advance. Examples of criteria other than cost are set out in 3.5 above. Clarification may be sought from prospective suppliers where a PQQ is incomplete, or a tender may be disregarded if the PQQ is substantially incomplete.

3.8 In relation to tenders, procurement files will include:

- A written record of the basis for contractor selection.
- Justification for lack of competition if competitive bids could not be obtained.
- Copies of the tender documentation and bids received.

4. ROLLING CONTRACTS

4.1 Service providers will be selected using the procurement principles outlined. Each contract will be different and will be considered against the following guidelines:

- An ideal contract period for many services is three years. This allows partnership working to blossom and gives the contractor a level of security when tendering, particularly if the service has up-front costs.
- Costs may be fixed over the three years or may be varied annually, with an opt-out clause if costs increase by greater than inflation.

- The contract should be reviewed bi-annually, and may be extended, should both parties be in agreement.
- The contract should be regularly retendered, at least every five years.

5. CONTRACT ADMINISTRATION

5.1 MACPL has a system of contract administration to ensure the proper oversight and management of procurement activities.

5.2 MACPL is responsible for evaluating contractor performance and documenting, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract. This may include progress inspections, interim products, inspection of goods delivered, and any other methods, suitably documented, that provide assurance that the goods and services are being delivered within the scope of the contract.

5.3 MACPL contract administration system will ensure that the method of procurement is documented, and records maintained for five years after final payment is made.

Annex D – Risk Register - Guidance

Everything about managing a community organisation involves risk. The risk register helps you to think about the different types of risk and how you will deal with them.

Areas of possible risk including examples:

- Governance – problems with recruiting board members, making or recording decisions, conflict within the board or between board and staff.
- Financial – lower income or higher costs than expected, late payments, uncertainty towards the end of a contract or grant, difficulty meeting loan repayments, fraud.
- Operational – health and safety problems, staffing problems, issues with recruiting or managing volunteers.
- Specific risks related your area of work – there may be specific risks related to working with children and young people, people in distress, ex-offenders.
- Compliance – not filing accounts and annual reports on time, not meeting statutory requirement ON pensions or minimum wage, not achieving results on a payment by results contract.
- External – inflation, changes in national regulations in your area of work, changes in priorities of funders, regeneration affecting your local area.
- Asset – cost of acquisition rises, cost of refurbishment rises, contractor goes out of business, flood, subsidence, insufficient funds to cover repairs.

Options to manage risk are:

- Avoid – avoiding risk often means not doing something at all or doing it in a different way.
- Mitigate – what can you do to reduce the likelihood or impact of the risk?
- Transfer – can you transfer to risk to someone else, for example through insurance?
- Accept – acknowledge that it is a risk but there is little you can do to avoid or transfer the risk. External risks are often in this category.

Developing a Risk Register

Developing a risk register involves thinking about all the risks which could affect your organisation as discussed above. In the template, score each risk between 1 and 5 on impact and likelihood. Some risks will have a high impact but are unlikely to happen. Others are highly likely but low impact. The scores are multiplied together to get a risk score.

The board or management board has ultimate responsibility for risk and should review the risk register regularly. In an organisation with senior staff, direct responsibility for managing risk will mainly lie with staff. Decide who is the day to day “owner” of each risk – the person with responsibility for regularly checking on that risk and highlighting any issues to the board.

Think about what you can do to mitigate (reduce) the risk. Can you insure against the risk? Can you reduce the risk through introducing policies and procedures or staff training? Each mitigation will be different and not every risk can be reduced.

Rescore each risk after mitigation. The measures you put in place may reduce the likelihood of something happening – for example a serious accident on the premises would still have a high impact but good health and safety policies and procedures will make it less likely to happen. Insuring against

disruption of business if your building must close temporarily will not reduce the likelihood of a temporary closure but will reduce the financial impact.

Using the Risk Register

A risk register is a tool to help the board and senior staff to manage risk. It should be reviewed regularly. Whilst the full risk register should be reviewed regularly, boards will often give most scrutiny to the top three or five risks.

Risks change over time. There will be some high risks related to refurbishment which will be removed once the building work is complete. Others may emerge – for example redevelopment work close to your building or changes to the criteria for bidding for a contract.

It is usual to update the risk register at least once a year. The risk register should be updated regularly during, for example, a refurbishment project as new risks may emerge at any time.

Annex E – Equality, Diversity, and Inclusion Policy

First produced: 25/03/2024.

Approved by MACPL Management Board on: 25/03/2024.

To be reviewed 25/03/2025.

The Designated Management Board Member for Safeguarding is - Laura Seaton (Secretary)

Our statement of general policy is

Miners Arms Community Pub Ltd 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 goods and/or services and/or facilities - is also committed against unlawful discrimination of customers or the public.

Miners Arms Community Pub Ltd Date: 25/03/2024

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:

- Encourage equality, diversity, and inclusion in the workplace as they are good practice and make business sense.
- 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.
- Take seriously complaints of bullying, harassment, victimisation and unlawful discrimination by fellow employees, customers, suppliers, visitors, the public and any others during 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.
- 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.
- Make decisions concerning staff being based on merit (apart from in any necessary and limited exemptions and exceptions allowed under the Equality Act).
- Review employment practices and procedures when necessary to ensure fairness and update them and the policy to take account of changes in the law.
- 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.

Our disciplinary and grievance procedures

Details of the organisation's grievance and disciplinary policies and procedures can be found in the policy and procedure manual. This includes with whom an employee should raise a grievance – usually the 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.

Annex F – Performance Management Policy

First produced: 25/03/2024.

Approved by MACPL Management Board on: 25/03/2024.

To be reviewed 25/03/2025.

1. INTRODUCTION

1.1 We are committed to improving organisational performance through the effective management and development of our people. Performance management is an important part of our work and regular supervision sessions between the employee and their line manager will allow for reflection on past performance and planning for development and improvement.

1.2 An effective performance management process will develop and improve individual performance and align this with organisational aims.

1.3 The principles of our performance management policy are that it is:

- Consistent and equitable.
- Reflects individual achievement.
- Confidential between those involved.
- Promotes and facilitates personal development.

1.4 The objectives of our performance management policy are to:

- Create a culture of line manager and employee working in partnership.
- Motivate staff.
- Provide feedback to both employee and line manager.
- Increase self-awareness and reflective practice.
- Align individual objectives and targets with organisational objectives.
- Improve individual, team and organisational performance.
- Identify training, learning and development needs.
- Identify and evaluate individual skills, knowledge, behaviours and competence.
- Provide appropriate coaching and mentoring to staff as required.

2. SCOPE

2.1 This policy relates to all staff of MACPL.

2.2 This policy works in conjunction with MACPL disciplinary procedure. It may be necessary on occasion to refer to incapability and poor performance as misconduct warranting disciplinary action.

3. PROCESS

3.1 All employees will participate in regular supervision sessions at least every 8-10 weeks.

3.2 Supervision sessions will assess progress on work plans and personal development plans.

3.3 Supervision sessions will be written up and progress recorded against work plans and personal development plans.

3.4 Where appropriate progress will also be recorded in line with probationary assessments and any performance improvement plan (see below).

3.5 The written record of each meeting will be agreed by the employee and their line manager and will be filed securely by the line manager. An email exchange will usually be sufficient to agree the written record.

3.6 An employee who disagrees with the assessment by their line manager or the written record should, in the first instance, raise the issue with their line manager.

4. PROBATIONARY PERIOD

4.1 All new employees or employees changing their role within the organisation will have a six-month probationary period.

4.2 Line managers will develop a set of objectives to be completed during the probationary period. Supervision sessions will take place monthly during the probationary period and will track progress against those objectives. There will be a formal review at three months and six months.

4.3 Where the outcome of the six-month review is unsatisfactory, the line manager may extend the probation period or terminate the contract of employment. Where this is a possibility, the line manager should discuss this in advance with the Chair of the Board.

5. ANNUAL APPRAISAL

5.1 All employees will have a formal appraisal with their line manager to set objectives for the next year. Where employees successfully complete their probationary period during the year, the probationary review meeting will set objectives for the rest of that year.

5.2 Annual objectives for each employee will align with the organisational objectives and the business plan.

5.3 The annual appraisal will identify training and development requirements to enable the employee to meet their objectives over the coming year. The appraisal will discuss career and personal development plans and will consider whether there are ways in which the organisation can support these plans.

5.4 Any performance issues will be raised through supervision. There will be no surprises at the annual appraisal. Any previously identified performance issues may be discussed at the appraisal in relation to setting objectives and identifying training and support required.

6. INFORMAL PERFORMANCE MANAGEMENT (VERBAL WARNING)

6.1 Where performance issues are identified, the employee will be issued with a verbal warning in writing of MACPL's concerns.

6.2 The employee will be invited to an informal meeting with their line manager to discuss the reasons for their underperformance and for the employee to respond to these concerns.

6.3 When the reason for the underperformance is due to a gap in skills or insufficient training, the employee will be provided with training and be given reasonable time to improve once this has been completed. If the underperformance is due to insufficient support, tools, or other resources, then assistance should be provided if appropriate.

6.4 Notes of the informal meeting and any agreed actions should be kept by the manager.

7. FORMAL PERFORMANCE MANAGEMENT (WRITTEN WARNING)

7.1 MACPL will consider the formal process or disciplinary warnings where an informal/verbal warning has been given but there has been no improvement, the employee's performance cannot be improved by any support available, or MACPL has taken reasonable steps to assist the employee to improve but there has been no improvement.

7.2 The employee will be informed in writing by their line manager about the concerns with their poor performance and will be invited to attend a capability meeting to discuss this. Employees have the right to be accompanied at a formal meeting by a work colleague or trade union representative.

7.3 The line manager will discuss the reasons for the poor performance and decide upon any remedial action to be taken.

7.4 The employee will then be given the opportunity to respond to the concerns.

7.5 Upon completion of the capability meeting, the line manager must decide whether they believe there is an issue in the employee's performance, and if so, then they will be issued with a written formal warning.

7.6 Where appropriate, MACPL will aid in the development of a Performance Improvement Plan as part of the formal performance management process.

8. PERFORMANCE IMPROVEMENT PLAN

8.1 If competence or behavioural issues are raised through supervision (including during the probationary period) and an informal warning has been issued with no improvement, the line manager will provide a performance improvement plan detailing what is required of the employee and any training or guidance that will be provided to support this process along with a written warning. The line manager should discuss the use of a performance improvement plan in advance with the Chair of the Board.

8.2 The performance improvement plan will contain clear and detailed descriptions of the improvements in performance and/or behaviour that are needed for the employee to meet their role requirements and timescales within which improvements must be achieved.

8.3 The employee and their line manager will have monthly supervision sessions during the period covered by the performance improvement plan to review the employee's progress. Formal meetings may be supplemented by informal support sessions with the line manager, other members of staff or an external mentor.

8.4 If improvements are achieved within the timescale, the line manager and employee will review the issue, process and support provided to identify any ongoing support or adjustments which could prevent recurrence.

8.5 If the employee does not meet the requirements of the performance improvement plan, the line manager has the option to extend the performance improvement plan, issue a final written warning or move to disciplinary action. Disciplinary action may be taken before the end of the performance improvement plan if the required progress is not being achieved. Where extension of the performance improvement plan or taking disciplinary action is being considered, the line manager should discuss this in advance with the Chair of the board.

8.6 If there is still no improvement after the final written warning has been issued, the employee will normally be dismissed with notice or pay in lieu of notice.

9. APPEALS PROCESS

9.1 The performance management process allows the same right of appeal for the employees, as outlined in the disciplinary and dismissal appeals procedure.

10. RECORDS

10.1 Use of a performance improvement plan will be included in supervision notes.

10.2 Annual appraisals will be agreed by the line manager and employee, reviewed by the Chair of the board and stored securely.

10.3 Record keeping in relation to the disciplinary process is set out in the disciplinary policy.