

THE WAY PARISH COUNCILS CAN HELP VILLAGE SHOPS – AND HOW IT WORKED FOR ONE VILLAGE

Rural shops are a key part of the social fabric of their communities. Every parish plan we have ever seen has shown that local residents do appreciate this fact. Parish councils are the most local tier of government. Some are great at supporting their local shop, some are actually negative.

PROMOTION OF WELL-BEING

Parish councils can have a lot more power than most people think. Their ability to provide local wash houses, mortuaries and public monuments may be quaint relics of the past, but more recent legislation has given many of them new powers to assist village shops that are worth knowing about. The Local Government Act 2000 introduced the concept of “promotion of well-being”. This provides the power to do anything which an authority considers is likely to promote the economic, social or environmental well-being of their area.

Under the Act, the local authority can, amongst other powers, incur expenditure, give financial assistance to any person or provide staff, goods, services or accommodation to them. The Act makes it pretty clear that supporting a local shop can be covered as “promoting well-being” of the community. However, not all parish councils are eligible to apply this part of the 2000 Local Government Act.

The snappily titled Parish Councils (Power to Promote Well-being) (Prescribed Conditions) Order 2008 lays down the conditions they need to meet for it to be eligible to exercise the power to promote well-being under the 2000 Act. These are quite technical, but the clerk to any parish council should be able to tell you whether it is eligible to exercise power of wellbeing.

Parish councils are rightly cautious about using these powers. In the context of villages shops, their use has been confined in most cases to providing limited support if a shop is closing, particularly if there is the possibility of a community-owned shop being set up to replace it. However, support can be extended to commercial shops, as the case below demonstrates. However, it is fair to say that this type of support must have the community behind it – they will be the ones paying a raised precept for years to come to fund it. Parish councillors wanting to get re-elected are rightly loath to push precepts up too high without a very clear mandate of support from their community. Parish councils can borrow money for capital projects. Their normal source is the Public Works Loan Board. This body, set up in 1793, the same year as the start of the French Revolution, lends to parish and town councils (in England) and community councils (in Wales).

At the RSA we have consistently argued that modest but well-directed grants can be very cost-effective in keeping a commercial shop, pub or post office alive, at a fraction of the cost and effort often expended on setting up alternatives. We hope that the ethos of the Big Society will encourage parish councils to adopt more flexible approaches to supporting village shops.



BISHAMPTON STORES AND POST OFFICE

One parish council that has made full use of these powers is Bishampton and Throgmorton Parish Council in Worcestershire. In November 2009, after 13 years in post, Steve Osbourne gave the parish council a year's notice that that he would be giving up the local shop and post office. This long notice period gave the council a chance to do something about it. A Village Shop

Working Party was set up and they soon ascertained that there was sufficient support in the parish to buy the shop premises from its owner. The initial plan was to buy the shop and the flat above it, selling the flat on to reduce the overall debt. In the event, it was decided to rent the flat to the shopkeeper at a commercial rent, whilst the shop below was leased to him at a peppercorn rent for an initial 3 years. This was done exactly as described above, with the Council using its Powers of Wellbeing and obtaining a loan.

One reason that the shop business cannot now sustain a commercial rent is that the post office has now been converted from a full sub post office to a PO Local, delivering a dramatically reduced income. Nevertheless, no less than 27 people expressed interest in taking over the lease, with Tony Dorrance, an experienced shopkeeper, emerging as the successful applicant.

Parish council chairman Don Cheetham - who had said that the services were “in some way like the soul of the village” - was the Post Office’s first customer. As he formally reopened it, he commented, “The village seems to be a community again, rather than just a group of houses. People are meeting and talking with each other, it’s fantastic. It really has brought the village together.”

Bishampton resident and parish councillor Rodney Hodgkins has been instrumental in helping to bring the Post Office service back to the village, added: “I’m delighted to have it back. Together with the village pub reopening it’s like the whole spirit of the village has been lifted.”

The RSA had known Steve Osbourne for most of the time he served Bishampton residents and we wish him and his family well for the future. We hope that the community is aware of just how lucky they are to have had such a dynamic parish council to ensure that they retain their shop and post office. We now hope they understand that they need to really support Tony to make the shop a viable business without the benefit of a full sub post office income.

Details of the Power of well-being can be found at:

<http://www.communities.gov.uk/documents/localgovernment/pdf/1148897.pdf>