

REPORT TO: Executive Board
DATE: 15 March 2018
REPORTING OFFICER: Chief Executive
PORTFOLIO: Physical Environment
SUBJECT: Community Shop
WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is;

- 1) To provide Members with details of the 'Community Shop' concept, and;
- 2) To provide Members with an update on the progress to develop a Community Shop in Halton and seek Executive Board endorsement to continue to progress such development.

2.0 RECOMMENDATION: That Executive Board support the continued development of a Community Shop in Halton as outlined in this report.

3.0 SUPPORTING INFORMATION

3.1 At their meeting of 23rd March 2015, the ELS&C PPB received a report on 'Community Shop'. Members of the Board endorsed that further exploration be undertaken into the potential for a Community Shop to be established in Halton.

3.2 Community Shop is a Community Interest Company subsidiary of its parent company; Company Shop Ltd. Company Shop has been established for over 40 years, growing from a wholesale business supplying institutional outlets to become the UK's largest commercial redistributor of surplus food and products. It handles over 30,000 tonnes of surplus food product annually, providing retailers and manufacturers with a zero-to-landfill solution, where over 95% of food handled gets eaten. With a proud heritage and longstanding expertise in the execution and delivery of redistributing surplus goods, Company Shop is well placed to bring Community Shops to the UK in a sustainable and successful way.

3.3 In essence, Community Shop is a supermarket that has targeted membership to help tackle food poverty. The model provides fifteen job opportunities; twelve retail jobs for Halton residents, two mentors and one cook are created in the model. There are wider opportunities to support employment through skills development and linkages to the wider retail sector through food partner relationships.

4.0 COMMUNITY SHOP CONCEPT

- 4.1 Delivering surplus food for social good is the overall ethos of Community Shop. Community Shop ensures that quality branded food is available at discounted prices so that it can reach people who may need a helping hand to achieve financial independence. It seeks to provide a sustainable service that empowers people with limited financial resources to spend on food and not be reliant upon free hand-outs from 'Food Banks'.
- 4.2 By redistributing surpluses that exist in the food supply chain, and with the support of its parent company; Company Shop, Community Shop assists people on the cusp of food poverty to gain access to good, wholesome food at up to 70% less than normal retail prices. Key food partners within the supply chain include Tesco, Asda, Morrison's, Sainsbury's, The Co-Operative, Iceland, Marks & Spencer and many more. Product brands include a wide range of companies such as Nestle, Heinz, Premier Foods, Cadbury, Kenco, Kraft, Nisa and many more.
- 4.3 Surpluses can be caused by a whole host of reasons, from seasonal forecasting issues and labelling errors to a short shelf-life and many other things. Importantly though, unless they are redistributed, these surpluses would end up in landfill; the Community Shop approach prevents that from happening, ensuring that perfectly edible products are consumed by people who need them; Community Shop members. The money made from sales is then invested into their stores and the support services offered.
- 4.4 Similar models are already working well in Europe in the form of 'Social Supermarkets'. Company Shop is leading this area of work in the UK with four Community Shops now established in Goldthorpe, Athersley, Lambeth and Grimsby.
- 4.5 Not only will Community Shop offer a range of products at significantly reduced prices, but it will also provide an interactive programme of wider support available free of charge in the Community Hub (see section 6 below), from budgeting and debt advice to cookery classes.
- 4.6 Community Shops are supported by the supply logistics at Company Shops. Halton has been negotiating with Company Shop for the ambition to achieve a Community Shop in Halton for three years. Unfortunately, the logistics have not existed thus far to support a development in Halton however, Company Shop has opened in St Helen's in January 2018 and their strategic plan is to develop five Community Shops in the Liverpool City Region.

5.0 COMMUNITY SHOP MODEL

- 5.1 Community Shop limits membership to between 500 and 750 households and membership is for around six months; this is to deter dependency, maximise the impact that can be achieved for members through the Community Hub tailored support programme and to encourage movement of people to

education and employability.

- 5.2 Membership is typically restricted to those on a means tested benefit and directed towards residents living within agreed geographical areas.
- 5.3 Access to shops is controlled by Photo ID/Loyalty Card which limits the number of same type items that can be purchased at any one time. 'Point of Sale' software can monitor individual profiled spending patterns to ensure no abuse of the membership is undertaken.
- 5.4 Through providing access to discounted, wholesome food (alcohol and tobacco are not stocked), as well as access to extended services via its 'Community Hub', Community Shop will help members return to regular retail.
- 5.5 Partnership involvement is pivotal to the initiative. Joint working between partners such as the Local Authority, DWP, CCG, Public Health, and the CAB, for example, will enhance the initiative offer and its potential impacts. Financial commitments are required to support the delivery of a Community Shop and further detail is set out in Section 8 of this report.

6.0 COMMUNITY HUB

- 6.1 The 'Community Hub' is Community Shop's in-house dedicated extended service for members. It provides a range of programmes (free of charge) from CV writing skills to budgeting and debt advice, cookery classes to employability and skills training for individuals. There is an ambassador programme which supports community members in sharing the concept and supporting fellow residents thus generating a strong sense of community and building community resilience
- 6.2 Offering interactive group programmes daily to a pre-defined programme, as well as one-to-one programmes where required, Community Hub Mentors will work closely with members to help them on the road back to becoming main stream consumers. The Mentor offer is to all adults of the household not solely those who attend the supermarket for the shopping.
- 6.3 In addition to these extended services, The Hub will also serve a two-course lunch every day from 11am - 2pm, providing access to a low price home cooked warm meal each day. When the cookery classes are running "ingredient parcels" are provided that can be bought in-store to cook. Community Hub mentors will be in attendance at all cookery class sessions in a support capacity to the teaching staff and members. Menus and information on cooking and accessing ingredients will be made available every day, along with cookery classes taking place two days a week.
- 6.4 In Summary, under one roof a Community Shop:
 - Delivers a sustainable solution tackling the issue of food poverty
 - Targets those in the most deprived neighbourhoods
 - Creates employment and training opportunities
 - Reduces dependence on food banks

- Provides financial and debt advice
- Offers two-course low cost lunch
- Facilitates one to one contact with trained mentors
- Encourages members to become mainstream retail consumers
- Reduces the amount of food waste going to landfill

7.0 DEVELOPMENTS IN HALTON

- 7.1 The size of premises required for a Community Shop is approximately 3,000 to 4,000 square feet. The Council has been progressing the identification of potential premises with Community Shop over the last twelve months or so; supporting options appraisals and developing negotiations with potential premise owners. Community Shop has its own framework for identifying suitable locations and premises and after much consideration has identified Windmill Hill as a preferred location to explore further.
- 7.2 A feasibility study for an Integrated Health & Wellbeing Hub for Windmill Hill was commissioned by Big Local & Well Halton in September 2017 and is due to present a final report by the end of March 2018. Community Shop has asked to be included in the options for the site and a range of options are being refined at this interim stage.
- 7.3 The site is the existing Children's Centre, which would be remodelled and extended to accommodate co-location of the Children's Centre and Community Shop, as well as providing space for community activity and delivery of health related services.
- 7.4 The study was commissioned in response to community identified need for a quality accessible asset for Windmill Hill which would provide a central point of access and sense of place. The CCG have been keen to support developments for the estate which could contribute to supporting wellness for residents since the withdrawal of the GP surgery in 2017. The Children's Centre and Church site have been the main focus throughout the study; the emergence of community shop provides an additional possibility of a key anchor tenant thus increases the viability of a project to attract capital funding to improve the asset.
- 7.5 Regardless of where a Community Shop might be located, all households across the borough who would qualify for membership to Community Shop will have the opportunity to become Members as part of a rolling programme that would target identified areas of need.
- 7.6 Community Shop are progressing plans to develop five Community Shops in the Liverpool City Region and are keen to work with Halton for the borough to be the first area to announce they are working towards opening one.
- 7.7 Representatives from Community Shop are attending a food poverty session at Westminster on the 17th April 2018 and wish to announce the joint work with Halton if endorsement to further develop the project is approved.

8.0 FINANCIAL IMPLICATIONS

- 8.1 Securing capital funding in a timely manner is key to enabling the project to be successfully delivered.
- 8.2 Funding for this scheme would need to come from a cocktail of grant funding sources as, at the present time, there are a limited number of large-scale funding streams for capital works to community buildings. Each funding stream comes with its own set of criteria on what and who can be funded, e.g. some will fund renovations and restorations as opposed to new builds.
- 8.3 In this case, funding would be likely to come from National Lottery, Landfill Tax Funds and Trusts and Foundations. At the present time Big Lottery Fund is closed for applications, but will re-launch its grant programmes in April 2018; at this point we will know whether they will reinstate their Community Buildings Programme. The Power to Change Trust may offer a source of funding as its remit is to support new and existing community businesses. 'Landfill' funders, including Biffa, Wren and Viridor, will consider amounts up to £100,000; however, some of these will not fund new builds, so that funding would need to be allocated to internal building 'fit out'. There are Trust funds, such as Esmee Fairbairn Foundation and Garfield Weston Foundation, which can award fairly substantial amounts of funding; further work would be required to consider which Trust funds would be the most suitable in relation to the project specification.
- 8.4 There is a possibility that some matched funding (capital) may be sought from the Council. However, as other funding sources are currently being explored, the extent of any Council matched funding is still unclear. If it were required a further report will be brought to this Board.
- 8.5 Consideration will also need to be given to who the applicant organisation will be, as this again will determine which funding streams can be applied to.

9.0 POLICY IMPLICATIONS

- 9.1 There are no new policy implications as a result of this report.

10.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

10.1 Children and Young People in Halton

The initiative is targeted at households in need of support, children & young people would benefit by virtue of the targeted approach offering membership to wards experiencing child poverty.

10.2 Employment, Learning & Skills in Halton

The model provides direct employment opportunities for 15 members of staff. There would be opportunities to support linkages to further employment

across the retail and logistics partners linking into Halton Employment Partnership (HEP). The mentoring programme focusses on skills development and employability.

10.3 A Healthy Halton

Access to low cost food provision, including fresh produce, will improve the quality of food intake. The mentoring programme that goes alongside the shopping offer will increase knowledge and practice of healthy eating for the scheme participants and their households.

10.4 A Safer Halton

A sense of community and community connectedness reduces residents' fears of crime where they live. They are likely to feel a stronger sense of belonging and safety in an environment where the communities know each other, are active and there are established links to other stakeholders like police, housing, community wardens, etc. Community Shop can engender this approach in the Community Hub.

10.5 Halton's Urban Renewal

A Community Shop would be an asset within the Borough and provide a targeted retail offer.

11.0 RISK ANALYSIS

11.1 Community Shop provides the opportunity to address food poverty, work intensely with individuals to support building skills and employability prospects, create employment opportunities and overall positively impact on health and wellbeing. The risk is not pursuing the opportunity to work with Community Shop to bring these benefits to Halton.

12.0 EQUALITY & DIVERSITY ISSUES

12.1 This initiative targets the most financially disadvantaged residents in Halton's Community. Poverty and inequality are often elements of a complex set of circumstances which present exclusion. This initiative aims to tackle poverty and generate improved life chances for disadvantaged members of our local community.

13.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Employment, Learning & Skills and Community Policy & Performance Board Report 23 rd March 2015 - Community Shop	Municipal Building Kingsway Widnes	Angela Scott