

Grant Shapps: Parish power can save struggling village shops and pubs

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Local Government Minister Grant Shapps today issued a new rallying cry to parish councils, to safeguard struggling village shops and pubs for the benefit of local people.

If a community shop, pub or village post office is threatened with closure, parish councils can use their powers to keep it running, including through the provision of financial support.

Parish councils can also start new community shops or services; by giving small grants or, where appropriate, borrowing to make an investment, such as purchasing a freehold on a property.

Ministers believe many parishes are not using these powers when they could, so Mr Shapps is making a new call on councils to sit down with their local community and make sure every effort is made keep rural services alive.

The Government is shifting more powers from Whitehall to neighbourhoods, so councils have new freedoms and flexibilities to protect local services and drive growth.

From next year new powers in the Localism Bill will enable parish councils, after negotiation with district councils, to offer discretionary business rates discounts for local businesses, and they will be able to better protect local shops through policies in their neighbourhood plan.

Local Government Minister Grant Shapps said:

"The village shop, pub or post office is often the beating heart of a community. So when one is threatened with closure, often for a reason as simple as the shop owner or pub landlord retiring, I would expect the local parish council to pull out all the stops to keep it going.

"Some have done this brilliantly, but many have watched local amenities close when the power to save them was within their grasp. This is not about propping up failing businesses; it is often about providing temporary financial assistance or putting new community-run facilities in place, so vital services that people rely on are maintained.

"So if an important local business is struggling, I would urge the parish council to sit down with their community and explore every option to keep it running for the benefit of local people."

Mr Shapps said that he had seen many examples of where parish power had been successful, such as:

- keeping a local Post Office in Worcestershire open by purchasing its freehold and keeping its rent low
- borrowing to invest in a new community shop in West Sussex, which will offer a range of services and be a hub for the local community; and

- using parish property in Devon to host a local Saturday market, and helping it expand by purchasing adjoining land.

Mr Shapps also called on parish councils to use National Pubs Week to start a conversation with the community about any local pubs that are under threat, and how they can be saved for the community.

1. Examples of where Parish Councils have been successful in helping local shops and services include:

Bishampton and Throckmorton Parish Council, Worcestershire

Bishampton had a village Post Office and shop for over 40 years until 2009, when the shop owner decided to close and the property owners sold the premises.

Seeing the vital role that the shop and Post Office had played in village life, the Parish Council decided to step in and keep it running for the benefit of the community, and after consulting with local people bought the building for the people of the parish.

The project was made viable by charging a subsidised rent for the shop and a market rate for the residential flat above. A shop keeper and postmaster were recruited, and the shop and Post Office re-opened to the public in February 2011.

The Parish continues to manage the project, which is funded predominately from the income of the flat above, and supplemented from the precept.

Milland Parish Council, West Sussex

For many years Milland Parish Council wanted a Community shop in the village that could provide much needed retail and postal facilities, as well as a café, internet access for those less confident using the web, and emergency deliveries of groceries for the elderly and infirm during bad weather.

The shop was included in the Parish Plan, and to start the project off the Council took out a £40,000 Public Works Loan, which encouraged other funding bodies to provide grants totalling £110,000.

Working with the local community, the Council team raised further funds that took the total raised to £168,000, and an extra £30,000 was provided through village fund raising and events.

The building is now nearing completion, and is expected to become a true community hub that complements the social activity of the Village Hall and local churches.

Ermington Parish Council, Devon

Ermington has a popular and thriving local market entitled 'Sustainable Saturdays', where local people can sell their home-grown produce. The Parish Council had supported the project by allowing it to use the Parish owned building and the Reading Rooms initially for free, and then continue by only paying a small rent.

The project has been so popular it needed to expand. In recognition of its importance to the local community, Ermington Parish Council talked to local people about expanding the venue, and received an overwhelmingly positive response from most residents.

The Council is now in the process of applying to the Public Works Loan Board for a loan, obtaining planning permission and seeking further funding towards the purchase of the land at the side of the Reading Rooms, so it can be extended and upgraded for the market.

The aim is to completely renovate the Reading Rooms, which can then be used for a whole range of purposes including the Sustainable Saturdays and, by the whole community.

2. Parish Councils can apply to the Public Works Loan Board if they wish to make an appropriate investment. The Board is a statutory body operating within the United Kingdom Debt Management Office, and whose function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.