

The Preservation of Harting Village Shop

Introduction

The Village with the integrated branch Post Office, owes its continued existence to the foresight of Lord Caldecote and Peter Tuke ably supported by Colin Waller in the early period. The community of Harting is eternally grateful to the generosity of the Debenture Holders, who loaned the fledgling Association the initial seed corn to fund the procurement of the property and ultimately donated over £22,000 to the Association. Without the foresight of the originators and these funds the village shop would in most probability have ceased to exist.

Background

In 1995 the then shop owners, Mr & Mrs Hammerton, had determined to retire after many years of service in the village shop and this led to concern that the shop might close and probably be converted to a residential property, as had happened to many village shops up and down the country. It transpired that there were no potential buyers who wished to maintain a retail operation. It became apparent that once the shop had closed, being able to reopen or re-assign the shop would be far more difficult than addressing the problem with the current owners.

During the latter part of 1995 Lord Caldecote (LC) and Peter Tuke (PT) prepared and called an informal meeting of approximately 70 invited people, the majority of whom attended, to test the feelings about the future of the village shop. It was clear from the meeting that there was a high level of support to maintain the shop.

The above meeting and a questionnaire to villagers, enabled LC and PT to better prepare for a public meeting of about 200 villagers in February 1996, at which people were invited to join a small committee to progress the possible ways and means of preserving the shop. The financial aspects being overseen by Colin Waller (CW) as the Treasurer and Secretary, and support from the Village Retail Services Association (ViRSA), now merged with the Plunkett Foundation, and advice from West Sussex Rural Community Council.

Reporters from the local press were present and their support greatly helped this project.

The meeting endorsed the formation of Friends of Harting Stores with the ad hoc committee as its Management Committee.

Friends of Harting Stores

Before the February meeting, the financing of the publicity, printing of notices, postage etc. had all been undertaken as an act of faith. The objectives of The Friends were to provide a channel of two-way communication between the shop and the village about what the shop had to offer and what the village wanted from the shop. Also to indicate the level of support for the shop and thus encourage potential new owners and provide funds for the administration of the work of The Friends.

The financial support for the initial work was funded by people becoming members of The Friends on payment of a minimum of £5 per unit. Each unit entitled an entry in a draw with prizes in the form of vouchers for the purchase of goods from the shop.

The Rules of The Friends were drawn up by the ad hoc committee and approved by the public meeting. A villager, later to become the official legal adviser to The Association, provided guidance on the establishment of the rules.

The high level take up of Friends units, the interest in the village and its work to maintain the shop within the village led to coverage in the local press and, most importantly, in the national trade press.

Formation of The Association - 27th September 1996

The publicity generated an article in the Independent Retail News, which was inspired by a press release by ViRSA and produced a number of people interested in the shop. Despite this it was clear that none of those interested had the funds to first purchase the shop and then to further develop the shop. The committee therefore thought that it should consider trying to raise part of the cost itself and ViRSA's advice was sought.

On ViRSA's advice the Harting and District Village Shop Association Limited (HVSA) was formed. A further public meeting was called for 27th September 1996 to endorse the objectives of The Association and to launch a prospectus offering shares and debentures to raise the necessary capital sum. The meeting approved the prospectus, the objectives and a proposal that the Management Committee of The Friends should also become the Management Committee of the Association. Fundraising then started in earnest.

Fundraising

By the end of November, sufficient undertakings of support had been received to enable the project to go ahead and promises of funds were called in. The Treasurer had undertaken to give not less than forty days notice of the requirement for the funds pledged to be paid into The Association account. Debentures and gifts produced £55,000 and shares a further £2,400.

The Debentures were issued at £50 each but redeemable at £58 each after a period of 20 years terminating in 2017. There were over 200 Debenture Holders holding a total value of £53,850. The Debenture Holders' interest in the form of a Trust Deed was supervised by three Trustees who were not members of the Association's Management Committee.

The Partnership

The premises of the shop and the flat above were purchased for £130,000 with HVSA investing £52,000 (thus acquiring 40.95% of the property), with the balance being invested by the incoming shopkeepers. New shopkeepers were to have a two year rent-free holiday to enable them to build up the business and thereafter they would pay an agreed rent which would only be increased in relation to any increased turnover.

Some concerns were expressed at the November 1997 meeting that this arrangement could have some flaws and the committee later came to the conclusion that it would be better to enter into a partnership arrangement with new shopkeepers. Under this arrangement the partnership would own the whole of the property and new shopkeepers will be licensed to operate the shop (in return for an agreed rent) and to reside in the living accommodation only so long as they continue to operate the shop. The principle of this arrangement was documented as a Heads of Agreement, designed to incorporate all the essential points in easily understood language. These Heads of Agreement were approved by The Association's legal adviser.

New Shopkeepers 1997

The Association let the local press know that they had funds in place and were seeking a partner to run the shop. Harting Stores was already profitable and there was considerable scope for increasing turnover and profits for the benefit of new shopkeepers. The result was an article in the local evening paper which produced a number of interested people. Amongst these was the couple who took over the shop in May 1997.

Management of The Association

The Rules of the Association are attached as a separate document.

One aspect of the rules that does need to be made clear is that the Association and Management Committee did not claim to have any retail knowledge and had no wish to interfere with the

running of the shop business unless circumstance make this necessary. This position remains an underlying principle of the Management Committee.

Developments 1997 to 2002

The partnership arrangement set up by The Association was designed to make life as easy as possible for new incoming shop keepers, to make it attractive for them and to give them every opportunity to grow the profitability of the business.

The new shop keepers had very limited capital available and the Association became a party to the mortgage agreed with The Ecology Building Society.

During this period the relationship between the shopkeepers and the Association deteriorated to the extent that the Association deemed that it, and the village, would be better served by taking over the whole freehold of the property and leasing the shop to a new shopkeeper. This involved increasing the mortgage with The Ecology Building Society and the full transfer of ownership to the Association.

Shopkeepers 2003 - 2018

A new shopkeeper, Peter Cragg (PC), took over in April 2003 and transformed the way in which the shop was run. This was done by increasing the quality and range of the stock, its presentation and ensuring a well-staffed operation. The efforts resulted in a considerable increase in trade and people using the shop. Above all PC made the shop a most important aspect of village life.

During this period PC only used the space above the shop for storage, the rent for which was greater than the need for such storage. The space was laid out as a large single bedroom flat. It was determined to separate the flat from the shop, update its kitchen and bathroom, redecorate throughout and market the flat as a self-contained entity. This provided a second income stream to the Association and reduced the rent to the shopkeeper.

Shopkeepers 2018 –

PC determined to retire in early 2018 and shop changed hands, the lease and the business being bought out by Tim and Louise Waller. The shop continues to provide excellent service to the village and is particularly vital during periods of disruption to normal life.

The Post Office 2017 -

The Post Office management had been threatening to close the village branch for many years, this being in line with their approach to small village POs across the country. The incumbent branch PO operator being unwilling to take on the new terms and conditions offered by the PO 'resigned' the position. The PO were obliged under statute to determine if another site could operate the new remodelled branch PO.

The shopkeeper (PC) determined that the village shop would and could operate the branch PO and preserve the amenity for the village. This was supported by the Association. After considerable discussions, time and works to meet the PO building requirements, the branch PO moved to the village shop in July 2017.

The move has not been smooth with the shopkeeper and the Association subsidising the PO operation as the remuneration for the operation from the PO does not fully cover the costs. As more services are removed from the branch PO operation, either moved online or lost, the shopkeeper and the Association will continue to review whether the PO can be afforded.

The Debenture Trust

The Debenture Trust was established to run for 20 years and therefore came to a natural end in 2017 at which time the Debenture Holders who requested repayment were repaid. Those that cancelled their Holdings with the money going to the Association were formally and fully thanked.

The winding up of the Trust took 3 years as Debenture Holders were tracked down across the globe – after 20 years many Debenture Holders had left the area or had passed away with the Debentures being inherited by their heirs. After all reasonable efforts of tracing lost Debenture Holders had been exercised the Trustees formally determined to contribute the outstanding monies to the Association to use as defined by the Rules of the Association, for the benefit of the community. The final Trust documentation was agreed and signed in March 2020.

The Future

The Association remains healthy with an ongoing Shareholder support of around 350 showing that the village retains the belief that the shop with the Post Office is essential to village life. The mortgage repayments will be complete in early 2022 and after any outstanding works to the shop and flat premises has been paid, monies will be generated for use within the village in line with the rules of the Association.