

## **HOTV Members' meeting minutes | Draft**

The Royal Oak function room, Monday 13 February 2023, 7:00pm

Present: Mike Blair (chair), Jon Cochrane, Simon Dauncey, John Davison, Paul Fielding, Martin Keswick, Nick Sloan, Ann Woods and 32 Members.

Apologies from Cherry Dobson, Nigel Hector, John Hembrow, Margaret Hogan, Jean and Peter House, Lin Silcock and Nicolette and Andy Williams.

### **Overview**

- 1.1 MB welcomes Members and says the aim of the meeting is to improve communication and explain the current state of the business. At the moment we are barely covering our costs and have had to take measures to arrest the decline of our bank balance and ensure that we have a sustainable business. Once we have achieved this we can then look to build on what we have and improve the services to the community. The MC can only do this with the support of the staff, the Members and the wider community. Those of us on the MC are not experts and we welcome suggestions.
- 1.2 We have taken three measures so far to reverse the decline in our fortunes
  - 1) JC has negotiated a pause in loan repayments. This is only a deferral but it gives us breathing space.
  - 2) With the agreement of the shop managers and the support of volunteers we have reduced the paid hours to the contracted 25 hours each per week. The original business plan was to have a part-time manager and to staff mostly with volunteers, but Covid forced us into a different approach. We need to enhance the experience for volunteers and get closer to what was originally intended.
  - 3) With help from JD, PF and AW we have streamlined our internal processes, laid the groundwork for online purchasing and free delivery from Bookers (for both shop and pub), avoiding many expensive journeys, and we are working towards making better use of our EPOS system in establishing better stock control and sales reporting.
- 1.3 Pub takings do not do much more than cover Phil's wages. It is vital that we re-establish a food offering, which in the current climate is extremely difficult. There is a severe shortage of people willing to take cheffing jobs. We are actively looking for someone and would welcome offers or suggestions.

### **Questions: shop and volunteering**

- 2.1 Sarah Evans asks how the effects of the changes in paid hours and stock range would be kept track of. MB replies that the hour reductions are unavoidable and that while Bookers will mostly be supplying essential groceries (and giving advice), the shop managers will still have free range to order special lines.
- 2.2 Susan Crabbe says she is unclear what volunteers are needed for and what skills are necessary. Could more information be put out about this? JC suggests that no particular skills are needed except for operating the till and coffee machine, but that volunteers are very valuable in freeing up the managers to do their main tasks. AW says that anyone interested need only ask Carolyn and Jo to learn what is needed. Volunteers can offer whatever times they have available.

Liz Bennett agrees that potential volunteers need a better understanding of how and when they could help. AW mentions the 3Rings website which is used for volunteer

scheduling and enables people to see what is necessary when. Liz says she'd rather just know what is needed and do it in her own time. Olivia Sanders suggests having a list of jobs in the shop. Graham Lofting points out that this is what 3Rings is for. MB thinks our 3Rings page needs improvement; it seems to work very well for some community shops. John Attwood says he has never got on with 3Rings and would prefer to do it on paper. AW says that Jo and Carolyn are always happy to work directly with volunteers to arrange times. Jo thinks we do need to use 3Rings to provide a record, but agrees that people don't need to interact with it if they would prefer not to. **A clear explanation of volunteering options to be publicised online and in the forthcoming flyer.**

### **Questions: paying off loans**

- 3.1 Liz Bennett asks whether HOTV would be doing ok financially if it were not for the cost of the loans? The village has a good track record of substantial fund-raising. Should we be considering asking for contributions to help pay off the loans? Secondly, should we be looking for more shareholders to invest in HOTV. She sees it as an investment in the future of the village as opposed to an investment expecting a financial return, and believes that this is how most Members see it. Should we canvass people on their willingness to invest more?
- 3.2 JC does not believe it would be right to ask the community for more money because he does not feel that the business is yet secure enough, though it is likely that the asset of the building could be sufficient to repay shareholders in the event of closure. He is against anything that protects us from the reality of having to improve our trading balance. He is dismayed by how long it has taken to address this. He says that the original prospectus led people to expect a return on their investment—although NS maintains that saving the shop and pub was always the clear priority—and that the per capita investment is already high for a community venture of this type. He would be delighted if somebody wanted to give a cheque for £25K. Liz asks, what if 25 people gave a cheque for £1K? JC: "But they won't". John Attwood, supported by several others, suggests asking the Members what *they* think about this. JC says that the distribution of shares is such that only a few people put in large sums: 11 Members contributed 35%. The priority for him is securing the trading future of the business. Liz suggests that reducing financial overheads by paying down loans could be a part of that. JC: "Well I am not going to do that". It is pointed out by John Attwood and several others that this is a decision for the committee and not for JC. MB agrees, and suggests also that the Members should be consulted.
- 3.3 Susan Crabbe points out that an unequal distribution of investments is quite normal for a village like Stoke. Liz Bennett agrees that operational efficiency is important, but reiterates that reducing loans at the same time would help. She adds that fundraising is a positive thing because it generates community spirit. NS thinks there is a difference between raising money to start up a business, and asking for support to keep a socially successful enterprise running. He feels that we should listen to the Members and canvass the amount of support for further investment and fundraising. Sarah Evans points out that quite a few people have moved to the village in recent years, and that one of the reasons is because Stoke has a pub and a shop. She feels that both new residents and existing shareholders would be happy to contribute.

3.4 Graham Lofting asks what the total of outstanding loans is. JC replies £182K, down from over £200K earlier. JC is a believer in long-term loans, and refers to a Plunkett case-study where £500K was borrowed for 50 years with only £70K raised from the community. Since the last Members' meeting, base rates have risen from 2½ to 4% and are likely to rise higher. We are now paying 8% on the £182K that we owe. Liz Bennett asks if there is the option of paying off some or all of the loan early. JC is almost certain that the answer is yes. Any money raised *could* be used to pay off loans, but with no guarantee that it could later be recovered. MB says that we need to consult the full membership on their views about further funding.

### **Other comments**

4.1 Graham Gleed compliments the MC on their actions since he stepped down as chair. He believes they have substantially turned the business around. Seeing the figures on a daily basis as he does, he does not believe that the picture is half as bleak as is being painted. Sales now are higher than they were this time last year. He disagrees with JC's contention that grants would not help. The capital-only grant we are currently looking for could enable us to refresh the kitchen and increase the value of the business. We should not lose sight of the fact that this is a community business, and while we may be slow and inexpert, we should be proud of what we have achieved. He believes that the business is far more secure than it was, and that the threats to its survival have been over-stated. (Applause)

Stuart Mark says that there is a lot more determination now to keep HOTV alive than there was to set it up in the first place. People now see what they would be missing and are keen to help.

4.2 JD, with reference to earlier remarks about communication, says that a flyer is being planned for delivery throughout the village. This is to invite volunteers and publicise the job for a cook. There would be the option of sounding out potential shareholders at the same time.

4.3 NS reiterates that restarting a food offering in the pub is the most significant challenge facing us at the moment. If we could get this right it would be a major boost to income. If anyone knows of a potential cook, or would like to try their hand, please let us know.

Di Tilley asks if we had considered renting the pub to a tenant landlord. NS replies that this was considered in the early stages, and SD adds that the fact that the pub is entwined with a community shop would make it difficult.

Susan Crabbe asks if a profit share arrangement might help to motivate a potential landlord more. JC would not rule anything out and welcomes ideas.

GG and Olivia reiterate how difficult the current labour market for kitchen staff is.

4.4 Liz Bennett introduces a positive note, thanking the MC for their hard work, highlighting the contributions to village life of many others in the room and saying what an amazing village Stoke is. JC concurs, speaks of sleepless nights and says that "it is about survival". Someone else adds that it is "about communication" and MB admits that communication has not always been good. Olivia says that communication must have been all right in the early stages to get the business off the ground, and that people have slogged long hours to get where we are today. She feels that is something to be celebrated, that it does not help to spread doom, and that on the contrary people need to be energised to pull together with a spirit of optimism.

- 4.5 JC believes that we have achieved stability. Our cash balance has risen over the last few months. However rising interest rates are costing us about £4K per year. Food price inflation has gone up to about 15%, which affects margins in the shop. We need to become more commercially hard-nosed and to react more quickly to events. We need more pub activities. We need to exploit our EPOS system better. On the positive side we are doing things more efficiently in the shop. (Alison Keswick points out that all this has been covered earlier.) We have raised the rent in the flat, MK produced an excellent energy report that has helped us to cut our energy use. The staggering contribution of volunteers is another major positive.
- 4.6 Simon Gittins echoes some of the earlier comments about the work that goes into HOTV. He suggests that stepped up communication could help to address some of the issues, particularly in encouraging people to use the shop and pub more and to generate ideas for events. MB says that we are aiming to improve marketing with help from Jeannie Kenefick. He wonders if HOTV should have an independent website. Helen Gittins thinks that most people tend to use social media rather than looking on websites. JD adds that we are working on improving our social media presence as well as using posters, banners and the blackboard outside the pub. SD asks people to tell us (or Phil) if there is anything they would like to see in the pub. We need to know what people want.
- 4.7 MB thanks everyone for coming, asks people to keep making suggestions and encourages them to go and have a drink.  
PF reminds people of the magic show in the function room on 22 Feb, for which tickets are still available.

*Meeting closes at 8:15 pm*