

Strawberry Line Café Project Business Plan



2010/11

Strawberry Line Café Project Community Interest Company
c/o 33 Court Avenue, Yatton, North Somerset, BS49 4EP
Company number 6735733

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Reference should also be made to supporting documents submitted with our RDPE funding application.

1. Executive summary

The Strawberry Line Café Project Community Interest Company was set up with the aim of establishing a community café at Yatton station (North Somerset) in order to provide a new service for the local community and training and employment opportunities for adults with learning disabilities in a real-life working environment.

The station is a key location on the Strawberry Line Heritage Trail - a popular walking and cycling route. There is currently no café at the station. Our consultation with rail users, other village residents and users of the Strawberry Line has indicated strong support for the project.

Its development as a social enterprise provides a model of good practice and will ensure that profits are reinvested into the local community. We later plan to set up a cycle hire business that will provide an additional service to users of the Strawberry Line and further training and employment opportunities for adults with learning disabilities.

We have secured the support of community organisations, businesses and individual residents of Yatton.

The Community Interest Company was established to address this aspect of the project. Its directors and company secretary include residents of Yatton with a range of professional expertise, a parent of a young adult with learning disabilities, and a member of the Brandon Trust education team.

The strength of the community's support for the project is evident by the fact that local people are actively involved in fundraising activities, and several are providing pro bono assistance.

The café will be housed in a disused Grade II listed station building adjacent to the Strawberry Line. We have secured planning consent to refurbish the building and set up the café, and have included several features that will enhance sustainable development. We also intend to run the café in as sustainable a manner as possible.

We have agreed the Heads of Terms for the lease of the building, and anticipate full Agreement for Lease being completed by mid March 2010. We plan to start work on the building in late June 2010 and aim to open the café in October 2010.

This timetable is dependent on us securing the £241,722 cost of the building refurbishment by 31 May 2010. We have so far secured £22,358 from our own fundraising efforts and have been offered grants of £65,000 from the Railway Heritage Trust and £1,000 from Yatton Parish Council.

We have so far spent £9,771 on developing the project and are requesting a capital investment of £150,768 from the Rural Development Programme for England (RDPE), which represents 65% of the remaining £231,951 required for the project.

We are also requesting 65% of the costs of recruiting our café staff (£2000 in the first year) and staff training (£2500 for the first 2 years). The total investment requested is £153,693.

This investment will lead to several RDPE outputs being achieved and our project will contribute to the South West Regional Implementation Plan as well as other national and regional strategies.

Together we can create a valuable new resource for the Yatton community and help to ensure that adults with learning disabilities gain the opportunities and recognition they deserve.

2. General information

2.1 About our organisation

The Strawberry Line Café Project is a Community Interest Company (number 6735733). We are working to establish a community café at Yatton railway station in North Somerset, which will provide a new service for the local community and will help to provide increased economic activity and independence for adults with learning disabilities through the provision of training, work experience and employment opportunities in a real-life working environment.

The Community Interest Company was established to address this aspect of the project. Its directors and company secretary include residents of Yatton with a range of professional expertise, a parent of a young adult with learning disabilities, and a professional educator.

First Great Western, the Friends of Suburban Bristol Railways, the Severnside Community Rail Partnership and North Somerset Mencap are also providing advice and support for the project.

Since November 2008 we have made substantial progress with lease negotiations, building design and project planning. We have also run several promotional events that have led to commitments of support from Yatton Rotary Club, Yeo Valley Lions, Yatton Parish Council and North Somerset Council. Our local MP, Dr Liam Fox, has agreed to be the project's patron.

2.2 Our services

Yatton station is used by commuters to Bristol, Weston-super-Mare and beyond and is a key location on the Strawberry Line Heritage Trail - a popular walking and cycling route. There is currently no café at the station.

We plan to open the café in a disused station building and provide refreshment to rail users (over 6,000 passengers a week use the station), other Yatton residents, and walkers and cyclists using the Strawberry Line.

Our consultation with a substantial sample of these users has indicated strong support for the project (see Section 5). Judging by the attendance at local steam train events, there is also a high level of local interest in Yatton's railway heritage.

The cafe's development as a social enterprise provides a model of good practice and will ensure that profits are reinvested into the local community. We later plan to set up a cycle hire business that will provide an additional service to users of the Strawberry Line and further training and employment opportunities for adults with learning disabilities.

“I am pleased to be able to support this exciting local initiative, which will have many benefits for the local community. I think it is a great idea to restore the old redundant station building and provide new facilities for rail users and the wider community. The cafe will also support the development of the Strawberry Line Heritage Trail - a truly sustainable approach to tourism in our area. I am also pleased that the new company will train and employ people with learning disabilities and give them new opportunities. I am looking forward to my first cup of coffee in the refurbished building!”

Dr Liam Fox, MP

2.3 Development of our project

Developing the vision for a café began in 2007. Yatton was chosen because it is centrally located in North Somerset and is far more accessible to its clients than Bristol and Weston-super-Mare. Several locations were considered for a cafe in the area (see Section 7) and the station was found to offer the best option.

The station is situated on the main line from Bristol to the South West and was designed by Isambard Kingdom Brunel. It was opened in June 1841. The arrival of the railway in Yatton stimulated growth in the village during the Victorian era, when new houses were built and new industries were established.

The station's importance increased in 1869, when the Cheddar Valley Railway branch line was opened. This line became vital for the transport of dairy produce, stone and the famous Cheddar strawberries to Yatton, Bristol and beyond. It was busy for nearly a century until its closure in 1965. The line has since been converted to the Strawberry Line Heritage Trail.

The station's two buildings are Grade II listed – one has been preserved, the other is no longer used and has fallen into disrepair. This is the building that we intend to renovate and fit out for use as a café. It will preserve many of its historic features and will be compliant with the requirements of the Disability Discrimination Act.

Plans of the renovated building are enclosed with our RDPE application.

Network Rail (the station's owners) and First Great Western (which holds the franchise for running the station) have both expressed their support for the project and have assisted in its development.

Planning consent for the project was received by the Brandon Trust in 2007, using drawings prepared by their architect. On the advice of North Somerset Council, the Strawberry Line Café Project Board has since appointed its own architect who has experience of working on listed buildings. He has drawn up a Works Schedule as required under the conditions of the planning consent, which has been approved by North Somerset Council.

In addition to the architect, the Board has appointed a project manager and a range of other professionals, some of whom have provided their initial services free of charge or at a low cost. Further details are provided in Section 10.2.

We have agreed with First Great Western the heads of terms for a 15-year lease of the building, and are now in negotiation with Network Rail to finalise an Agreement for Lease. We anticipate full Agreement for Lease being completed by mid March 2010. We plan to appoint a contractor and start work on the building by the end of June 2010 and aim to open the café in October 2010. Further details of our proposed programme are provided in Section 10.3.

2.4 Summary of investment proposal

We have so far secured grants of £7,000 from the Quartet Community Foundation and £7,450 from the Social Enterprise Investment Fund to cover the initial costs of developing the project. We have received offers of a £65,000 grant from the Railway Heritage Trust and £1,000 from Yatton Parish Council, and have so far raised £7,908 through local fundraising events.

We have so far spent £9,771 on developing the project and are requesting a capital investment of £150,768 from the Rural Development Programme for England. This grant represents 65% of the remaining £231,951 required for the project.

We are also requesting 65% of the costs of recruiting our café staff (£2000 in the first year) and staff training (£2500 for the first 2 years). The total investment requested is £153,693.

Approval of this request would enable us to meet our programme targets. Should we not be able to start building works by the end of July 2010, our planning approval period will expire and we shall be forced to submit a new planning application. This will further delay the project and will incur additional costs.

We have investigated the possibility of obtaining a long-term loan, but have calculated that this would put an unacceptable strain on our finances since the income derived during the early years of the café's operation is unlikely to be sufficient to meet the level of loan repayment charges that will be incurred.

3. Our project

3.1 Project objectives

We plan to establish an attractive and welcoming café that also reflects the railway heritage of Yatton village. Our target customers will be:

- Rail users
- Visitors to the Strawberry Line Heritage Trail
- Children travelling to and from a nearby secondary school
- Local residents including families and older people.

We shall make it accessible to adults with learning disabilities for training, work experience and employment opportunities.

We also envisage using the café for special events such as railway history afternoons / evenings, Strawberry Line introductory talks, and family fun days.

These objectives will meet the demand for a station café identified from our survey of rail users and local residents (see Section 5) and the needs identified by the Brandon Trust.

We intend to deliver a high quality café service. Our proposed sales will include:

- Hot drinks and snacks
- Cold drinks and ice cream
- Sandwiches and filled rolls / baguettes
- Simple breakfasts (bacon rolls, fried egg rolls etc)
- Homemade soup
- Homemade quiche and salad
- Jacket potatoes
- Beans on toast, scrambled egg on toast
- Pies and pasties
- Homemade cakes
- Papers and local booklets
- Strawberry Line souvenirs.

3.2 The project's contribution to existing strategies

Our project will contribute to several of the social, economic and environmental objectives of the Rural Development Programme for England and the South West Regional Implementation Plan. In particular it will:

- Assist in the development and maintenance of a strong, inclusive and sustainable rural community through the establishment of a social enterprise that creates opportunities for local participation, provides services demanded by local people and reinvests financial surpluses into the local community
- Improve accessibility to training and employment opportunities for an excluded group (adults with learning disabilities)
- Help to improve access to recreational facilities and the natural environment by providing a focus for visitors to the Strawberry Line Heritage Trail
- Address the principles of sustainable development through its refurbishment of the building and its running of the café (see Section 4).

Our project supports the objectives of the following organisations with which we have consulted:

- NHS-North Somerset and North Somerset Council, whose joint strategy for adults with learning disabilities (2009-2014) identifies plans to (a) develop and extend the range of employment preparation initiatives, such as work tasters/experience; job coaching, support and other employment related opportunities and (b) develop existing and emerging social enterprises.
- North Somerset Council strategies regarding sustainable communities, transport (including development of the Strawberry Line), health, economy and the environment.
- North Somerset Mencap
- First Great Western
- Friends of Suburban Bristol Railways
- The Severnside Rail Users Partnership
- RISE (the voice for South West social enterprise).

Our project also complements government strategies for increasing the employment of disabled people – both “Valuing People Now” (a new 3-year strategy for people with learning disabilities) and “Valuing Employment Now” (creating real jobs for people with learning disabilities).

4. Sustainable development

Our project will address issues of sustainable development and climate change through its careful refurbishment of the building and its running of the café.

4.1 The building

Our refurbishment of the station building will include the following features:

- A Dunsley Yorkshire Wood burning stove and back boiler will be installed to supply heat to a new insulated 500 litre cylinder tank. This tank will incorporate three separate coils to accommodate supply from the back boiler, back-up hot water supply, and for the future installation of roof top solar collectors.
- Each room radiator will be fitted with a thermostatic valve.
- LED low energy lighting will be installed.
- An extraction system will be included to recover heat from the kitchen and redistribute it to the café seating area.
- Knauf 'Ecosé' mineral wool insulation will be installed in the external wall on the south side of the building. Insulation will be introduced into the roof space when the roof is next refurbished by Network Rail.
- Draught strips will be incorporated to all edges of the refurbished windows. Double glazing has been ruled out at the present time due to the need to retain the original features of the window frames.
- A collection tank will be installed underground to harvest rainwater to be used for flushing the WCs.

Plans of the renovated building are enclosed with our RDPE application.

4.2 The café

We have agreed the following criteria concerning the running of the café:

- We aim to run an ethical business, benefiting the community in every way.
- We shall support local businesses by using local produce and local suppliers.
- We shall stock Fair Trade products, wherever possible.
- We will aim to be as environmentally sustainable as possible, eg. using crockery wherever possible and using paper cups for takeaway drinks.
- We want to be part of the move towards healthier lifestyles, selling wholesome food and drinks, and facilitating use of the Strawberry Line Heritage Trail.

5. The Market

5.1 Market research

In order to gauge the potential usage of a café at the station, rail travellers and other village residents of all ages were consulted during the autumn and winter of 2008/09. 92% of 313 respondents stated they would use the café, and comments received from regular rail commuters indicated a real need for such a service. Further details of the survey results are provided in Appendix 1.

The survey revealed a considerable amount of goodwill and offers of support from local people and local organisations, not only for the concept of a café at the station but also because of the opportunities that would become available to people with learning disabilities. Others were keen to see the building brought back into use because of its historic local significance. Local people have already restored the station gardens and renovation of the building would clearly be a welcome additional improvement. Sample letters of support are enclosed with our RDPE application.

The potential for business for the café from users of the Strawberry Line Heritage Trail was identified by many as another pointer to the likely success of the project, and some suggested that a cycle hire business should also be considered at a later stage.

Our target customers will be:

- Rail users
- Visitors to the Strawberry Line Heritage Trail
- Children travelling to and from a nearby secondary school
- Local residents including families and older people.

5.2 Pricing and promotion

The Strawberry Line Café Project Board has established a café working group comprising three local people with experience of café operation, finance and management and has consulted with the owner of a station café in Devon. The advice these people have provided has enabled us to determine our staffing requirements and levels of income and expenditure for the first three years' operation of the café. Figures are provided in Section 8.2.

We shall closely monitor our service provision, finances and customer feedback, and will make adjustments as necessary (see also Section 9 – risk management).

We intend to market the café in the following ways:

- Posters at the station and in Yatton
- Fliers distributed to rail users and all households in Yatton
- News items and information in local newsletters, press and other media outlets

- Inclusion in leaflets and other literature promoting the Strawberry Line Heritage Trail
- Through our website and the websites of other local organisations
- By word of mouth
- An opening event and subsequent community events at the café.

We shall also consider offering introductory discounts and/or vouchers.

6. Outputs and impact

6.1 Project outputs

Our project will contribute to RDPE **Measure 321** - basic services for the economy and rural population. The café will represent one supported action (the establishment of a new social enterprise) and the total capital investment will be £241,722.

One full-time post and 7 part-time posts will be created (see Section 8.2), totalling 3 full-time equivalent jobs.

The population receiving the improved services will potentially be the 9127 residents of Yatton, other visitors from nearby villages and around 2,000 day visitors per year using the Strawberry Line Heritage Trail.

6.2 Project impact

We anticipate that the café project will bring a range of benefits:

- Enhanced journeys for rail users
- Greater use of the Strawberry Line Heritage Trail and consolidation of Yatton station as a gateway to the Mendips.
- Increased life skills, social interaction, self-esteem, confidence and independence for adults with learning disabilities (our target is to involve 10 people per year)
- Greater community cohesion and reduced social isolation through new opportunities for local residents to meet one another
- Improved healthy lifestyles.

7. Options identification

7.1 Our requirements

- We require a café that looks welcoming and attractive, and presents a positive image for people with learning disabilities working in the community. It needs to have a pleasant atmosphere and working environment. It must be accessible.
- The existing and potential catering students live in the north of North Somerset. Yatton is accessible from the communities they live in. Bristol and Weston-super-Mare are too far away.

7.2 Options considered

Option	Advantages & benefits	Disadvantages & costs
Yatton Railway Station (the chosen solution)	No café facilities currently exist at the station and we know from the surveys we have carried out that a substantial number (300+) of rail passengers wish there was. The station has a rail user base of over 6000 passengers a week, which indicates that a café would be financially viable at this location. School children using local school buses also depart and arrive from the station. The proprietor of the café in Yatton shopping precinct is supportive of the idea of a café at the station and does not foresee competition since a station café will be in the north end of the village and will attract different clientele. See also page 16.	Funds will need to be secured to refurbish the building that is available for use as a café. The building will remain in the ownership of Network Rail.

Option	Advantages & benefits	Disadvantages & costs
Yatton shopping precinct	Central location. There is a potential unit in the shopping precinct (although disabled access is very poor with no possibility of adaptation to remedy this).	Property rents are high. Several cafés have opened in the vicinity of the precinct in recent years and have closed again after a fairly short time. There would be direct competition from a café located in the immediate vicinity of the precinct.
Yatton Village Hall	Central location.	The Hall is poorly maintained and the organisation running the facility is in financial difficulties. The venue is unpopular with local people; it has poor access and is dark and dated. The kitchen does not meet Food Hygiene standards. It also has a bar, which has a poor reputation locally.
Public House	Already up and running.	The pub has a poor image in the village, and has suffered from a frequent turnover of landlords. A number of local people responding to the surveys we have carried out have, unprompted, commented on how the idea of going into the pub if they were to sell refreshments is unappealing and intimidating. We do not consider that this would represent a sufficiently secure option, or one which is appropriate either to the anticipated clientele or the trainees and employees who will be working at the café.
Do nothing	This is not an option since no café exists in the Yatton area that provides training and employment opportunities for adults with learning disabilities.	Not applicable

7.3 Summary of the benefits of developing our café at the station

- No café facilities currently exist at the station, nor at the north end of Yatton village (where the station is located)
- The station currently has a rail user base of 6,090 passengers a week, which suggests that a café would be financially viable at this location
- We have received a lot of goodwill and offers of support from local people who are keen to have a café at the station and to see a historic building of local significance brought back into use. Local people have already restored the station gardens and renovation of the building would be a welcome additional improvement.
- The setting offers a fantastic opportunity to create a welcoming focal point at the start and end of the Strawberry Line recreational trail. It provides the opportunity to create a gateway to this popular cycling / walking route and to expand into other services (eg. a cycle hire business).
- North Somerset Council is very supportive of the project, particularly as it meets its objectives to develop the Strawberry Line recreational trail by providing facilities that will encourage sustainable transport use and healthy lifestyles.
- Local walking, cycling and other environmental groups have indicated that users of Strawberry Line recreational trail would welcome a café at the station.
- School children using local school buses depart from and arrive at the station
- The trainees would be able to travel to the station on the train, further increasing their independence. Other village locations will involve long walks or having to rely on an infrequent bus service.
- Capital is expected to be available for renovating the building, which will cut rental costs and will enable us to create an attractive café atmosphere.

8. Financial assessment

8.1 Building works finance

The total cost of the capital works (detailed on pages 18 and 19) is £241,722 of which £9,771 has already been spent. We have included VAT in the total since the Company is not registered for VAT and we shall be unable to recover VAT payments.

The contract sum is £140,080 + VAT (see Section 8.2) to which we have added the following:

- £15,000 + VAT for furniture and equipment (café utensils, alarms, TV screen, wireless connection etc)
- A 10% contingency because of the strong likelihood of discovering hidden work that will require attention in an old listed building
- Building professionals' fees at 14% of the contract sum
- Fees to cover the cost of our project manager's time spent on developing the project, overseeing the works on site, monitoring expenditure and reporting to funding bodies (a total of 60 days @ £250 per day including VAT)
- Legal fees and insurance costs. We have managed to keep our legal fees low thanks to in-kind support provided by Alder King and TLT Solicitors.

A summary of costs is shown on page 18.

Our funding plan assumes income of £65,000 from the Railway Heritage Trust and £1,000 from Yatton Parish Council (already secured), £15,183 from the Strawberry Line Café Project (£12,217 already secured) and 65% of the outstanding cost of the project (£150,768) from RDPE. We have also applied to the Department for Transport's "Access for All" scheme for a grant of £13,500 towards the cost of an accessible toilet (outcome unknown).

Our cashflow forecast is included in our RDPE application form. We have assumed:

- That 75% of the building professionals' fees and 50% of the project management costs will have been incurred by 1 July 2010
- A contract start date of 1 July 2010, a contract period of 12 weeks, and payments to the contractor will be 30% of the total in August, 32.5% in September and 35% in October. 2.5% will be retained for a period of 6 months.
- That the RDPE grant will be paid monthly in arrears and the Railway Heritage Trust grant will be paid in two instalments in arrears. This results in us needing to acquire a bridging loan or overdraft facility for the period July to December 2010. We have begun negotiations with our bank in order to secure a short-term loan.

Summary of costs

(including VAT)

Building works	164,594	
Contingency 10%	16,459	
Furniture & equipment	17,625	
Total building costs	198,678	
		spent
Building professional fees 14%	23,043	6,271
Legal fees	2,500	
Insurance	2,500	
Project management fees	15,000	3,500
Total fees	43,043	9,771
Total capital costs	241,722	
Already spent	9,771	
Total still to be spent	231,951	

Funding plan

Railway Heritage Trust	65,000
Yatton Parish Council	1,000
RDPE 65% of total still to be spent	150,768
SLCP	15,183
Total	231,951

8.2 Procurement process and contract sum

We invited companies on Network Rail's list of approved contractors for working on railway property to consider tendering for the building works. The following five contractors expressed an interest:

- Birse Rail
- Dyer & Butler
- Honeyfield Property Services Ltd
- Kier
- Sisk Rail.

Contractors were given 4 weeks to prepare their tenders and were asked to use the outline schedule of works enclosed with our RDPE application to form the basis of their pricing documents.

Two contractors decided not to tender. Three tenders were received on time from:

- Honeyfield Property Services Ltd
- Birse Rail
- Sisk Rail.

Their quotations were as follows:

Item	Honeyfield	Birse	Sisk
Preliminaries, overheads and profit / site set up	£11,322.60	£34,093.00	£24,034.65
Strip out / demolitions	£6,500.00	£5,694.00	£13,950.00
New works in existing building	£26,585.00	£27,907.00	£37,100.00
Mechanical and Electrical services	£26,695.00	£41,533.00	£30,500.00
Fittings	£4,670.00	£9,232.00	£10,750.00
Finishes	£13,240.00	£9,241.00	£11,850.00
External works	£30,536.00	£17,292.00	£18,500.00
Contingency	£5,000.00	£5,000.00	£5,000.00
TOTAL	£124,548.60	£149,992.00	£151,684.65

Our Quantity Surveyor examined the tenders and produced a tender report, a copy of which is included with our RDPE application. The report noted some omissions that led to the following adjusted quotations:

	Honeyfield	Birse	Sisk
TOTAL	£131,720.60	£156,192.00	£151,684.65

The report concluded that:

- We would recommend that the adjustments shown above are raised with Honeyfield and included prior to contract.
- We also recommend that the proposed tender period of 6-8 weeks be discussed and an exact programme length agreed by both parties prior to acceptance.
- Other than the above we are satisfied that the lowest tender received has been priced in accordance with the tendering requirements. We are therefore (subject to a satisfactory outcome to the above points) able to recommend acceptance of the Honeyfield Property Services Ltd tender in the sum of £124,548.60 as adjusted to £131,720.60 + VAT.

During the tender process it emerged that a new power supply would be required. Network Rail also identified that new electrical cabling would need to be of a higher standard than we had assumed, and a BioDisc system would need to be used to dispose of foul waste.

Our quantity surveyor has estimated that these costs will add a further £8,359 to the contract sum (see section 7 of his report) making a total sum of £140,080 + VAT.

8.3 Café budget

Our projected budget for the first 3 years of operation is shown on the next page. It has been drawn up in consultation with café managers with previous experience of budgeting, and is based on the following assumptions:

Opening hours

Weekdays	7am to 2pm throughout the year
Summer weekends	10am to 5pm Saturday and Sunday
Winter weekends	10am to 5pm Saturday only

Our research indicates there will be little demand from rail users after 2pm on weekdays, so this period will provide a good opportunity for staff and trainees to prepare food for the following day. Any additional opening times (eg. operating on Sundays on winter weekends if demand should materialise) must be self-financing as a minimum requirement.

Staffing

Post	Hours / wk	Hourly rate
Café manager	37.5	£8.00 + bonus incentive
Café assistant (weekdays)	22.5	£6.00
2 café assistants (summer weekends)	9.0	£6.00
2 café assistants (summer weekends)	8.0	£5.00
2 café assistants (winter weekends)	4.5	£6.00

An allowance has been made in the budget to increase the pay rate of one of the assistants who will provide cover for the café manager when he/she is on annual leave or absent through sickness.

Other notes

- We have requested a RDPE grant of £2,925 towards the cost of staff recruitment and training in the first 2 years. Training will include Food & Hygiene and First Aid.
- We have negotiated with the landlord for a reduced rent for the first 3 years of operation.
- ITC costs include provision for free WiFi access for café users.
- We shall keep promotional costs to a minimum by making use of free local publicity opportunities and gifts-in-kind that will reduce printing costs.
- Our income figures are within a recommended limit of a 65% mark-up on the cost of supplies.
- We recognise that establishing the café will take time and the first year of trading is unlikely to be profitable, but we anticipate increased trade from the 2nd year on.

Strawberry Line Café Project – projected budget for the first 3 years

	Year 1	Year 2	Year 3
Overheads		+2.5%	+2.5%
Staff wages + NI	33,377	34,212	35,067
Recruitment costs	2,000	0	0
Staff training + CRB checks	1,500	1,000	500
Insurances	1,300	1,333	1,366
Electricity + water	5,000	5,125	5,253
Waste disposal	1,500	1,538	1,576
Rent	500	1,500	2,000
Rates	300	308	315
Repairs & renewals	2,500	2,563	2,627
Maintenance agreements	500	513	525
Clothing / first aid / H&S	500	513	525
Stationery, postage etc	250	256	263
Telephone & ITC	500	513	525
Licences / subscriptions	750	769	788
Bookkeeping / PAYE	2,000	2,050	2,101
Accountancy fees	500	513	525
Bank charges	250	256	263
Transport costs	1,000	1,025	1,051
Promotion	500	513	525
Total overheads	54,727	54,496	55,795
Supplies		+10%	+5%
<i>Food, drink etc per week</i>	<i>550</i>	<i>605</i>	<i>635</i>
Food, drink etc per year	27,500	30,250	31,763
<i>Other costs per month</i>	<i>100</i>	<i>110</i>	<i>116</i>
Other costs per year	1,200	1,320	1,386
Total cost of supplies	28,700	31,570	33,149
Total expenditure	83,427	86,066	88,944
Income from sales		+10%	+5%
<i>Per weekday (average)</i>	<i>250</i>	<i>275</i>	<i>289</i>
Weekdays per year	62,500	68,750	72,188
<i>Per summer weekend</i>	<i>500</i>	<i>550</i>	<i>578</i>
Summer weekends per year	13,000	14,300	15,015
<i>Per winter weekend (Sat)</i>	<i>150</i>	<i>165</i>	<i>173</i>
Winter weekends per year	3,750	4,125	4,331
Total income	79,250	87,175	91,534
Surplus / deficit	-4,177	1,109	2,590

Note: These figures are exclusive of VAT

9. Risk management

By putting procedures and controls in place and adhering to them, we shall seek to reduce the likelihood of problems arising and to lessen their impact on the Company if they do. Risks that we have identified are shown below.

Building

Description of risk	Impact	Prob-ability	Existing controls	Action required
Insufficient capital funds are generated in the proposed timescale	High	Medium	Regular monitoring of progress with fundraising strategy.	Adjust the fundraising strategy as necessary. Manage the disappointment of a delayed start to the project.
Capital expenditure exceeds projected budget level	Medium	Low	Employment of a Quantity Surveyor to oversee project expenditure, which will be monitored and reported to the Directors on a monthly basis.	Budget adjustments will be made and additional income sought if required.
Difficulty in appointing a suitable contractor	Medium	Low	At least 5 contractors with an interest in the project will be invited to tender for the work.	Review the tender list and tender submissions and adjust as appropriate.
Contractor goes out of business part way through the construction period	High	Low	The selected contractor will be required to provide references and details of their track record.	Appoint a replacement contractor.

Café

Description of risk	Impact	Probability	Existing controls	Action required
Difficulty in recruitment of suitably skilled café manager	High	Low	The new post will be advertised at a rate compatible with staff in similar situations.	Review salary level and job description.
High staff turnover / poor staff retention	Medium	Low	Regular line management, supervision and training will be provided.	Review salary level and job description. Review line management.
The predicted numbers of café users and café income do not materialise	Medium	Low	Widely promote the cafe and regularly monitor and review progress. Remain aware of changing needs in the local community.	Reasons for the shortfall will be analysed and the delivery and marketing of the café adjusted as necessary.
A competitor emerges	High	Low	Maintain high quality of services and an effective marketing strategy.	Review services and marketing strategy and adjust as necessary.
The anticipated number of adults with learning disabilities wishing to train in the café does not materialise	Low	Low	Maintain regular contact with local providers and ensure promotion of the service is maintained.	Review the providers promotion and delivery of their services and adjust as necessary.

10. Project delivery

10.1 Café project management

The Board of the Strawberry Line Café Project will take overall responsibility for the development and running of the café. The current Board directors are:

Natasha Pester

Natasha has worked with people with learning disabilities for 11 years - the past 8 as the Brandon Trust's Education Development Officer / Senior Project Worker. She has managed education and training projects, budgets and staff (including their recruitment and supervision). Before working for the Brandon Trust, she spent 7 years running her own small business.

Ann Ramsey

Ann is the parent of a young person with learning disabilities and is a founder member of the Springboard Opportunity Group – a North Somerset based charity set up in 1986 to provide a range of services for young children with additional needs. She initially served as a committee member, then undertook the role of chair for four years and since 1993 has been the organisation's Development Officer and Company Secretary. She is experienced at the recruitment and management of staff and volunteers, project and budget management (including building developments), strategic planning and fundraising.

I

I has extensive experience of business management and staff recruitment and supervision, having run her own business for 20 years. In addition, she has 13 years experience of café work - including menu planning, keeping to budget, cooking, staff supervision and maintaining high standards of hygiene. She also works as a volunteer with a group of people with learning disabilities.

M

M is a partner in a Bristol firm of solicitors. She is a resident of Yatton and is playing a key role in legal negotiations affecting our project. Previously she worked in the social housing sector as a development co-ordinator obtaining funding for housing development schemes and overseeing building projects, as well as providing advice to housing cooperatives and monitoring their performance. M is experienced at project management and business planning, as well as the recruitment and management of staff. She has recently overseen the refurbishment of new offices in a Listed Building for her firm.

The Board has appointed a voluntary Company Secretary and a Bookkeeper, and is seeking additional Directors with café management experience. It has also recruited a team of local people with experience of café operation and finance, who are advising and assisting in the development of the project.

When the time comes to commence operation of the café, the Directors will recruit a Café Manager with the qualifications and experience required to run a café of the size and scale envisaged. The Manager will take responsibility for the day-to-day

running of the café, will assist the Directors to recruit other staff, and will regularly report to the Board. He/she will also liaise with project partners.

10.2 Building management team

The Directors have recruited a team of professional advisers to guide them through the development of the building project and its management on site. The team is as follows:

Project Manager

John Purkiss, Bristol.

Chartered Civil Engineer and Project Development Consultant with over 25 years' experience of managing building and community projects, including fundraising. John's duties will include overseeing the works on site, monitoring expenditure and reporting to funding bodies.

Architect

Quattro Design Architects, Bristol

Architectural practice established for over 25 years, with wide experience of working on listed buildings and local community projects.

Quantity Surveyor

Waite Associates, Bristol.

Long-established company that has worked on a range of community projects.

CDM Co-ordinator

Scott Wilson, London.

A design and engineering consultancy with wide experience of working on railway projects and approved by Network Rail to advise on health and safety issues.

Property Surveyor

Alder King, Bristol.

One of the firm's associates is a Yatton resident and is assisting in negotiation of our lease free of charge.

Solicitor

TLT Solicitors, Bristol.

One of the firm's partners is a Yatton resident and is acting for us free of charge in negotiation of the Agreement to Lease.

Contractor

To be appointed.

The contractor will be selected following the competitive tender process we operated in December 2009 / January 2010, and will be required to comply with Network Rail's regulations and requirements.

Further details and CVs of the leading building professionals are included with the RDPE application.

10.3 Project programme

The following table sets out our proposed programme from 1 January 2010.

Abbreviations

PM Project Manager
SLCP Strawberry Line Café Project

Milestone	Responsibility	Target date
Complete business plan and RDPE application form	PM SLCP directors	17 Feb 10
Appoint additional directors with café experience and financial expertise	SLCP directors	17 Feb 10
Negotiate with Network Rail for Agreement to Lease	SLCP directors TLT solicitors	17 Mar 10
Agree Landlord's Consent from Network Rail (building regulations approval)	PM Architect	17 Mar 10
Appoint contractor	SLCP directors	31 Mar 10
Finalise design of café kitchen	SLCP directors Architect	31 Mar 10
Finalise bridging loan / overdraft facility	SLCP directors	30 Apr 10
Target date for securing required funding	PM SLCP directors	31 May 10
Commence building works	Contractor	28 Jun 10
Recruit café manager	SLCP directors	31 Jul 10
Commence promotion of new cafe	SLCP directors Café Manager	27 Aug 10
Recruit other café staff	SLCP directors Café Manager	13 Sep 10
Complete building works	Contractor	24 Sep 10
Prepare for opening of cafe	SLCP directors Café Manager	30 Sep 10
Open cafe	SLCP directors Café Manager	1 Oct 10

11. Monitoring and evaluation

The Company Directors will closely monitor project expenditure during the building works phase and will monitor café income and expenditure on a monthly basis. They will implement any changes they consider necessary in consultation with the Café Manager. The Directors will also monitor the risks identified in Section 9.

We shall use the following methods of monitoring progress towards the outputs identified in Section 6:

Output	Performance
Establishment of one new social enterprise in a rural community	Achieved upon the opening of the new cafe
Investment of £0.24m	Achieved upon the opening of the new cafe
Creation of 3 full-time equivalent jobs	Achieved upon the opening of the new cafe
Population of rural area benefiting from improved services	Records will be kept of the number of users of the café
Additional number of tourists	Estimates will be recorded of the number of café users using the Strawberry Line Heritage Trail

We shall keep a comments book in the café and will seek the views of café users through word of mouth and questionnaires, in order to evaluate the impact of the services we provide and to instigate improvements as necessary.

12. Project closure

The RDPE investment we are seeking will enable us to complete the refurbishment of the station building and open a new café. It will provide the springboard to a self-sustaining business that we intend to make a successful and respected part of the Yatton community. No further external funding will be required.

Appendix 1 – Market Research

Results of a survey carried out with rail users and other village residents during the autumn and winter of 2008/09. Number of completed surveys = 313.

Q

1	Would you use a Café?			
	Yes	288	92.01%	
	No	25	7.99%	
2	Purchases:			
	Take Away Hot Drinks Outward	222	77.08%	
	Take Away Hot Drinks Return	50	17.36%	
	Take Away Cold Drinks	109	37.85%	
	Take Away Hot Food Outward	103	35.76%	
	Take Away Hot Food Return	37	12.85%	
	Take Away Cold Food	86	29.86%	
	Sit Down Drinks	122	42.36%	
	Sit Down Food & Drinks	95	32.99%	
	Weekend with Family & Friends	80	27.78%	
	Weekday Commuting	71	24.65%	
	Newspapers / Local Tourist Information	156	54.17%	
3	Use of Station:			
	Regular Travel to Work/Study	123	39.30%	
	Occasional Travel to Work/Study	67	21.41%	
	Regular Travel to Leisure Activities	56	17.89%	
	Occasional Travel to Leisure Activities	83	26.52%	
	Rarely Use Station	23	7.35%	
	Meet Friends/Relatives from train	61	19.49%	
	Catch the Backwell School Coach	2	0.64%	
4	Regular Traveller:			
4a	Outward Train Time	before 7am	16	5.11%
	Some unable to give times	7am-9am	109	34.82%
	Some times split bands	9am-12noon	27	8.63%
		12noon-3pm	7	2.24%
		3pm-6pm	5	1.60%
		after 6pm		0.00%
4b	Return Train Time:	before 7am		0.00%
	Some unable to give times	7am-9am	3	0.96%
	Some times split bands	9am-12noon		0.00%
		12noon-3pm	5	1.60%
		3pm-6pm	76	24.28%
		after 6pm	67	21.41%

5	Age Range:			
	Some did not give age	Under 18	33	10.54%
		18-25	22	7.03%
		25-45	69	22.04%
		45-60	101	32.27%
		Over 60	77	24.60%
6	Where Do You Live:			
	Yatton, Claverham, Cleeve, Kingston Seymour		186	59.42%
	Clevedon, Kenn		54	17.25%
	Congresbury, Wrington, Churchill		30	9.58%
	Bristol		3	0.96%
	Weston Super Mare		4	1.28%
	Other (or not given)		36	11.50%

37 people (11.82% of respondents) stated they would be interested in helping with the project. Sample comments received from respondents are as follows:

- A café on Yatton station would be much appreciated – especially given the invariably delays to services from here! Short of walking to the precinct there is no nearby facility where one may purchase hot beverages and snacks.
- The whole Yatton train experience needs bringing up to date, warm waiting rooms, fresh coffee, decent newspapers, breakfast televisions, internet enabled. That's what people expect.
- Some consideration needs to be given to a quick service for early trains, as there are a lot of people around from 0700-0830 going towards Bristol who will be nervous about queuing. Bacon butties would be a winner – who can resist them?
- Fantastic idea, the Strawberry Line would be given life, need to publicise in hiking/cycling magazines.
- People using the Strawberry Line would use it at weekends – great idea!
- I thought a cafe has been needed for years.
- I think the Project is a great idea to employ people with learning difficulties and provide a useful community resource.
- I would use it for sit down food and drinks at weekends.

You could attract lots of mums walking back from dropping their children off at school or people/families regularly using the Strawberry Line.