

EXELBY GREEN DRAGON COMMUNITY PUB



OUR STORY

The Green Dragon has been a focal point in the community of Exelby for many years.

In the past, the pub had traded very successfully as a village and destination pub. It had also and been at the centre of community activities such as the Extravaganza, Bonfire Night, Quiz nights, Themed evenings, charity events, the Dragons Club and special events on the field, all run with the active support of the landlord. The pub also hosted a small community shop at one point.

Sadly, a decline set in. The pub lacked the necessary ongoing investment to offer decent facilities. It went into a spiral of decline through its previous owners and could not offer a viable business for its tenants. Its last couple of years of trading, prior to closure, was a pub that offered predominately wet sales only, a few attempts at a food service and was propped up by being a base for workers employed on the nearby A1 upgrade. The owners were soft marketing the pub for sale as a 'development opportunity' and there was

no visible appetite, either by the owners or a future tenant, to revive its fortunes.

So, with a considerable fund of goodwill towards the pub from the village and local catchment area, a group of likeminded and interested people got together in 2016 to see if it was possible to buy the pub as a community asset. And we did, with a vision to create a community pub with a café, shop and space, B&B accommodation as well as space to become a vibrant community hub for everyone!

On Friday 12th
October 2018
we bought the
pub!



It took a couple of years to get to this point. Although the pub was on the market there was little visible marketing, not least an asking price to work from. Negotiations were protracted, difficult and of a 'stop/start' nature with little sign of any other purchasers being interested. The pub formally closed in May 2018 and this gave fresh momentum to achieve change.

One of the major sticking points was a valuation that was affordable. The group that formed to initiate a community purchase obtained a valuation which was poles apart from the owner's expectation. This was principally due to the perceived development potential of the site, even though this had not been explored to any effect by them.

The community group was successful in applying to Hambleton District Council for the site to be listed as an Asset of Community Value. This meant that the community group had first option to make a bid if another purchaser was interested and raised the bar on alternative uses of the site without retaining the pub within it. We were convinced the owners agenda was to secure redevelopment of the whole.

In the end a compromise was reached; that they would sell us the pub and cottage providing that part of the site was also available for housing development. To put a deal together we had to find a developer who was prepared to proceed at risk with a purchase of part of the land without any planning permission. In this way a deal was finally put together and terms agreed to purchase the pub, attached cottage and facilitate an adjoining development (which was a separate transaction by the owners).

We put together an 'eyes open' business plan knowing the works required to renovate the pub and adjoining cottage (which was also part of the purchase). We needed nearly £400,000 to fund purchase and renovations. We originally envisaged £50,000 would come from a grant from the Plunkett Foundation, a similar value loan and £300,000 from share sales.

Exelby Green Dragon Community Pub Ltd

This is a legal entity and is constituted as a Community Benefit Society. This gave the group a status to be able to negotiate formally with the owners, seek funding opportunities with grants and loans as well as having the ability to issue a share offer. The Community Benefit Society status also acted to limit the financial liability of those involved and gave the former steering group the necessary credentials to move the project forward,

In the lead up to purchase we held various community events, leafleted widely and used limited social media to assess interest. To gauge financial viability, we also asked if people would pledge to buy future shares in the project. The reaction to this gave sufficient confidence for us to proceed further and, as we put together a funding package, we formally launched the share offer.



One of our community meetings

We had an ideal position that we wanted to achieve but did not have all the funding in place when we committed to purchase. Even with a generous grant offer from Hambleton District Council of £35,000 towards the cottage renovations as a unit of affordable housing, we were around £75,000 short of target. However, we had enough to meet the purchase price. We also prioritised investments in the premises and determined we had enough funding to be able to do the most important improvements and make the commitment as shares continued to be sold. This was a key tipping point when

the community said 'yes' in September 2018!

We bought the pub and made a start. Initially our priority was to get the pub open and trading in some form for Christmas. This was with a revamp of the main bar areas to be able to reopen the pub at some point with wet sales initially. Recruitment of a tenant also commenced, and we found exceptional tenants, Tom and Becci Baker who shared our vision to take the project forward. The pub opened and trading started in December 2018 with wet sales.



At the launch of our share offer Rishi Sunak MP bought the first share

Tom & Becci Baker

As soon as purchase was confirmed as going ahead, we set out to recruit the right tenants to take on the Exelby Green Dragon and help it become a thriving community pub with a buzzing café and community shop.

Tom and Becci Baker took over as tenants of the Exelby Green Dragon on Saturday 1st December 2018 just a couple of months after purchase.

Tom and Becci showed the right aptitude for taking on a community pub and developing the business. They are exceptional people who share our vision of a thriving pub right at the heart of the community. Both had been involved in the licensed trade, but this is their first pub together and we wish them continued success.

You can check out Becci and Tom's Exelby Green Dragon website, book a table for a meal, find out about forthcoming events and generally stay in touch here:

www.exelbygreendragon.co.uk



With the pub purchased there was a second wave of share purchases. By March 2019 we were about £20,000 short. As trading commenced and built up, further shares were sold until, with additional grant funding that was secured, we achieved our funding target in December 2019.

Less than two years on, the major renovations have been completed. A major achievement by any measure which has secured a pub that retains its cosy rural character but with modernised facilities, bed and breakfast rooms, a shop and adjoining cottage renovated as a unit of

affordable housing.

As of late 2020, we are awaiting commencement of the housing development on the adjoining land. As part of the purchase details we had to agree to give up part of the original car park, but in exchange the developer is committed to providing an equivalent sized car park to the rear of the site.

The Business Model

Our original business plan was based on three main sources of funding. A grant from the Plunkett Foundation (a body committed to supporting retention of community assets), a loan and share sales in the Community Benefit Society. This status was also important as it means that irrespective of the size of shareholding, members have the same voting rights.

The shareholders own the asset. In turn they also own a little piece of Yorkshire and are a big part of our community. There is also the cachet of having a pint or meeting friends for a meal in your own country pub! The pub is let to the tenants for them to run a business as they see fit and, in this way, individual shareholders do not have a role in the day to day business of running the pub.

In return for share purchase there is an expectation of interest being paid on those shares which are non-transferable and cannot be traded. The ability to pay this interest is met by letting the asset for business purposes - in our case running a community pub, shop and letting the cottage.

GETTING STARTED

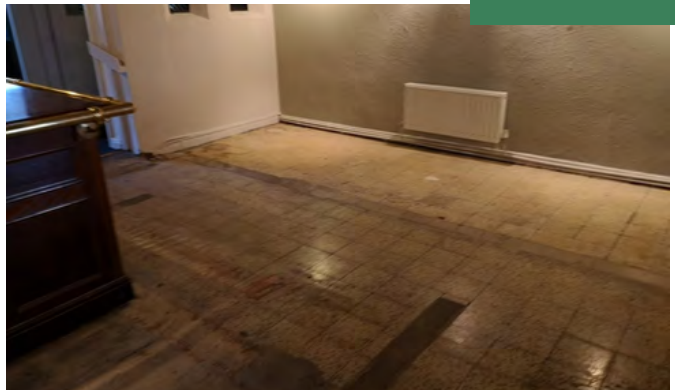
We bought the Pub in October 2018 and immediately mustered an army of volunteers to help tidy up, clean up and start stripping out. Over a few weekends of community events we cleared the grounds, bar areas, restaurant, kitchen, ancillary areas, upstairs and the cottage of all unwanted or unusable fittings and furnishings.

One advantage of having an adjacent field area was the ability to have a bonfire and that is where most of the unwanted stuff that was stripped out ended up. It also gave an excuse for our first open community event on bonfire night which was also the day that Tom and Becci were appointed! This turned out to be one of many bonfires and skips as the renovations moved forward.

The priority was to get the main bar area clean and redecorated and the exterior tidied and repainted - all again with volunteer effort. We chose a neutral colour scheme to lighten the place up and Tom and Becci supported this once appointed as it enabled the pub to be 'dressed' rather than bold colours dominate. There were inevitably different opinions about colour choice but once underway it all came together!



The start of the long slog of renovations



The clear up begins and the first of many community events - and bonfires - to clear out the grounds



Our first Christmas in December 2018

BUSINESS PLAN

Prior to purchase, and during our community consultations, we put our business plan together. This included an appraisal of the main areas of renovations required and cost estimates. Fortunately, we had the skills to do this ourselves and it proved reliable enough for us as we moved forward.

All the main renovations were listed in priority order. This was also to ensure so they were tackled systematically and where one area of renovations affected another they were tackled in the right sequence. Taking a sequential approach also enabled us to take stock of the budget as we went along. It was kept under constant review as we understood costs better and the surprises that the Ezelby Green Dragon threw at us were dealt with and factored into future phases where they needed to be. We learnt a lot about the building!

Another priority in the plan was that once opened we wanted to keep the pub trading in some form and not have stop/start periods of closure as the renovations progressed. With a prioritised and sequenced approach

to project management we achieved this.

Once we got underway it was possible to explore grant opportunities which were not certain or envisaged in the original plan. We received a significant grant from Hambleton District Council to help with the costs of the cottage renovations and a smaller grant from Pub is The Hub towards the café and shop development as a community hub. Other grants from the Plunkett Foundation, Power to Change and additional funding from Pub is The Hub enabled the plans to move on more quickly and enhance what we set out to achieve.

The plan has undergone a couple of revisions as works progressed, share sales continued and the need to keep it up to date as we moved forward.

You can find out more at www.exelbygreendragonpub.co.uk

REOPENING

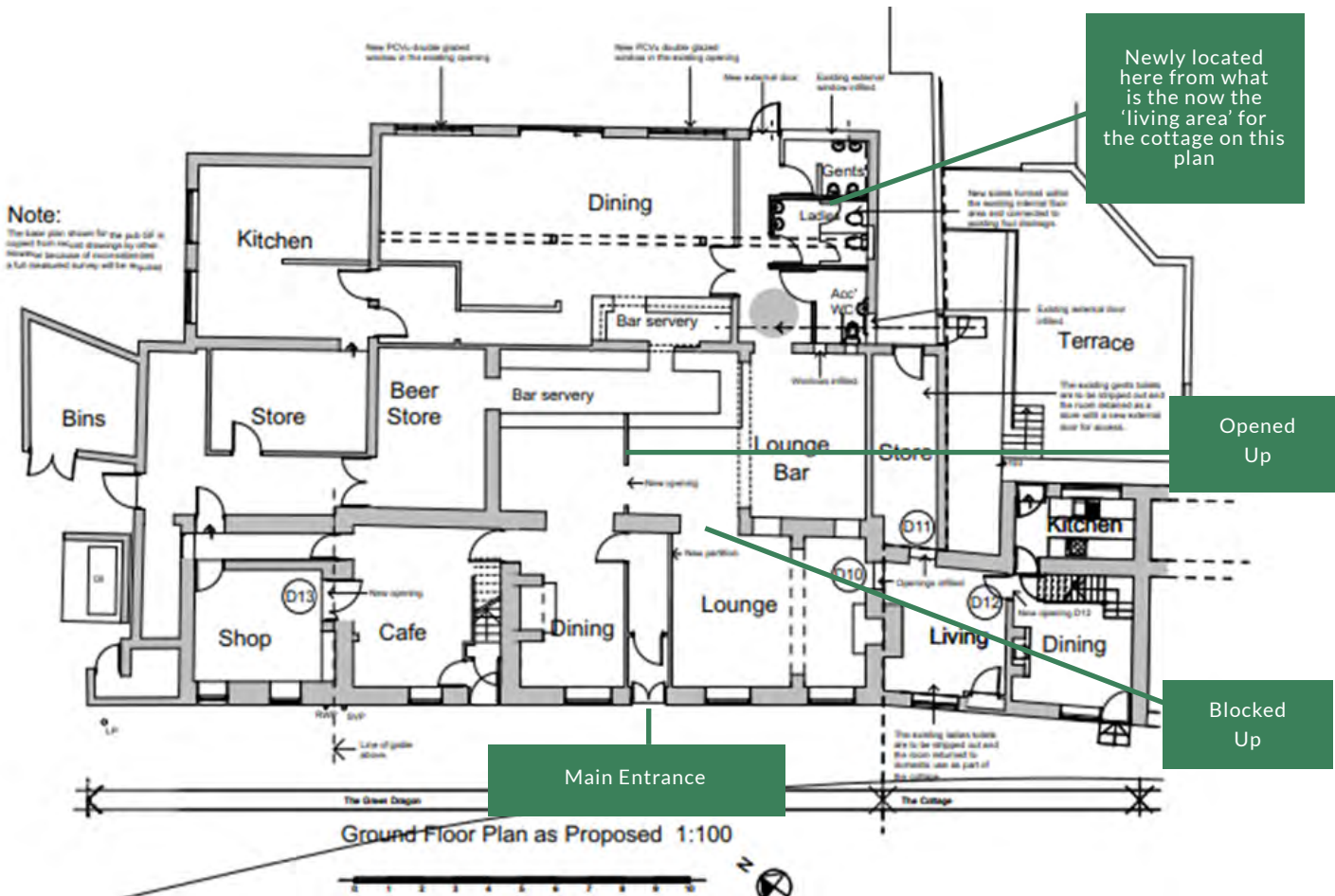
Prior to purchase we visited a few pubs to look at layouts and configurations for ideas.

The Green Dragon had two separate bar areas. A separate 'snug' to the left as you came in and the main bar area to the right. The snug was hardly ever used, or usable, as a public area and a lot of the main bar was used for access or to get to the toilets. A lot of wasted space. We had in our plans to relocate the toilets and that dealt with one lot of traffic but to make best use of the space we knocked through the

two bar areas and made the old snug the main entrance way in. This opened the trading space up completely and made better use of the available floor area.

Another significant first phase improvement was the flooring in the main bar. It was carpeted and whilst a clean would have been a temporary 'make do' solution we replaced this with a new stone floor which significantly enhanced the character of the pub.





The pub reopened in December 2018

Early in 2019, Tom and Becci set to sanding tables and the bar counters and repainted the actual bar serving area. With a complete redecoration that had taken place through the bar areas by volunteers, a revamped bar and furnishings, this trading space was literally transformed into a welcoming cosy pub once more.





The central heating system also had an overhaul. It had never been the most efficient system and for the whole building it was either on or off, or warm in one area and cold in another. It was zoned into 3 - the bar areas, restaurant and, in anticipation of the bed and breakfast rooms renovation that area became the third zone. Additional radiators were fitted, and the hot water system also had an upgrade to a pressurised system so that the B&B rooms could eventually have decent showers. Important on any trip advisor review!

To add to the 'cosy factor' a log burner was installed in the old snug area.



The restaurant area at the back of the pub was cleaned and decorated. The windows were rotten and replaced which, together with upgraded heating, improved the comfort level in this space which had been an historical problem. Tom and Becci plan some future improvements to this area but in the interim have added to the decorations and furnishings to make this a pleasant dining room/drinking space as part of the pub.

There is a large beer garden at the back of the pub, laid out with decking. Some of the decking was rotten and replaced through volunteer effort. Other volunteers tackled the garden, which has continued, and with the later addition of more new outdoor furniture, coinciding with the 2019 Tour de Yorkshire passing through the village (yes, another party!), the outdoor space was transformed including a new access from the pub as part of building new toilets.



2019 - WHAT A YEAR!

This was when the main improvements and renovations happened.

To support trading, the kitchen was completely refurbished. Having stripped out most of what was there, as either useless or previously condemned, a commercial deep clean preceded fitting out. We took professional advice and for budget reasons we had to opt for mostly refurbished or nearly new equipment to get the kitchen into shape to enable a food service to be offered. There were mixed fortunes with this approach and with hindsight we might have approached this differently, but it was one of the first main areas to be improved and we could not afford budget drift at this early stage. A food

service started in February 2019. With experience of renovating the kitchen, we gained a better sense of how far our budget would go, as we commenced other projects were able to revisit the kitchen and add further to the equipment originally fitted.

Several projects were able to happen simultaneously. The café/shop, the new toilets, and the cottage renovation. This was not originally planned this way, but we were able to tackle three main projects pretty much together as this made best use of available contractors and volunteers who could move around from project to project in turn and not prevent operation of the pub in the meantime.



Out with
the old!



In with the
new!

NEW TOILETS

The old toilets were originally part of the adjoining cottage. They had done their time and even if they had stayed in the same place would have had to have been ripped out and started again. Functional but not pleasant!

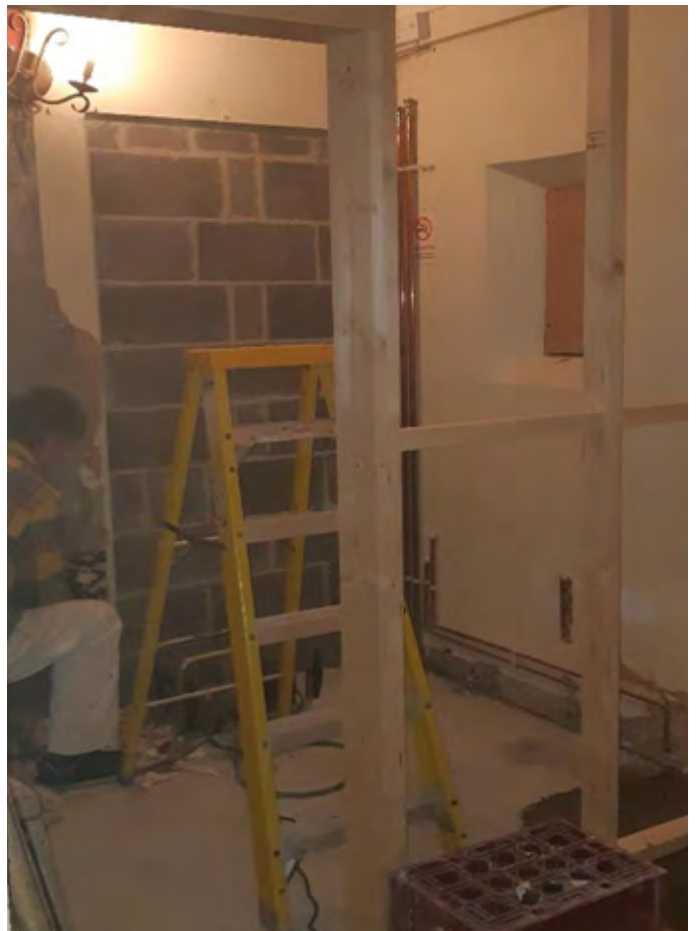


In our plans we determined to move the toilets to a new location so that they were more accessible to the trading areas. We had some of the costs of improvements to face anyway and also wanted the space to be reverted to form part of the adjoining cottage, as opposed to part of the toilets being below one of the cottage bedrooms, which was a bit less than ideal.



The new toilets took space from what was the right side of restaurant area. A new corridor divides the space. With a new partition wall in place, the toilets are to the right, restaurant to the left and straight on to a new door which accesses the beer garden. The construction area was

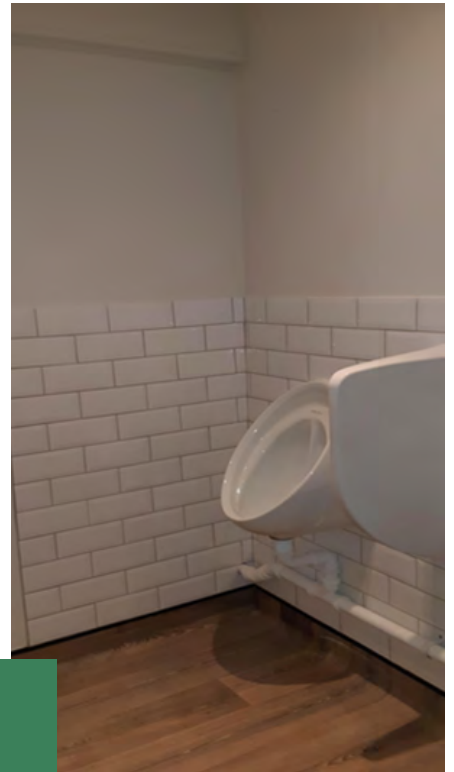
sealed off from the rest of the pub to minimise effects on trading.



All this was from scratch with new drainage connections, water and heating services, construction of the separate facilities and fitting out, including a mobility accessible toilet with baby changing facilities. To create the end finish that was desired, Tom and Becci made a financial contribution to the costs. Considerable volunteer effort went into creating the structures before the trades moved in.

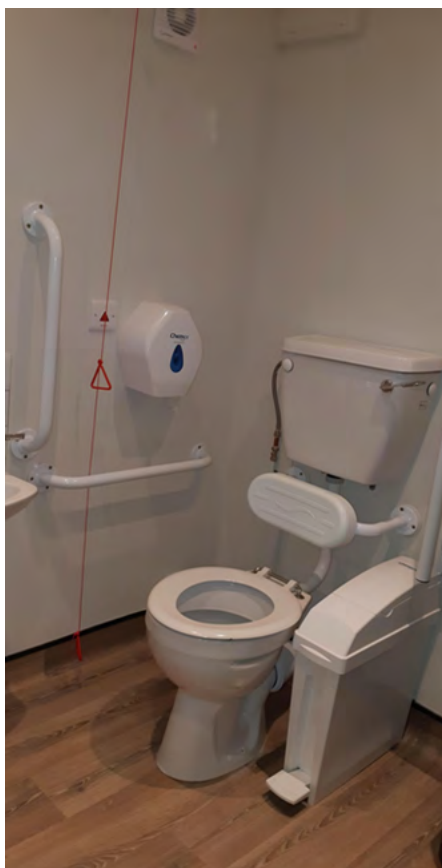
We knew that the electrical services in the pub were a magical mystery tour so determined to route a new supply which would service the new facilities. Lighting is motion activated and the male urinals are waterless to reduce operating costs, energy and resource consumption.

Once the new facilities were complete there was a switch over in April 2019 so that the original female toilets could be blocked off from the pub and become part of the cottage renovations. What were the original male toilets were stripped out and made into a useful storage space.



And we created this!

The new female and gents toilets and full spec mobility and baby changing facilities



CAFE & SHOP



The café/shop was formed from two rooms to the left of the snug bar. These had been underutilised rooms under previous ownership and tenures and had never really found a purpose that was part of the business operations.

One of the biggest jobs was knocking the two rooms into one which meant going through an old chimney breast between the two rooms. Seven concrete lintels and new supporting foundations later and the café/shop was born with new plastering, electrics, and a stone floor to match the pub. An attractive and usable space has been created to support a shop and community activities.





The grand opening with non-other than..... which coincided with the Tour de Yorkshire coming through the village in May 2019. Pub quiz time – which is one of Rishi's favourite pub food dishes? (Chicken and mushroom pie!)



Within the rubble that came out of the knock through were a load of cobbles. These were recycled to form a wall to the left of the main pub fireplace to block off the old access to the pub toilets - so a bit of history from the property has been retained and reused.

THE COTTAGE

When we purchased the pub, we also bought with it the adjoining cottage which had been part of the same property for some time and used ancillary to the pub as landlord accommodation and for other letting. Over the years, as the pub and cottage were altered and adapted, one of the cottage living rooms became part of the pub toilets and the cottage thus had a flying freehold over part of the pub.

The cottage was seriously dilapidated to say the least. It was somewhere between bad and grim! The property had been unloved for some time and fallen into considerable disrepair. You certainly could not live in it although – who knows how – it had been used prior to purchase by some workers who were literally ‘camping’ there whilst working on the nearby A1 upgrade.

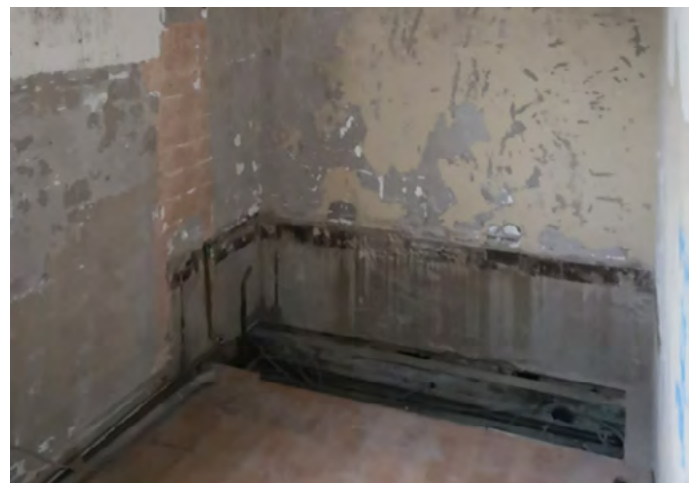


Yes! This lot needs to go.....

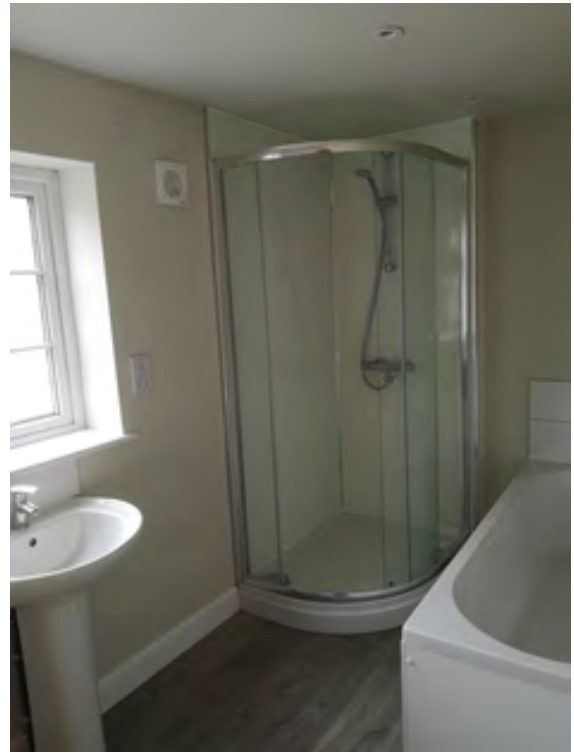


With an improving knowledge of the buildings, the budget had to be increased to complete the renovations required. Everything was a mess, so volunteers moved in again to strip back and we started over.

As part of the stripping out the state of the flat roof on the rear extension was not anticipated and had to be re-roofed. We opted for a replacement warm roof system to improve thermal efficiency.



Pretty much a full replastering job was necessary with replacement woodwork. New amenities were installed to create a modern bathroom with separate shower and a newly fitted kitchen. A new lounge was created from the former female toilets but not before dealing with issues with the structure which were found when the old toilets were stripped out.



The property was rewired and some of the pub wiring that was piggy backed to the cottage was decommissioned. All new electric heating was installed. So new, that its A+ rating was not recognised by the EPC assessment system (but fortunately the property achieved its grade for letting by other measures).

Redecorated, and with new flooring, the cottage was complete for letting as Exelby's first affordable housing.

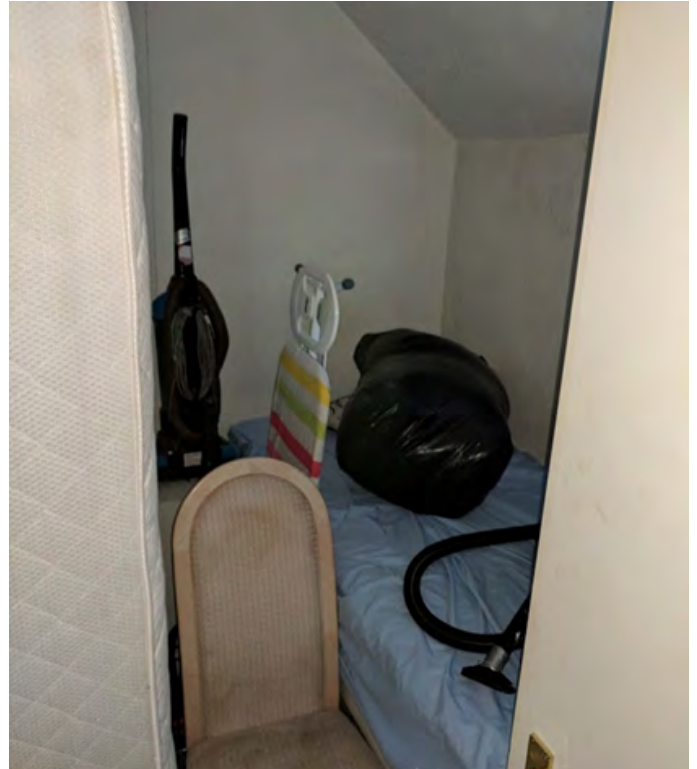
The cottage renovation was a challenging project with many unforeseen works required. Fortunately, we were able to access grant funding from Hambleton District

Council's community led housing fund. This was key to securing the improvements necessary for the cottage to once again be high quality, habitable accommodation. Works were completed on the two-bedroom cottage by May 2019.



BED & BREAKFAST ROOMS

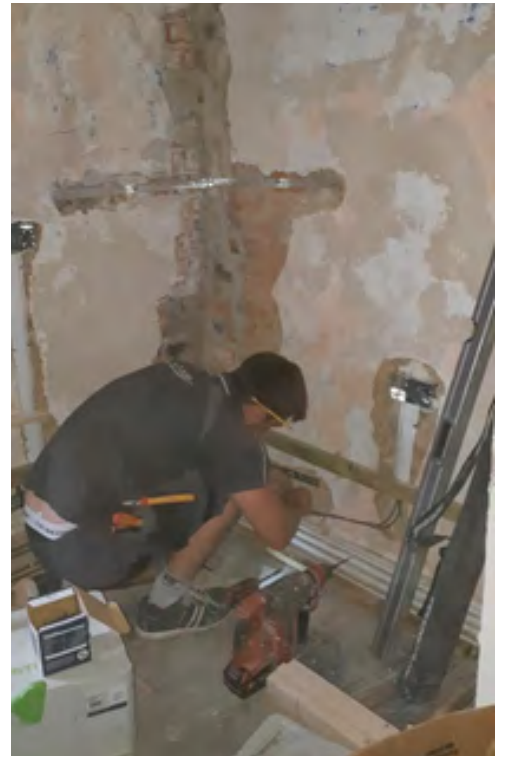
We had a couple of months off and then set to with the B&B rooms. If the cottage was described as grim these rooms were off the scale. They were just so dilapidated in all respects. Disgusting!



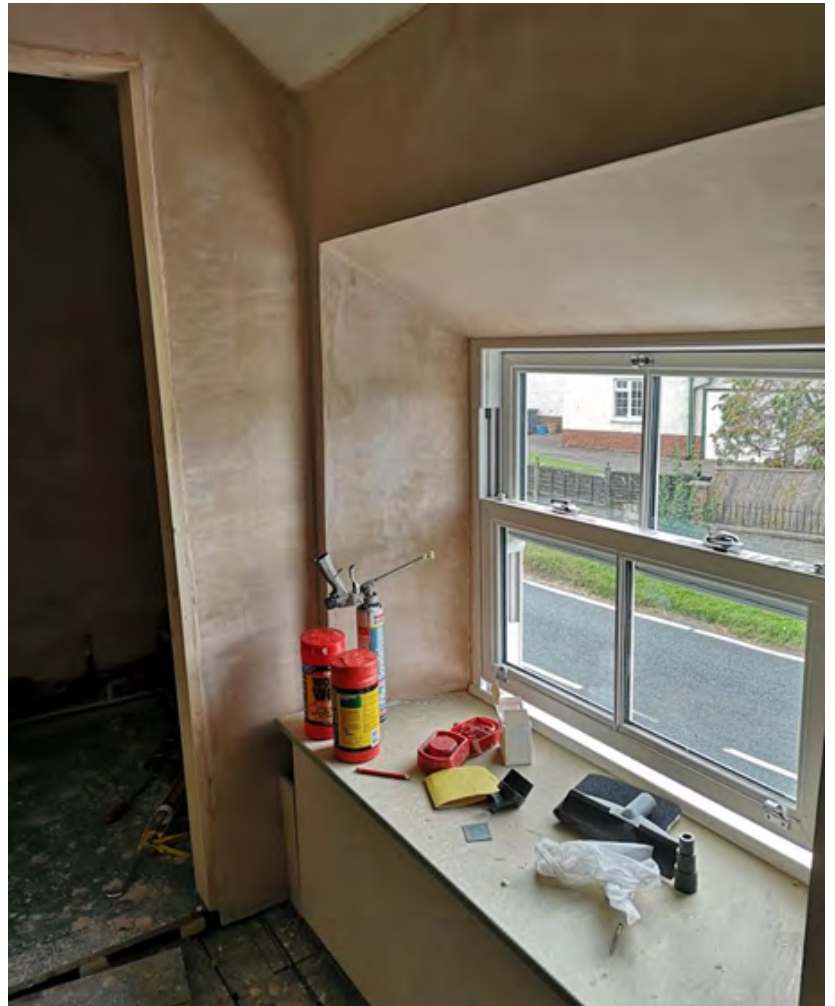
Knowledge of the pub and its idiosyncrasies was growing all the time as the renovations progressed, as was our confidence to deal with them. Prior to starting this project, we had to near double the budget to achieve our aims. Fortunately, as each part of the renovations, was completed, we had a stock take and within the swings, and roundabouts, were able to reconcile this increase within the overall budget available.

There were four rooms to start with. The smallest of these was inconceivable as a letting room. This was decommissioned and the space incorporated into our plans to create three quality letting rooms. Like other elements of the renovations the rooms were stripped back to the structures so we could see what we were dealing with. Again, this was through a big effort on the part of the volunteers.





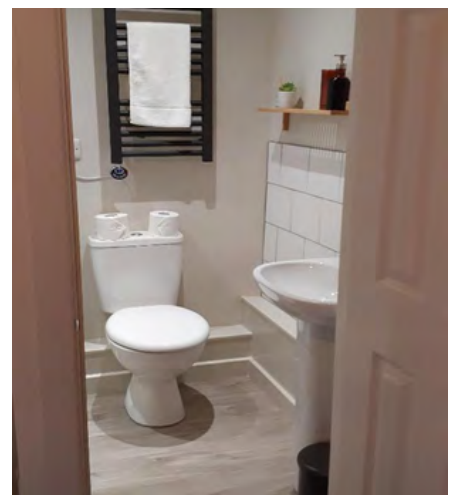
Having got back to basics we were able to deal with some structural strengthening and then progressively put the rooms back together - plastering, woodwork and decorating. Features such as window seats were created from the boxing in required to hide services and electrics etc. Each room has its own newly created ensuite bathroom with large shower cubicles.



New electrics were installed, and each room has its own circuitry controlled from a central point. Similarly, the heating in the rooms is its own heating zone and individual rooms are controlled through an App.

The rooms have been furnished and finished for letting by Tom and Becci and we achieved what we set out to do: Three good quality letting rooms to support the business.





The works were completed in November 2019. Everyone who has seen the rooms has commented positively on the asset that has been created for the pub.

New windows for the pub were in the prioritised list of renovations, but at the point of starting the B&B rooms, there was not sufficient funding for this. However, share sales continued apace and sufficient funding became available to tackle them. It made sense to do this at the same time as the room renovations and having retained the character they have considerably added to comfort levels and aesthetics.



By December 2019 we achieved further share sales such that the renovation plans could be fully funded and we were able to close the share offer.

RE-ROOFING

Whilst working on the cottage in 2019 it was noticed that the main chimneys to the pub were in a poor state and could not wait.



Emergency rebuilding had to be undertaken prior to being able to consider whether full reroofing was affordable as a future project.



By 2020 and with funding in place, we were able to tackle a re-roof of the main pub and cottage. We reused the best of the original tiles on the frontage to maintain the street scene, with new tiles on the rear elevations. This proved to be one of the more straightforward aspects of the renovations especially when you are on first name terms with the pub and can now anticipate the problems. A bit of rotten woodwork and crumbling brickwork was not going to stop things. Unfortunately, we did not foresee a Covid-19 lockdown just as the roofs were stripped! However, we were lucky with the weather and as soon as it was safe to do so, works recommenced to completion.





ON TO COMPLETION

With the main renovations complete and with the remainder of the exterior decorations finished, new signage, and additional works on the electrics to achieve compliance, we were pretty much there.

Well nearly!

Are you ever finished?

When we purchased the pub, it was subject to the sale of the land going through. Part of the deal to achieve this meant that the development would need to encompass the existing car park, but the bonus for us was that we would get a much-needed new and equivalent sized car park to the rear of the site.

From March 2020, all pubs had to shut for 3 months because of a national lockdown as a result of the Covid-19 pandemic. An assessment was made of what we could do to make the pub as attractive as possible for the anticipated reopening and cope with what would likely be new public health operating guidelines.

So, it was decided to tidy up the car park side of the pub with some new fencing, which would also become the access route to the new car park (and the main exit from the pub with a new one way system of access and egress due to Covid-19 requirements). Additional garden furniture, planters and a new log burner in the main bar were added, to complement the one in the snug bar.



TAKING STOCK

We have learnt a lot about the building as we have progressed along and in a relatively short space of time. In just less than two years we have completed the main projects we had planned for the buildings as a community pub.

Careful budget management was essential as well as seeking other grant opportunities. We also project managed the overall programme ourselves and broke each project down into the various trades to manage and sequence the renovation works. There is no doubt we made savings to fit our budget with this approach rather than contemplating other professional services and a main contractor to do all this for us. It also meant that where necessary we were able to call on around 30 local tradespeople/companies, from something like a 20-mile radius, to keep things as local as possible.

We feel confident about the renovations and how they will help to maintain the buildings for years to come as a community asset. We know there will always be something to do on an old building, but the heart has been put back in the place. The renovations came in at around £180,000 as anticipated.

None of this would have happened without:

- a village enthusiastic about saving the pub
- the interest and financial support of the shareholders our funders - Plunkett Foundation, Pub is The Hub, Power to Change and Hambleton District Council (and no doubt we will be calling on them in the future!).
- the army of volunteers who gave their time and support to get the ball rolling through to helping with the renovations
- our tenants creating a successful business
- customers old and new supporting the new community owned venture and the recognition it is receiving

We could not have done it without all this involvement. We are appreciative of all the effort that has gone into this project that we are proud of, and grateful for.

Cheers!

Share Sales & Getting Involved

As of 31 December 2019, we met our target shareholding of £250,000 from our initial share offer!

Following purchase, we kept the Share Offer open to ensure that we had sufficient funds to complete all the planned works on the pub and cottage to a high standard. These works continued at a pace as shares continued to be sold until we achieved our funding target.

With the initial shares all sold we are now maintaining a waiting list for those who would still like to invest, or invest further. We would call on these intentions to invest if we were to launch a new share offer or need to replace funds for shareholders who might wish to withdraw their holding in the future.

If you would like to be part of our story and join the waiting list please visit www.exelbygreendragonpub.co.uk