



Scenario 3: Having a space available within your premises and considering using it for a community café.

This is the third in a series of information sheets Senscot is producing. These publications are led by the contributions of SEN members with experience of considering and / or developing community café type activity. They are designed to facilitate peer-to-peer learning across the SENs to smooth out any bumps in the road ahead for social enterprise facing a range of common scenarios.

Introduction

Many social enterprises will have, at some point, considered whether a community café would add value to their business. This is particularly the case if their premises contain an additional physical space that is currently unused or not being used to its full advantage. The development of a kitchen and café appears to be a frequently contemplated idea for social enterprises in this situation.

Key drivers for considering a café development include an ambition for additional income generation and a desire to build on their capacity in facilitating social connections and to provide a welcoming space for their community.

The SEN members who considered café development as an opportunity (whether subsequently proceeding with a café or not) all highlighted the valuable learning gained through the process of exploring this.

“Our heart was set on having a community café as part of our social enterprise, but when we got into the nitty gritty of it, it was clear that the space we had available wasn’t really suitable.”

Common Challenges

The following challenges were the most frequently mentioned with regards to this scenario:

- Lacking a shared vision across the organisation on the anticipated purpose of a community café and what you want it to achieve.
- Spending time trying to weigh up the potential profitability of a café versus the potential value and impact it offers.
- Underestimating what’s involved in setting up and running a café.

Key Considerations

To avoid or at least minimise the potential disagreements, misunderstandings, frustrations or disappointment that can accompany the common challenges reported, here are some important considerations for to work through:

- Are you clear on the purpose, particularly the core purpose, of the café you're considering?
- Does the café purpose fit with your social mission?
- Is there a shared vision across the organisation of what you want to achieve?
- Is a café the only way for you to achieve this or would a different arrangement or combination of activities serve the same purpose?
- Is the physical space you have available suitable in terms of its situation and condition?
- What are the café's accessibility requirements?
- How much will any building, renovation and refurbishment work cost?
- Is there a knock-on effect for the other spaces and activities taking place within your premises?
- Is the location of your premises suitable in terms of visibility and footfall (current and potential)?
- What resources will you need to develop and operate a café?
- Do you currently have access to these resources?
- Will the café be commercially viable?
- If the café is not going to be commercially viable, how will it be funded?
- How does your social enterprise feel about competing with small local businesses?

“...we decided not to progress the café development - the effort versus return on investment just didn't add up!”

Top Tips

- Ensure there is a shared understanding across the organisation on the core purpose for a potential café and, where appropriate, build on this to develop a shared vision for any café development.
- Speak to other social enterprises with experience of this and explore the various café arrangements and alternatives that have been developed to address a range of circumstances.
- Think about who your café customers would be, define your target market and carry out market research.
- Consider who your competition would be and undertake competitor analysis on local venues and cafes.
- Develop a business model to understand whether the café would be profitable.
- Seek quotes for all building, renovation and refurbishment work.
- Identify local café businesses that you could build and develop relationships with to achieve your aims.
- Consider accessibility early on at the design stage, thinking beyond physical accessibility to all accessibility requirements of intended customers, e.g. acoustics.
- Seek out people with knowledge and experience of catering and hospitality and tap into this.
- Fully utilise any local or national support that is available.

“We had good access to support, if not it would have been even more challenging to get it established and sustainable in the short term.”



Case Study

Healthy n Happy

Considering the Initial Community Café Idea

Our original idea was to have a pop-up café on the first floor of our venue 'Number 18'. The thinking at this early stage, was that having a pop-up café in this part of our venue would mean that our largest space (the East hall) could remain available for multi-use, i.e. for both hirers and for us running our own events. Early on we also anticipated that we would benefit from any income generated by the pop-up café.

However, as we started exploring this option, concerns were raised about the café being located upstairs and it only being available on a pop-up basis, with this indicating potential issues with accessibility, visibility and availability.

In addressing these issues, we spoke with the architect working on Number 18 about developing a café space downstairs – specifically whether taking away some office space downstairs would create enough room for a small kitchen and a seating area with some tables. Once this was confirmed as a possible option, we then looked at the potential financial income that could be generated from a café space of this size. It became clear at this stage that this would not be financially viable.

We also undertook a competitor analysis on local venues and cafes whilst we were applying for funding and drawing up our business plan for Number 18. During this process we identified several local businesses operating as cafés and became aware that there were five cafes within a one-mile radius of our premises. We did not want to set up a café to go into competition with our local neighbors, many of whom are small business owners.

We were very fortunate in being able to draw on the knowledge of staff with previous experience of working in hospitality. Tapping in to an understanding of catering and the volume of work required to run a café space successfully enabled us to fully consider the practicalities of developing a cafe.

Taking all of this into account we decided not to progress the café development – the effort versus return on investment just didn't add up!



“Speak to local organisations and the local community to identify if there is a local need. How else will you know?”



Coming up with an alternative

Since we had worked out that it was possible to create a small kitchen and a seating area downstairs, we decided to proceed with developing this space as a social gathering area for people using our venue but **not** as an income generating café. Incorporating a kitchen & seating area, “The Social” is now available for use by anyone who hires one of our rooms, comes to an event, volunteers with us, comes into our community radio station (housed on the 2nd floor of our venue) or visits one of our team.

The process of this decision making was over a 2-3 month period from July 2016-Sept 2016 as we worked with our architect and appointed our contractor, with our senior management team and Board discussing all the issues emerging throughout the process.

All visitors are welcome to take a seat, have a cuppa and a chat. This means lots of people who would never normally come in to contact with one another are spending time together and mingling in the space. Our staff, volunteers and our visitors can also use the kitchen facilities and seating area to make, share and eat food together.



The alternative approach and our business

We want as many people to visit the venue as we can – whether that be for community cinema, a live music gig, a yoga class, an art class, a business meeting or a birthday party. Our business model is based on maximising footfall into the venue’s spaces, so once people have crossed the door of Number 18 for one activity, we rely on them then coming back again and again for a variety of reasons that differ to the first time they came in the door. The Social space helps to set this tone, i.e. that we want everyone to enjoy being here no matter what they have joined us to do.

What makes it work?

We wanted to ensure that the venue was a community hub that could be used by anyone for any purpose. “The Social” space was modelled on the idea was that the ‘best party is always in the kitchen’ and it would connect everyone using the building together. We wanted our venue to be a welcoming space and feel like a great place to be. To this end the social space really works well in this way.

USEFUL RESOURCES

Your local Third Sector Interface <https://www.gov.scot/publications/third-sector-interfaces-contact-details/>

Social Enterprise Networks: Local & Thematic <https://senscot.net/networks/>

Disability Equality Scotland <http://disabilityequality.scot/>

Inclusive Design Hub <http://inclusivedesign.scot/>

Power to Change: The Community Business Success Guide to Cafes <https://www.powertochange.org.uk/research/community-business-success-guide-cafes/>

Social Enterprise Support Landscape Map <https://senscot.net/wp-content/uploads/2019/02/Social-Enterprise-Ecosystem.pdf>

Just Enterprise <https://justenterprise.org/>

Development Trusts Association Scotland <https://dtascot.org.uk/>

Firstport <http://www.firstport.org.uk/>