

Lincolnshire



# Half Yearly Report

For the 6 months ended 3rd March 2018



Morton, Bourne Food Store opening

## Directors and Officers

President

**Julia Romney**

Vice President

**Steve Hughes** *B Pharm*

Chief Executive Officer

**Ursula Lidbetter**  
*MBE, BSc, Hons, FCIS, DL*

Group Secretary

**Jane Powell**  
*LLB. (Hons) MBA*

Directors

**Stuart Parker** *BSc. (Eng)*, **Rev Barbara Hutchinson**, **Sue Neal**, **David Maltby**, **Peter Gault** *MBA*,  
**Margaret Tranter**, **Jane Moate**, **John Levine (resigned 5th May 2018)**

The Directors are pleased to present their report to members for the half year.

## Our Purpose

**Bringing together ideas, energy and resources to make life better in our communities.**

### Sales and financial

Strong growth in our food stores and funeral homes have helped the society record a 4.6% sales increase. Total sales across the Society went up by £7m to £160m.

We served 12 million customers in food stores during the six months and sales rose by 6.1%, helped by continued investment in new services such as in store bakeries and coffee machines. We expanded our Love Local range with new products including tea, honey and even two local gins.

More people chose to entrust their funeral arrangements to us. We also saw more ceremonies held at our crematorium. Income from these services grew 6.7%.

In travel, more than 13,800 people benefitted from independent holiday advice from our experts and sales rose by 2.6%.

Pharmacy income matched last year's results despite severe government cuts. We dispensed 2.8 million prescriptions representing an increase of 2.1% - well above the national picture of around 0.2%.

Group trading surplus was £7.7 million, £974,000 ahead of budget but £774,000 lower than last year.

As well as cuts to the income we receive for delivering services in pharmacy and post offices, rising costs such as rates and repairs impact on us. We're continuing to experience pressures from higher pay costs with another increase in the National Living Wage of 4.4% in April.

After accounting for interest, dividend and tax, the surplus transferred to reserves was a healthy £3.4m.

## Obituaries

We are sad to report the deaths of colleagues, Emma Butcher, aged 21, customer services assistant from our Churchill Drive Store in Newark and Carol Smalley, aged 54, post office counter clerk from our Spalding Post Office.

### We also pay tribute to pensioners who have passed away.

Mavis Smith	Customer services assistant, Woodhall Drive Food store	age 71
Freda Halgarth	Dairy Operative, Pinchbeck Dairy	age 79
Eric Shaw	Dry goods trade officer	age 99
Kathy Partridge	Purchase ledger supervisor	age 72
Brian Ward	Dairy roundsperson, Lincoln Dairy	age 87
Jacqueline Wright	Delicatessen assistant, Holbeach Butchery	age 70
Edwin Smith	Dairy roundsperson, Lincoln Dairy	age 75
Jean Cunnington	Clerical assistant, Butchery Department	age 87
Jean McBurney	Customer services assistant, Silver St Department Store	age 85

We send our condolences to their families and friends.

## Providing and supporting valued services

The Society continues to invest in services for the benefit of our members and communities. Over £16.2 million has been spent on capital projects this half year and we use local contractors wherever possible.

We've opened new funeral homes in Market Rasen and Coningsby and an arrangement office in Caistor.

Our travel team opened a new branch in Retford and the popular travel branches in Grantham and Tritton Road, Lincoln relocated to new homes.

We continued to invest in our food stores with a constant programme of refurbishments and developments. During the half year, we built a new store in Morton near Bourne which opened in May – the first Lincolnshire Co-op service in that area.

In Hull, we relocated our pharmacy to new premises inside North Point Shopping Centre. Our new pharmacy at Westcliffe Precinct in Scunthorpe moved to a new unit just after the end of the half year, providing our team and their customers with much-improved facilities.

Our Lincoln Science and Innovation Park continues to develop and we bought Hestia House, which is adjacent to the site.

We also recycled our profits into a commercial property investment at St Peter at Arches in Lincoln. The retail units are fully let and we're exploring options for the upper floors.

We also support other organisations and groups to provide valued services. During the half year, our Community Champions scheme raised £108,000 which was split between 167 local charities and community groups such as scout clubs, sports groups and health organisations.

## Caring for our health and wellbeing

As public funds face pressure, we're keen to help. We already host three community libraries and now we look after a network of health walks. There are around 60 walks taking place each week supported by 100 volunteer walk leaders.

In total, we organised the provision of 20,493 volunteering and community hours, including 33 colleague volunteering projects.

Through our Community Champions fundraising, we donated £153,000 to 63 lunch clubs, friendship groups and charities tackling loneliness and social isolation.

We're carrying on this work to break down barriers and build connections through the new Community Cuppa scheme. In partnership with charity Community Lincs, we're running free events bringing together people, community and voluntary groups to share information and chat. So far sessions have been held in Scotter, Saxilby, Gosberton, Washingborough, Boston and the Hartsholme and Swanpool area of Lincoln.

All our pharmacies are officially designated as healthy living pharmacies by the NHS and over 80% of our colleagues are registered as Dementia Friends.

## Helping to grow the local economy

Our Love Local range supports smaller producers across our area. Sales of the range went up by an outstanding 61% this half year. Products are now displayed across the stores alongside others of their type instead of in a specific 'local' display. This has made it even easier for customers to pick up goods from the area and boost the local economy.

We've seen 12,737 new members join us this half year. They're now able to take advantage of the benefits of membership including dividend when they shop and a range of exclusive offers from local businesses.

Our colleagues play an important part in delivering our purpose. Leadership development, degrees and work experience all play a part in keeping skills up to date and attracting and keeping the best people to serve our members.

We enrolled 10 colleagues on our first Chartered Management Degree Apprenticeship and we're planning to support more colleagues so they can start the course in the future.

We also launched our purpose and approach with our colleagues and 1,200 of them attended 60 launch events giving positive feedback.

We have delivered our fifth Get into Retail programme with the Prince's Trust which was successfully completed by 18 young people. 61% of the participants were offered jobs and of the 37 colleagues who obtained employment with us under previous programmes, 28 are still with us.



## Looking after our local environment

The Cornhill Quarter project in Lincoln is transforming a key part of the city centre, improving the street scene and providing valued services for residents, shoppers and businesses.

This half year, we've finished the restoration of the 1879 Corn Exchange Building and begun upgrading the surrounding public realm. New tenants include eccentric restaurant Cosy Club and Thomas Cook.

The building has already won the Heritage Project of the Year at the 2018 Greater Lincolnshire Construction and Property Awards and was highly commended in the Building Conservation category of the Royal Institute of Chartered Surveyors (RICS) East Midlands Awards.

We're also mindful of our impact on the environment and have introduced some new initiatives this year. For example, in funerals, we've introduced new eco-coffins with pricing competitive against our more traditional options. In food, we're exploring new-style fridges with doors, which cut energy usage and reduce our carbon footprint.

All this happens thanks to our members, customers and colleagues coming together to make life better in our communities.

The board would like to thank you for your continued support.

# Half Yearly Members' Meeting

10am on Saturday 9th June 2018

The Epic Centre, Lincolnshire Showground, Lincoln

## Agenda

1. Minutes of the Members' Meeting held on 22nd November 2017
2. Directors' Half Yearly Report
3. Results of the election for 3 members to the Board of Directors
4. To approve changes to our Rules (special resolution).
5. To approve an increase in directors' fees.

Lincolnshire Co-operative Ltd. Registered Office Stanley Bett House,  
15-23 Tentercroft St, Lincoln, LN5 7DB.  
A registered Society under the Co-operative and Community Benefit  
Societies Act 2014 No. 141R

