# Original Village Shop closure highlights UK high street retail crisis



Shoppers in the Cumbrian village of Staveley have expressed their heartbreak after the announcement of the impending closure of a cherished local institution, Original Village Shop, which has been part of the community for over two decades. Set to close its doors for the final time on July 12, the shop’s closure is a poignant reminder of the challenges facing many retailers across the UK. Staff members at the store shared their distress on social media, urging customers to be compassionate during this difficult transition, highlighting their deep-rooted connection to both the shop and its patrons.

The closure of the Staveley store forms part of a wider trend in the retail sector, where more than a dozen stores under the Original Factory Shop brand have faced shutdowns this year. This is attributed to a significant restructuring initiative led by its owner, Modella Capital, which has involved negotiating rents at 88 locations. The rising costs of doing business, amplified by increased rent, energy bills, and changes in employer National Insurance contributions, have stricken a heavy blow to many retailers. The plight of Original Village Shop mirrors that of numerous other popular retailers, with high-profile chains such as Boots, Marks & Spencer, and Argos also announcing substantial closures this year.

In an environment where the retail landscape is continuously evolving, the type of establishments appearing on British high streets is undergoing a significant shift. Since 2010, reports have suggested that traditional shops—especially banks and clothing retailers—are rapidly being replaced by service-oriented businesses such as nail salons and takeaways, particularly noticeable in northern towns. This transformation can be linked to the growth of e-commerce and online banking, which have rendered many physical stores less viable.

According to industry experts, local communities are feeling the impact of these changes acutely. A surge in leisure-based businesses is now seen in town centres, suggesting a playful shift away from traditional retail. While some retailers grapple with closures, others are finding success amidst these challenges. For instance, Danish retailer Søstrene Grene is set to accelerate its expansion across the UK, aiming for 100 stores by 2027, demonstrating that not all brands are faltering under the same pressures.

Compounding the situation is the state of the banking sector in the UK, with significant branch closures having occurred since 2015. These closures have drastically limited access to financial services, particularly in rural communities, leading to growing calls for the establishment of 'banking hubs' to fill the gaps left by traditional branch closures. The Labour Party has pledged to create new such hubs if it seizes power in the next general election, aiming to bolster community access to essential banking services.

As beloved local shops close or face substantial downsizing, the question of sustainability and community engagement looms large over the future of the British high street. The story of the Original Village Shop is not merely a tale of loss for Staveley, but one that encapsulates broader economic realities affecting retail workers, consumers, and communities across the nation. The atmosphere of nostalgia and heartfelt tributes online illustrates the deep connections formed within local economies, underscoring the challenges that lie ahead as the retail landscape continues to evolve.

### Reference Map

1. Paragraphs 1-2: Source [[1]](https://www.express.co.uk/news/uk/2055829/shop-closure-original-factory-uk-high-street)
2. Paragraphs 3-4: Source [[2]](https://www.retailgazette.co.uk/blog/2023/08/retailers-closing-opening//)
3. Paragraph 5: Source [[3]](https://www.ft.com/content/d6a95e05-145b-4b35-bb9a-79415303f819)
4. Paragraph 6: Source [[4]](https://www.reuters.com/world/uk/uks-labour-pledges-plug-gaps-left-by-bank-branch-closures-2024-06-17/)
5. Paragraph 7: Sources [[5]](https://www.ft.com/content/7a7dd31a-ecbe-4d5b-9dcb-c0cb80db772f), [[6]](https://www.ft.com/content/7ba2b82e-f063-4ede-8562-9716bc2ae156), [[7]](https://www.ft.com/content/7c5eca5d-fcf2-413d-9b2c-d5f745c05f31)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.express.co.uk/news/uk/2055829/shop-closure-original-factory-uk-high-street> - Please view link - unable to able to access data
2. <https://www.retailgazette.co.uk/blog/2023/08/retailers-closing-opening//> - This article provides an overview of various UK retailers closing and opening stores in 2023. It highlights significant closures, including Boots' plan to close 300 UK stores, M&S's decision to close 20 stores, and Argos's strategy to shut 100 standalone stores in favor of concessions within Sainsbury’s supermarkets. The piece also mentions closures by Lloyds Pharmacy, Iceland, New Look, and H&M, detailing the reasons behind these decisions and the impact on the retail landscape.
3. <https://www.ft.com/content/d6a95e05-145b-4b35-bb9a-79415303f819> - This article discusses the transformation of UK high streets, noting the replacement of banks and clothing shops with nail salons, hairdressers, and takeaways since 2010. It attributes this shift to the rise of online banking and e-commerce, leading to a focus on experience-based leisure activities in town and city centers. The piece also highlights the increase in hairdressers and beauty salons, particularly manicurists, and the pronounced rise of takeaways in northern England, reflecting a north-south divide.
4. <https://www.reuters.com/world/uk/uks-labour-pledges-plug-gaps-left-by-bank-branch-closures-2024-06-17/> - This article reports on the UK's Labour Party's pledge to empower regulators to increase the number of 'banking hubs' if they win the upcoming general election. These hubs, operated in partnership with the Post Office and nine major banks, aim to provide essential banking services to communities, especially in rural areas affected by bank branch closures. Since 2015, 6,000 branches have closed, with only 50 hubs currently in place. Labour intends to establish 350 new hubs over the next five years.
5. <https://www.ft.com/content/7a7dd31a-ecbe-4d5b-9dcb-c0cb80db772f> - This article covers Denmark's Søstrene Grene's accelerated UK expansion plan, aiming to reach 100 stores by 2027, three years ahead of their original target. The company's growth strategy contrasts with the challenges faced by other high street retailers dealing with closures and increased costs. Søstrene Grene attributes its success to a unique store ambiance involving classical music, brown paint, and a labyrinth layout, and remains dedicated to its family-owned nature, resisting external investment.
6. <https://www.ft.com/content/7ba2b82e-f063-4ede-8562-9716bc2ae156> - This article discusses Lloyds Banking Group's new strategy allowing customers of its Halifax, Lloyds, and Bank of Scotland brands to use any branch across the three brands. The move has raised union concerns over potential closures and job losses, as many branches are in close proximity. The union believes up to 233 branches could be closed, potentially affecting thousands of jobs. The strategy is part of Lloyds' plan to increase digital banking usage.
7. <https://www.ft.com/content/7c5eca5d-fcf2-413d-9b2c-d5f745c05f31> - This article examines the challenges faced by the UK banking sector, with major lenders such as HSBC, Lloyds, and Santander reducing operations, cutting jobs, and closing branches. Santander is even considering exiting the UK market. The piece highlights growing dissatisfaction with post-2008 financial regulations, including stringent ringfencing measures. Despite efforts to promote competition through challenger banks, the market remains dominated by the Big Four—Lloyds, HSBC, NatWest, and Barclays.