

newsletter



Supporting core stores

Photo above: Staff at the Headley with Ashford Hill Community Shop in Hampshire, which is now owned by its local community.

Buyouts booming in Wales

Co-operative consumer



Co-operative events



Welcome

Welcome to the sixth issue of The Co-operative Loan Fund newsletter, which aims to keep you informed about just some of the Fund's most recent achievements, and how it is helping to support the growth of the co-operative, mutual and social enterprise sector.

We hope you enjoy this issue

Sarah Klueter

Sarah Klueter
Chair, The Co-operative Loan Fund



About the Fund

The Co-operative Loan Fund supports co-operatives and social enterprises throughout the UK through the provision of accessible, ethical loan finance. Loan applications are welcome from those that require finance to:

- Set up a new enterprise
- Expand an existing enterprise
- Assist employee buyouts or company successions
- Purchase a property or business
- Purchase capital equipment or create working capital

The Co-operative Loan Fund is funded by consumer co-operatives The Co-operative Group and Midcounties Co-operative, together with the Co-operative Bank and Co-operative Insurance Society. It is overseen by a board of directors who represent each of the funders.

The fund is managed by Co-operative & Community Finance, which is authorised and regulated by the Financial Services Authority (FSA) in the conduct of investment business.

www.co-operativeloanfund.co.uk

Buyouts booming in Wales

Since being launched, The Co-operative Loan Fund has established a successful relationship with the Wales Co-operative Centre, resulting in the completion of many employee buyouts across Wales.

According to the DTI, thousands of businesses fail each year because a lack of succession planning, however employee buyouts can provide a positive outcome for both workforces and owners.

Employee buyouts involve business owners selling a company to its workforce who then co-operatively own and run it - this not only protects jobs, but also preserves established reputations and customer bases. They also enjoy a better record of sustainability than management buyouts, and are much less likely than a trade sale to result in business closure.

By providing loan finance to workforces that have been guided and supported by the Wales Co-operative Centre, businesses that are now employee-owned include:

- TSW Training - a leading provider of management and skills training in Wales that was recently purchased by 18 of its employees.
- Science Workshop - a

Carmarthenshire based specialist in the repair, service and hiring of electrical equipment to the catering industry. The company, which has been operating for four decades, was purchased by three employees and continues to trade successfully.

- DLT Training (pictured) - a Bridgend-based company providing industrial training services in freight logistics & materials handling, which was purchased by 11 of its employees.
- Cleddau Press - a printing business in West Wales that doubled its turnover following its successful employee buyout.

Sarah Klueter, Chair of The Co-operative Loan Fund, says: "Employee buyouts demonstrate how the co-operative model can ensure sustainability for enterprises that face the threat of closure. The development advice and guidance from the Wales Co-operative Centre, along with financial support from The Co-operative Loan Fund, has prevented the loss of many jobs across Wales and we hope our working relationship with the Centre continues to enable even more people to own and control the businesses in which they work."

Supporting core stores



The Co-operative Loan Fund is pleased to announce that it is now providing financial support to rural communities to enable them to own and run their local stores.

The loan finance will be accessed by communities as part of the Village CORE Programme, which is a partnership between the Loan Fund's managers - Co-operative & Community Finance - and the Esmee Fairbairn Foundation and ViRSA (Village Retail Services Association). The programme aims to provide start-up funding, via a combination of grant and loan finance, to establish new community-owned shops across the UK. Since it was launched in 2006 it has helped to set up over 20 stores, which serve as vital community cores in many rural areas, including Whitbourne Village Shop, Blockley Village Shop and Cafe.

As well as enabling community ownership, the support will also create a clear link between the larger mutual retailers that invest in The Co-operative Loan Fund, and smaller community shops. Several village shops established

via the Village CORE Programme are already enjoying relationships with their local co-operative societies - an excellent example being Nenthead Village Community Shop which has developed an agreement with Penrith Co-operative Society and now is only charged trade prices for Co-operative food produce.

The most recent rural store to be supported by the programme and receive finance from The Co-operative Loan Fund is the Headley with Ashford Hill Community Shop in Hampshire, which transferred from private ownership to community ownership over a period of four months and re-opened in June 2008 (pictured).

Mike Aspray, Chair of Headley with Ashford Hill Community Shop Association Limited, says: "Finance from The Co-operative Loan Fund has enabled us to purchase a laptop and another software licence for our computerised till on the shop counter. The laptop is now networked to it from our storeroom which allows us to carry out stock maintenance

without interfering with the service to our customers. For example stock can now be scanned immediately on receipt in the storeroom and go straight onto the shelves without having to wait for a quiet moment front of house.

"It's also helped us to provide an on-site staff training day so we can make the most efficient use of the computerised till to manage stock and extract sales data, and it will be used to improve the fire and security systems in the shop.

"In addition we are also be looking to replace our very old shelving units and fridges which are at least fourth hand and restrict the amount of stock we are able to display."

The Village CORE Programme is proving to be tremendously successful, with many more applications from communities seeking to gain ownership of their local stores in process. Community ownership is a particularly viable option for villages wishing to retain or introduce a local shop to provide much-needed services that would be otherwise unavailable.

At present, there are around 150 community owned shops across England however according to ViRSA, this number is increasing as rural communities find that community ownership is often the only way to have a shop in their village.

Sarah Kleuter, Chair of The Co-operative Loan Fund, says: "We're delighted that the Loan Fund is making community ownership a reality in rural villages across England, and we're confident that Headley with Ashford Hill Community Shop will be the first of many stores to be supported by the Loan Fund and transferred from private ownership, and in many cases saved from closure."

www.virsa.org

Co-operative consumer

Co-operatives offer products and services varying from breakfast cereal to bed frames, so why not support the sector by indulging in a little ethical retail therapy? In this regular feature we highlight just some of the excellent enterprises that the Loan Fund has supported and what they have to offer.

Living Roof tours

As well as choosing from one of the largest selections of organic fruit and veg in the North West, Unicorn Grocery shoppers can explore the co-operative's 'Living Roof' if they visit its Manchester-based store.

The 825m² flat roof was transformed during 2007 into a home for a mixture of plants, wetland, and brownfield that aim to create a variety of habitats to increase local biodiversity and offer insulation for the store during the winter months. Since then it has been naturally colonised by over 20 species of plants and offers regular sightings of blue damsel flies, water boatmen and plenty of bees!

The co-operative recently opened the Living roof to the public as part of a series of tours and plans to do so again in the near future, so if you want a shopping experience with a difference, give Unicorn Grocery a call.

www.unicorn-grocery.co.uk



Royally-approved recycling

Are you recycling all that you can? If you need a little help then get in touch with Green-works, which recently received the Queens Award for Enterprise & Sustainable Development. The enterprise offers a comprehensive range of purpose-designed equipment to enable you to set up a complete recycling system including bins, aluminium can crushers, cardboard balers, and shredders. Green-works also provides a wide range of second-hand office furniture that it has redirected from landfill and refurbished to a high quality, meaning that customers get good value while supporting the enterprise's environmental aims.

www.green-works.co.uk



Co-operative bestsellers

Small independent booksellers may be dwindling by the day, but co-operatively-run October Books is still going strong after almost 21 years in business.

The Southampton-based book store sells a wide range of bestsellers and can order any book on your behalf if it's still in print in the UK, Europe, or America, at no extra charge. It's team can also offer expert recommendations on books covering specialist topics such as political, environmental and social issues.

www.octoberbooks.org



Co-operative events



9 - 10 October 2008

Co-operative Young Film Makers Festival

Bradford

Two days of film fun including screenings of 100 short films made by young people, advice sessions, and film-related workshops and master classes. www.youngfilm-makers.coop

16 -18 October 2008

2008 ICA Research Conference

Trento, Italy

This year's conference, held by the International Co-operative Alliance, will look at 'The Role of Co-operatives in Sustaining Development and Fostering Social Responsibility'. www.co-operative.coop

28 - 30 October 2008

Community Transport Association ACCESS 08

Manchester

An event aimed at everyone working in the community transport sector. The

conference will feature one-day events hosted jointly with ATCO, Wheels to Work, Help the Aged, National Youth Agency, and Department for Transport. www.ctauk.org

26 - 27 November 2008

Rural Social Enterprise Conference 2008

Crewe

An event featuring high profile speakers and networking opportunities. www.plunkett.co.uk

4 December 2008

Robert Owen Commemorative Meeting

Newcastle

This meeting, sponsored by the Workers' Educational Association and the Co-operative Group, will feature a lecture by Tony Jeffs on Robert Owen's contribution to education and its continuing relevance.

For more information contact Nigel Todd on 0191 212 6100, ntodd@wea.org.uk

Apply for a loan

If you would like to apply for a loan from The Co-operative Loan Fund, please go to www.co-operativeloanfund.co.uk to download and print an application form, or contact the fund managers, Co-operative & Community Finance, on 01179 166750.

Complete the form, and send it with two copies of your most recent business plan to:

The Co-operative Loan Fund
c/o Co-operative & Community Finance
Head Office
Brunswick Court
Brunswick Square
Bristol BS2 8PE

Further details about the Fund, loan security, and lending terms are available online at www.co-operativeloanfund.co.uk

The co-operative loan fund

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