

About Co-operative & Community Finance

Co-operative & Community Finance (C&CF) has been providing loan finance for co-operatives, employee owned businesses and social enterprises for 36 years.

We raise money primarily by public share issue, and we lend it for social purpose and collective benefit. We also manage loan funds for several other organisations providing co-operative and community finance. Through ICOF, our holding company, we are authorised and regulated by the Financial Services Authority (FSA) in the conduct of investment business.

In this issue

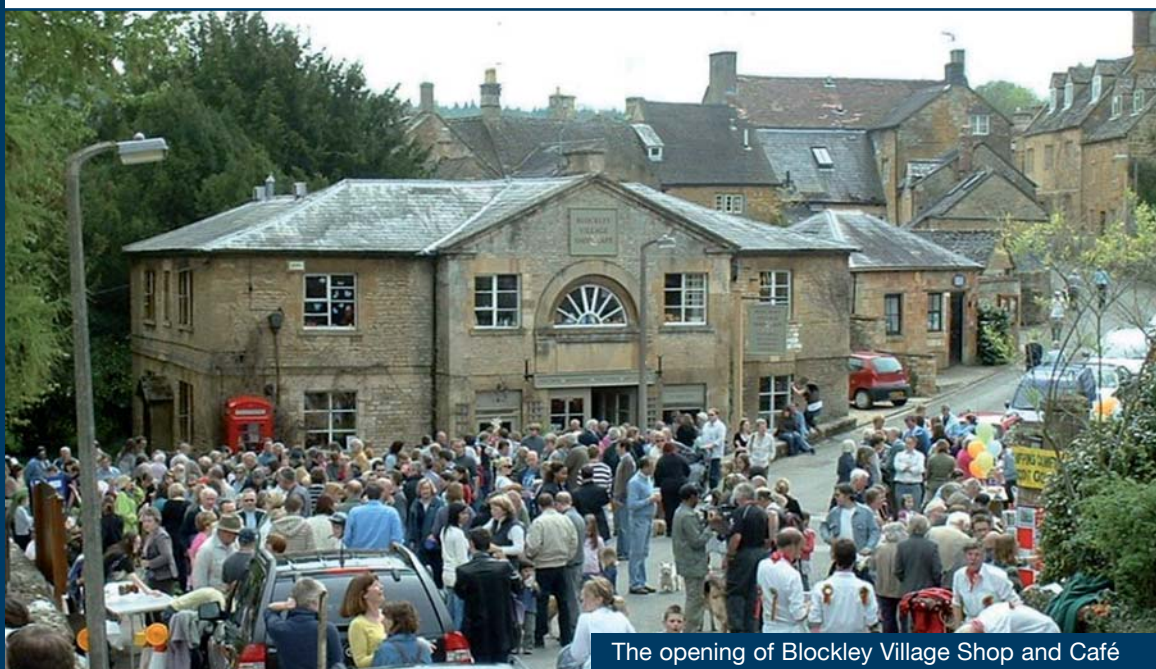
- **The CORE to support more!**
Village CORE Programme is extended
Pages 1 - 2
- **Enabling ownership**
New loan package unveiled for housing co-ops
Pages 3
- **One year on**
Interview with Ian Rothwell
Page 4
- **Latest lending**
Page 5
- **C&CF AGM 2009**
Page 6



This newsletter is produced by Alpha Communication co-operative, printed by Upstream co-operative, and uses recycled paper supplied by Paperback co-operative.



CO-OPERATIVE & COMMUNITY FINANCE
the lender for social purpose



The opening of Blockley Village Shop and Café

The CORE to support more!

Co-operative & Community Finance (C&CF) is delighted to report that the Village CORE Programme has been extended, which means that even more rural communities will benefit from its support.

The programme was initially launched three years ago by the Plunkett Foundation which manages it in partnership with the Esmée Fairbairn Foundation and C&CF. It was scheduled to end in 2009 however it's been such an incredible success, it will now be continued.

The programme provides a combination of grant and loan start-up packages of up to £40,000 to help rural communities purchase, own and control their local shops - all of which provide vital services in remote areas. The finance is complemented by contributions from the community and advice from the Plunkett Foundation, while the loan

element of the package is provided by C&CF.

To date, the programme has helped to introduce the co-operative model to thousands of people in rural areas across England. In just three years, the programme has already created over 50 community co-operatives (many with hundreds of members) in villages across almost every region of England, enabling them to jointly purchase, own and run local shops which provide much-needed goods and services. The co-operatively-controlled stores also act as central social hubs for local people, reinvigorating their sense of community spirit.

According to the Plunkett Foundation, there are now currently approximately 190 community-owned rural shops in the UK and this number is growing by around 20 each year, many with support from the Programme.

Article continues on page 2



Mells Village Shop & Post Office



Headley with Ashford Hill Community Shop



Almondsbury Community Shop

Ian Rothwell, Development Manager of C&CF, says: "While the communities we support work impressively hard to raise enough money to purchase their local shops, the loan finance we provide in addition makes community ownership a reality. Traditional lenders can be reluctant to give support to community-based enterprises, whereas the Village CORE Programme is run specifically to help community ventures that might otherwise be unsupported."

Village shops that have been purchased by their local communities with support from the Village CORE Programme include Blockley Village Shop and Café, based in the Gloucestershire village of Blockley. When the community faced the loss of its local shop and post office, it came together to form the Blockley Co-operative Association with the intention of opening its own store. With help from the Village CORE, it achieved its goal in 2008 and now the community co-op and its members - of which there are over 400 - run a local store which also offers a café and an outreach post office service.

Another store supported by the Programme is Mells Village Shop & Post Office. The store, located in Somerset, was purchased by its community which collectively contributed £20,000 of their own money to secure its future. They also raised financial support from local businesses, funds and trusts, and with the additional support package from the Village CORE Programme, have been able to turn a former cottage into a traditional village

shop stocking basic groceries and locally sourced delicatessen items.

Trading as a community-owned business since April, the village celebrated the shop's official opening on 9 May 2009 along with Grand Designs TV presenter, Kevin McCloud.

"The Programme has been incredibly successful to date... so we're absolutely delighted that it will continue"

Other shops supported include Stutton Village Shop in Suffolk, Shareshill Village Shop near Wolverhampton, Headley with Ashford Hill Community Shop in Hampshire, and Titchmarsh Village Shop in Northamptonshire.

Speaking on the news that the Programme will now be extended, Ian Rothwell says: "The Programme has been incredibly successful to date and exceeded all expectations. The combination of support provided by its partners is a vital lifeline for many communities that want to open or prevent the closure of local shops, and so we're absolutely delighted that it will continue.

"We look forward to spreading the benefits of co-operation across many more rural communities."

Enabling ownership

We're pleased to announce that Co-operative & Community Finance (C&CF) and Triodos Bank have launched a new joint loan package for housing co-operatives.

The co-lending product is designed to help housing co-operatives to take advantage of the lull in the housing market and buy their own property.

With house prices finally returning to a sensible level, co-ops can buy properties at a price that allows members to pay affordable rents. Working together, we can fund up to 95% of the value of a property - and in some cases even up to 100% - opening the door for more homes to be brought into mutual ownership.

Louise Davey, Relationship Development Manager for Triodos Bank's Social Banking Team, says: "In the current economic climate, innovative and sustainable ways of providing affordable homes are more important than ever. By working together, Triodos Bank and Co-operative & Community Finance are helping housing co-ops to do just that".

Ian Rothwell, C&CF's Development Manager, says: "Now is a good time for either new or existing housing co-ops to consider buying properties. Co-operative & Community Finance is delighted

to be working with Triodos to be able to offer this loan package which will help to provide even more affordable, tenant controlled homes".

The new loan package represents a new formal relationship between C&CF and Triodos, although we have previously lent alongside each other to help housing co-operatives such as BUG Housing. The co-op, based in Brighton, received financial support from both lenders which helped it to set up in 2005.

"Triodos Bank and Co-operative & Community Finance provided the money to establish BUG Housing Co-operative. We found both organisations very helpful and understanding of the nature of cooperatives. They have a relaxed, informal, but ultimately professional approach to lending. In addition, the knowledge that the interest paid on the loans serves to further the ethical lending agenda made the experience all the more rewarding" says BUG's Chris Szczerba.

Housing co-operatives interested in finding out more about the new loan package, that's been created specifically to meet their needs, can contact us on 01179 166 750 or email info@co-opandcommunityfinance.coop.

Alternatively, find further information at www.co-opandcommunityfinance.coop

Tenant-owners of BUG Housing Co-operative in Brighton



One year on...

One year into his position as Development Manager at Co-operative & Community Finance, Ian Rothwell tells us a little about his best bits so far

What's your role at C&CF?

A lot of what I do is about increasing our profile - promoting our services to the co-operative and social enterprise sector and building partnerships with other organisations to develop and deliver funding programmes. I'm also doing an increasing amount of lending to co-ops.

To date, what are your key achievements at C&CF?

The loan package for housing co-ops that we have developed with Triodos is exciting for me, there seems to be a lot of interest in it and I'm hopeful that it will result in the expansion of existing

housing co-ops and new ones setting up. The Village Core Programme has been tremendously successful and I'm pleased that it has been extended. Also, the East of England Co-operative Society donated to The Co-operative Loan Fund, which we manage, enabling it to expand its lending.

What have been the highlights so far?

The biggest highlight for me has got to be meeting all the different people that are involved in co-ops - either as running a business or supporting co-operation. There is so much commitment and enthusiasm in the sector. Particularly brilliant is meeting some of the village communities where they are setting up a community owned shop and seeing the



villagers, with no real previous knowledge of co-ops working together and becoming enthusiastic ambassadors for co-operative working.

What are you looking forward to in the next year?

I've really enjoyed my first year with C&CF and next year I'm looking forward to developing our work with new and existing partners - in particular the various co-operative sectors, such as housing and rural development where I think that we can play a key role in helping to develop new co-ops.



alphabeds
quality, comfort, co-operation

Alphabeds co-operative offers a wide range of traditionally-crafted bed frames and mattresses - bespoke or ready-to-order.

We have over 30 years' experience in manufacturing high quality products and our customers across the UK can sleep easy knowing that we're fully committed to using natural and organic materials from sustainable and certified sources wherever possible.

Whether you're looking for standard sizes or something a little different, get in touch and find out how we can help.

Call 01559 395 428 or go to www.alphabeds.co.uk

Latest lending

For 36 years we have been providing sympathetic loan finance to new and existing co-operatives, community businesses, development trusts and enterprises developed from the charitable and voluntary sector. Here are some of our most recent borrowers:

Care & Share Associates (CASA)

CASA is an umbrella organisation based in Sunderland that's been set up to replicate the model of the award-winning Sunderland Home Care Associates - an employee-owned company which was the driving force behind the organisation.

With previous support from C&CF, it has already successfully replicated the model in North Tyneside, Newcastle, and Manchester, and has recently received further loan finance to help it set up a new Home Care Associates company in Calderdale. All of the newly set-up companies operate as social enterprises, and exist to provide high quality home care services while empowering their employees.

www.casaltd.com



Oxford Cycle Workshop Training (OCWT)

OCWT is a new community co-operative that has been established with start-up loan finance from C&CF. Developed by Oxford Cycle Workshop, an established co-op, it will provide training in all aspects of bicycle maintenance.

Specifically OCWT will seek to offer bicycle maintenance courses for young people. Its programmes will include alternative curriculum work in schools (including special needs schools), work within the youth offending services, as well as advice, and support and skills training for those not in employment, education or training.

www.oxfordcycleworkshop.org.uk



Upstream

C&CF has recently provided loan finance to Upstream to enable it to purchase new computing equipment. The employee co-operative, based in London, has been delivering artwork, design and environmentally-friendly printing services for over 23 years and required new equipment to help it stay competitive within its market.

Co-op member Duncan Morrison says: "We really appreciate the support of Co-operative & Community Finance, which will help us to continue to deliver ethical and environmentally-friendly design and print work of a high standard to our clients."

www.upstream.coop



Come and join us!

Members of Co-operative & Community Finance (C&CF), our supporters, and those interested in our services are invited to join us at this year's AGM, which will take place at 2pm on Friday 26 June 2009 at Beaumont House Hotel, Old Windsor.

The event, which forms part of the programme for Co-operative Congress 2009, will have a theme of rural community ownership in light of our increasing success in taking co-operation to villages across England (see pages 1 and 2 for more about the Village CORE Programme). It will also enable attendees to learn more about our other activities and achievements throughout the last financial year.

As well as holding our AGM, we will also be taking part in the main exhibition at Co-operative Congress 2009 (Stand 5).

Alain Demontoux of C&CF says: "Congress gives us a great opportunity to meet with co-operators and discuss how we may be able to support their social goals. Delegates interested in securing sympathetic loan finance from one of the UK's most successful and well-established social lenders are welcome to come and chat to us informally at the conference."

If you're interested in attending our AGM and would like more information, contact our Bristol office on 0117 916 6750.

For further details about Co-operative Congress 2009, go to www.congress.coop.



Get in touch

If you need accessible, ethical finance to make your enterprising goals a reality, contact Co-operative & Community Finance and find out if we can help.

For over 35 years we have been providing sympathetic loan finance to new and existing co-operatives, community businesses, development trusts and enterprises developed from the charitable and voluntary sector.

Our rates are competitive, unlike many high street lenders we don't require personal guarantees, and our profits are reinvested to enable us to continue our work.

Call us on:
0117 916 6750

Write to us at:
**Co-operative & Community Finance
Brunswick Court, Brunswick Square,
Bristol BS2 8PE**

Email us at:
info@co-opandcommunityfinance.coop

Co-operative & Community Finance is the trading name of Industrial Common Ownership Finance Limited, which is authorised and regulated by FSA in the conduct of investment business.

