



# A better use for the old bank

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# Co-op flush with finance

**A plumbing co-operative in Bristol is better equipped and set to expand after receiving financial assistance from us.**

Bristol Plumbing Co-operative was formed in 2011 and is one of only a handful of trade co-ops in the UK. It offers a range of plumbing and central heating services and also advises clients on environmentally friendly products. The co-operative has three members; two are employed full time as plumbers and one works part time as an administrator. The two plumbers met last year at a training course while both in the process of changing careers and decided to set up the co-operative.

The money from us is being used to buy new, better quality, tools, purchase stock and pay back money loaned to the co-operative from one of its members to buy a van. It will also pay for training sessions with accounting software.

Craig Lea, one of the founders, said: "Our strength lies in the fact that we are a co-operative. We are

## About Co-operative & Community Finance

**We provide sympathetic loan finance to help people take control of their economic lives and create social benefit.**

We've been lending to co-operatives, employee owned businesses and social enterprises for nearly 40 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 that share our values.

We are the oldest community development finance institution (CDFI) in the UK and, we believe, one of the most successful and sustainable. We are also one of the very few CDFIs that are authorised and regulated by the Financial Services Authority in the conduct of investment business.

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all equals, and that makes our business better and more efficient.

"If we hadn't have had the loan from Co-operative & Community Finance, everything would have been a much slower process. We would not have been able to purchase such good quality tools and the business would not have been able to run as efficiently."

Bristol Plumbing Co-operative is now hoping to take on trainees from their local college. The members are looking ahead and eventually hope to expand their business into developing low cost, energy efficient housing in Bristol.

The loan is being drawn from the Avon & Bristol Co-operative Finance Fund which is one of a number of specialist funds managed by Co-operative & Community Finance.

Ian Taylor, our Investment Manager, said: "Bristol has lots of co-operatives which will be a great market for the Bristol Plumbers, so we were very pleased to be able to offer them finance through the Avon & Bristol Fund. The co-operative structure is a good one for inspiring and building confidence in potential clients, as they know how open and transparent the co-operative way of working is."



# Wood recycling at their core

**A green enterprise that provides opportunities for disadvantaged people has moved into larger premises which it plans to develop as a new 'social enterprise hub' in North Somerset.**

We provided a loan to Somerset Wood Recycling to cover the costs of moving in and making improvements to the Motex Centre in Weston-super-Mare. The 14,000 sq ft premises provides the growing business with nearly four times as much space for a workshop, warehouse, showroom and office as well as offices and a training room for three other social enterprises.

The move demonstrates how successful Somerset Wood Recycling has been in building a bigger and more sustainable business. Two years ago it was awarded a contract from North Somerset Council to provide an outdoor maintenance and repairs service (we reported this in the February 2011 newsletter). Since then it has won larger and longer-term contracts from local authorities and housing associations.

Tristan Tudor, the manager, who was one of the two people who started the project in 2006, said: "The maintenance and repair contracts are providing an extra and more secure source of regular income and have enabled us to create more jobs and train more people. However wood recycling remains the core of our business."

Somerset Wood Recycling collects waste wood and timber from businesses, building sites



and domestic premises in Weston-super-Mare and the surrounding area. The material is taken to its warehouse where it is sorted and used in the most environmentally beneficial way. At least 80% of the wood collected is reused; about half of it is sold as timber for DIY or woodworking, and much of the rest is used to make a range of products for sale including benches, plant boxes and bird tables.

Somerset Wood Recycling is part of a network of community wood recycling projects that combine the environmental benefits of reuse and recycling with the social impact of providing training and opportunities for disadvantaged people.

Tristan Tudor said: "We provide opportunities for training and volunteering for between 100 and 150 people a year, and this

is really the primary purpose of the project. Some of our volunteers have had drug or alcohol addiction problems, some of them have learning difficulties, some have mental health issues and some have been unemployed for a long time."

The loan is being drawn from the Avon & Bristol Co-operative Finance Fund which is one of a number of specialist funds managed by Co-operative & Community Finance.

Our Investment Manager Ian Taylor said: "Since I first visited them 18 months ago, Somerset Wood Recycling has diversified and won new contracts. It is a successful social enterprise that provides good cost-effective services and delivers social and environmental benefits. We are delighted to help finance their move to larger premises."

# New life for old bank



The building before renovation started

## A social enterprise in South East Cornwall is renovating an old bank building to create an enterprise hub, after receiving a loan from us.

Point Europa, a membership organisation with charitable status, provides job advice, training, and support in the isolated rural areas of the Rame Peninsula, including the villages of Kingsand and Cawsand. The organisation, which was founded in 2004, identified the need in the local area for affordable office space and community facilities.

In March the purchase of an old Barclays bank in the village of Millbrook was completed. Building work to renovate the dilapidated premises began in June and will continue until September. A grand opening has been set for October.

The organisation has historically relied on grants on a rolling programme of regular applications to the

same funders, for provision of specialist services.

The plan is to develop more trading arms and income and reduce reliance on grants. Co-operative & Community Finance had previously provided loan finance to help Point Europa improve support for community organisations (as reported in the September 2010 newsletter) and so was delighted to assist with this next stage of development.

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**“With the purchase of this asset we have the strength to provide more services”**

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Simon Ryan, Chief Executive of Point Europa, said: “Co-operative & Community Finance has given us the opportunity to turn our organisation around. With the purchase of this asset we have

the strength to provide more services to our local community.”

The new building will provide room for 12 workstations or five offices, specifically for new enterprises and start up businesses, a community meeting point, and a large retail space for a charity shop. Point Europa aims to create an economic hub for new business and will offer easy lease conditions to stimulate growth. There are also plans to open a credit union in the bank premises.

Point Europa currently has a membership of 70, employs a core staff of nine, and works with about 24 volunteers covering various projects and areas.

Ian Taylor of Co-operative & Community Finance said: “The Rame Peninsula is an area of high unemployment with little industry and few formal vacancies. Point Europa is tackling this issue in an innovative and inspiring way. They have a very entrepreneurial approach to creating employment and are backed by fantastic community support and a great team.”



# No longer underground

There are now nearly 300 community-owned shops trading across the UK and Co-operative & Community Finance and the funds we manage have helped nearly a third of them. Here's our three most recent borrowers.

## The Burrow

We helped the residents of a small village in West Devon to build a new community-owned shop – thought to be the first in the UK to be sited underground. The Burrow in Exbourne is a unique shop, post office and cafe buried in a sloping field in the centre of the village. Once the grass has regrown, sheep will be able to graze on its roof.

Members of the local community took action after the last shop closed in 2001; they set up a temporary shop and post office facility in the village hall, from which they operated for 10 years.

The group struggled to find permanent premises for the shop, until local architect Steve Blakeman suggested the underground building.

The association's secretary Sally Hordern said: "We aim to source fruit, vegetables, meat, poultry, fish, dairy produce, bread and cakes from within 15 miles of Exbourne."

They raised a large amount of money from a wide range of sources to progress the project and finally drew down the loan from us as the new building was nearly complete.

Ian Taylor said: "It's taken a long time for this highly unusual project to reach completion and I don't think it would have happened at all if it wasn't for the determination of the people in the community association."

## St Tudy

Work has started on a new building for the only shop in the North Cornwall village of St Tudy. The community-owned shop is expected to move into the new premises at the end of August 2012.

The new shop will provide a post office facility, and will stock produce – both food and crafts – sourced locally where possible. The shop currently has over 50 volunteers, one – Ivy – worked in the previous shop for over 50 years.

Les Eastlake, one of the shop's directors, said: "The



The Burrow in Exbourne

endorsement and support we have received... has been invaluable. [This] support maintains the viability of rural communities."

## Whitbourne

Whitbourne Village Community Shop, near Worcester, is currently renting a lean-to on the side of a pub and only has a very small sales area. The co-operative used the loan from us to help buy a field at the entrance of the village, and build larger premises to house the shop.

The enhanced services of the shop aim to serve the needs of the whole community, especially the less mobile and the elderly, as the nearest alternative shop is more than five miles away.

Martin Yarnit, Chairman of the Whitbourne Village Community Shop Association, said: "Local people – producers and consumers – have told us they want to see even more locally produced food and drink on sale. Now we'll be able to showcase a wealth of local produce and also help to develop some local food businesses."

The intention of the new site is to strengthen the network of local food producers and to boost the sales of locally produced food – from the current 40% of sales to 60%.

Ian Taylor said: "The current shop is one of the smallest we have visited, but this has not stopped it from being very successful. The plans to expand, and also create allotments will help to further increase community involvement."

# Sun shines on Old Trafford

**The opportunity to own shares in solar panels on a church roof has brought together diverse members of an inner city community.**

The first venture to be supported by the new Community Shares Fund (announced in the last newsletter) is also the first renewable energy generating co-operative in an urban setting and the first church in the UK to fit community-owned solar panels.

From 1 April to 5 June the residents of Old Trafford in Manchester were able to buy shares in St John's Sunshine, an industrial and provident society set up to generate electricity from photovoltaic (PV) panels sited on the roof of St John's Church and to use the savings and income to benefit the local community.

The PV panels generate electricity for the nearby St John's Centre and any surplus is sold to the national grid. The society aims to use the money generated from the Feed-in-Tariff to provide 'Sunshine Grants' to local projects. All the people who have invested, or subscribed as a member, in St John's Sunshine will have a democratic say in choosing which proposals will receive grants.

Following our endorsement, the community share issue easily raised the money required.

So great was the good will, even in these hard times, that around 50% of investors also waived any future interest so it can be used to support SJS's charitable goals.



From left: Jordan, Tony, Chris of Jacob Eco Energy Ltd with St John's Sunshine directors (two of the four founders) Gavin Wood and Rev John Hughes

Investor and local resident Françoise Ladam said: "As soon as I heard about St John's Sunshine I thought, what a good idea, both for the environment and the Old Trafford community."

Ibrahim Shah, another investor, said: "It's great to see a wonderful idea put together successfully to make it actually happen, I am proud to be part of this."

Plans for this innovative community investment were well advanced when the government announced large cuts to the Feed-in-Tariff for solar power. The retrospective nature of the government's proposals was subject to a successful legal challenge but St John's Sunshine had to act quickly to survive. The PV panels had to be installed before the changes came into effect in March 2012, and this would be before the community share issue could take place.

The Community Shares Fund

made an advance of one third of the investment target for the share issue and this, together with personal loans and donations from other supporters, enabled a 3.75kw array of 18 panels to be installed in February 2012.

Ian Rothwell said: "It's very appropriate that St John's Sunshine is the first venture to be supported by the Community Shares Fund. It combines co-operative values, community cohesion and renewable energy. It's a great start for the new fund."

The Rev John Hughes of St John's Church and a founding director of St John's Sunshine said: "We did it the hard way. We could have explored other ways to raise the money such as bank loans or an energy supply company but then the returns wouldn't have benefited our community."

For more about the Community Shares Fund please visit [www.communitysharesfund.coop](http://www.communitysharesfund.coop).

# A very good year

**We held our AGM at Cafe Kino, Bristol, on Thursday 28 July. Kino provided a delicious buffet lunch, and there were 25 attendees representing all areas of the co-operative sector.**

Jo White opened the proceedings presiding over her first AGM as ICOF Chair, thanking Guy Turnbull for his last two years in the position.

Alain Demontoux presented the accounts which underpinned one of our busiest lending years ever.

The group at the AGM re-elected Jon McColl (HCT), George Conchie (Co-op College) and Dave Hollings (CMS) for a further three years on the board of ICOF and ICC. Siôn Whellens (Calverts) also stood and was elected for a three year term.

Andy Love MP was reappointed as an ICO Fund plc shareholders representative.

After the formal business, Cafe Kino gave a short talk on their experiences with ICOF, explaining that the cafe couldn't have moved premises without our help and support. It has worked out well because Cafe Kino's turnover has tripled since the move.

Simon Ryan, Chief Executive of Point Europa (see page 4), gave a presentation about what the group are doing and how ICOF has helped them along the way. Like Cafe Kino, Ryan commented that Point Europa would not be where they are today without our help.



## New to the board

Our new board member, Siôn Whellens, is a well known co-operator. Siôn is Client Services Director at Calverts, a creative, web and print communications co-operative based in east London. He has 30 years' experience in worker and housing co-operatives, is an elected member of the Worker Co-operative Council, and was a worker co-op director of Co-operatives UK for 5 years. He is also a founding partner of Principle Six, a co-operative advocacy, intervention and support agency working in London and south east England.



# Catching up with...



The new Hendon Co-op Centre. Photo © El Bingle

## SES

**Back in our September 2011 newsletter, we brought you news of The Hendon Co-op Centre's planned relocation to innovative new premises in Sunderland.**

We are pleased to report that the building is finished, and the unusual structure is now home to several north east based co-operative enterprises, including the multi-award winning Sunderland Home

Care Associates and Sustainable Enterprise Strategies, the north east's most successful social enterprise development agency.

The new building is constructed from recycled shipping containers, bought with a loan from Co-operative & Community Finance, and incorporates a range of environmentally sensitive features including roof gardens, permeable hard landscaping (to reduce rainwater surges in drains) and heat exchange pumps.

## Essential Trading

**Essential Trading is celebrating its ruby anniversary this year and also winning a Fairtrade Business Award.**

We've assisted Essential Trading with four loans since 2001, and are pleased to be able to offer our congratulations to the co-operative as it celebrates 40 years of trading. Essential is holding a celebratory open day event on 16 September in Bristol to which all customers and suppliers will be invited.

In March, Essential Trading was awarded the Best Fairtrade Office award at the first ever Fairtrade Business Awards. The award highlights Essential's success as an ethical business.



## We can help

If you need accessible, ethical finance to make your enterprising goals a reality, we may be able to help.

Loans from £10,000 to £75,000 are readily available, and we are able to lend up to £150,000 using other funds.

We do not require personal guarantees, and our profits are reinvested to enable us to continue our work.

**Apply online [www.coopfinance.coop/borrow/](http://www.coopfinance.coop/borrow/)**

We manage a range of loan funds throughout the UK, and currently have around £4m available to lend. Our staff will be glad to advise on the availability of specific funds and the most suitable forms of finance for your business.

**0117 916 6750 [info@coopfinance.coop](mailto:info@coopfinance.coop)**

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