

**CELEBRATING 40 YEARS
OF SUPPORTIVE LENDING**

In this issue:

40th celebrations update
Denton West End Library
School Trends
Castle Rockdove Housing Co-op
Co-operative Living Freehold Society
Soft Touch Arts
Tyn-Y-Capel
Unity Hall



Life begins at 40!



We've been continuing our 40th birthday celebrations throughout the year, most notably at Co-operatives Congress in Cardiff this July.

We had a great stand in the Choose Co-operative Festival marquee and spent a lovely long weekend chatting to other co-operators, eating co-op ice cream and drinking beer from the pop-up co-op pub. We even managed to fit some serious stuff in around all that fun - and presented our best ever results in our AGM. We lent more in the first six months of 2013 than in the whole of 2012; all set for a record year of lending!

Congratulations, Carbon Co-op!

We were proud to sponsor the award for Most Innovative Co-op at this year's Co-operatives UK Awards, and would like to say congratulations to the very deserving winners, The Carbon Co-op!

A good catch up...

The party has been continuing online, too - and we've really enjoyed catching up with co-operative friends past and present in our weekly features. It's great to see how much some of the co-ops we helped out 40 years ago have grown, and wonderful to hear about new projects and adventures. You can read the 'Catching up with' interviews at:

www.coopfinance.coop/category/were-40/

Making the headlines

We're delighted to have been featured in 'Financing Co-operatives', a supplement included in a recent issue of The Co-operative News. One great feature looked at some of the co-ops we've been catching up with as part of our 40th

celebrations, and another outlined some handy tips for success from our very own Ian Taylor. You can read more on the 'Financing Co-operatives' section of the Co-op News website: s.coop/1sokk

Last but not least, we've reached over 1,000 followers on Twitter! If you're not one of them, you can find us [@coop_finance](https://twitter.com/coop_finance). Remember to keep a look out for our [#ccf40](https://twitter.com/ccf40) birthday hashtag, too.



Closed library saved by the community

Hundreds of people from Greater Manchester have saved their local library from imminent closure by setting up a Charitable Incorporated Organisation.

Friends of Denton West End Library have successfully brought the library into community ownership after purchasing the building from the local authority with a loan from us.

Residents discovered that there were plans to close Denton West End Library and dispose of the building at a public meeting held in July 2012. After the meeting a group of locals organised a campaign to save the library which began with the formation of a Friends Group, and evolved into one of the first Charitable Incorporated Organisations in the country.

The library was registered as a community asset to provide time for the group to raise support, funds, lobby the local authority, and to ultimately bring this vital community resource into community ownership. Over 12 months, many community fundraising events were held, and thousands of flyers calling for support were distributed.

The charity has been working to renovate the library throughout the summer and has received support from local businesses and organisations, including generous donations of computer equipment, software and building work.

The library has been open two days a week for various activities during this period,



but will be open full time after celebrating a grand reopening mid September.

Ian Rothwell said: "It's great to see local people rallying around to save their local library."

David Booton, one of the charity's founding Trustees, said: "The loan from Co-op Finance has really helped us realise our dream. Suddenly we went from worrying we might run out of steam and thinking we might not make it, to everything coming together as planned. We're really engaged with the local community and everyone is so enthusiastic. We've had an overwhelming amount of support."

Once open full time, space in the library will be used by

nearby schools as outreach study classrooms and homework areas, and by local community groups for numerous activities. The library will also host after school groups, classes, and activities for both adults and children of all ages, to provide long term services and benefits to the whole community.



Ian Rothwell said: "This is a very committed and efficient team with a wide range of skills being put to good use helping to keep open a very useful community asset."

Employee ownership

Surprise benefit from lower property values



One of the UK's leading suppliers of decorated school uniform, which is employee-owned, has bought back the freehold of its headquarters for less than it sold it for nine years ago. We made one of our largest-ever loans to help Sheffield-based School Trends raise the funds to complete the purchase.

School Trends supplies over 5,000 schools throughout the UK with personalised school uniforms. The business started in 1988 and grew rapidly. The founders believed in a participative work culture and in 2004 the company became employee owned.

There are now 125 employees mainly based at the company's office in Westfield near Sheffield which was purpose built in 2003. The building has a 48,500 sq ft warehouse, industrial and office space on a site of 2.22 acres.

School Trends sold the building to a commercial landlord in 2004 and then leased it back.

Proceeds from the sale helped to finance the employee ownership process.

"We couldn't have bought the building back without ICOF's support"

In June 2013 School Trends bought back the building and acquired the freehold and, due to the substantial drop in property values, it has been a positive move.



The mortgage and loan repayments are slightly less than it was paying in rent and the business has gained a valuable asset.

Ian Taylor said: "We were pleased to help School Trends complete a purchase which will help the company to benefit from future investment opportunities. The moderate savings made by the purchase are an unexpected but welcome benefit."

Daran Brown, Managing Director of School Trends, commented: "It's been great working with a like-minded organisation on this opportunity and we couldn't have brought the building back without ICOF's invaluable support."

"We value our Employee Ownership status. We continue to develop and improve our 'Community Culture', which is centred around our staff being our greatest strength and puts the customer at the heart of the business."

Co-operative housing

Co-op reclaims social housing

Members of a North West housing co-op have purchased their home after receiving a loan from us. Now they want to help others do the same.

The four members of Castle Rockdove Housing Co-op had been living together for several years but formally set up as a co-operative two years ago, after being spurred into action by the news that their landlord wanted to sell. They borrowed from us to help buy their flat in Rockdove Avenue, an estate of 245 flats in Hulme, Manchester which was built as council housing in 1948.

The four flatmates are also members of other co-ops – Carbon Co-op, Glebeland City Growers and Manchester Radical Social Centre – and say that living and working co-operatively allows them more time, energy and freedom to spend on projects which will benefit their community.

Matt Fawcett, who has lived in the flat for 10 years, said: "You find that when people are free from the tyranny and stress of paying extortionate rent prices, they have time to think creatively about implementing social change. We need to stem the tide of privatisation so that people can stay in their homes and feel secure."

Having successfully purchased their own flat, the co-op is looking to help others in their area do the same thing, and has been approached by other renters in their building for advice and guidance on the process. They acknowledge that it isn't always easy, though: "Banks are generally not interested in lending to people like us. It's really difficult to find a mortgage lender as a co-op, but Co-operative & Community Finance came to the rescue!"

"Co-operative & Community Finance came to the rescue!"

Ian Rothwell said: "The four members are part of the co-op sector in this part of Manchester, and are committed to and enthusiastic about co-operative living and working. Although they are all employed, none of them are earn high salaries and setting up the co-op is an ideal way of ensuring affordable accommodation."

Housing co-ops form support network to become more eco-friendly

A secondary co-operative, set up to support smaller housing co-ops, is renovating a property in Manchester after receiving a loan from us.

Co-operative Living will support smaller housing co-ops that want to live in a more eco-friendly, sustainable way.

The co-op aims to create a network of housing co-ops which will be able to benefit from each other's support - including finance - and from the increased security which will come from being part of a larger group. The project will act as a landlord for co-operatively occupied properties, ensuring that they remain in the sector even if the members choose to move on.

The project has identified buildings in poor condition as one of the biggest challenges facing new and existing housing co-ops, as there is limited access to funding for building or major refurbishment work. This can discourage new members from joining, and often means that

the houses are not very eco-friendly or energy efficient.

The co-op has purchased a house in Withington, Manchester, and is currently retro-fitting the property with an entire renewable energy system. The renovation work is expected to be finished in October, with six new members ready to move in shortly afterwards.

Robert Morris, one of the co-op's founders, said: "We hope this project will demonstrate a financially-viable way of providing rental accommodation that is of a high standard and low energy in use, as well as stronger governance than has been used in housing co-ops previously. This will help ensure that assets held in co-operative ownership are properly managed, for the maximum benefit of co-operators present and future."

Co-operative Living hopes that this will be the first of several houses that they will buy and renovate.

New arts centre for young people

In April we released a large loan to help an innovative community arts organisation to buy empty city centre premises from Leicester City Council. The long-established Soft Touch Arts is now refurbishing the former child care nursery building so that it can reopen as an arts and heritage centre for young people.



Soft Touch Arts uses arts, media and music activities to inspire young people and help them develop creative, social and employability skills. It works mostly with teenagers and tackles problems such as gang culture, anti-social behaviour and unhealthy lifestyles. Since it started in 1986, Soft Touch Arts has run hundreds of creative projects in Leicestershire which have engaged thousands of young people. The 10 staff work with well over 1,000 young people a year.

“They work with the disaffected young people that many other agencies prefer to ignore”

Sally Norman, one of the founders, said: “We are delighted to have acquired the premises in New Walk. The city centre location is much more accessible and appealing for young people. The building needs a lot of refurbishment but when that’s done it will be a superb arts and heritage centre for young people. We are hoping to open in June 2014.”

City Mayor Peter Soulsby said: “This is a great way to bring a vacant building in a prime location back into use. It has been vacant since the nursery there closed six years ago, so it’s good to see Soft Touch offering to breathe new life into it, with a project that will benefit young people from across the city. Soft Touch Arts has a track record of offering hands-on, creative arts opportunities to young people who might not otherwise get these chances.”

Ian Taylor said: “We are pleased to help Soft Touch Arts buy this building and take a significant new step in their development. We’ve helped them to grow in the past and they’ve been great to work with so I was confident in recommending them for one of the largest loans we’ve ever made. I’ve been very impressed with the innovative way they work with the disaffected young people that many other agencies prefer to ignore.”



Soft Touch Arts has been working very effectively with young people for 27 years. When asked how its work had changed since it started Sally Norman said: “In some ways it’s changed completely because times have changed. In the 80s we used hands-on tools like hammers and saws, guitars and super 8 film. Nowadays it’s all digital. That said, hammers and saws are making a bit of a comeback. But our ethos has not changed. We have always had an inclusive way of working that helps young people who lack opportunities or face challenges.”

Community Shares Fund

This fund was set up last year to support community co-ops seeking to raise investment. It’s a joint venture between Co-operative & Community Finance, The Co-operative Enterprise Hub and The Co-operative Loan Fund. Here are two examples of communities that have benefited.

Tyn-Y-Capel

The villagers of Minera, near Wrexham in North Wales, celebrated the reopening of their local pub after over two years of campaigning.

Tyn-Y-Capel, a historic pub that dates back to 1250, has been reopened by a group of Minera residents who formed a co-operative in 2012. The co-op launched a community share offer, which raised nearly £40,000 from 93 member-shareholders - enough to lease the pub from its current owners. Fundraising is continuing with the aim of eventually purchasing the building.

A team of 30 volunteers is running the bar, led by an employed bar manager.

The pub had an official opening in April 2013; an event which included live music, poetry readings and local real ale. Christine Grant, a member of the co-op, said: “It was a great day with the best weather we’ve had so far this year – thankfully we had organised the outdoor seating area, because we had nearly 1,000 people turn up and everyone was sitting outside enjoying the sunshine.”



We had loads of local food and drink, and we sold out of everything. We actually had to pay a visit to The Raven – another community pub in a neighbouring village – to borrow more beer!”

Tyn-Y-Capel is in good co-operative company, with community-owned ventures Wrexham Football Club, Saith Seren and The Raven all close by.

HOW WE HELPED:

We assessed the proposal from Minera Community Ltd and concluded that the pub was a worthwhile investment. We made an early upfront investment which gave confidence to other investors.

Unity Hall

Two co-operative funds worked together to help raise the final pounds needed before work could start on transforming an empty historic building in Wakefield, West Yorkshire, into a community-owned cultural and business asset.



The community co-op set up to restore and run Unity Hall had already raised nearly £4m, had its plans approved and received all the permissions needed to start work but it needed another

£50,000. The co-operative ran a second share issue and nearly a quarter of the shares were bought by the Community Shares Fund. Additional loan finance was provided by The Co-operative Loan Fund.

The Grade II listed Unity Hall was built in the 1860s for the Wakefield Co-operative Society. It has had many different uses since including as a music hall, cinema and rock venue. It has been empty for 10 years.

The community co-op plans to re-open the 50,000 sq ft building as a major music venue, conference centre and location for creative businesses. Work started in August 2013.

Chris Hill, one of the founder members, said: “We are grateful to the two co-operative funds for helping with this final push. The investment and loan were very timely.”

More loans to support communities

In recent months we've made loans to three successful enterprises that each make a big difference to their local communities. All three of them have borrowed from us before.



Point Europa is a remarkable social enterprise that does much to support the people in the Rame peninsular in Cornwall. Last year we helped

them to buy and convert an old bank building. This year we are helping to finance the installation of a new pontoon for the fishermen's association.

The Shop at Strood Green, near Dorking in Surrey, is one of the trendsetters of the new wave of community-owned shops. This year we have helped it buy the premises it was leasing and have provided a loan for refurbishing the flat above the shop.

Cwm Trannon is a vital community facility serving the remote villages of Trefeglwys and Llawr-y-glyn in Mid-Wales. In 2010 the community co-op bought and refurbished the local garage, which now includes a shop, Post Office, cafe, workshop and rooms available for community use. It also runs what is thought to be the only community-owned filling station in the UK.

We can help

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

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/**

About Us

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 Conduct Authority in the conduct of investment business.

We've been lending to co-operatives, employee owned businesses and social enterprises for 40 years. We manage a range of loan funds throughout the UK, and currently have around £4m available to lend. We raise money primarily by public share issue, and we lend it for social purpose and collective benefit.

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

Contact Us

Our staff will be glad to advise on the availability of specific funds and the most suitable forms of finance for your business.

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