

A Guide to the Wales Co-operative Centre

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What is the Wales Co-operative Centre?

The Wales Co-operative Centre is a co-operative development agency that supports the development of co-operatives and social enterprises. In undertaking this aim it has developed a range of products detailed in this Guide.

The Centre was established in 1982 by the Wales TUC as an Industrial and Provident Society – a non-profit making voluntary organisation with open membership. Since 1982 the Centre has helped set up over 1,000 businesses across Wales and continues to support existing businesses through a range of business support and training services. Today it is the largest co-operative development agency in the UK. Its team of business advisors work right across Wales, empowering individuals and communities to take control of their future and establish businesses which have social and ethical goals as well as sound economic objectives.

The Centre is publicly funded through the Welsh Assembly Government, European Structural Funds, Department of Work and Pensions, Coalfields Regeneration Trust and the Oak Foundation, and also generates some earned income. In supporting the development of a thriving co-operative sector in Wales, it is a key deliverer of the Welsh Assembly's Social Enterprise Action Plan. It chairs the all Wales Social Enterprise Network and is a board member of the UK Social Enterprise Coalition.

The Wales Co-operative Centre is in itself a co-operative business that delivers social aims and objectives. It understands its responsibilities to its staff, the environment and the community in which it operates. It operates socially responsible policies but within a clear business oriented framework.

The Centre employs over 50 staff based around Wales and is accountable to a voluntary management board.

What Services Do We Offer?

The Centre delivers a range of business support services that are available to anyone considering setting up a co-operative business, existing co-operative businesses and other forms of social enterprise across the whole of Wales.

These services can be broken down as follows:

Business Advice

We deliver our business advice by listening to clients. All development officers within the Centre undertake accredited business counselling training and apply recognised techniques that ensure our clients get the best out of what we are able to offer. The Centre draws on a breadth of knowledge and experience through its external providers brought in to meet the specific needs of clients.

The aim of our business advice services is to help the client turn their business idea into reality – whether a new business or expanding an existing business.

The Centre is able to provide the following support:

- Practical assistance in developing and producing a business plan using “Making it Happen – a Business Planning Guide”
- Marketing advice using “Cobra” – a recognised business support tool
- Help with identifying and raising suitable funding, and producing a professional financial plan using “Sage Financial Forecasting” or Excel Spreadsheet Models
- Legal and Social Compliance for Co-operatives and Social Enterprises using our Guide “The Well Managed Business”

- Provide ongoing support following a structured format provided in our “Co-operative Toolkit”
- A team of mentors and role models are available to offer their expertise and knowledge

Legal Structures Advice

In considering business start up, purchasing an existing business and in some instances, expanding an existing business, the selection of an appropriate legal structure can be crucial. A legal structure gives an organisation a legal identity and is important in ensuring the outside world knows what kind of business they are dealing with.

The Wales Co-operative Centre specialises in co-operative structures and provides expertise on the most suitable legal and internal management structures. Its Development Officers are able to advise on limited companies (including guarantee, share and community interest companies), societies, charities and unincorporated associations. Specifically we can:

- Draw up appropriate rules and constitutions for your organisation
- Provide practical assistance in completing the registration process if a company, society or charitable organisation is chosen
- Advise on legal structure matters (we are able to draw on the experience of specialist co-operative solicitors if required)
- Produce internal management and organisational structures suitable for your business

Further detailed guidance on legal structures is available in “Adopting a Structure - a Legal Guide”.

Structured Training and Workshops

Our training service offers over 20 courses that have been specifically designed to support new and emerging co-operatives and social enterprises. Subjects covered include Managing for Excellence, Introduction to Human Resource Management, Development of Policies and Procedures, Business Planning and Strategy, Marketing, Office Admin Skills, Book Keeping and many more.

These courses are delivered across Wales and if you have a group of eight people or more, experienced trainers travel to a venue that suits you.

The Centre publishes a regular training timetable which details courses coming up. This can be obtained by contacting our Training Department on 029 2055 6194 or on our website at www.walescoop.com.

Further Support Available

The Centre ensures that at all times it is responding to the needs of its clients. It has therefore developed a number of additional products available to all clients. These include:

- Guidance and advice on employing people (we have made available a “Guide to Employing People”).
- Advice on introducing and developing a social audit policy and guidance on producing and maintaining social books to allow for annual social audits to be undertaken.
- Specialist advice to farmers forming consortia, advice on securing contracts with public and private sector and business succession advice (see below).
- Developing a mentoring programme.

For this, and all other services that you may have an interest in, please contact the Wales Co-operative Centre at the appropriate address on the back cover of this Guide.

What Are Co-operatives?

Simply, a business that is owned and controlled by its members. However, there exists a formal definition from the International Co-operative Alliance as follows:

“An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise...”

Co-operatives around the world have common values and principles. They are democratically run and often have ethical and social goals.

To better understand what they are, it is best to take a look at the types of organisation we are able to provide assistance to.

Who Are We Able to Help?

Our vision is for a thriving co-operative sector in Wales, recognised as a valuable contributor to economic and social success. To create this the Centre has developed its range of services to benefit a number of different target groups. These are effectively different types of co-operative businesses

Employee Owned Business

Often called *Worker Co-operatives*, these are normally established through an *Employee Buyout* where an existing business is sold to its employees. The Centre promotes this form of business through a business succession project where it works with existing business owners to properly plan for business succession and consider the option of selling the business to their employees.

The advantages of employee ownership are numerous with greater involvement, improved working conditions, increased skills and better performance. In some instances these businesses are not born out of an existing business, but set up from scratch.

Both methods of employee owned business creation are supported by the services of the Wales Co-operative Centre.

Some case study examples of employee ownership include:

- Tower Colliery - the South Wales colliery which was bought by the miners in 1996.
- EOM - a Powys based electrical contractors which formed when the company they worked for went into receivership. It has since opened a new branch in Aberystwyth and has a turnover in excess of £2 million.
- PrimePac Solutions Ltd- this Blaenau Gwent based packaging company was established when the Dutch owned parent company decided to close the business in Wales. Employees decided to invest their redundancy in order to set up a new business and they now operate out of a new factory premises on the Rassau Industrial Estate.
- Ceredigion based Alpha Beds became an employee owned co-operative in 2004 following a buyout process in which 5 members of staff invested. The company, which was founded in the late 1970s, was purchased from the retiring owner and had been operating from its Llanfihangel-ar-Arth workshop for over 20 years.

The buyout process is led by the Wales Co-operative Centre's succession project which ensures the survival of the businesses when the main shareholder or owner wishes to exit. The Centre provides financial, legal and business planning advice and continues to provide ongoing training to the new owners.

Co-operative Social Enterprise

A business set up and run by a group of people to deliver a product or service for their community - normally a geographical community but sometimes a community of interest. Starting a co-operative social enterprise will give a community ownership and control over how these services are run and developed. They will normally aim to make a profit which are reinvested back into the business or used for a defined community purpose or social goal. We do not use the phrase “not-for profit”, it is more accurate to state they are “non-profit distributing” organisations.

Co-operative social enterprises often provide services not provided by the public or private sectors. They give bottom up community involvement, encourage participation from all including the economically inactive and socially excluded and therefore are socially aware and responsible.

These numerous benefits have been adopted by many organisations across Wales including:

- A crèche for a tower block containing many single parent families to enable the parents to find work
- A village store and post office for a rural community several miles from the nearest commercial store
- A community centre offering a variety of different services to its local community including entertainment, catering, libraries, senior citizens groups

Co-operative Consortia

This is where groups or businesses with a common aim come together to set up a co-operative. Co-operative consortia can bring benefits to their members through joint marketing campaigns to promote the products of members, or by jointly purchasing raw materials at a reduced cost. Examples of co-operative consortia include: -

- A farming co-operative that brings together a number of producers to sell their products to large retailers
- A marketing co-operative that brings together retailers in a town centre, to help market the town and increase the number of people who visit the town centre to shop
- A group of trades people such as a plumber, electrician, carpenter, brick layer and plasterer coming together to form a co-operative that offers a full building service to potential customers
- A group of artists, such as photographers, who collectively market their services.

In addition to co-operative development, the Centre has developed a series of additional programmes aimed at specific additional target markets. These programmes are central to the Centre's core values and are seen as an important contributor to helping the Centre achieve its strategic vision for a vibrant co-operative and social enterprise sector across all of Wales.

Other Services

The Wales Co-operative Centre ensures it provides a range of services that meet its core values. We have therefore developed a range of additional projects and activities that complement our co-operative development activities and include community development activities and project management services.

Digital Inclusion

Communities 2.0 is a Welsh Assembly Government initiative which aims to tackle digital exclusion in the Convergence areas of Wales. The Wales Co-operative Centre runs the scheme to help people in the most disadvantaged communities to use new technologies and learn computer skills. The Centre is working in partnership with the [University of Glamorgan](#), [Carmarthenshire County Council](#), [Novas Scarman](#), and the [Pembrokeshire Association of Voluntary Services](#) to

deliver the Communities 2.0 six year programme which began on from 1st April 2009.

Financial Inclusion

The Centre works with Credit Unions in Wales and manages several financial inclusion projects, such as the Department for Work and Pensions Growth Fund, the Financial Inclusion Champions initiative and the Debt Redemption and Money Advice scheme.

Credit Unions

Our Credit Union Training Project, funded by the DWP, provides free training for volunteers, staff and board members of credit unions.

Credit Union Health checks, funded by the Welsh Assembly Government, involve our Officers spending up to two days with a Credit Union and interviewing all key personnel. A further three to four days is required to write a report that now includes financial analysis using the CUMIT system (Credit Union Management Information Tool).

A new resource has been developed to help make links between credit unions and secondary schools. [CU@theCU](#) is an interactive website about credit unions designed by young people and credit unions.

Financial Inclusion Champions

This initiative is a joint effort between the Department for Work and Pensions (DWP), the Treasury and the Welsh Assembly Government (WAG). It brings together strategies from both Westminster and Cardiff under a common agenda - facilitating long term support to help people find their own workable and realistic ways of managing money. The Champions scheme aims to help individuals manage their day to day money, plan for the future, cope with financial pressure and deal with financial distress.

Debt Redemption and Money Advice (DRAMA)

The Debt Redemption and Money Advice (DRAMA) project is designed to tackle debt by enabling participating credit unions to "buy out" the existing debt or settle priority debts of any individual who agrees to become a member. Under the scheme, credit unions work with the Citizens Advice Bureau and the Consumer Credit Counselling Service. People who have pressing debts are offered support in negotiating with creditors to help repay the debt. Credit unions can also provide immediate loans to settle priority debts such as utility bills. The scheme is funded by the Coalfields Regeneration Trust and the Oak Foundation.

Fair Trade

Our Fair Trade Marketing Officer works with mainstream businesses who wish to adopt a fair trade policy, as well as emerging fair trade businesses.

Other

Social Enterprise Networks

The Centre chairs the Social Enterprise Network in Wales – a partnership of organisations that support the development of social enterprises in Wales. Its role here stems across to its membership of the Welsh Assembly Government's Social Enterprise Joint Working Group, Board membership of the UK wide Social Enterprise Coalition and membership of the UK wide Co-operatives UK Forum.

Further Information

The Centre publishes a range of Guides providing some further information. In addition, if there are questions you would like answered or you wish to speak to someone directly, please feel free to contact the Centre at the address below or one of the addresses or telephone numbers given on the back page of this Guide. You can also visit our website at www.walescoop.com.

The following Wales Co-operative Centre Guides are available:

- Adopting a Structure – a Legal Guide
- Making it Happen - A Guide to Business Planning
- A Guide to Employing People
- The Well Managed Business
- Set up and Maintain the Books

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