

Annual Report 2008–2009

Co-operative Futures



# 2008–2009: What happened to Co-operative Futures?

2008 – 2009 was quite a year at Co-operative Futures.

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## 2008–2009: OUR BUSINESS ENVIRONMENT

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### Government funding

Government policy (specifically the Business Support Simplification Plan) has been a national disaster for independent co-operative development agencies. In our case it has meant drastic cuts in contracts and income for Co-operative Futures.

In the South West the Business Link funded social enterprise voucher pilot proved a brief – if financially beneficial for Co-operative Futures – flash in the financial pan. By the end of the short pilot the South West Regional Development Agency (Business Link's main funder) found its own income slashed and, as a result, it cut the social enterprise voucher scheme project. Although we hope that this will be reinstated some time during 2009.

In the South East the South East Economic Development Agency has a project funded by the Office of the Third Sector which launched a voucher scheme for supporting social enterprises in the early part of 2009. This scheme is still in its infancy and we hope that as it develops co-operative and community owned enterprises in the region will be able to use this scheme to purchase support from Co-operative Futures.

## Co-operative funding

### Midcounties Co-operative Limited

The Midcounties Co-operative Limited continues – in our view – to set the national benchmark amongst the big co-operatives with its continued support for Co-operative Futures specifically and co-operative development generally. We believe that the Midcounties Co-operative ‘walks’ the values and principles it talks.

Without the Midcounties Co-operative’s willingness to financially back our co-operative support and advice as it does, Co-operative Futures simply could not do all of the work for co-operatives and the co-operative movement that we do.

### Co-operative Group

The Group has in recent years chosen to fund co-operative development agencies on a project funding basis through the Co-operative Fund.

In 2008 – 2009 the Co-operative Fund generously subsidised attendance for delegates at our very successful Future Co-operatives conference in Swindon at the end of January.

In fact, we were doubly blessed as the Group chose that event to announce its future plans for funding co-operative development through the “Co-operative Enterprise Hub” (see the Co-operative Policy section for more information).

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## 2008–2009: OUR BUSINESS – A GAME OF TWO HALVES

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### The first half (APRIL TO AUGUST 2008)

In the first half of the year drastically less income led to restructuring, which led to fewer people at Co-operative Futures – six of the agency’s 8 employed posts had to go if the agency was to survive.

By September 2008 Co-operative Futures was much reduced to an employed team of two; Executive Director Jo White and Development Director Jim Pettipher.

Our revised budget projection suggested that the company would post a nearly £60,000 loss at the end of the financial year.

## The second half (SEPTEMBER 2008 TO MARCH 2009)

Confronted with the new realities of our financial projections we decided to get back to core business and so we developed a new operational plan, focussing clearly on the company's objectives.

**The objects of the Company are to promote the principles and practice of co-operative and mutual solutions, in particular but not exclusively:**

- 1** To create and develop co-operative support services to assist individuals and communities to explore and establish co-operative and mutual enterprises.
- 2** To research, develop, and participate in the debate regarding the creation of co-operative and mutual solutions to address new social and economic needs and how these aid the development of the social economy.

By the end of the year we had succeeded in turning things around somewhat.

- We still posted an end of year loss, but about £30,000 rather than about £60,000
- Our co-operative support and advice activity and consequent impact (shown by the number of new incorporations registered) are demonstrably up
- Our co-operative policy work is bearing fruit as evidenced by the emerging co-operative development network, the growth in the number of regional co-operative development consortia and the concurrent establishment of the Co-operative Enterprise Hub – all of which it is fair to say that Co-operative Futures has had more than a hand in.
- We have a new member of staff, Jane Grindey. Jane is based at Co-operative Futures delivering a project on behalf of the Gloucestershire Infrastructure Group to support third sector organisations to survive in the new economic climate.

So, 2008 – 2009 was still a bad trading year, but a profitable second half of the year meant the company experienced nothing like the financial disaster that at one point looked unavoidable.

And what's more: the future looks bright. The future may well even be co-operative.

**Jo White & Jim Pettipher**

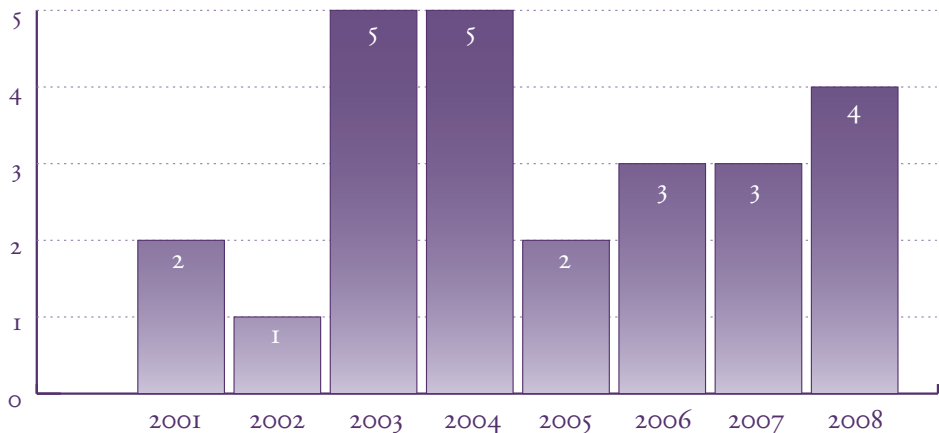
# 2008–2009: What difference did Co-operative Futures make?

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## SUPPORT AND ADVICE FOR CO-OPERATIVES AND COMMUNITY OWNED ENTERPRISES

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Annual co-operative and community enterprise registrations supported  
by Co-operative Futures



During the second half of 2008 – 2009 Co-operative Futures helped more people create more co-ops at a greater rate than Co-operative Futures has ever done before.

Despite our slow start to the year, with 4 registrations Co-operative Futures ranked second amongst all the country's co-operative development bodies (CDBs) registering co-ops at Co-operatives UK last year.

In addition, Co-operative Futures won all six competitively tendered Business Link social enterprise support vouchers for which we were invited to bid in the South West and delivered all bar one of them.

In September 2008, given our recently restricted people resource, we were worried that we would have to turn people who needed our help away. However, we have been able to continue our practice of not turning away any co-operative enquiry, especially when the client has nowhere else to turn for specialist co-operative support.

For example, in Berkshire we are helping the Yattendon Butchers to register as a worker co-operative and in Walsall we are supporting a prospective IT co-operative start up.

It is a tribute to our reputation as a successful CDB that we continue to receive referrals from a wide range of sources.

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## **CO-OPERATIVE POLICY**

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Work on co-operative policy (the short hand we use for our second company objective) was always predominately the responsibility of the Co-operative Futures team that remains.

In September 2008, given the need for us to take on sole responsibility for delivering our support and advice service, we also had concerns that we couldn't be as effective as we'd like in the area of co-operative policy.

We now feel that we needn't have worried. The good news on our co-operative policy work includes...

- We ran our second successful Future Co-operatives national conference, where delegates voted to promote the co-operative movement as a social brand alongside movements like Fairtrade and organic
- A fringe meeting at Co-operative Congress 2008 mandated Jo, Peter Couchman (seconded to Co-operatives<sup>UK</sup>) and Sundeep Grewal (Co-operatives<sup>UK</sup>) to lead the development of a movement wide vision for co-operative development. Jo continues to work with those colleagues and the result is an emerging co-operative development network, due for launch at Congress 2009
- We have worked with (and for) the Co-operative Group on its plans to relaunch the Co-operative Fund as the Co-operative Enterprise Hub. 2008 – 2009 is a pilot year for the Hub. The Hub will pay co-operative development agencies direct to provide support and advice to new and emerging co-operatives in response to demand. Co-operative Futures will – we hope – play its part in regional pilots in both the South East and the South West.

- Partly in response to the development of the Hub and partly to reflect the development of regional co-operative councils, co-operative development agencies are forming regional co-operative consortia. Co-operative Futures was a founder member of the first consortium – South East Co-operative Support some 5 years ago and became a founder member of South West Co-operative Support during 2008 – 2009.
- A delegate at Future Co-operatives was from Co-operatives West Midlands – a recently established regional co-operative council. As a result of that initial contact Co-operative Futures has been invited to join Co-operatives West Midlands, with a view to boosting specialist co-operative development agency coverage in the region.
- Jo remains the nationally elected co-operative development bodies’ representative on the board of Co-operatives<sup>UK</sup> and this year has also now joined Co-operatives UK’s “New Ventures Panel”.
- Jo remains Chair of both Co-operatives South East and Vice Chair of Co-operative and Community Finance. Jo also sits on several other representative and policy forum boards, as well as remaining a director of the Gloucestershire Gateway Trust.
- Jim has recently been elected Chair of South West Co-operative Support and sits on the steering committee of Co-operatives South West.

## Any other business?

- The Gloucestershire Community Foundation awarded £4,400 to Co-operative Futures to make a much needed investment in IT.
- Jane Avery left the Phone Co-op and after an all too brief stint, left the board of Co-operative Futures too. Our thanks to Jane for her support whilst she was with us and we wish her luck with our CDB colleagues at CaseDa in Leicestershire.
- One of the challenges that we are setting ourselves for 2009–10 is to start to use the Key Social and Co-operative Indicators. These are indicators that have been developed by the co-operative movement to start to give a measurement

against co-operative values and principles. We will be trying to collect data during the next year against some (if not all) of the following indicators:

- 1 Member economic involvement
- 2 Member democratic participation
- 3 Participation of employees and members in training and education
- 4 Staff injury and absentee rates
- 5 Staff profile
- 6 Customer satisfaction
- 7 Consideration of ethical issues in procurement and investment decisions
- 8 Investment in community and co-operative initiatives
- 9 Net carbon dioxide emissions arising from operations
- 10 Proportion of waste recycled/reused

Special thanks go to the members of the Board and all staff members.



The **co-operative** fund

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The Midcounties **Co-operative**

### Co-operative Futures

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