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GOLDEN JUBILEE TRUST GRANT 2017

# Go Co-op: Cases of recent Irish co-operative start-ups

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# INTRODUCTION

This project aims to raise awareness of the role of co-operatives in Ireland and the practicalities involved in their establishment

This project aims to raise awareness of the role of co-operatives in Ireland and the practicalities involved in their establishment. This is achieved by means of detailing five case studies of new/emerging co-operatives. The focus of the case studies is on the motivations and experiences of these new co-operatives including factors facilitating and/or hindering their development. Cases cover a range of geographical locations, both urban and rural and a range of sectors from agri-food to retailing to environmental sustainability.

It is hoped that the cases will be of benefit to:

- Individuals/groups wishing to establish a co-operative, whether in terms of inspiration or by way of practical example;

- Educators and researchers in need of relevant case studies to demonstrate the roles and practicalities as well as policy issues pertaining to co-operative development;

- Representative/apex bodies involved in the establishment and development of co-operatives.

The co-operatives featured are:

- Aran Islands Energy Co-operative/ Comharchumann Fuinnimh Oileáin Árann Teoranta
- Donegal Woodland Owners Co-operative
- Ring of Kerry Quality Lamb Co-operative
- Courtmacsherry Community Shop
- Third Space Co-operative

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## CASE ONE

# Aran Islands Energy Co-operative/ Comharchumann Fuinnimh Oileáin Árann Teoranta



**Location:** Aran Islands

**Sector:** Energy sustainability

**Year Founded:** 2012

**No. of members:** 82

### BACKGROUND AND MOTIVATION FOR ESTABLISHMENT:

The Aran Islands Energy Co-operative was officially established in 2012. However, the origins of the co-operative go back almost a decade to a group of people with a strong interest in energy and sustainability issues who were members of an existing

community co-operative on Inis Mór (Comharchumann Forbartha Árann). These members decided to form a separate committee to more seriously explore options in relation to energy conservation and self-sufficiency. These issues are particularly to the fore on an island, where there is a strong and everyday awareness of how resources, including power are derived and used. There is also a very strong tradition of both self-sufficiency and co-operative activity on the Aran Islands. Activities in the first few years centred on visits

to other energy projects and inviting speakers to the island. Eventually in 2012, it was decided to form a co-operative with the aim of pushing forward more purposefully in relation to three key objectives:

1. To minimise energy use and energy costs on the islands.
2. To make better use of the natural resources available on the islands, especially wind energy.
3. To make the islands more self-sufficient in energy.

#### KEY ACTIVITIES:

The formation of the co-operative coincided with the piloting of the Better Energy Communities programme by [Sustainable Energy Ireland](#). This Programme assists energy efficiency community projects through capital funding, partnerships, and technical support and participation in this now mainstream Programme has been the mainstay and main activity of the co-operative since its foundation. Retrofitting of over 300<sup>1</sup> buildings on the islands – private homes, businesses and community facilities – has already taken place through the co-operative and it is hoped that the remaining buildings will be done in the coming years.<sup>2</sup>

The second key area of activity for the co-operative at this stage is continuing to explore and develop projects to create energy on the island and move towards self-sufficiency. A key focus of this is to harness wind energy but this is a lengthy and difficult process in terms of dealing with public perceptions about wind turbines, meeting planning laws in a scenic and recreational area and tackling the logistics of getting a sufficiently-sized turbine on to the islands. Meanwhile, significant progress has been made with energy generation at the building lev-

el, with the widespread installation of heat pumps and photovoltaic panels.

#### GOVERNANCE AND HUMAN RESOURCES:

- The co-operative currently has 82 members. Membership is for life with the purchase of 100 shares. Only residents and businesses located on the Aran Islands can become full members with voting rights.
- The Board of the co-operative has 12 members and meets once a month. Sub-groups are occasionally formed around particular issues but there are no long-term sub-committees. The co-operative has had the same Chair since its formation and he is particularly involved in the day-to-day running of the co-operative.
- There are no paid staff and all activities of the co-operative are carried out on a voluntary basis. Some soft supports - access to meeting rooms, etc. - are made available through Comharchumann Forbatha Árann which is supported by Údarás na Gaeltachta<sup>3</sup> and which has a building and paid manager.

1. Out of a total of approximately 500 buildings.

2. The grants available are highly attractive with island dwellers receiving a grant of 45% of the costs of a large range of activities, compared to 30% for most people on the mainland.<sup>1</sup>

3. State agency for Irish-speaking (Gaeltacht) areas of Ireland.

#### FACTORS FACILITATING THE GROWTH AND DEVELOPMENT OF THE CO-OPERATIVE:

- The availability of the Better Energy Communities Programme has been “a game-changer” and the key driver in the journey of the co-operative to date. Participation has given the co-operative a strong sense of purpose and identity and enabled it to do work of significant and highly practical benefit to members and non-members alike. The co-operative benefits from operating in a sector that is growing and where there is a level of government support for what it does.
- The support from [Energy Co-operatives Ireland](#)<sup>4</sup>, has been instrumental in encouraging the co-operative to see the potential of the Aran Islands as a ‘smart’ energy hub, in enabling it to form important connections and linkages and in gaining outside knowledge and advice.
- The solid partnership with Energy Wise Construction<sup>5</sup>, a Cavan based company which has been involved from the start.

- The presence of a highly motivated Chair who has had the vision, energy and commitment to push the co-operative forward has been a key factor in the success of the co-operative to date.
- There is a real clarity and unity of purpose in terms of what the co-operative wishes to achieve; the relatively long period of time it took to formally establish the co-operative helped ensure that the members knew what they wanted to do and what they didn’t want to do.

#### KEY CHALLENGES AND INHIBITING FACTORS:

- Ongoing human resource issues exist in the co-operative. These include: the lack of paid staff; the dependence on the input and commitment of one individual in particular and a small number of volunteers; and the difficulties with getting Board members with the right skill set and who will have the time to devote to the co-operative.
- As a member and community based organisation, the co-operative needs to be particularly sensitive to the need for public consultation in relation to developments such as the attempts to erect a wind turbine on the island.

4 [Energy Cooperatives Ireland](#) is a co-operative renewable energy consultancy promoting community access to the benefits of renewable energy.

5 The Co-operative is involved with NUIG (National University of Ireland Galway), GMIT (Galway-Mayo Institute of Technology) and TEA (Tipperary Energy Agency) in EU funded projects and PhD research relating to Smart technology for homes, hydrogen fuel research, and developing systems for the purchase of micro-generated energy.



#### FUTURE PLANS AND DIRECTION OF THE CO-OPERATIVE:

The co-operative plans to make further progress on the erection of a wind turbine and other sources of energy generation on the islands. In the longer term, there are plans to pursue the secondary benefits of energy conservation and generation such as obtaining community income which could be used to fund community projects, or offering low-cost energy which could attract small scale and sustainable businesses to the islands and help to diversify the local economy. The islands are fast becoming a hub for alternative energy

research and the co-operative will also continue to network with other energy co-operatives and groups, contributing towards building the sector and highlighting issues of sustainability, energy transition and 'smart' energy.



#### RECOMMENDATIONS FOR DEVELOPMENT OF CO-OPERATIVES IN THE ENERGY SECTOR:

- The greater availability of networking and information sharing opportunities with other co-operatives or emerging groups in their own sector; Sustainable Energy Ireland (SEI) is setting up a Sustainable Energy Communities Network which may fulfil some of this.
- Greater access to and funding for professional expertise and consultancy for volunteer groups.





## CASE TWO

# Donegal Woodland

# Owners Society

Location: Co. Donegal

Sector: Forestry

Year Founded: 2008

No. of members: >150

### BACKGROUND AND MOTIVATION FOR ESTABLISHMENT:

The Donegal Woodland Owners Society emerged from a Forestry Forum run in Donegal by Teagasc<sup>6</sup>, at which the question was posed: what did forestry owners in the county want? The answer which emerged was that they wanted something like a co-operative, an organisation which would have a bottom-up approach, which would enable forestry owners to keep greater control of their product and possibly add value and which would encourage forestry owners to work together to gain greater knowledge about woodland management, to improve their market insight and to avail of more networking opportunities. Strong impetus came from the founding member's knowledge of "what happens elsewhere when the commodity producer is left to fend for him/herself and the commercial wolves move in and offer ridiculous prices for things." The co-operative was formally established in 2008 after a year-long process of forming a committee and drawing up a constitution.

### KEY ACTIVITIES:

At the foundation of the co-operative, one of the objectives would have been to provide an outlet for members' products which would be local and which would offer fair prices. This was attempted early on with a substantial investment in three commercial-lev-

<sup>6</sup> Teagasc is a state agency providing research, advice and education in agriculture, horticulture, food and rural development in Ireland



el boilers which would burn local timber. One of these was successfully installed and is heating a forty-eight bed nursing home but is now operated by one of the members who bought it from the co-operative. While the ethos behind this kind of activity was sound – the timber was locally sourced and offered institutions a low carbon and sustainable source of fuel – the steep decline in oil prices, undercapitalisation and the lack of government incentives to install this kind of technology meant the process stalled.

The co-operative is currently focused on running Forestry Knowledge Transfer Groups throughout the county, where five groups of twenty meet over seven sessions with a mixture of outdoor and indoor work, facilitated by a forester. Other forms of co-operation between members continue to emerge organically, such as coming together informally to sell specialist timber collectively or recommending operators to one another or discussing what has worked and what hasn't. The co-operative sees itself as having "trimmed its sails" and is focusing now not on being a trading business but on offering a service to the members so that they can develop their own businesses.

#### GOVERNANCE AND HUMAN RESOURCES:

- The co-operative does not currently employ any paid staff and is run on an entirely voluntary basis by members of the Board.
- To be eligible for membership, applicants must own woodland located in Co. Donegal. Each member owns one share in the Society, irrespective of the size of their woodland. The share has a value of €5. To date the Society has over 150 members who between them own approximately 15,000 acres of woodland located in Co. Donegal; this represents

approximately 50% of the woodland owners in the county.

- There are thirteen members on the Board. One third step down every year and this is followed rigorously. Elections are held at the AGM every year but it is very difficult to find people willing to serve on the Board.

#### FACTORS WHICH FACILITATED THE GROWTH AND DEVELOPMENT OF THE CO-OPERATIVE:

- Funding from various sources to run courses, including funding from the Department of Agriculture to run the current Forestry Knowledge Transfer Groups.
- The determination and commitment of the key founding members and Board.
- The long-nature of the product involved ensures a longer term commitment to the co-operative than might be typical in other sectors.

#### KEY CHALLENGES AND INHIBITING FACTORS:

- The huge amount of voluntary time and commitment required to keep the co-operative going and the lack of funding for paid staff.
- The lack of grants to support what the co-operative believes to be a sustainable model of energy production using local resources and providing local employment.
- The low price of oil which has affected the capacity to make any money at the production level.
- The lack of private or public capital available to enable the co-operative to process or add value locally.

#### FUTURE PLANS AND DIRECTION OF THE CO-OPERATIVE:

The co-operative plans to continue to impart and share knowledge with its farmer members and to grow that membership. For example, a certification process for timber is in train and the co-operative plans to facilitate its membership by providing administration and courses to gain expertise etc. They wish to continue to support and promote a model of forestry development and management that is extensive, sustainable and small scale and which meets multiple goals, including providing timber, addressing climate change, providing recreation and tourism opportunities, improving biodiversity and sustaining rural livelihoods and a way of life. Timber is an increasingly scarce and valuable resource and forestry will continue to be a growing sector in Donegal as elsewhere.

#### RECOMMENDATIONS FOR THE FURTHER DEVELOPMENT OF FORESTRY/ PRODUCERS' CO-OPERATIVES:

Stronger support from government for local efforts including funding for managerial or specialist support at key early 'moments' which will push emerging initiatives on to the next level.

Minimising the cost and time associated with having to submit audited accounts to the Registrar; the current system is perceived as being expensive and a barrier to organisations adopting the co-operative structure. Indeed, members of this co-operative question whether a simpler producer group model would meet their needs as effectively without the same levels of bureaucracy.

## CASE THREE

### Ring of Kerry Quality Lamb Co-operative

Location: Co. Kerry

Sector: Agri-food

Year Founded: 2009

No. of members: 14

#### BACKGROUND AND MOTIVATION FOR ESTABLISHMENT:

This producers' co-operative emerged from the frustration of a group of sheep farmers with the prices being received for their lamb, which they felt did not reflect either the quality of the produce or the efforts needed to produce it. The initial idea to start working

together emerged after one of the farmers, who went on to become a member of the co-operative, won a food award for his lamb. South Kerry Development Partnership then called a meeting of sheep farmers in the area at which a presentation was given by a group of lamb producers from Mayo. About 70-80 people attended that meeting and a 2-3 further meetings were held. In the end, 14 sheep farmers decided to form what could be described as an informal producer's group in 2009. Being part of this group



would allow the farmers to collectively market their lamb and shorten the food supply chain by selling directly to food outlets – restaurants, hotels, etc. and to consumers, with a strong emphasis on the quality of the meat and on local provenance. The decision to ultimately form a co-operative was based on a need to offer legal protection for the group – who might otherwise hold unlimited liability – and on a familiarity with and attraction to the idea of a co-operative, borne out of a long tradition of farmer co-operation in the Kerry area. Overall, the farmers felt they “wanted to control their own destiny”.

#### KEY ACTIVITIES:

The co-operative is mainly involved in selling lamb from its farmer members directly to hotels, restaurants and private customers. It operates on a strict rotation system, whereby every member takes a turn in supplying (normally) 6 lambs at a time. A throughput of approximately 1,700-1,800 lambs was expected in 2017, and the co-operative generates cash-flow by earning a margin between the price paid to the farmer and the price paid by the customer. It also operates a veterinary farm supplies shop in Killorglin and is licensed to hunt, process and sell venison which is sourced in the wild. The diversification into venison production helps to balance out the

income of the co-operative and its members as lamb and venison are typically in demand at different times of the year. The co-operative has sold some beef directly, buying in one animal at a time, but the margins on beef are too slim to justify pursuing this to any great extent.

#### GOVERNANCE AND HUMAN RESOURCES:

- The co-operative has four employees: two part-time in the veterinary/farm supplies shop, one part-time who looks after selling the lamb and promoting the co-operative and one part-time delivery person.
- The co-operative is governed by a Board made up of nine members and an ad hoc sub-committee which meets as needed, usually if there are critical matters to be dealt with. All Board members serve a 3-year term. An AGM is held every year and nearly all members usually attend. However, there has never been a competition at election.
- The co-operative offers €1 shares and members must have twenty shares per lamb that they supply to the co-operative. This shareholding acts as the working capital of the co-operative and at its peak, the co-operative had a €60,000 shareholding. A member who stops trading with the co-operative – that is, stops supplying lambs – for a period of 2 years or more, ceases to hold membership. This is to prevent the problem agricultural co-operatives frequently experience of having a large proportion of non-trading members.



## FACTORS FACILITATING THE GROWTH & DEVELOPMENT OF THE CO-OPERATIVE:

- Early support from South Kerry Development Partnership<sup>7</sup> and the example provided by groups of lamb producers in other parts of the country.
- The strong emphasis on quality and provenance has given the group credibility and presence in a marketplace where these are increasingly important characteristics.
- The co-operative adheres very strictly to two sets of rules; those pertaining to the quality of the meat and those pertaining to the governance and management of the co-operative. Support and guidance from ICOS<sup>8</sup> in the early stages on establishing a co-operative helped guide the latter.

## KEY CHALLENGES AND INHIBITING FACTORS:

- Maintaining relevance and meaning to the farmer member; for example, at the moment, prices from wholesalers/processors to producers are equal to what the co-operative is paying.
- Succession and keeping the initial interest and enthusiasm going amongst members.
- Marketing/selling/promotions are weak relative to what the co-operative has to offer and the story it has to tell; this area of operations requires immediate strategic thinking and action.

## FUTURE PLANS AND DIRECTION OF THE CO-OPERATIVE:

Adding value, diversification, and scaling up are where the potential is perceived to lie for the co-operative. The co-operative would like to add value by processing as it feels it could make a greater margin on producing burgers, for example, from poorer cuts of meat; this would ideally be sub-contracted to a processor.

Further diversification and scaling up are being considered but cautiously; focus needs to remain on the core business of the co-operative and diversification and additional scale demand additional investment and risk in what is an uncertain market. For example, the co-operative had a potential customer for its lamb in London but the uncertainty associated with Brexit has damaged this prospect. The current plan is to survive and to carefully explore various opportunities for growth and development as they arise.

## RECOMMENDATIONS FOR DEVELOPMENT OF CO-OPERATIVES IN THE FOOD SECTOR:

- Further and ongoing training and support from ICOS in how to run a co-operative in terms of meetings, structure, reporting, etc. and in the strategic development of the co-operative: “we need someone to take a look at our co-operative and shake it by the scruff of the neck.”
- Greater availability of innovation vouchers to enable co-operatives to buy in technical and strategic expertise.

7. A not-for-profit development company.

8. [The Irish Co-operative Organisation Society \(ICOS\)](#) serves and promotes commercial co-operative businesses and enterprise, across multiple sections of the Irish economy.



## CASE FOUR Courtmacsherry Community Shop

**Location:** Courtmacsherry, Co. Cork

**Sector:** Retailing

**Year Founded:** 2015

**No. of members:** >250

### BACKGROUND AND MOTIVATION FOR ESTABLISHMENT:

The closure of the only shop in the village of Courtmacsherry in the summer of 2015 was the main motivation for the establishment of the co-operative. The group behind the initiative aimed to halt the decline of a once thriving village and to ensure the sustainability of other businesses and

services. It also aimed to retain what was seen as a vital social and practical resource, particularly for older people. The presence of a shop was also deemed essential to ensure the sustainability of tourism in this scenic village; “It’s hard to run tourism if visitors can’t access basic commodities”.

Barryroe Co-operative had been a major contributor to the vitality of the village in the past. In addition, the founding members were inspired by recent experience in the UK where significant numbers of rural communities are saving their own shops, post offices, pubs and other facilities through community effort and using the co-operative model. The idea of the village owning the business was very important to the founding members and they were energised by

successful examples of community ownership elsewhere. A survey of the local community and the presentation of the very positive results at a public meeting provided a strong impetus to press forward.

#### KEY ACTIVITIES:

Open since 2016, the business is primarily a general grocery store and remains the only general store in the village. It is housed across two three-storey buildings. It also houses a craft/tourism section, a book exchange/library and a small exhibition space. It has a good turnover and is in profit although will not be paying a dividend in the first year.

#### GOVERNANCE AND HUMAN RESOURCES:

- The co-operative has no full-time employees. It is essentially run by a TÚS<sup>9</sup> worker (soon to finish) on a part-time basis along with volunteers. It has twelve regular volunteers with a slate of 20 volunteers in total and is run on an 'all hands on deck basis'.
- The co-operative has >250 members and one type of membership. Shares of €1 in blocks of a minimum of 50 shares were offered for the initial share-drive and in increments of a minimum of 25 shares thereafter. There are no limits

on shareholding either for individuals or organisations outside of the legal requirements. If oversubscribed, shares will be allocated pro-rata to ensure maximum member participation.

- The co-operative is governed by a committee of eleven of which a large majority are seen as being "very active".

#### FACTORS FACILITATING THE GROWTH AND DEVELOPMENT OF THE CO-OPERATIVE:

- Extensive supports provided by the development officer from ICOS over a period of time.
- Significant local support and goodwill, including sufficient uptake of shareholding in the new venture to pay for the initial outlay as well as enthusiasm and support for the shop when it opened.
- A strong tradition of volunteering in the village generally – and amongst the founding members particularly – resulted in well attended meetings and ongoing volunteer involvement in the running of the shop.
- Advice and support from a range of sources, including from a local contact working in a large retailing business and from members of the Loughmore Community Shop and Tearooms<sup>10</sup>.
- Favourable terms from the landlord in the first year of business.

<sup>9</sup> Government supported community work place initiative.

<sup>10</sup> A similar initiative exists in Loughmore, Co. Tipperary.

- Although they didn't receive funding from West Cork Development Partnership<sup>11</sup>, it was supportive in other ways and helped give the group faith that they could achieve their aims.

#### KEY CHALLENGES AND INHIBITING FACTORS:

- Although they have managed financially and raised solid finance locally, the co-operative has received little or no grant support. While the co-operative is widely seen as 'a great idea' this has not necessarily translated into tangible supports, partly because it is seen as a commercial entity/premises.
- Sustaining interest and enthusiasm may be difficult and it might be easy for people to begin to take the shop for granted. Turnover is down in the second year, which may be partly attributable to the poorer weather but may also be linked to the novelty factor of the shop having worn off.

- Difficulties in sourcing a premises initially.

#### FUTURE PLANS AND DIRECTION OF THE CO-OPERATIVE:

The Community Shop has achieved what it set out to do; the shop has been profitable, has retained an important service and supported other local businesses and has helped to build social capital further in the village.

It is hoped to continue to do all of this in the future, and in addition, to explore funding opportunities around coastal tourism and the sales of winter fuels.

#### RECOMMENDATIONS FOR DEVELOPMENT OF COMMUNITY SHOPS:

Build on the rich and dense local networks in communities to source support, guidance and information.

<sup>11</sup> A not-for-profit development agency.





CASE FIVE

**Third Space Co-operative  
Society Ltd.**

Location: Dublin

Sector: Café/community space

Year Founded: 2015

No. of members: 50

#### BACKGROUND AND MOTIVATION FOR ESTABLISHMENT:

Third Space Collective is a social enterprise structured as a company limited by guarantee, which operates two cafés in Dublin City Centre, one of which (Third Space, Aungier St.) is a co-operative. Its purpose is to provide a ‘third space’ – neighbourhood places where people can gather “regularly, easily, informally and inexpensively”.

A small group of like-minded people saw the need for such places in a city where the physical infrastructure was being constantly developed during and since the Celtic Tiger era but where social development and social infrastructure was increasingly diminishing. The core business model of Third Space is to make an income from selling good quality and fairly priced food and beverages which will fund or subsidise the development of the cafés as social and community hubs with associated programmes, events, etc. The Third Space café in Smithfield has been running since 2012 and a second café in Aungier Street opened in 2015. The choice of the

co-operative structure is based on an ideological commitment to the idea of community and self-help and a feeling that this legal structure best represents the business.

#### KEY ACTIVITIES:

The businesses are primarily cafés but with a difference. There is a slightly higher staff-customer ratio and staff are actively encouraged to get to know people and to make introductions and connections between people; for example, in the Smithfield café, they have two long communal type tables with a sign up saying “It’s OK to talk to strangers”. Café space is also offered outside of opening hours to community groups, non-profits and charities and is currently being used five evenings a week by a variety of groups<sup>12</sup>.

The café in Smithfield holds a “Square Meal” night one Friday a month, where they provide a meal and ask for a donation for whatever people think the meal was worth. The funds raised go to a designated charity of the night, with staff volunteering their time and the food provided for free. The designated charity leader is invited to say a few words and charities have raised between €600-€1,200 per night. At Aungier St., they also run “Soup” an initiative which they copied from a similar idea in Detroit. People are invited to gather, have coffee and go to the YCMA gym upstairs, where four people make a pitch for their business/community/voluntary idea.

<sup>12</sup> Spiritual groups, philosophy groups, geek girls, urban farming, Community Supported Agriculture and a creative collective are just some of the groups that use the space.

An equal number of questions are asked of each idea and then the group share soup and bread. A jar is passed around where everyone contributes €5 and food suppliers match the amount raised at the meeting. Ballot papers are then distributed and the group votes for what they think is the best idea which then gets the money raised.

#### GOVERNANCE AND HUMAN RESOURCES:

- The Third Space cafés employ 25 people in total: 20 in Smithfield and 5 in the co-operative in Aungier Street.
- The co-operative has fifty members. Membership is open to staff and a number are members.
- The co-operative is governed by a Board of members. There are mixed levels of involvement and the two key founding members are executive directors.
- The co-operative originally had permission to raise €100,000 and a minimum of €10 x 15 shares per person was sought. This process raised €40,000, mainly from minimum share subscriptions although there were a few large subscriptions; one person subscribed €10,000.

#### FACTORS FACILITATING THE GROWTH AND DEVELOPMENT OF THE CO-OPERATIVE:

- The establishment of the Aungier Street café was greatly facilitated by the existence and success of the café in Smithfield which provided a model for what

the group were trying to do. Equally, having two cafés allows for cross-subsidisation and the sharing of staff.

- The partnership with the YMCA in whose building the Aungier Street café is based allows the co-operative to use an underutilised space at a fair price.
- Third Space received €10,000 in 2016 from the Inner City Enterprise Board and were able to use this to hire someone to engage in community outreach.
- While members don't benefit from discounted food as they might in other co-operatives in this sector, they do derive social and other intangible benefits, including participation in and contribution to something they believe in and where things are done differently. There appears to be a strong level of commitment to and community ownership of the co-operative.





#### KEY CHALLENGES AND INHIBITING FACTORS:

- The lack of public funding and support and the high levels of paperwork required to receive public funding. Members feel that the innovative model they are pursuing is quite difficult to sell.
- Limited knowledge of co-operatives and difficulties and workload associated with the legal process of registering the co-operative with the Registrar.

#### FUTURE PLANS AND DIRECTION OF THE CO-OPERATIVE:

- There are growing opportunities for the cafés to provide employment and integration opportunities to groups of people who may struggle to find employment otherwise. Third Space have linked up with the National Learning Network (NLN) and have started taking on NLN interns, including a chef. They are also working with the Probation Service in providing training and work experience for ex-offenders and potential exists to open a Third Space cafe near a city centre prison.

#### RECOMMENDATIONS FOR DEVELOPMENT OF CO-OPERATIVES:

- The registration process for co-operatives is perceived as a key blockage in meeting the goal of having community-based organisations adopt the co-operative structure; it needs to be simplified.





