

# **SOCIAL AUDIT**

**Leicester & County  
Co-operative  
Development Agency**

**Draft Social Accounts**

**1<sup>st</sup> April 2004 – 31<sup>ST</sup> March 2005**

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## Acknowledgements

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Leicester & County Co-operative Development Agency would like to thank our stakeholders for responding to the consultations we carried out and for the constructive feedback we received. This is a very valuable exercise for us, as these responses will help us to mould our future strategies.

Thanks also go to:

Helen Pearson of Soft Touch Co-operative for undertaking telephone interviews with members of the General Council.

Naomi Diamond for conducting the staff one to one sessions and analysing the results.

Darren Potter of Complete Wasters who conducted a survey and wrote a report to help us with our environmental objective.

John Pearce and Alan Kay of CBS Network and Lisa Sanfilippo of NEF who advised and guided us through the Social Audit process.

SEEM for giving us the opportunity to be part of the supported Social Accounting programme.

And finally to the Chair and members of the Social Audit Panel for giving their time and working with us on the draft accounts. Thanks therefore go to David Folland, Helen Millne, Peter Davis and Mike Swain.

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## **Appendix 1:**

Glossary, A Trusted intermediary – New Sector magazine,  
Telephone interviews with General Council, AGM Comments, Somali  
businesses.

## **Appendix 2:**

Blank Questionnaires.

**Appendix 3:**

Social Book-Keeping System  
Key Stakeholders Consultation Summary.

**Appendix 4:**

LCCDA Staff Questionnaire Results, Survey from Complete Wasters.

**Evidence File:**

Further documentation, forms etc. to support our social audit report. This is available to the social audit panel to peruse on the social audit panel day and will also be available to anyone requesting a copy of the full social accounts.

## **1. Introduction**

Social Accounting has been in LCCDA's strategic plan for the past two years. We organised a two-day taster course on social audit with CBS Network in January 2003 for all LCCDA members and other interested co-operatives. The idea was to introduce everyone to the concept of social audit and accounting and to work through the stages of conducting an audit so that they knew what would be involved and what the benefits were.

As a collective we agreed it would be a method we could use to prove how a social enterprise is different from other forms of business. We saw it as a tool to monitor and prove our social goals and also as a way to help other social enterprises in our network and farther afield to work through their own assessments.

The opportunity to be part of the SEEM supported Social Audit Programme enabled LCCDA to embark on this process and it was decided that Carol Kearn and Lynette Todd should work as a team on the LCCDA Social Accounts with the benefit of the mentoring system provided by NEF and CBS Network and part funded by SEEM.

## **2. History and Background**

The full title of the organisation is 'Leicester and County Co-operative Development Agency Management Co-operative Limited'. However, the Agency is usually referred to as either LCCDA or simply 'the CDA'.

LCCDA was established in embryonic form in 1982 and was formally incorporated as a company limited by guarantee in April 1984. It has been at the current address on New Walk, Leicester for over 10 years. The agency's role is to support the

development of democratically owned businesses; including co-operatives, social enterprises and community businesses.

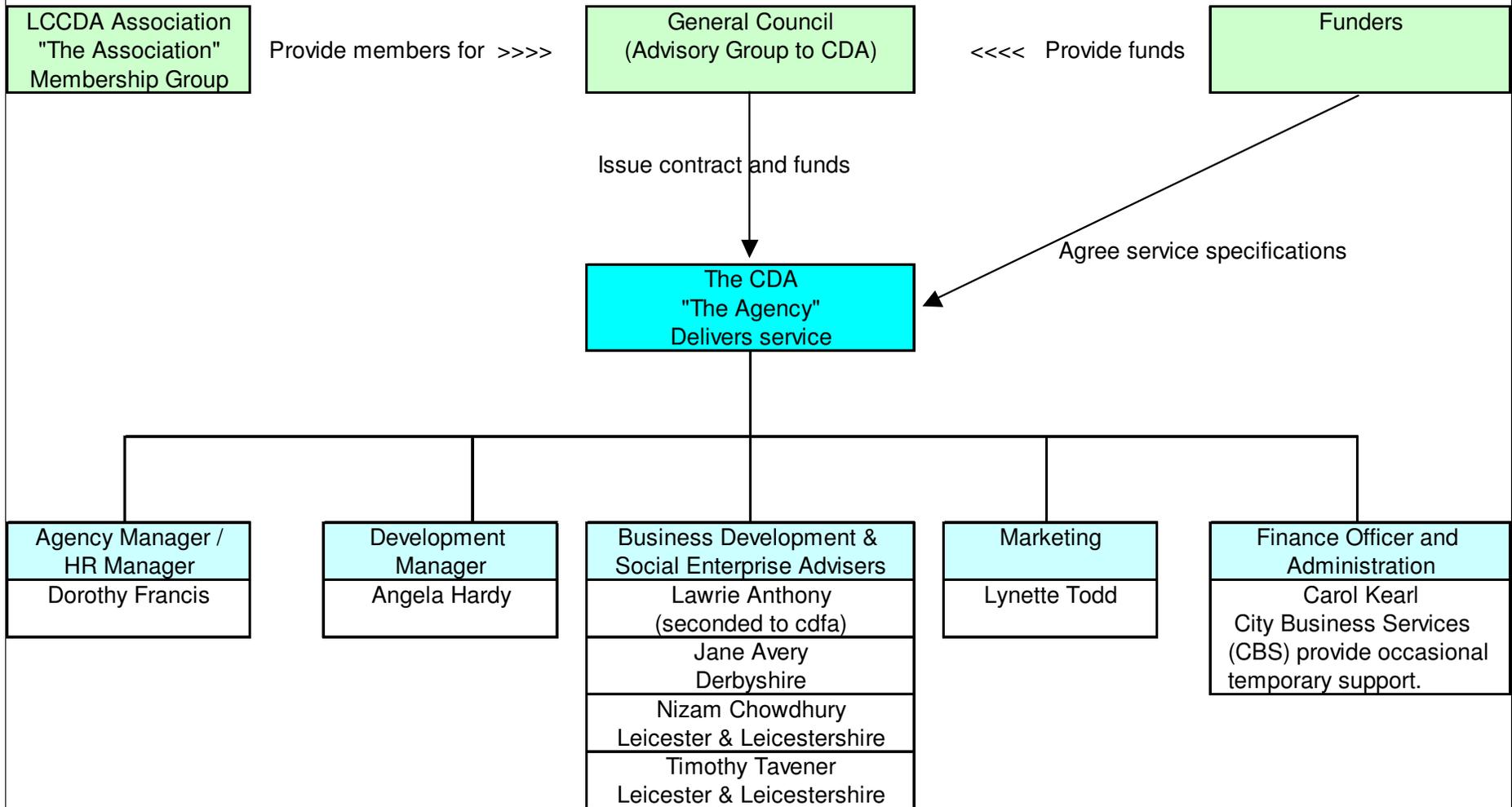
The Agency's staff team of eight provides initial and ongoing advice and support for those considering self-employment via the co-operative route. LCCDA offers practical help and advice with business start-ups, training, marketing, financial assistance (in approved cases) and offers other resources to support both new and existing co-operative businesses. There are at present over 110 trading co-operatives in our network and approximately 100 groups received some pre trading support at different stages of their development during 2004-05.

LCCDA also has experience of supporting employee buyouts as a mechanism to protect existing employment and to encourage expansion and growth.

The Agency has devised model legal structures for both co-operative companies (the Yellow rules or Leicester model rules) and co-operative partnerships, which have been adopted nationally and are widely used. LCCDA is a co-operative company, limited by guarantee and registered under the ICOM Yellow Rules that the Agency devised.

LCCDA reports to Leicester & County Co-operative Development Association with which it has a contractual relationship to deliver support to the local co-operative sector. As a Management Co-operative, LCCDA is responsible for all internal Management decisions and all staff (referred to as members throughout this report as all staff are members of the co-operative.) are employed by the Agency rather than the Association. The role of the Association is that of an advisory and support body.

# Leicester and County Co-operative Development Agency - Organisational Chart 2005



LCCDA contracts to deliver services with Leicestershire County Council, EMDA and SEEM and others both directly and through the association. As a non-profit making organisation, LCCDA offers its services free of charge within Leicestershire and Derbyshire under service agreements with Leicestershire Council and SEEM. Contracts that fall outside the scope of these agreements are undertaken as paying propositions.

The Agency operates on a collective basis with all Directors assuming responsibility for the running of the company.

The workers elect a manager who is responsible for overall co-ordination and overview of the Agency's work. However all strategic and key business matters are jointly discussed, the manager does not hold extra voting rights. Business is conducted on the basis of 'one person, one vote' as is the case with all co-operative legal structures, although decisions within the Agency are usually made by consensus rather than by voting.

Team meetings take place on the first Wednesday of each month. This is where the majority of business decisions are made. Team meetings always include a reminder of targets to be met and a review of prospects so that all workers are aware of the Agency's position.

Support and Supervision meetings (usually referred to as S&S) take place between the Manager and other workers on an individual basis. These meetings, which occur monthly, offer an opportunity for the Manager and worker to:

- review the performance of the worker over the period since the last S&S meeting
- discuss targets for the next period
- discuss training needs
- discuss any work-based or personal problems which may be affecting the workers performance

## **General Council**

As mentioned above, LCCDA reports to Leicester & County Co-operative Development Association with which it has a contractual relationship to deliver support to the local co-operative sector. The General Council is drawn from the wider membership of the Association via elections at the Annual General Meeting.

The General Council is an advisory body as opposed to an employing body. LCCDA Association and the LCCDA Management Co-operative are separate organisations. The Association is not the 'parent' of LCCDA Management Co-operative; neither is LCCDA Management Co-operative a satellite of the Association.

General Council members were interviewed by telephone for the SA process; their views are in section 9.

## **Social Audit**

The accounting period for these Social Accounts was 1 April 2004 to 31 March 2005 so that the social and financial accounts cover the same period.

Carol Kearl and Lynette Todd co-ordinated the Social Accounting (SA) process within the organisation. SA was on the agenda for each monthly team meeting. Members also supplied ideas, feedback and input throughout the whole process.

## **3. Mission, Values, Objectives and Activities**

As a collective we reviewed and agreed our mission statement in 2004 and feel it still reflects who we are. From there we worked on our salient objectives and then defined our values, which were agreed at the team meeting on 10<sup>th</sup> June 2004.

### **Mission:**

We deliver quality advice and on-going support to enterprises that are people-centred, promote ownership amongst employees or users and apply profits generated to achieving social aims.

### **Values:**

- ❑ Operate along co-operative principles
- ❑ Support groups to realise their potential
- ❑ Working with integrity, striving for quality in all we do

## **Objectives:**

### **Objective 1: To encourage the creation and expansion of democratically controlled enterprises to start up and grow**

- ❑ By providing on-going specialist business support, training and resources
- ❑ By providing or sourcing low cost loans & grants
- ❑ By collaborating in partnerships

### **Objective 2: To promote inclusion of all disadvantaged & minority groups**

- ❑ By understanding cultural, language and other differences
- ❑ By providing bespoke, relevant information
- ❑ By being a trusted intermediary

### **Objective 3: To support and promote the principles of democratic ownership of business**

- ❑ By empowerment of individuals and communities
- ❑ By use of media
- ❑ By training and conferences

### **Objective 4: To be sustainable**

- ❑ By sourcing diverse revenue streams
- ❑ By building on levels of staff expertise
- ❑ By expansion of services to meet new market opportunities

### **Objective 5: To promote satisfying employment and good working conditions for members of the co-operative**

- ❑ By liP, Work Life Balance and other standards
- ❑ By terms and conditions of employment
- ❑ By co-operative working principles in practice

## **Objective 6: To adopt good environmental practices**

- By reducing, reusing and recycling waste & reducing energy consumption
- By using Fair Trade and environmentally friendly products where possible
- Waste Not – Want Not!

## **4. Stakeholders**

### **The Stakeholder Map**

We identified our stakeholders initially by drawing a stakeholder diagram on a white board in one of the LCCDA offices and asking everyone to add stakeholder names. The diagram consisted of a central circle representing LCCDA members and other stakeholder groups were depicted as satellites. Names were added at varying distances from the centre circle showing the closeness of the relationship to LCCDA. The map was left there for several weeks for people to add names as they thought of them. This diagram was then examined and the stakeholder table shown below produced in which the key stakeholders were identified by choosing to consult with the people that were shown as having the closest relationship with LCCDA in each stakeholder group.

### **Key Stakeholders**

We decided that all of the key stakeholders identified would be consulted. Even though some of the trading co-operatives had been registered up to 10–15 years previously and do not have a lot of contact with LCCDA, we thought that it would be an opportunity to contact them and remind them that we were still able to help them in many ways, even if we did not get any response.

<b>Key Stakeholders</b>	<b>Other Stakeholders</b>
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<p><b>Members</b> LCCDA staff (8) General Council (9)</p> <p><b>Co-ops/Social Enterprises/Social Firms</b> Pre-Trading &amp; Trading</p> <p><b>Partners &amp; Funders: –</b> Leicestershire County Council EMDA SEEM Business Link Charnwood Borough Council EMCC Midlands Co-op Soc CAN</p> <p><b>Memberships</b> ICOF Co-ops UK</p> <p><b>Financial/Legal</b> Rowleys –Auditor</p> <p><b>Suppliers</b> Complete Wasters – Recycling Jenny Cummins (CBS) – Admin Support</p> <p><b>Political Contacts</b> Patricia Hewitt MP, Secretary of State for Trade and Industry</p>	<p><b>Co-ops/Social Enterprises/Social Firms</b> First contacts</p> <p><b>Partners &amp; Funders: –</b> Derbyshire County Council Social Firms East Midlands Leicester Rural Partnership Other CDA's Job Centre Plus</p> <p><b>Memberships</b> CBS Network Rural Community Council DTA – Assoc Member EMCC Urban Forum SFUK VAL Federation of Enterprise Agencies CEFET Leicester Chamber of Commerce Plunkett Foundation</p> <p><b>Financial/Legal</b> Unity Bank</p> <p><b>Suppliers</b> Rural Press – Printing Dawn Watson – Cleaning Services Wilson Trace – Marketing Agency</p>
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## **5. Scope and Methodology of the Social Audit**

These Social Accounts cover the period of 1<sup>st</sup> April 2004 – 31<sup>st</sup> March 2005.

### **Omissions**

We initially produced the “Social Audit Information Required” Excel Document, Appendix 3 in which we showed everything that we wanted to do but some ideas did not happen for reasons of time and resources and some of the new record systems that we wanted to implement, shown in red, have yet to be introduced.

We would have liked to include the first contacts as a key stakeholder as we feel the information that they could provide would be very useful. However, this would involve a great deal of work in the time available and therefore had to be postponed until a future social accounting cycle.

### **Methodology**

The Social Book keeping System and Stakeholder Consultation Worksheet in Appendix 3 summarises the various methods we used to gather information. We consulted on our 6 objectives by questionnaire, suggestions board at the AGM, telephone and one to one interviews. All stakeholders were asked about objectives 1 –3. Objectives 4 –6 were internal and therefore relevant just to LCCDA members and so only they were consulted on these. We are a staff of 8 and decided collectively that 2 members would do the bulk of the work. However, others were consulted at various times for feedback and advice. We kept everyone updated at each stage, including them in the process and the audit was made an agenda item for discussion at our monthly team meetings. Our Social Audit year matches our financial year and this will enable us in the future to produce the accounts in one summary document.

In terms of the initial stages where we clarified our mission statement, values and objectives, Carol and Lynette presented their ideas to the collective and invited them to offer changes / comments. When this was done Carol and Lynette pooled the ideas and came up with a framework that was acceptable to all.

Five groups were consulted: – Trading Co-ops, Pre-Trading Co-ops and Partners/Funders who each received a postal questionnaire, LCCDA members who had both a questionnaire and a one to one interview with an independent assessor and the General Council (GC) whose members being elected from our user group, the co-ops we advise, received questionnaires as part of the Trading Co-ops group

but were also contacted by an independent assessor who conducted telephone interviews to ask about their role as GC members.

All replies were confidential and anonymous. A number of our clients were phoned in order to both acknowledge a thank you to respondents for taking the time to reply and also to encourage those who had not done so already, to complete their questionnaires. All were happy to be contacted and happy to receive a reminder if they had forgotten to complete it. It also gave LCCDA an opportunity to verbally explain to our clients, the importance of the social accounting process to our organisation and helped to increase the response rate.

<b>Group</b>	<b>Nos. contacted</b>	<b>Nos. respondents</b>	<b>% returned</b>	<b>Consultation Method</b>
Trading Co-ops	116	34	29%	Questionnaire
Pre-Trading Co-ops	35	7	20%	Questionnaire
LCCDA Members	8	8	100%	Questionnaire & Interview
Partners / Funders	17	10	59%	Questionnaire
General Council (GC)	9	7	78%	Telephone Interview
Total	185	66	36%	

We were pleased with the response on the postal questionnaires but next time would look at using Survey Monkey on the Internet with respondents that have email, as this would ease receipt and completion of the questionnaires and help with staff time as it also does the analysis.

The lowest number of returned replies was from our pre -trading co-ops and if time had allowed, we would have preferred to visit some groups to complete the questionnaire face to face, see how they were progressing and highlight the importance of the SA process and how their views would influence LCCDA's future strategy. We know that it is a busy time when setting up a business and feel that it may just have been one document too many.

We had planned to pay someone from the Somali community to talk to our Somali co-ops some members of which have difficulties with the English language but because we did not have the funding expected we had to streamline the process to fit a constrained budget. Instead, we asked Nizam Chowdhury from LCCDA, the development officer who works with these groups, to contact them and ask if they had returned their questionnaire or if they would like help completing it.

At our AGM on 18 November 2004 we used a suggestion board headed with the question, "What do you think about LCCDA?" Attendees were invited to write comments or suggestions anonymously on post it notes and put them onto the board. This worked well and attracted a lot of comments:

### **What do you think about LCCDA?**

- *"Good example of social and economic cohesion."*
- *"We would not be where we are without the CDA support."*
- *"I would not be able to make a living without the CDA"*
- *"We need the CDA! It's a principled, dedicated & inspiring organisation which makes a real & meaningful difference to people, communities and the economy locally."*
- *"I like to see CDA expanding internationally as it is dedicated organisation in social economy sector."*
- *"Pleased to count "CASE" as a partner and think the new branding is a positive move. Need to talk about how we jointly grow social enterprises in the region."*
- *"LCCDA is a noble organisation. I pray that it helps some of us who want to start our organisations both materially and by encouragement."*
- *"The CDA is an invaluable resource for the area- no-one else has the same depth of enterprise and commitment."*
- *"The best thing about the CDA is the continuing support they give to the co-ops and social enterprises. New organisations get the guidance they need to start up and long established groups still feel there is help available if needed. We wouldn't be where we are without them. Long may their work continue."*
- *"I love the CDA. They helped us when all we had was an idea, and they are still helping us now we are five years old and (fingers crossed) thriving."*
- *"CaSE da's social aim deserves recognition and support. I believe our Somali community will do all they can to support back. Well done. Wish you all a great year."*
- *"A valued partner supporting the development of social enterprises in the region".*

- *"I very much appreciate the CDA. I think knowing this agency is the beginning of a lifetime success. CDA cares deeply for people and their needs and they are the ANSWER".*

Analysis of most questionnaires was done by Carol Kearn and Lynette Todd. Naomi Diamond, an independent consultant did the analysis of both the staff questionnaires and the one to one interviews and Helen Pearson of Soft Touch conducted the telephone survey to General Council members. Blank questionnaires are in Appendix 2

A good deal of quantitative data was already available from the recording systems that we have in place (see evidence file for copies of forms used) for example: –

- The staff time sheets not only give hours worked, holiday and sickness records but also the number of first contacts met with and training and counselling hours. These figures are then consolidated to give data for the whole agency.
- Beneficiary numbers, co-operatives set up and numbers of jobs created are all recorded for funders, and so this information was readily available for our Social Accounting.
- Records are kept of individual grants and loans given or sourced for clients and for what purpose and so we were able to easily create a new record showing the total amounts for the year.

We intended to do more analysis to help prove our trusted intermediary objective as the data is readily available from recording systems already in place (meeting notes, first contact records) but we did not have time and so this will be done for a subsequent audit.

One new system that was put into place as a result of the social audit was a training evaluation form.

## **6. The Report on Performance: Analysis of the Social Accounts**

### **Values**

We consulted with our co-op members, Trading and Pre- trading co-ops and Partners / Funders about how well LCCDA live up to their values.

### First Value – LCCDA operate in a co-operative way

Co-operators throughout the world share a set of principles, giving them their distinctive character. These are;

**Self-Help** – people working together for mutual benefit.

**Self-Responsibility** – members act responsibly and play a full part in the co-op.

**Democracy** – members control the co-op.

**Equality** – members have equal rights and benefits.

**Equity** – members will be treated justly and fairly.

**Solidarity** – members will support each other and other co-operatives, and the sustainable development of their communities.

**Education and Training** – co-ops are committed to developing their members and staff to make the co-op run well.

<b>completely agree</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	8					
Trading	25	6	2	1		
Pre-trading	4	1	1			1
Partners / Funders	4	4	1			1

### Second Value – LCCDA support groups to realise their potential

LCCDA achieves this by providing a pro-active outreach service, opening up access to our services for hard to reach groups (such as refugees) and others disadvantaged in the labour market. Capacity building, advice, training in business skills, counselling, finance sourcing and legal structure is provided to help people set up their own enterprises under their own control for their mutual benefit mutual benefit.

<b>completely agree</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	6	2				
Trading	22	8	4			
Pre-trading	4		2			1
Partners / Funders	7	2				1

### Third Value – LCCDA work with integrity, striving for quality in all that they do

LCCDA’s co-operative principles are reflected in our client relationships, for example, treating all clients justly, fairly and equally and supporting both established and pre-trading co-ops. We aim to treat people with integrity building up their trust in our service. Our commitment to education and training for members, staff and clients is reflected in our high quality standards e.g. IIP,

<b>completely agree</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	8					
Trading	24	8	2			
Pre-trading	2	3	1			1
Partners / Funders	7	2				1

The majority of respondents felt that LCCDA lived by their values and it is encouraging to us as a group to have this reinforced and confirmed. We do feel however that we should promote ourselves more in terms of the benefits of working as a co-operative and show others that it is a satisfying model to follow.

### Objectives & Activities

We compiled questionnaires relevant to each stakeholder group, asking the same of each where appropriate to do so but altering where necessary to make it applicable to the different respondents.

#### Objective 1: LCCDA help democratically controlled enterprises to start up and grow.

LCCDA provides business support, full training in business skills, assisting with business plan preparation and tailoring of democratic legal structures. This enables people to control their own enterprises in their role as employees, members of the local community or as other stakeholders. Ongoing support after start up is provided subject to resources. 2004-5 – LCCDA’s support resulted in the establishment of 30 new social enterprises and 40 established businesses were supported with development and growth advice.

#### 1.1 Providing on going specialist business support, training and resources

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	7	1				

Partners / Funders	4	6				
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Both Funders and Partners agree that LCCDA were either very successful or successful in this activity.

Trading and Pre- trading co-ops were asked in more detail about this objective as they are the people actually receiving support and generally they thought our services successful, but at the same time they did highlight areas for improvement.

#### 1.1a Pre start up support

Very successful/useful	4	3	2	1	DK	Blank
Trading	23	3	1	1	2	4
Pre-trading	4	2				1

***We have never been told that the support we required from LCCDA was not possible. For any information that was not directly available from LCCDA we were always directed to relevant sources or our adviser sought it for us” (Q25)***

#### 1.1b Use of LCCDA Website

Very successful/useful	4	3	2	1	DK	Blank
Trading	1	4	4	2	15	8
Pre-trading		2	1		2	2

***LCCDA website currently doesn't offer us co-ops reciprocal linking arrangements (perhaps because LCCDA can't update the site in-house?). I'd like this changed if possible.” (Q12)***

#### 1.1c Helping with market research

Very successful/useful	4	3	2	1	DK	Blank
Trading	6	5	4	1	12	6
Pre-trading	3	1			2	1

***“ Assistance with grant application was excellent, as was advice and help with market research.” (Q3)***

1.1d Helping with business or project plan

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	14	5	2	1	7	5
Pre-trading	5	1				1

1.1e Information on bookkeeping and accounts

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	7	4	4	1	11	7
Pre-trading	1	2			2	2

1.1f Advice on publicity, promotion and marketing

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	13	5	3	1	5	7
Pre-trading	2	1	1		1	2

1.1g Help with legal requirements and company registration

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	24	1	2		5	2
Pre-trading	2	2	1			2

1.1h Post start up advice, mentoring or support

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	17	9	3	1		4
Pre-trading	2	1	1		1	2

*“ LCCDA provide an invaluable service. We see LCCDA as one of our essential support services, and would find it very hard to find the level of service provided elsewhere.” (Q19) Trading*

1.1i Provision of one to one business support

Very successful/useful	4	3	2	1	DK	Blank
Trading	15	6	1	1	5	6
Pre-trading	3			1	1	2

*“I look at Tim as my mentor. I am getting all the support I need. Thanks.” (Q7)*

Don't Know or Blank attracted a high number of responses. We feel this points to a lack of awareness about particular services that LCCDA provide and propose to rectify this by producing a leaflet detailing information on our full service range and circulating it to all our co-operatives.

A significant number of Don't Know/Blank replies came from the trading co-ops as some have less ongoing contact with LCCDA, whereas the pre-trading co-ops will be working closely with the agency and receiving information about services verbally from their Business Adviser.

As the newsletter becomes more regular and through the Touching Base initiative we hope to make our relationship with trading co-operatives a closer one so that they will be more aware of the current work being done by LCCDA and the services on offer to them. The introduction of a co-op club for association members should also lead to more interaction between co-ops and between them and LCCDA, but the setting up of this would be dependent on resources.

As an immediate response to the replies in 1.1f we have sent a flyer to all clients about the help that we can give with their marketing, publicity and promotion now that Lynette is in post. See Evidence file.

One respondent only used 2 services and graded both those as very successful. The respondent then graded all other services as very unsuccessful. This was not actually a comment on our services it was an indication that they had not used them,

*“Our organisation did not receive most of the above mentioned support except for two.” Q1 Client*

The low score on 1.1b, Use of LCCDA Website, was expected. We are currently trying to raise funds to revamp the website which is out of date and needs work.

## 1.2 Providing and helping to find low cost loans and grants

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	2	6				
Partners / Funders	3	6			1	

This is now a difficult objective for us to fulfil. For a number of years small start up grants for co-ops were made available by local authorities under the Urban Programme and later funding streams. These reflected the job creation aspects of new co-ops and some of them were channelled through LCCDA, but in recent years some Local Authority agendas have changed and these sources of funding have now ended.

We do however still endeavour to help both pre trading and trading co-operatives with grant and loan applications from other sources. During 2004-05, 8 training grants of up to £200 were allocated to co-operatives for various training purposes. However, this funding has also now come to an end and the grants will not be available for 2005-06 unless another source of funding can be found.

<b>Co-op Training Grants 2004 -2005</b>			
Name of Co-operative	Amount Awarded	Date Paid	Comments
Youth Arts	200.00	19.05.04	First Aid Course
Marks Herbalist	95.00	19.05.04	Yoga Training
Cornerplot	200.00	16.12.04	Chainsaw and Stack Procedure re: hedge laying
Soft Touch	200.00	21.09.04	Appraisal training re: introducing system to co-op
Sonal Bhavsar	200.00	08.09.04	Advanced Henna techniques (paid to trainer)
Mantle Community Arts	200.00	08.09.04	QuickBooks Accounts Training
Glebelands	200.00	07.12.04	SAGE Training
Celestine Works	60.00	16.03.05	Emotional Literacy Training
<b>Total</b>	<b>1,355.00</b>		

### 1.2a Preparing/helping with applications for finance

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	13	3	1	2	7	8
Pre-trading	2	2	1	1	1	

### 1.2b Providing low cost loans and grants

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	16	2		3	7	6
Pre-trading	1	2		1	2	1

### 1.2c Usefulness of loan or grant

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	12	5		2	8	7
Pre-trading	1	3	1		2	

*“ We have received several training grants over the years. The application and provision of these has been simple, quick and efficient.” (Q28) Trading*

At the beginning of the year the scheme was working successfully as is indicated in the high scores but towards the end of the year LCCDA were hampered by two things.

Firstly, reduced staff resources because of unforeseen long-term illness created problems for an already stretched workforce, making it increasingly difficult to continue the high standard of service for which we are known.

*“ Not had loan or grant yet as we have not been told when next meeting in Jan is and when we could expect loan or grant.” (Q2) Pre-Trading*

Secondly, when applying for loans or grants through or assisted by LCCDA, Co-ops who experienced delays were understandably disappointed. These delays or non-award of funding are often beyond the control of LCCDA, but because the loan or grant from the Finance Provider is often channelled through the agency, the delay or non-award is sometimes perceived as being the fault of LCCDA.

The high proportion of doesn't know or blanks are because not all clients need funding support and so have not accessed this service.

## 1.3 Collaborating in partnerships

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>
Members	1	6	1		

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>
<b>Partners and Funders</b>					
<b>1.3a</b> We have worked in close collaboration with LCCDA	3	6	1		
<b>1.3b</b> Our collaboration / partnership has been useful to us	2	7	1		
<b>1.3c</b> LCCDA has been an efficient organisation to work with	3	7			
<b>1.3d</b> We have been able to agree clear objectives for our collaboration / partnership	3	5	2		
<b>1.3e</b> We shall willingly continue our collaboration/partnership	3	5	1		1

Both LCCDA members and Partners and Funders were asked about collaborations via the above questions. LCCDA members just on how successful they considered their collaborations (1.3) but Partners and Funders in more detail so that the responses could be used to help improve our relationship with them. (1.3a –1.3e).

It can be difficult to cultivate creative and productive partnerships as different bodies work from different agendas and want different outcomes from the collaboration. We are therefore delighted that the majority of outside bodies with whom we collaborate are pleased with how we conduct ourselves in our dealings with them.

*“Very good at service provided to others. Need to focus more in -house”*  
Q7 Partners ‘Funders

**1.4 Partners/Funders were asked if they were aware of the following services offered by LCCDA**

	Yes	No
a. Pre-start up support	10	

b. LCCDA website	9	1
c. Assistance with market research	9	1
d. Assistance with business or project plan	10	
e. Information on book-keeping and accounts	10	
f. Advice on publicity, promotion and marketing	9	1
g. Help with legal requirements and company registration	10	
h. Post start-up advice, mentoring or support	10	
i. Provision of one to one business support	10	
j. Preparing/assisting with applications for finance	10	
k. Providing low cost loans & grants	10	

We are pleased that Partners/Funders are aware of the services we offer.

**Objective 2: LCCDA promote inclusion of all disadvantaged & minority groups.**

LCCDA provides a pro-active outreach service, increasing access to resources for people disadvantaged in the labour market and by promoting our support through the faith networks and community groups.

Training and advice is tailored to the needs of each client group. LCCDA prides itself on “going that extra mile”. We aim to provide a relevant service, tailored to each client. This could for example mean working outside normal office hours or meetings at the client’s house and it certainly means understanding cultural differences and providing support in the appropriate language to the client if possible.

We are not a “signpost” agency, which sends out information and directs the client to other sources; we are a “destination” agency where the client can get practical help that is relevant to their situation. See press cutting – article from New Sector called ‘a trusted intermediary’ in appendix 1.

LCCDA also encourages a wide diversity of people on its Users group (General Council). The GC keeps the agency focused on needs of people disadvantaged in the labour market. We are known for the diversity of our staff team, and many referrals come by word of mouth from satisfied clients.

Our outputs and outcomes over the last year indicate that over half of new social enterprises set up were from ethnic minority communities. We also worked closely with Social Firms East Midlands (SEEM) to support development of co-ops for people with disabilities.

### 2.1 Understanding cultural, language and other differences

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	7	1				
Trading	17	8	1		4	4
Pre-trading	4				2	1
Partners / Funders	5	5				

### 2.2 Providing information relevant to each individual

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	4	4				
Trading	14	6	4		8	2
Pre-trading	3	1	1		1	1
Partners / Funders	3	6			1	

### 2.3 Being a trusted intermediary

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	8					
Trading	17	8	2		5	2
Pre-trading	5			1		1
Partners / Funders	3	6			1	

*“ I’ve circled DK but remember items about Somalis, disadvantage black communities in the newsletter. It seemed to me that LCCDA approaches all of these individuals with its usual respect for individuality and strong motivation to help and support.” Q12 Trading*

*“Broad variety of enterprises supported.” Q5 Partners*

Objective 2 is an area where we feel we give unique and dedicated support to our client base. We feel the majority of replies are positive and are happy that we are satisfying our objectives. However, we need to address the negative scores and try

to promote our work in this field so that our co-operatives are better informed. This will eliminate many of the “don’t know” and encourage a better response next time.

One of the respondents on the client questionnaires has entered high scores for services used and low scores if they did not access that service. On others, we believe the criticism is because of the explanation in 1.2 of staff illness and some clients had to wait longer for service.

Evidence of our success in helping the Somali community in Leicester can be found in Appendix 1, Somali Businesses.

**Objective 3: LCCDA support and promote the principles of democratic ownership of enterprises.**

As a co-operative ourselves we speak from first hand experience of democratic ownership and the rewards and responsibilities of working together for a common purpose. Clients can have full confidence that our advice on democratic legal structures for social enterprise can be relied on, owing to our 22 years of specialist experience. We promote this expertise to other agencies and partners to generate referrals and also promote democratic working by training other business advisers and support workers.

**3.1 Empowerment of individuals and communities**

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members	8					
Trading	21	7	1	1	3	1
Pre-trading	2	2			2	1
Partners / Funders	7	3				

Although we are with our clients every step of the way, we advocate independency rather than dependency. We are delighted therefore that most respondents felt we are achieving this objective.

**3.2 Use of media (radio, newspapers, magazines etc)**

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Members		6	2			
Trading	7	7	2	1	8	9
Pre-trading	1	1	1		2	2

Partners / Funders	1	5	1		3	
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We know we need to do more to promote both LCCDA and our clients in the media. This has begun to be addressed in the last 12 months since Lynette became our Marketing Officer. The LCCDA Newsletter has been re introduced, three editions were produced during this period and we hope to do even more in the next year. They are circulated not only to our co-operatives, but also to all stakeholders and are taken to any event, in which LCCDA participates or attends.

A Social Enterprise Directory was also published listing details of all the co-operatives working with LCCDA and this was widely circulated to all stakeholders and made available to the general public through VAL, local libraries the council offices reception and other public places. There was a very good response and it is hoped to issue an updated version next year.

More articles about both our clients and LCCDA are appearing in the media and our stakeholders have commented that they are pleased to have an increased public profile.

### Training and Conferences

Training is defined as group sessions in a classroom format or one to one sessions where the client(s) make an appointment to obtain advice from a Business Adviser. Therefore, both formal and informal sessions can be classed as training.

#### 3.3 Delivering Training & holding conferences

Very successful/useful	4	3	2	1	DK	Blank
Members		7	1			

LCCDA want to increase the number of formal training sessions, we feel this would be popular with our clients and it is something to work on over the next year.

We hold our AGM in November and this year started something that we hope will be an annual event, a conference or “Showcase Day”.

This first event was a Somali Showcase that was part of a three-day event in September 2004 organised by LCCDA. We were hosts to a delegation from The Hague who wanted to find out why Somalis leave the Netherlands to settle in the UK, especially Leicester. Keynote speakers at the event were Patricia Hewitt MP and The Lord Mayor of Leicester. The delegation from The Hague attended the conference

and also had the opportunity to talk to Somali students at a local college and visit a number of Somali Social Enterprises that LCCDA works with. The Hague delegation has invited members of LCCDA and the Somali community in Leicester on a return visit to speak at a conference there in September 2005.

3.3a Was training as you expected?

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	8	3			2	20
Pre-trading	1	1		1		5
Partners / Funders	1	2			1	6

3.3b What do you think about the content of the course?

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	6	5		1	1	21
Pre-trading		1			1	5
Partners / Funders	1	2			1	6

3.3c What do you think about the way the training was presented?

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	8	2		2	1	21
Pre-trading		1			1	5
Partners / Funders	1	1	1		1	6

3.3d How useful has the training been?

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	8	3		1	1	21
Pre-trading		1			1	5
Partners / Funders	1	2			1	6

3.3e Was it well organised?

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	9	2			4	19
Pre-trading	1				1	5

Partners / Funders	2	1	1		1	5
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### 3.3f Quality of presentations

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	6	5			4	19
Pre-trading		1			1	5
Partners / Funders	2	2			1	5

### 3.3g Relevance of content

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	6	5			4	19
Pre-trading		1			1	5
Partners / Funders	2	2			1	5

### 3.3h Usefulness

<b>Very successful/useful</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>DK</b>	<b>Blank</b>
Trading	8	3			4	19
Pre-trading		1			1	5
Partners / Funders	2	2			1	5

Stakeholders that had undertaken training were happy with the courses they attended, but the large number of blanks and don't knows shows that many of our co-operatives have either not accessed training or do not perceive the 'one to one' coaching sessions that they have had with members of LCCDA as training, for example, when help is given setting up a payroll or accounts system or with personnel matters.

We hope to increase the number of formal training sessions held as we think that group sessions on common themes would benefit both the clients and the agency. A number of clients have individually requested advice about the same subjects and we would like to develop training sessions to address this. Some training being done via the proposed new website and some via group training sessions at times to suit the clients. We would also ensure that such courses are well publicised to the right target audience.

The advantage of getting the clients together for a particular subject is that they can network and learn from each other and it also helps the agency, as one training session is more time and cost effective than numerous one to ones.

We will continue coaching co-operatives individually as for some this is the only way that they can overcome language and educational problems and on other occasions the training is only relevant to their particular situation. Some of LCCDA's clients do not see the coaching that they receive as training but simply as counselling by their Development Officer on the problems that they encounter either when starting, or in the day to day running of their business but quite often this is the only way to work with them as they can learn at their own pace and the training can be adapted to their specific requirements.

In order to monitor our training more effectively we have started to use an evaluation form. This was instigated in September 2004 as a result of the social accounting process. These forms will help as a guide in our training techniques.

*" We are hoping to receive help from the CDA with cash flow forecasting. We have not asked for this yet, but confidently expect it to be provided!" Q34 Trading*

**3.4 Is there any other training that you would have expected to be available, or would like to receive from LCCDA, or conferences, seminars that you would like to be held?**

*" We would be interested in 'self-assessment' tax and accounting training as well as general marketing." (Q5)*

*"Public speaking; dealing with and getting help from the media. Time management, Book keeping and applying for funding." (Q30)*

*" Check in contact i.e.: just a note or a phone call to keep in touch if contact hasn't been made between co-operative and agency, this could put work on individual advisers though meaning it is up to the co-operative to contact as and when needing support." Q20 Trading.*

As a consequence of respondents' replies, we have also begun a "touching base" scheme. One member has taken on the responsibility to call a number of co-ops each month and can then pass on any needs to the relevant Business Adviser. This will also help with information for our newsletters and press releases and raise awareness of our services with the co-ops we are working with.

## 7. Other Views of Stakeholders

Are there other services or help that you would have expected or would like from LCCDA?

	Yes	No
Trading (34 replies)	8	26
Pre-trading (7 replies)	1	6
Funders / Partners	2	8

We asked our trading and pre-trading co-ops and the Funders / Partners the above question to give all stakeholders the opportunity to comment on areas that they felt were important to them and had not been covered elsewhere in the questionnaire.

Throughout the questionnaires we have identified a request for more networking and promotion of co-op “family” values, working together to achieve our social goals.

We propose to start a networking scheme open to all our association members whereby they can share resources and experiences and can perhaps even access discounted rates for training courses run by LCCDA, or special offers if buying from one another within the group. We need to work on the right way to promote this “Co-op Club” in order for it to reap maximum benefits for all concerned.

- *“A suggestion – if you’ve time, could you do a little more to encourage the co-ops to talk to/co-operate with each other? I know you try to help us do this via your newsletter, annual meetings etc but it is extremely difficult to motivate us to look beyond our immediate concerns.”* Q12 Trading
- *“Funding, Finance and joint initiatives.”* Q16 Trading
- *“Help start up businesses to settle financially, administratively and mentoring.”* Q1 Trading
- *“Networking with other co-ops* Q13 Trading
- *“We needed more support once business was up and running, but due to our circumstances we could not access it.”* Q 4 Trading
- *“Grants advice, LCC rent offices/property.”* Q15 Trading

- *“ We did expect more help and more information on what is going on. We can’t expect anyone to work for nothing/voluntarily for more than a month but we all have – we’ve all worked since June then Sept to now for nothing.”* Q2 Pre-Trading
- *“B2B networks and info on other sources of support.”* Q8 Funders / Partners
- *“ Training course in legal structures for example.”* Q6 Funders / Partners

## 8. LCCDA Staff Questionnaire

LCCDA staff members were consulted on objectives 1 – 6. Their views on objectives 1 –3 have been included above with the other stakeholders for the purpose of comparison between the different groups.

Objectives 4 –6 were only pertinent to LCCDA staff and the consultation was done in the form of both a questionnaire and one to one interview by independent consultant Naomi Diamond who is a member of a local co-operative called Leicester Food Links and was for some years on the LCCDA General Council.

### **Objective 4: To be sustainable by:**

- Sourcing diverse revenue streams
- building on staff expertise
- expansion of services to meet new market opportunities.

Ongoing diversification of income has been demonstrated this year via new contracts with Neighbourhood Renewal (via Business Link) to deliver establishment of 7 new social enterprises in deprived areas of the city. Contract work has also been undertaken with Social Firms UK. The ESF EQUAL Programme brought us funding to set up social enterprises in Derbyshire where there is no specialist Co-operative Development Agency.

### **Objective 5: To promote satisfying employment and good working conditions for members of the co-operative by:**

- liP, Work Life Balance and other standards
- Terms and Conditions of Employment
- Co-operative working principles in practice.

All members of LCCDA are involved in agency decision – making, and have considerable autonomy over their own work. This reflects the co-operative principle of members taking personal responsibility. The agency’s equal opportunities policy acts as a framework for its good working conditions and accreditation via IIP and Work life Balance reflects the commitment of all staff to the co-operative way of working

**Objective 6: To adopt good environmental practices by:**

- Reducing, reusing and recycling waste and reducing energy consumption
- Using Fair Trade and environmentally friendly products where possible.
- Motto: Waste Not – Want Not!

The written report from Naomi Diamond follows. All consultations were confidential and questionnaire results can be found in Appendix 4. Naomi chose to review the results as a whole, combining the questionnaire and more in depth interview replies rather than split report into separate objectives.

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**Strengths of the Agency**

The Agency scores very highly on its staff relations, working environment and co-operative values and practices. Descriptions used frequently by members include: ‘caring’, ‘respect’, ‘valued’, ‘satisfaction’, and ‘involvement’, ‘team work.’ Members also spoke about the ‘camaraderie’ and the feeling of ‘being a person’. The enthusiasm and warmth with which all staff speak about the Agency and their colleagues is very striking.

*‘the nicest place I have ever worked.’*  
*‘we all know what’s going on, it makes me feel part of a team.’*  
*‘the happiest place I’ve ever worked.’*  
*‘shared values with colleagues.’*  
*‘D has created an ethos which builds on co-operative values.’*

The team working is highly valued, with staff feeling involved in decision-making, responsible for each other and the work of the Agency, responsible for clients and for the reputation of the Agency. Members feel there is a good balance between involvement in decision-making and autonomy over their own work, i.e. they feel

they have every opportunity to influence each others' work but when decisions need to be made they can be made quickly and are supported by all members.

*'I feel trusted to do the job; no-one is sitting on my shoulder and checking on me.'*  
*'you feel influential...my previous experience in the private sector is of feeling like a cog.'*

The Agency is seen as a very safe, supportive working environment, where the Equal Opportunities policy is taken very seriously. This is contrasted to previous working environments experienced by some members. The Agency also takes great pride in its ability and determination to work with those who are disadvantaged or have special needs. Examples cited include work with the Somali community, people with disabilities and working class women without qualifications.

*'there is a strong anti-racist ethos in the workplace, and empathy for disabled and disadvantaged people.'*  
*'it's a safe environment, free from discrimination.'*  
*'reaching people through faith networks has built up trusted relationships with people who are found 'hard to reach' by other agencies.'*

The Agency scores very highly on its commitment to develop and empower members. Training is always available and there are regular appraisals and training needs analyses. Roles are created and developed to build on the strengths and expertise of individual members, and members are encouraged to develop and given opportunities to branch out. Members have the Agency's blessing to develop new areas of work to suit their interests and strengths.

*'staff training to increase expertise is taken very seriously'*  
*'the investment in staff is vital for the social enterprise movement to develop, and for new staff to be recruited to the sector.'*  
*'opportunities for development are offered but not forced on people.'*  
*'personal growth aids organisational growth and development; people must be motivated and up to date.'*

Working terms and conditions at the Agency are seen as being above average, with holiday entitlements, work-life balance and health and safety practices all being specifically mentioned. In general it is felt that conditions at the Agency compare favourably with both the private and voluntary sectors, and help to balance out the perhaps lower than average pay (see below).

*'the Agency has high standards as befits a worker co-op, with leadership from a qualified personnel specialist.'*  
*'very well managed...very clear terms and conditions, very precise...staff welfare on every agenda.'*

Members are therefore very highly motivated, derive in general a great deal of work satisfaction and feel a strong sense of pride in the Agency's work. The downside of this may be the pressure this creates for staff to self-exploit and work higher hours (in some cases much higher) than they are contracted to do (see below).

*'it's 'our' company; if things go wrong it's all our responsibility.'*  
*'sometimes the work is too much for the hours allowed but you put in the hours without resentment because we want the result to be right.'*

In general Agency members see themselves as advocates for co-operative working and social enterprises by example as well as through their work. In particular it is their depth and long term support work and their history and in depth understanding of the sector that they feel enables them to do this. Their co-operative way of working enables them to offer a range of skills and breadth of support to clients, which is valued and effective. They take pride in supporting and empowering individuals and groups.

*'working as a co-op is fantastic; it works.'*  
*'we actively advocate the merits of democratically owned enterprises'*  
*'we can promote co-ops because we are a genuine co-op. We believe it and we practise it'*  
*'if the Agency wasn't a co-op, we would have gone down long ago.'*  
*'bonding supersedes pay and conditions and job insecurity.'*  
*'it's not easy, it's a big commitment, collectively.'*  
*'we see ourselves as more than an agency; we're trying to develop a movement.'*  
*'clients have the benefit of the range of experience and expertise of the Agency. Clients are dealing with eight people, not just one.'*  
*'helping people achieve their dreams.'*  
*'we help some people who would never start their own company.'*  
*we relate to people well; we make an effort to understand people; we work with people at their own level; we are trusted.'*  
*we have a big impact on the people we come into contact with.'*

### Room for Improvement

Many members feel that the Agency is undervalued and not as well known as it should be. They feel that their image and profile, although improving, needs continued work. A higher profile would help raise staff morale as well as help the Agency reach out to potential clients and supporters. However it is noted that this side of the Agency's work has improved and strengthened recently with a new members role being created. It is also felt by some staff that their profile is affected by the Agency's premises, which need to project a different image.

*'we could be better at selling ourselves.'*  
*'it's difficult to shout about our work; people aren't just tools for a marketing exercise.'*

The changing funding environment leads most staff to recognise the need for the Agency to seek a more diverse income base and to develop a longer term business plan and vision. Some members are highly ambitious for the Agency and want to see it developing an asset base and an expanded range of services, building on the varied expertise of the members.

*'we need self-reliance through income generation'*

For some members the high level of autonomy of staff creates communication issues, especially for those who are not generally based in the office. They feel they are not always up to date on what is going on or can access relevant information. They feel that an Agency Intranet is urgently needed. However, internal communication scores very highly with most staff who feel well informed and that there are plenty of both formal and informal opportunities for communication.

*'everything is discussed; issues are resolved quickly.'*  
*'it's very unusual in most work environments to get told everything; we all know what's going on.'*  
*'because we have outworkers and some people are part-time, you can't be in the know all of the time.'*

The high level of autonomy may also have a downside in that it makes strategic planning difficult, with members developing their own areas of work according to the opportunities that present themselves.

The changing environment means that roles and responsibilities are changing and some staff feel unsure as to the precise nature of their roles or those of others. Recent funding crises have forced some management responsibilities onto the back

burner and some members and managers lament the fact that the regular appraisal system and monthly meeting schedule has broken down in recent times. The situation is also felt to getting in the way of service delivery.

*'the external environment changes from day to day.'*  
*'we can't control our overall work, because we are controlled by others; the Agency's control over it's destiny has got worse.'*  
*'monthly meetings frequently get cancelled and I think they should go ahead even if some people can't attend.'*  
*'pressure of work means monthly supervisions often don't happen.'*  
*'generic and operational things get put aside.'*  
*'it takes away from our core purpose of business support.'*  
*'a lot of management time is spent justifying our existence.'*  
*'the current situation is affecting work with clients.'*

In general, members are relatively happy with pay scales, given the Agency's excellent working conditions. However, it is felt that it may be difficult to attract new members if salary levels are not made more competitive with 'the sector' (bearing in mind that it is very difficult to benchmark in a developing sector which overlaps with both the private and voluntary sectors.) However, all of the members recognise that currently salary levels are subject to funders' expectations rather than the Agency's willingness to pay.

*'There is a growing demand for social enterprise skills and we will need to raise salary levels for retention and recruitment.'*  
*'when recruiting people, CPD, good working conditions, work-life balance and our values offset pay.'*

External relationships present a mixed picture for Agency members. Some members have very positive experiences with external partners, work closely and successfully with other agencies and feel that the Agency has a very good reputation. However, a more common perception is of difficult and frustrating partnerships and relationships, a feeling of being 'marginalised' and undervalued.

*'the CDA does what it can to build up trust in partnerships and other agencies, but this is not always reciprocated.'*  
*'partnerships do not always understand business issues relating to social enterprise'*  
*'there seems to be a lack of appreciation of CDA's work in some quarters.'*

## Weaknesses

The majority of weaknesses can be traced to the external funding and policy environment. There is a great deal of stress and anxiety associated with poor job security, frustrating relationships with partners and a lack of appreciation of the Agency's work and achievements. All members would like to feel more in control of their work and destiny by being less dependent on major funders, but most also feel that as a development or infrastructure organisation, they should receive a reasonable level of core funding as a base from which to generate other project income. There is frustration about the level of reporting and monitoring expected, a suspicion that reports are not read by funders, and anger at the unrealistic expectations of agencies expecting very short turnaround for funding bids and contributions, but often taking a very long time to make their decisions.

*'there are very few resources on the ground for a development agency.'*  
*'we have a good balance between involvement and decision-making. The difficulty is with external bodies taking so long to make decisions.'*  
*'there is a lack of recognition or feedback from funders; inadequate interaction; do funders read reports?'*

This and other pressures have created a situation in which many members work well beyond their contracted hours to ensure the Agency meets all of its obligations and ensures its future. There is a great concern about some members with a remit for funding and external responsibilities who are currently under enormous pressure. The situation is not sustainable and contravenes the Agency's work-life balance, by which the Agency sets great store. It also pushes other management issues, such as long term planning, staff development and premises, into the background.

There is some debate about the level of service offered by the Agency and whether this is sustainable. The members question whether at times they are 'too helpful', thereby generating an unrealistic workload, as well as making it hard to justify the service to funders. However, all of the members feel that intensive coaching and long-term support is the backbone of their success in helping people into business for the first time, so this is a hard circle to square.

*'there is a high level of stress about feeling responsibility for other people's jobs.'*  
*'achieving work-life balance can be difficult because of loyalty to the team. The danger is we are too helpful, and create a rod for our own backs.'*  
*'I'm part time but in reality work longer hours. I don't want to let people down. I'm motivated to get it right.'*

*'the climate doesn't support the development process. What the CDA does well is long term support, which is not valued.'*

Some members feel that the Agency needs to invest in its ICT resources, in order to make remote working, monitoring, promotion and so on more efficient.

Finally, the Agency's environmental management is rather weak, depending on the goodwill and interest of individuals rather than any systematic management practices.

*'we could do better in this respect. I think we all believe in environmental values of recycling, fair trade etc, but it is not always easy to put into practice as a busy individual with mind on other things.'*

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LCCDA as a co-operative aim to live by co-operative principles and the results from the member consultations showed that staff members value the involvement, working environment, terms and conditions that being a co-operative permits and encourages. Equal Opportunity is treated as a very important issue for both the staff and in the agency's work with disadvantaged people and people with special needs.

Members are proud of what LCCDA achieves. Their involvement in decision making and team working makes for a sense of responsibility for the agency's success.

This can result in individuals working longer hours than their contract and put them under pressure because of their commitment to both other members and to clients. This past year the agency has been short staffed because of long term illness; funding constraints did not allow for a replacement, and so staff were working under even more pressure to maintain the quality and continuity of service to clients. The LCCDA Work Life Balance policy allows for Toil to be taken for these extra hours being worked and members are encouraged to take this time off during quieter periods.

The current Funding issues caused by the withdrawal of both Leicester City and County grants and the consequent uncertainty of the future of the agency have caused concern for members and made them feel undervalued. Every effort is being made to resolve this by finding alternative and more varied sources of income and

by raising the agency profile to make its work known to a wider range of potential partners, funders and clients. Once new funding streams are in place, other issues that have been taking side lined such as long term planning can be dealt with.

The consultation showed that members are proud to be associated with LCCDA and the work that the agency does. They all strive to give the clients the best possible service, which in turn brings great job satisfaction.

## 9. The General Council

The General Council is comprised of nine elected representatives from local co-operatives; a project officer from the County Council and any interested observers. At least two LCCDA members attend General Council meetings, which take place every four months. LCCDA members have speaking rights but no voting rights on General Council. More about the General Council can be found in the History and background section.

The Awards Sub Committee is the financial sub-committee of the General Council, which is mandated to deal with applications for finance. It approves any available grant funding from LCCDA setting up grants and loans from the Revolving Loan Fund and has also been used to allocate funding from outside sources. Helen Pearson from Soft Touch conducted interviews by telephone with the General Council and managed to contact 7 out of the 9 members. Interview transcripts are available in Appendix 1.

### **Question 1: What is the purpose of the General Council?**

Members saw themselves as a monitoring organisation that LCCDA report to, a support resource and an advisory body.

*“ The GC is about counsel, not management or control. It’s about shared commitment to co-operation and a support for what they do.”*

Some members did not seem to have a clear idea of their function and described themselves as a management committee which is not so. In the past all members were given a procedure manual containing much information including the obligations of the Association. There were several members of the committee that had not received a manual, updating the manual and issuing copies to all members

of the committee has now rectified this, and a procedure has been put into place to regularly circulate updated items.

**The Association's role is to support the continued development and success of LCCDA and to do all in its power to ensure that their funding continues. To this end, the General Council as the elected officers of the Association provided a great deal of support during LCCDA's recent financial problems when Leicester City Council cut the funding to many voluntary and support groups. Members of General Council lobbied on behalf of LCCDA and organised a campaign of support by the members of the Association, which involved both letters and emails being sent to councillors, local members of parliament and to the local press.**

**Question 2: What are the benefits of being involved with the General Council?**

Members felt that being part of the GC kept them informed about issues and developments in the social enterprise sector and was a way of networking and promoting co-operative working. The majority saw being on the GC and giving their time and advice as a way to thank LCCDA for the support that their co-operative had received.

*"The satisfaction of being able to help promote the ideals of co-operation."*

*"It enables me to support an organisation which has supported us in the past, and continues to support us."*

**Question 3: How do you see the association developing in the future?**

One member felt that the GC needed to expand its geographical horizons because at present all members are from either Leicester city or county and LCCDA now works in other areas of the East Midlands.

All of the interviewees used this question to express their concern that the CDA should keep to its mission of being a co-operative development agency, but they acknowledged that diversification might be necessary because they are all aware of current funding problems. They seemed more concerned about the survival and development of the agency than the Association and see their purpose and future as helping to sustain the work that the agency does.

*“For the future, I would like to see stability so the CDA can continue with pursuing the direction that they want to without getting sidetracked into other areas to bring the funding in”*

Co-op Club Idea: All members saw this as a positive move but advocated that it would need research and consultation before anything was decided. The main issue would be on whether there would be a charge, who would pay and how much they should pay.

*“The Co-op club is a good idea as it would bring co-ops together more and would strengthen support for the CDA.”*

## **10. Environmental Impacts**

Environmental issues have been dealt with in Objective 6 on the staff questionnaire. As we did not have a defined environmental policy, we asked one of our co-ops, Complete Wasters who specialise in environmental waste management to conduct a survey for us on how we are doing and how we can improve. Darren Potter, Co-Director of Complete Wasters, carried out the survey on 9<sup>th</sup> May 2005 and then submitted a written report. This can be found in Appendix 4 along with the results from the members' questionnaire.

Findings from the report show that LCCDA do already recycle where and when we can but recommendations were offered for further improvements. In terms of energy saving it was suggested that we buy a savaplug to reduce energy consumption of the fridge and that we could further help by buying more recycled products like pens and paper. Darren also suggested that we raise awareness of environmental responsibility amongst our client groups. For example, this could be done by printing on all in-house documents that LCCDA use recycled materials.

We will review the reports recommendations at a future team meeting and agree at that stage what is feasible to achieve over the next 12 months.

## **11. Economic Impacts**

### **Clusters of social enterprises**

The major economic impact LCCDA has had in its 22 years is the showing of the “clustering” effect – social enterprises develop and grow where there is a strong local support agency to assist them, and local formal or informal networks of like minded people. In areas of the East Midlands where there has been little support available e.g. Lincolnshire – few social enterprises have developed, and this has led to the setting up of the new Lincolnshire CDA with financial support from the Lincolnshire Co-operative Society.

This “clustering” of social enterprises around a strong support agency has been noted in research – e.g. Researching Social Enterprise, Final Report to the Small Business Service 2001 (Middlesex University Business School). Respondents in social enterprises who took part in the research wanted support from advisers who understood their social aims and values, and could provide expertise in the legal and organisational issues relating to socially owned business. Many respondents did not feel they could access this support outside of a specialist agency.

### **What social enterprises are “good at”**

As a specialist support agency LCCDA has made a good contribution to economic development including developing the skills of people being trained to establish and manage their own social enterprises who usually have no previous experience of enterprise. This is a lot more than short term “job creation” but results in establishing services such as nurseries and care at home for the elderly under community or employee control as we have done locally. John Pearce (1993) has identified many other activities the social enterprise sector is “good at” – again many of these reflected locally in the work of the CDA.

### **Sustainability**

LCCDA’s economic impact has resulted in it being recognised as the specialist support agency in the area – for example research for the report Social Enterprise in Leicester 2003 showed the agency had been the support agency of choice for 47 out of 65 social enterprises. This Report also shows with case study examples that social enterprises, particularly co-operatives can be more sustainable than other forms of business – some having traded for at least 10 years and citing the support received from the CDA as crucial.

### **Addressing labour market disadvantage**

LCCDA work with a variety of social enterprises, many of which have members who are from disadvantaged groups or ethnic minorities and they have difficulty in

establishing their businesses; because of the lack of understanding of the English language and legal requirements or poor educational background. By helping them LCCDA enables them to find employment, adding to the diversity of local businesses and therefore are making a positive impact on the local economy. Appendix 1, Somali Businesses gives further evidence of this diversity and how the agency is helping Somali groups.

During the time span of this social accounting process 38 co-operatives or social enterprises were registered giving employment to 107 local people and many other groups started to work with LCCDA either potential social enterprises and social firms or established enterprises being supported to develop or expand their businesses.

Eight of the Co-operatives established were for childcare, either pre-school nurseries or out of school schemes and these not only provide employment for their staff but also enable the parents of the children attending the nursery to undertake paid employment.

Through our Co-op network, groups are encouraged to trade with each other. For example, a new group Braunstone Garden Care are buying from Corner Plot another co-op in the group; this again keeps money in the local economy. To promote this a Social Enterprise directory of Co-operatives in our network was produced and circulated widely, not only to our stakeholders but also to other interested parties.

We have been able to help some groups obtain financial support by way of loans or grants either from our funds or by assisting them with funding and loan applications. This has brought money into the local economy, enabling the groups to start trading or expand.

We have also given small training grants enabling co-op members to expand their knowledge and extend or improve their business.

## **12.Compliance**

LCCDA comply with all statutory legislation.

### **Commitment to LCCDA Agreement**

LCCDA have implemented an Equal Opportunity Policy, Health and Safety Policy and Training and Development Policy. The set of ten guidelines in the Commitment to

LCCDA Agreement explain the expectations of LCCDA and its workers regarding commitment to certain issues or principles such as these policies, the LCCDA mission, raising standards and working towards goals and objectives in a positive and enthusiastic way and complying with statutory requirements.

## **LCCDA Policies Document**

This document outlines agreed policy on issues such as hours of work, length of lunch breaks, office organisation and administration. These policies have been developed and agreed by staff members over the years. The LCCDA policies are issued to each worker and copies can be found in the Procedures Manual issued to all staff.

## **House Rules**

LCCDA operates under a collection of self-agreed rules and procedures. The House Rules distils many of these rules into a single sheet of paper, which is framed and displayed on the wall of the office and can be found in the Procedures Manual.

## **LCCDA Work–Life Balance Policy**

LCCDA is respected as a pioneer of Work–Life Balance and is a recognised Work–Life Balance organisation, the 13<sup>th</sup> organisation in the UK to achieve this standard and the first Social Enterprise. This policy document outlines the LCCDA provisions for assisting members to achieve a balance between work and personal lives.

We firmly believe that implementation of WLB has contributed to LCCDA's success over the previous two decades. LCCDA has succeeded due to the skills, dedication and commitment of its workers over the years and employees feel able to offer their commitment to the Agency because of what they get in return from the organisation, it is very much a two way process.

Although members sometimes work longer hours during busy periods this time is recorded on their timesheets and there is a policy in place whereby toil (time off in lieu) is taken for these extra hours during less busy times. Members are also able to condense their working week into 4 days instead of 5 to allow for outside commitments.

## Investors in People

Investors in People is becoming acknowledged as *the* Quality Mark for the service industry, it operates on the basis that people are the essential ingredient in a service business and therefore the organisation should ensure that workers are properly trained, that they understand the job and that they are able to deliver the service. This is what IiP seeks to 'measure' and evaluate.

LCCDA achieved Investors in People (IiP) accreditation in February 1997 and is proud to demonstrate its commitment to quality provision by its pledge to this standard. LCCDA was:

- Amongst the first 100 companies in Leicestershire to receive IiP.
- The second voluntary sector organisation to be accredited.
- At that point one of only 8 organisations with ten staff or less to receive the award.
- Described as an 'exemplar' organisation at the original assessment in 1997 and again at re-assessment in 2000 and 2003.

## 13. Achievements

At LCCDA, we take pride in our achievements, which have been tested, measured and proved throughout this report. It shows how we work successfully as a co-operative, providing good working conditions for colleagues who respect each other, enjoy working together and get results.

### **Working with minority and disadvantaged groups**

Being a trusted intermediary directly correlates to the success of the groups we work with. Advice tailor made to each group and 'one to one' business support helps them realise their ambitions and potential. Many would not otherwise be able to set up a business without this practical help.

### **Working with long established groups**

On-going advice is given to established groups as their needs change, this is a benefit to them and an achievement for LCCDA, who help to build these sustainable enterprises.

Shepshed Carers offer care at home for the elderly and are now in their 11<sup>th</sup> year of trading. They began with 2 workers and now have over 80 in the co-operative. LCCDA nominated them for the New Statesman Social Enterprise of the Year Award

in February 2005, and we were delighted when they won first prize. Co – founder Sarah Sanders said, “ We would not be where we are without LCCDA support.”

### **International Links**

Our work with the Somali and other communities has had far reaching effects. Because of our reputation of helping to establish social enterprises, we now have links overseas. In September 2004, a visiting delegation from The Hague came on a fact- finding mission about why Somalis settle in Leicester. In September 2005, 5 members from LCCDA and 3 from the Leicester Somali Community will make a return trip as guests of The Hague. Our visit will be to further share experiences and learn from each other.

The success rate of the social enterprises we help illustrates how the agency makes a difference to people’s lives in a positive way, and in turn reinforces the achievement of the dedicated LCCDA team.

## **14. Conclusions and Recommendations**

We pride ourselves on working as a successful co-operative and on providing good quality services to our clients. We are delighted at the number of responses received from our clients and are keen to reinforce to them that their views matter very much to us.

### **Conclusions**

We have found the social accounting process very useful. It will be used to help clarify future strategies, improve service to clients where necessary and as evidence of our success as an agency when submitting funding bids.

There were areas where improvement or change would help us move forward in a positive way and these are listed below as recommendations. All action against these recommendations is subject to having available funding and resources.

Constructive criticism is something that should be used as an opportunity to learn and improve. We have taken on board the comments, particularly from our pre-trading co-ops about waiting too long for services. We know this was because of long-term staff illness and lack of resources to provide the service. In our willingness to go “that extra mile” there is a danger that we become overstretched. However, because of who we are and how we work it is difficult to turn people away when we know they may not get the help they need elsewhere.

We believe that we are “walking our talk” and providing relevant, practical help to our clients many of whom have been part of our network for many years and continue to contact us for advice as their businesses change.

*“ I have worked for Mantle Arts for ten years and throughout that time I have found the CDA an invaluable source of help, information and at times, funding for training. They are invariably keen to help and have always done so in a speedy and efficient way.” Peter Robinson. (Q28)*

*As 2 women with no business skills 11 years ago, we received outstanding help and guidance to set up a company and were taught how to run a successful co-operative, now employing over 80 people. The help has continued over the years, any queries / questions etc are always dealt with promptly. Without the LCCDA, we know we would not have been able to achieve what we have now.” (Q23)*

## **Recommendations**

In order to facilitate quick responses to clients we have overhauled our client folders. We are also producing a Pre-Trading Development Toolkit, which will provide clients with a comprehensive step-by-step guide to co-operative/social enterprise start up. It has been piloted with Braunstone Garden Care and we received positive feedback. Each group will work with their development officer, developing and building the file into a business resource exclusive to that co-operative. It is a learning experience for the co-op, re enforces the information given by the CDA worker and empowers the clients; encouraging them to be more independent.

We are also looking into the possibility of using the Toolkit to enable clients to build a portfolio of work that could be used as evidence towards gaining an NVQ Level 3 qualification in Business Start Up.

With regard to our website, we are currently researching what we want from a new site and are obtaining quotes for the work. We are looking in particular at a site that can be updated in house; ensuring all information is up to date and relevant. When

funding is available we will be ready to move on quickly and are looking forward to providing a dynamic site and excellent resource tool.

Many positive ideas have come out of this process and we are looking to research or implement them as soon as possible.

\* P – Proposed O – Ongoing I – Implemented

Recommendation	*Action
Research possibility of a Co-op Club for association members	P
Monthly “Touching Base” programme – 4 or 5 different co-ops contacted each month for a chat about how things are going.	I
Introduce more group training sessions and ensure that they are well publicised	P
Introduce “toolkit” for all clients	O
Raise client awareness of the full range of LCCDA services by producing an information leaflet	P
Use evaluation forms at training sessions	I
Research other methods of consultation for next Social Audit Cycle	P
Investigate PHI (permanent health insurance), which would benefit members of staff on long-term sick leave and also relieve financial strain on the agency	O
Explore implementation of Internet	P
Keep clients better informed via the website and Newsletters	O
Produce Newsletters at least quarterly	P
Ensure clients are aware of progress of funding applications by asking outside funders such as SEEM to keep applicants better informed	P
Use our co-op status to promote the benefit of being a Co-operative	P
Ensure Monthly team meeting takes place to schedule on the first Wednesday of every month	I
Promote work on inclusion of disadvantaged and minority groups so that all clients are better informed	P
In future Social Audits Put external reports in appendix and draw out main points and evaluation in main document To help prove economic impact include information on cost per job Include details of number of training and counselling sessions	P

Benchmarks and comparisons with similar organisations or competitors	
General Council manuals to be regularly updated	O
Improve Environmental impact by: Using Recycled paper Buying Plants Investigate use of environmentally friendly cleaning products Enforce policy of all computers being switched off when not in use Passing on environmental message to clients	

## 15. Strengths and Weaknesses of the Social Accounting Process

This, our first social accounting process has been a steep learning curve on how to do what and when. We feel that we would perhaps consult in different ways next time. A lot of what we wanted to do had to be streamlined to satisfy deadlines of time and budget constraints. Now we know what is involved, it will be easier in future to budget time to incorporate more of what we want to do.

The strength of the process has undoubtedly been the ability for our agency to prove that we work to our mission statement, values and objectives and also to take on board comments and observations from stakeholders so we can make sure we are providing the service they expect and improve where necessary. It will also enable us to assist any of our co-ops who wish to embark on the SA process.

We felt that in the main, the weaknesses were twofold. It was both very time consuming, which certainly has a negative impact on a small organisation and it can be costly both in staff hours and the materials/resources needed to carry out the process and produce the report.

Having said this however, we feel that overall the process is a positive one. The introduction from CBS Network of a three-stage process, with each stage being stand-alone if required, is a good move forward.

## 16. Plans for the next Social Accounting Cycle

In an ideal world we would like to do the whole process again next year. However, owing mainly to finance issues we may not have the resources to undergo the process to the extent we have this time.

We may look at either doing a SA process every other year or just doing a small part of it each year. Clearly, we have learnt a great deal in the last 12 months, we have clarified our values and objectives and received invaluable feedback from our stakeholders.

We were pleased with the response on the postal questionnaires but next time would look at using Survey Monkey on the Internet with respondents that have email, as this would ease receipt and completion of the questionnaires and help with staff time as it also does the analysis.

The lowest number of returned replies was from our pre -trading co-ops and next time we would try to visit some groups to complete the questionnaire face to face or where there could be language difficulties arrange for someone to undertake these interviews on our behalf.

We intend to include more analysis especially to help prove our trusted intermediary objective as the information is readily available from recording systems already in place (meeting notes, first contact records) this will be done in subsequent audits as will the inclusion of data on the number of training and counselling sessions held.

We hope that the systems being put into place to improve customer relations with our trading co-operatives will ensure that their responses to future social audits will not contain as many blanks or Don't Knows.

We will keep asking for feedback on how we are doing, ready for the next audit cycle, by having a post it note Feedback Board at Conferences and Showcase days and having a suggestion box in the reception area of LCCDA.

## **17. Dialogue and Disclosure**

As well as publishing our Social Accounts, we will be producing a summary social accounts booklet, which will be sent to all our stakeholders hopefully with or as part of our annual review. This will introduce and promote social accounting to our stakeholders who may not be aware of the process and we will also invite feedback to help us when making future strategic plans.

Above all, we want our stakeholders to know that not only do we listen to their opinions; we welcome a chance to offer and improve the services they want by acting on them.