

A wide-angle photograph of a rural landscape in the Colne Valley. The scene shows rolling green hills, a cluster of stone buildings, and a clear blue sky with scattered white clouds. The foreground is dominated by a lush green field with a wooden fence line.

Let's work together
to build better local care

Community Share Offer

Colne Valley Equitable Care Society Limited

Community Share Offer

Offer opens:	1st July 2020
Offer closes:	1st August 2020
Target:	£150,000

- Maximum individual investment: £15,000
(equivalent to 10% of the total raise)
- Minimum individual investment: £50
- Interest on shares: 2.5% from Year 3

Withdrawal of up to 10% total share capital anticipated in Years 4 and 5.

Additional information to support this offer can be downloaded from <https://www.valleycare.coop/offer>

Community Shares Standard Mark

In order to ensure that this offer conforms to best practice around community investment, we have sought and been awarded the Community Shares Standard Mark.

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. These standards ensure that:

- The offer document and application form are easy to understand
- You are provided with all the facts you need to make an informed decision
- The facts are supported by the annual accounts and/or business plan for the society

- Nothing in the documents is purposefully incorrect, confusing or misleading
- Societies are asked to sign a Code of Practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit.

For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to: www.communityshares.org.uk



Important information – please read

As a community benefit society, Colne Valley Equitable Care Society Limited is registered with, but not regulated by the Financial Conduct Authority and any money you pay for shares is not safeguarded by any depositor protection or dispute resolution scheme. In particular, you have no right of complaint to the Financial Ombudsman Service, nor any access or entitlement to the Financial Services Compensation Scheme.

Please note that if you invest in this share offer your capital is at risk; and you may lose some or all of the money that you invest. If you require additional advice you should consult an independent financial adviser.



A unique & special opportunity

We invite you to become an investor member of Colne Valley Equitable Care Society Limited (trading as Co-operative Care Colne Valley) and help us build a high quality locally rooted domiciliary care service.

Co-operative Care Colne Valley is a new multi-stakeholder co-operative established to provide:

- high quality domiciliary care for older people in the Colne Valley; and
- fair and proper terms and conditions of employment for care staff.

Your investment is needed to establish the care service and fund overheads during the early stages and until the co-operative becomes securely profitable.

We believe that people who need care in the Colne Valley deserve the best quality care and support that enables them to lead fulfilling and independent lives.


We will:

- Treat the people we care for as valued individuals and strive to provide them with the best quality care possible
- Involve the people we care for and their families in making decisions about their care
- As a co-operative, ensure that all members have a real stake and a real say in how the service is run
- Work to ensure older people remain active members of the community through our innovative volunteer scheme
- Ensure our staff are highly trained, motivated and that their conditions of employment are significantly better than those generally offered in this sector. As well as rewarding, valuing and supporting staff members properly with favourable working terms and conditions, the co-operative structure and small team model will provide opportunities to contribute to decision making and for career progression.

This new care initiative has been developed as part of the activities of the Kirklees Solidarity Economy Network (KSEN) - for further information please visit www.ksen.org.uk.

Our model is built upon the principle that 'small is beautiful', with a projected client base of up to 200 recipients of the care service. It is designed to serve a specific local community in an environmentally sustainable matter with local members having full control. As and when client numbers exceed this target the service will be replicated, by creating another co-operative, rather than by expanding. This is to ensure that the locally rooted integrity of the model is retained.

We will continue to build on the supportive relationship that we have developed with the local authority as the key public-sector commissioning body.



**We will provide
high quality
domiciliary care for
older people in the
Colne Valley**

Rooted in our community

The service will be based in the Colne Valley and Golcar areas of Kirklees, West Yorkshire and its members will comprise predominantly of local people, including service recipients and their families, employees, and community volunteers.

Members will be represented within the co-operative, democratic governance structure to ensure proper awareness and adherence to the needs of the local communities. Members of our community can invest for as little as £50 and we anticipate several hundred investor members.

The Colne Valley is an area of considerable social diversity, including urban areas, estates on the edge of town and rural villages. In Golcar ward the social housing estates of Cowlersley and Botham Hall are both areas of relatively high deprivation

and Milnsbridge is an area of often poor quality older housing. Slaithwaite and Marsden are former mill villages on the edge of the Pennines which are attractive and have had some gentrification, but there is little local employment to replace the lost textile industry.

At the same time there are areas of relative affluence and high educational achievement, with a relatively large number of progressive and socially engaged individuals, often with professional public-sector experience.



Who we are

We have registered with the Financial Conduct Authority as a Community Benefit Society.

1. The democratic nature and accountability of the Community Benefit Society legal form is particularly suited to the way we intend to run Co-operative Care Colne Valley and particular exemptions available to the legal form around financial promotions allows us to offer investment to our community.
2. The community benefit society legal form contains an “asset lock” that ensures that the assets of the Society are applied for community benefit and also that if the value of the assets is ever realised, that value cannot be distributed to the members. If the Society were ever wound up, after creditors paid and members shares withdrawn, the value of any residual assets would be transferred to another similarly asset locked body. This means that there would never be any incentive for a future membership to sell the business.

The Rules of the Society are available for download from our website: www.valleycare.coop

The founding members and directors of the Society, who all live in the community, are listed below. None of the directors will benefit financially other than on the same basis as any other member of the community who invests in the Society.

Our Founder Members and Directors

Dorothea Annison (*3rd Sector Governance & Management Specialist*)

Glyn Barker (*co-opted director*)

Jane Foster (*co-opted director*)

Liz Hendry (*Executive in Care Provision Sector*)

Tracey McHugh (*local Care Provider*)

Graham Mitchell (*IT & Co-operative Specialist*)

Richard Murgatroyd (*local Councillor*)

Veronika Susedkova (*co-opted director*)

Jan Walters (*local Solicitor*)

Biographies can be found at <https://www.valleycare.coop/meet-the-team/>

Our Paid Staff

Nominated Individual – Board Member

Susan Richards

Registered Manager

Sarah Nunns (*Senior Care Manager seconded from Local Authority*)

Field Care Supervisor

to be recruited

Care Workers

to be recruited

Business Support Officer

Administrator

}

to be recruited – these roles may possibly be merged in the initial development stage

Development Worker

Denise Diskin (*Care and Community Development Specialist seconded from Local Authority*)

We have also been supported by the following organisations:

- Equal Care Co-operative
- Co-operatives UK
- Co-op Culture
- Kirklees Council
- Power to Change

Why we need your investment

We are creating a sustainable enterprise that will be independent of grant funding. We do however need your support to start the co-operative.

There is no other repayable loan or equity finance relating to this project and all shares issued through this share offer will be treated on the same basis.

The money raised will be used, together with grant funding already received, for the following purposes:

- The recruitment and training of staff
- The establishment of office premises and IT systems
- The creation of a website and brand marketing
- The purchase of equipment and uniforms
- The maintenance of a prudent reserves fund to ensure the viability of the service in its early phase

A full breakdown of these costs can be found in the Society's business plan, available for download from <https://www.valleycare.coop/offer>.

We have received the following grants:

£15K from the Power to Change Bright Ideas programme, which supports community businesses

£50K from Kirklees Council

£5K from Co-operative UK Booster Panel Scheme

(£65K from Power to Change – Model Replication Project – this is a separate fund and is not accounted for in our financial projections)



Business Plan

This innovative model is being developed from the bottom up through a community engagement strategy that seeks to find out how local people want their care needs to be met.

We will be delivering domiciliary care to private care recipients and those using direct payments. We do not intend to bid for council contracts.

We will gradually grow our staff team to 8 by the end of Year 1 giving us the capacity to deliver around 1400 hours of care.

We have developed a clear vision and plan for an innovative place-based, adult social care co-operative that we believe will directly address some of the weaknesses of the current dominant model. We are now ready to implement our service delivery model and have a clear understanding that we will need to

continuously learn, adapt and implement necessary changes along the way to ensure sustainability, viability and ongoing improvement of the service.

Implicit in our co-operative model is our approach to scaling: rather than simply grow the size of the co-operative (with consequent risks of losing local accountability and of management capture) we see replication (using a strawberry patch approach akin to that used to good effect by social co-operatives in northern Italy), and federation (to provide effective networking, shared services and economies of scale), as the appropriate method.



Financial

Projected income and expenditure

	Year 1	Year 2	Year 3	Year 4	Year 5
Total income	£220,570	£572,521	£959,965	£1,095,571	£1,114,071
Overheads	£303,469	£566,076	£824,163	£922,110	£966,749
Net profit/loss	-£82,899	£6,445	£135,802	£173,461	£147,323

Our projected income and expenditure shows that we can afford to pay interest on invested share capital from Year 3

Projected cashflow

	Year 1	Year 2	Year 3	Year 4	Year 5
Opening cash balance as at 1st July 2020	£54,550				
Start up/prelaunch costs and expenditure	-£51,565	£0	£0	£0	£0
Net financing cash flow (<i>community shares</i>)	£150,000	£0	£0	-£15,000	-£15,000
Opening balance	£152,985	£70,085	£78,526	£208,582	£363,293
Closing balance	£70,085	£76,530	£212,332	£382,043	£510,616
Interest on shares paid*	£0	£0	£3,750	£3,750	£3,750
Share Capital repaid or moved to reserves**	£0	£0	£0	£15,000	£15,000
Balance c/f	£70,085	£76,530	£208,582	£363,293	£491,866
Net cash movement	-£82,899	£6,445	£132,052	£154,711	£128,573

*interest on withdrawable shares paid on the assumption that no share capital is repaid

**Provision made to repay 10% in years 4 and 5 should that be requested by, or on death of, an Investor Member by moving funds into reserve account

Projected balance sheet

	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed assets	£1,000	£1,000	£750	£500	£250
Current assets (cash)	£66,085	£72,530	£200,582	£353,293	£471,867
<i>Debtors</i>	£10,000	£12,000	£20,000	£25,000	£25,000
Current liabilities & accruals	-£6,000	-£8,000	-£12,000	-£15,000	-£15,000
Net assets	£70,085	£76,530	£208,582	£363,293	£491,867
Reserves	£0	£0	£0	£15,000	£30,000
Balance brought fwd	£2,985	£70,085	£76,530	£208,582	£363,293
Profit/loss for year	-£82,899	£6,445	£132,052	£154,711	£128,573
Member share capital*	£150,000	£150,000	£150,000	£135,000	£120,000
Cumulative reserves	£70,085	£76,530	£208,582	£363,293	£491,866

*reserve funds held to allow for repayment of 10% share capital in years 4 and 5 should this be required

Note: As a care provider registered with the Care Quality Commission, we are not able to register for, or charge, VAT. For more detailed financial projections and a breakdown of the underlying assumptions, please refer to our business plan available to download at <https://www.valleycare.coop/offer>

What are Community Shares?

Community shares are a type of share used by Registered Societies like us. They are non-transferable, withdrawable shares.

This means that unlike shares in traditional companies you cannot sell them on to anyone else, but you are entitled to withdraw your shares subject to the Rules of the Society.

Community shares have now been used to finance community agriculture, community renewables, shops, piers, harbours, bakeries. Community shares were used locally in 2009 to finance the establishment of Green Valley Grocer in Slaithwaite

and more recently The Village Green in Marsden. They have also been used in the social care sector recently in nearby Calderdale where the Equal Care Co-operative raised over £400K to establish their care service.

For more information and case studies around community shares, visit the website of the Community shares Unit:
www.communityshares.org.uk

Fundraising targets

We have been successful in receiving start up grant funding from the following funders:

- £50K from Kirklees Council
- £15K from Power to Change's Bright Ideas programme
- £5,100 from Co-operatives UK

We intend to raise £150K from the issue of community shares.

We have already obtained match funding from the Community Shares Booster programme for matched investment. This means the Booster programme (financed by Power to Change) will match every £1 invested by the community up to a maximum of £75K. It also means that our Business Plan and Financial Projections have been subjected to expert scrutiny prior to their commitment to match fund.

The offer period

The share offer will be open for one month from 1st July 2020 to 31st July 2020. If at the end of this period we are just short of the target, the Directors reserve the right to extend the offer for a short period.

If we are unable to reach our target within the time specified we will extend the deadline and geographical target area. If this still does not achieve our target we will review our business plan accordingly.

If we are oversubscribed with the initial launch we will limit the number of shares allocated per individual and by geographical area with priority given to residents of the Colne Valley.

Minimum and maximum investments

The minimum investment will be £50.00 to allow more people to invest in the project.

The maximum investment will be £15,000 (10% of the total target raise) to prevent the Society being overly dependent on the finance of one individual.

Financial returns on your investment

Our financial projections indicate that we will be able to pay 2.5% interest on investors' shares from Year 3.

This interest is not guaranteed and is dependent on the success of the Society. Interest is subject to the approval of the Society's members and will be credited to members' share accounts.

Your shares do not increase in value, although in exceptional circumstances they can reduce in value.

We anticipate that you will be able to apply to withdraw your shares from the end of Year 4 (all share withdrawal will be staggered for business continuity purposes), by which time the Society should have achieved financial stability. The Directors of the Society can suspend withdrawal of shares dependent on the performance of the Society. Share withdrawal can only be funded from the retained profit of the Society or by the investment of new shares.

A minimum of 3 month's notice will be required for the withdrawal of shares and will be dealt with on a "first come, first served" basis up to the maximum annual withdrawal of 10% in Years 4 and 5.

Share withdrawal will be reviewed annually by the Board with their recommendations presented at the relevant AGM.

The primary purpose of the investment is to achieve the community benefit rather than to generate profit for investors. To ensure this, the payment of interest on withdrawable shares in Registered Societies is limited by the Financial Conduct Authority to that "sufficient to attract and retain the investment".

We have not applied to HMRC for any tax incentives associated with this share offer.

Your role as a member

Our open and voluntary membership model enables all interested parties to become co-owners in the society, exercise their democratic vote and have a say in shaping the organisation and the services it provides.

Our multi-stakeholder co-operative model encompasses a range of local people as members, including service users and their families, employees, community volunteers and local supporters/investors. Everyone will be represented within democratic governance structures which will ensure that local needs are effectively articulated.

Community volunteering and family involvement are key aspects of the project. We want to tackle social isolation and actively develop links with individuals and other local community organisations to support users of the service.

As an investor member, you have democratic control of the Society on a one member, one vote basis – larger shareholders do not have more power. This is different to most share based companies which use one share, one vote.

You are also able to elect the Directors of the Society and stand for election as a Director yourself at the Annual General Meeting. It is envisaged that Directors will serve on a rotation basis to ensure continuity as well as allowing for fresh participation.

Eligibility for membership

Membership of the Society will be open to anyone over the age of 16 who falls into at least one of the following classes of member:

1. Those employed by the Society and delivering Care
2. Those volunteering for the Society
3. Those receiving care from the Society and their families
4. Members of the community investing the minimum amount specified in this share offer (£50) or any future share offer
5. An organisation or corporate entity (one individual will be required to represent).

How to apply

You can apply for shares in the following ways:

- By completing the application form at the end of this document and paying by cheque or BACS; or
- By completing an online form on our website <https://www.valleycare.coop/offer> and paying by cheque or BACS.

Please note your application will not be treated as completed until we have received both a completed form and your payment.



Share Application Form (individual)

PLEASE COMPLETE IN CAPITAL LETTERS

In accordance with the rules of Colne Valley Equitable Care Society Limited, I apply for shares to the value of:

(Minimum investment £50, Maximum investment £15,000)

If you wish to apply on behalf of an organisation or corporate body, please download the appropriate form from our website.

In the event of my death I nominate the following to receive the value of my shares *(please tick only one)*:

Colne Valley Equitable Care Society Limited

My Legal Estate*

I confirm that:

1. I have read the Share Offer Document, including the Risk Statement at the beginning of the document.
2. I wish to become a member of Colne Valley Equitable Care Society Limited.
3. I agree to be bound by the Terms and Conditions included in the Share Offer Document and the Rules of Colne Valley Equitable Care Society Limited (available on our website).
4. I understand that the Board of Directors of Colne Valley Equitable Care Society Limited may reject my application, and are not obliged to tell me why it has been rejected.
5. I consent to receiving formal notices by email and links to formal documents on the Colne Valley Equitable Care Society Limited website

To reduce our administrative costs, we would like to be able to send you formal notices by email and refer you (by email) to documents posted on our website. By signing this form you are consenting to receiving such notices by email and accessing documents through our website.

Continued on next page

Share Application Form (individual) *continued*

Terms and Conditions

It is a condition of the offer that to ensure compliance with the Money Laundering Regulations 2003, Colne Valley Equitable Care Society Limited may at its absolute discretion require verification of the identity of any person seeking to invest.

All applicant funds will be held in escrow in an account in the name of Colne Valley Equitable Care Society Limited, and will be ringfenced to protect applicants' money from any liabilities associated with our day-to-day financial activities.

In the event that the offer is unsuccessful, then all monies will be returned to applicants.

Data protection

The personal data provided by you on this form will be stored by Colne Valley Equitable Care Society Limited on an electronic database and in accordance with the General Data Protection Regulation (GDPR). The data will only be used by Colne Valley Equitable Care Society Limited in relation to the governance of the Society and to communicate the activities of the Society to you. Your personal data will not be disclosed to any third party except for any body having a statutory right of inspection.

For more information about how we treat your personal data, please read our Privacy Notice, which is available on our website: <https://www.valleycare.coop/privacy-policy/>

I confirm that I wish to become a member of Colne Valley Equitable Care Society Limited and consent to the use of my personal data in accordance with the terms and conditions above.

Signature:

Name:

Date:

Please send your completed application form, for the amount of shares applied for to the following address. If you wish to pay by cheque, please include a cheque with your completed form, made payable to Colne Valley Equitable Care Society Limited, to the amount stated on this form. To make your payment via bank transfer/BACS, please use the bank details below:

The Treasurer
Co-operative Care Colne Valley
Slaithwaite Civic Hall
New Street
Slaithwaite
HD7 5AB

For BACS payments our bank details are as follows:

Co-operative Bank *Sort Code:* 08 92 99 *Account no:* 65874501

Please ensure you include the ref: SP/(followed by your surname)

*in the event of your death, or if you die before 31st August 2025, at the end of Year 5 (whichever is the later event) your investment will be paid to your legal representative on production of either a Grant of Probate/ Letters of Administration or a Statutory Declaration confirming the identity of the person entitled to your estate under the Small Estate Act.

OUR VISION

We believe that there is a fundamental discrepancy between providing effective and humane social health care and a profit driven corporate structure.

Our vision is to make the Colne Valley and ultimately Kirklees a place where high quality social care is accessible to all, rooted in and accountable to the local community and where being a carer is a rewarding and respected career.



