

Worker-owned co-operatives operate in almost every sector of the economy. Here one member of Co-operatives^{UK} explains what they do.

CAG Consultants – 25 years leading sustainable development

CAG Consultants was founded in 1983 as Co-operative Advisory Group by three consultants working from their homes in London to provide business advice and support to co-operatives, co-operative support agencies, and small businesses.

They wanted to prove that a common ownership worker co-operative and a business committed to social and environmental values could prosper.

The business quickly grew and by 1986 employed 10 consultants and one full time finance and administration manager, a number that it has maintained since then.

Emma Cranidge, one of the directors of CAG Consultants, says, "The key way being a co-operative has shaped our organisation is decision making. All decision making is collective through monthly co-operative meetings. This has

meant there is joint ownership and responsibility, which is very empowering for the co-operative members. It has helped us innovate as everyone has an equal opportunity to develop new market areas. We have found that by keeping numbers below about 13 consultants it is possible to continue to make democratic decisions at our monthly board meetings."

CAG Consultants is now a nationally-known consulting company with members based throughout the UK – from Devon to Edinburgh. During 25 years of working with a wide range of clients CAG has pioneered new approaches and methodologies in sustainable development and community involvement.

CAG has worked with local and national government, with the NHS, regeneration and community planning partnerships and countless others.

"In our 25 years we have changed a lot, but we've always been at the cutting edge. We were always about more than business, we were always about proving that the co-operative model works. We've definitely done that – CAG shows that a highly successful consultancy with workers based throughout the country can be easily and successfully run as a worker co-operative."



Wave Design Ltd

Table 7: Analysis of Worker Co-operatives by Size Band

	Number of Co-operatives	Turnover - £'s	Profit - £'s	Profit % Turnover	Shareholders funds - £'s	Members	Employees
Turnover over £5 million	6	70 567 453	326 273	0.5	10 305 386	938	630
Turnover £1 million - £5 million	15	34 981 590	1 535 671	4.4	11 780 180	446	375
Turnover £500 000 - £1 million	17	12 540 442	158 052	1.3	2 148 350	182	282
Turnover £250 000 - £500 000	27	9 193 509	323 019	3.5	2 170 691	146	148
Turnover £100 000 - £250 000	43	7 120 038	552 509	7.8	1 145 858	188	207
Turnover £25 000 - £100 000	67	3 691 283	58 970	1.6	1 018 831	91	179
Turnover below £25 000	64	631 402	71 468	11.3	246 665	82	113
No turnover identified	155	-	58 952	-	4 573 797	144	252
Total	394	138 725 717	3 084 915	2.2	33 389 759	2 217	2 186

CAG considers itself to be an ethical business aiming for a "better today and tomorrow for the community through employment and a better environment." This philosophy informs all its work - environmental and economic (placing unemployment and disadvantage at the core of its concerns).

CAG has recently decided to offer up to £2,500 a year to support worker co-operatives. "We decided to give this support as a celebration of our 25th anniversary, we discussed a number of options around how we could celebrate, including for example, sending gifts to our clients, but most of them felt a little transient and many were a great deal less than sustainable. We wanted to do something with a longer shelf life, and something that 'put back' into the movement. So we agreed that a grant to help new co-operatives from a relatively old co-operative would be a helpful contribution to the growth of the sector and to co-operatives just starting out."

CAG will be contacting their clients and asking them to contribute to the pot. The money will be to help with registration fees and up to 10 new co-operatives will be eligible for a £250 grant each year.

At present all staff are members or in the process of becoming members. Some people have joined CAG for its reputation or general ethical position rather than its co-operative character, but usually this has also come to be valued in time.

"All members of CAG Consultants are very proud to be in a co-operative we do promote the fact that we are a workers co-operative, and some members have noticed an increased interest in our co-operative status especially from clients in the regeneration field."

CAG is a well-established and highly effective consultancy business with a concern to make a difference. The co-operative is known nationally as a market leader in both its main areas of operation - environmental management and community economic development.

Strong performance

As we reported last year, there are some very strong performers within the worker co-operative sector, but due to the fact that these businesses come in a wide variety of sizes and are engaged in a very broad section of the

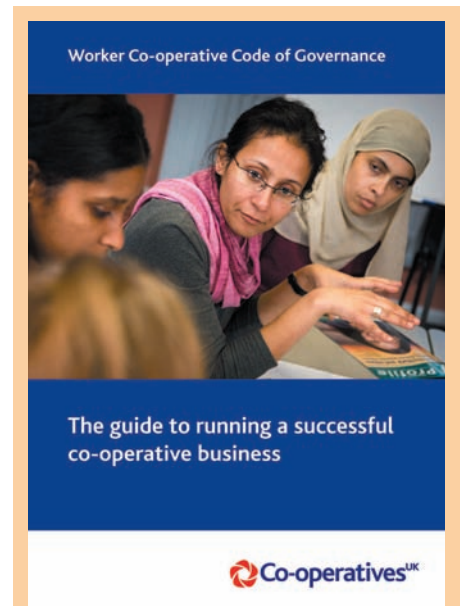
economy they are still overlooked in terms of the contribution to employment.

The figures below refer to the trading year ending January 2008 and there is some anecdotal evidence that certain co-operatives are suffering slightly from current financial issues, especially in the food wholesaling sector.

As the tables show, the top 10 worker co-operatives alone have a total turnover of some £80 million. Many of the businesses have traded successfully for over 30 years and have demonstrated their sustainability in business terms.



Edinburgh Bicycle Co-operative



Worker Co-operative Code of Governance

The Worker Co-operative Code of Governance has been developed this year and will be launched at Co-operatives 2008. This Code brings together the fundamentals of worker co-operative governance for the first time. Based on the seven co-operative principles agreed by the International Co-operative Alliance in 1995, it explains how to use these principles to both run and govern a workers co-operative successfully. The writers of this document combine many decades of worker co-operative experience.

The Code does not say everything there is to say about the good governance of worker co-operatives. But provides a framework to follow and is supported by examples, literature, contacts and case studies. Over the next few years we will develop and refine these by consulting with members of worker co-operatives about what else they need from a Code of Governance.

Give feedback or submit ideas and documents to: feedback@workercode.coop

Online version of the Code: www.workercode.coop

Table 8: Top 10 Worker Co-operatives - 2007

	Web URL	Turnover £'000s
1. Triangle Wholefoods Collective Limited	www.suma.coop	23 934
2. Infinity Foods Co-operative Limited	www.infinityfoods.co.uk	13 562
3. Essential Trading Co-operative Limited	www.essential-trading.coop	11 925
4. Edinburgh Bicycle Co-operative Limited	www.edinburghbicycle.com	9 729
5. Equity Shoes Limited	www.equityshoes.com	5 717
6. Dulas Ltd	www.renewable-resources.com	5 700
7. Michael Jones Co-operative Limited	www.michaeljonesjeweller.co.uk	4 836
8. Scottish Wholefoods Collective Warehouse Limited	www.greencity.co.uk	4 380
9. Unicorn Grocery Limited	www.unicorn-grocery.co.uk	3 650
10. New Internationalist Publications Limited	www.newint.org	3 220