



## A specialist advice and support service designed to meet your needs

- If you are
- Running a childcare business
  - Thinking of starting one
  - Providing advice and support to childcare businesses

**Co-operative Childcare** can help you...

# Barriers to excellent childcare – *and how a co-operative approach can help you to overcome them:*



- PROBLEM

**Availability:** Traditional working patterns and family structures have changed dramatically in recent years, but many childcare services have yet to evolve to meet the needs of today's parents and children.

- **CO-OPERATIVE SOLUTION** *Co-operative childcare delivers flexibility and responsiveness. The close relationship between childcare worker and parent that is inbuilt in the co-operative approach ensures that the business is shaped to respond to the changing needs of the children and parents using the service.*

- PROBLEM

**Staff turnover:** Many childcare services suffer from high staff turnover due to low pay, lack of training and low morale. This has a direct impact on children and their parents, as well as causing problems for staff and employers.

- **CO-OPERATIVE SOLUTION** *Co-operatives know that well trained employees not only provide excellent care but they can also contribute to the effective running of the business. Giving employees the opportunity to share this responsibility gives staff a more positive outlook and job satisfaction, creating a strongly motivated staff team and low staff turnover. It also strengthens the recruitment process and training costs fall. Co-operatives have the edge in recruiting and retaining the best employees due to their attractive employment benefits and excellent working conditions.*

- PROBLEM

**Quality:** Recent media coverage, Ofsted reports and user experiences highlight huge variations in the quality of care.

- **CO-OPERATIVE SOLUTION** *A stable, well-trained and committed staff team combines with the financial sustainability of the co-operative model to create a sound platform for the delivery of consistent high quality care. Involvement of parents in shaping their children's learning experiences and care also contributes to childcare that really does meet the needs of the family and community.*

- PROBLEM

**Costs:** Childcare costs in the UK are the highest in Europe.

- **CO-OPERATIVE SOLUTION** *The private sector has raised the cost of childcare due to the enormous demand. Government support is only adequate for some. Co-operative childcare delivers value for money because profits are not taken out of the service by absent owners and shareholders, but reinvested in the business and the local community. Co-operative childcare offers a cost effective solution.*

You can learn more about the benefits of the co-operative approach to childcare by taking advantage of our business advice service.

The support available includes information and advice on:

- Business planning
- Legal structures
- Marketing (including pricing & promotion)
- Financial management (including budgeting, payroll & income/funding generation)
- Democratic working (co-operative working methods)
- How to run and manage the business

This service is provided both via telephone and face-to-face.\*

*\* Free face-to-face consultations are usually limited to one day per client, with any additional time chargeable by agreement. Telephone support is unlimited for the duration of the project and free of charge, other than your normal telecoms charges.*

As part of our service we are also developing a resource centre providing:

- Information about the co-operative childcare sector.
- Case studies of childcare co-operatives – learn from the successes (and mistakes!) of others.
- A support network for individuals and organisations with an interest in co-operative childcare issues – share information, knowledge, and expertise, and spread good practice.
- Ongoing legal and business services to childcare co-operatives taking up membership of Co-operatives<sup>UK</sup>.

A pilot consortium of childcare businesses is being developed and will act as a central services organisation, providing tools and resources to support and grow co-operative childcare businesses. The first pilot will be set up in London and is to be replicated in other areas of the UK.

# Co-operative

## developing excellence



Case study

## Playtots Childcare Ltd

PLYMOUTH

Playtots Childcare Ltd began in January 1999. The service was set up as a **worker co-operative** and Company Limited by Guarantee, by two childcare workers who realised that the local provision was far from satisfactory and had long waiting lists.

Playtots is a nursery and pre school that also provides breakfast, after school and holiday club services. There are currently 17 members of staff and 58 children's places, which will soon extend to 70. Cost for the services are varied starting from £2 per hour.



## Case study

# The Owl Club MANCHESTER

Oswald Road Childcare Club Ltd (also known as The Owl Club) was set up in December 1993 by the parents of children attending the Oswald Road School. Set up as a **user co-operative** and company limited by guarantee, the parents elected a committee, from themselves, to manage the club.

The club provides before and after school services and during the school holidays a play scheme on an alternate basis with two other local co-operative childcare clubs. It is £5.25 per session and has filled its 72 places. Its premises are on the school grounds and are rented from the School.

One issue for the club has been high demand, it is very popular and has a waiting list. However as a co-operative the money made from the service goes back into the club so they can now consider renting more space from the school so the service is more available without increasing the cost of the service.

Razia Dastageer from the club said that the workers are happy with their pay, as it is higher than other childcare workers they know she explained "we provide a fun & exciting environment for the children with secure premises and caring staff. Parent run co-operatives can be successful".

# Childcare

## excellence in childcare services

Initially the service was given guidance and financial support from the Pre School Learning Alliance, the Local Council and the Local Prison Charity Fund. After contacting Co-Active the regional co-operative development body in their area, a successful bid was made for neighbourhood nursery funding. Support continued and more recently the service has received financial support for further staff training from Business Link. Problems were encountered along the way, but the founders overcame these by inviting organisations and individuals to become personally involved. They did this through encouragement to visit the service at various stages, explaining how far they had come and what help they now needed to meet their goals. "We believed in our project so we had to make them believe that we could achieve all we said we could." Tracey Lynn, Director.

The success of Playtots Childcare Ltd is inspirational. It has extended from its original 26 places for care in term time only to its current size in only 5 years. In addition its family support services include antenatal classes, childminder training, courses run by health visitors, Jobcentre Plus hold a session every two weeks, drop-in sessions with a school nurse and an inclusion drop-in is about to start to support children and families with special needs.

The centre has formed great partnerships with organisations such as Social Services and the Childminders Association and this supports them in their bid for Children's Centre status. Tracey Lynn who has been involved from the beginning says, "Our whole ethos is about children, community and non profit. Becoming a co-operative fitted into our ethos perfectly".

# What makes a co-operative approach so special?

- Co-operatives are businesses that are democratically owned and controlled by their members, and serve their best interests. Many co-operatives are rooted in the local community from which their members are drawn, enabling them to better understand and respond to local needs.
- The members can be parents or carers, employees, community representatives, or a mixture of these and other stakeholders. With key stakeholders on board, the business can be easily shaped to the needs of its market.
- Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. Co-operative members believe in the ethical values of honesty, openness, social-responsibility and caring for others. These values drive the business, ensuring that it is sustainably managed in the interests of its stakeholders, and is fair and honest in its approach to clients.

## Co-operative principles

These are internationally agreed guidelines by which co-operatives put their values into practice.

### Voluntary and open membership

Membership of co-operatives is open, without discrimination to anyone willing to take on the responsibilities of the role. Dependent on the type of co-operative you choose this may mean it is open to all parents, or employees.

### Democratic member control

It is the parent/worker members who set up policies and make decisions, one member-one vote.

### Member economic participation

Profits are democratically controlled. They can be re-invested back into the business, invested in the community as a donation, or paid to the members as a bonus.

### Autonomy and independence

When a co-operative enters into an agreement with another organisation it does so on terms of democratic control and maintains its co-operative autonomy.

### Education, training and information

Co-operatives provide these for their members, to promote the development of the co-operative and raise awareness of the co-operative model and mutual benefits.

### Co-operation among co-operatives

Co-operatives are dedicated to strengthening the co-operative movement by working together and supporting other co-operatives. Co-operatives<sup>UK</sup> holds a database of all co-operatives at [www.uk.coop](http://www.uk.coop) so you can learn from and work with similar co-operatives.

### Concern for community

Co-operatives work for sustainable development of their community through policies approved by their members.



The Co-operative Childcare project supports all types of childcare provision including:

- Full/session day care
- Breakfast clubs
- After school clubs
- Holiday clubs
- Crèches & mobile crèches
- Childminders
- Childminding Networks
- Community Play Schemes
- Saturday services
- Community Nannyng schemes
- Parent/Carer toddler groups
- Employer childcare networks

The Co-operative Childcare project is a partnership between Co-operatives<sup>UK</sup>, Social Enterprise London, and Co-operative Solutions. It is funded by Co-operative Action and will run through to December 2006.

The project aims to:

- Grow the co-operative childcare sector through hands-on support to new businesses.
- Share good practice and provide information.
- Pilot a consortium approach and a central services organisation to add value to work of smaller childcare settings.

The partners aim to promote awareness of the co-operative option and to support those who wish to develop sustainable childcare businesses. We provide a range of resources and access to specialists, which will enable your venture to become a success.

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**If you are interested in advice, support, information and contacts please get in touch today**

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Online: **www.cooperatives-uk.coop/childcare**

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