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Highland Fuels now owned by employees

Highland Fuels has successfully completed the transfer of a majority number of shares of the company to its employees. The company's transition reinforces the Scottish highlands as the forefront for employee ownership in Scotland.

The heritage of Highland Fuels has always been one of investment and growth and the entrepreneurial spirit that was established following its formation still runs through the company over 65 years on. The geographical development of the company has been vast with 11 depots across Scotland as well as commercial reach into the north of England.

The business operates a fleet of over 45 road tankers, owns 16 petrol stations and is supported by over 250 employees spread from its most southerly office located in Manchester to its most northerly office based in Lerwick, Shetland.

Chairman and owner, George Shand, has been considering the future of the company and has always been mindful of the loyalty of the staff and the company's roots in the north of Scotland. "We're proud of being different. We're a Highland based company with a very wide reach. We live our values" says George who previously led a

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management buyout of Highland Fuels in 2001 which was built around ensuring that the company remained firmly in local hands. George, working with his fellow directors, was keen to find a business model that preserved the company's rich heritage and importantly maintained continuity of operations and employment for the long term as has been the culture of the company to date. In doing so, the employee ownership route was identified as it enables the core values and the purpose of the company to remain, whilst also further empowering the team to drive the company's growth plans into the future.

The news was welcomed warmly by the company's employees, many of whom have been with the company for many years.

Managing Director Stephen Rhodes added "Employee ownership is perfect for us. It truly enables every single employee to benefit from the company's advancement and provides the right platform for us to realise a positive culture, high engagement and great performances as we progress to the future".

OAUK provided employee ownership advice. Legal advice came from Burness Paull and EY provided the commercial and accountancy support.

Employee Ownership Specialists join TLT

Douglas Roberts and Nimarta Cheema, two of Scotland's most experienced employee ownership legal advisers, have joined the employee ownership team at **TLT LLP**. Douglas and Nimarta have advised on the legal aspects of more than 35 employee ownership deals in Scotland, including Guitar Guitar, Carlton Bingo, Your Equipment Solutions and Kidzcare. Douglas and Nimarta have already completed 5 transitions to employee ownership so far this year, with a number of further employee ownership deals due to complete before the end of 2023.

TLT is well-established as one of the leading law firms advising on all legal aspects of employee ownership. The team, led by Ben Watson, has advised a number of prominent clients on their transition to employee ownership, including Aardman Animations, Alastair Sawday Publishing Co and Heron House Financial Management Limited.

Douglas said "It is brilliant to be part of TLT's highly respected Employee Ownership and Corporate teams as we grow our offering to employee owned businesses. We are passionate supporters of employee ownership in Scotland and the rest of the UK. We are delighted with the number of employee ownership deals that we have already completed at TLT together with the



Douglas Roberts



Nimarta Cheema

employee ownership advisory matters on which we are currently working".

Nimarta commented "TLT has a strong track record of supporting employee ownership as an alternative business model and we look forward to working with more employee-owned businesses, either in planning their transition or in helping them to make the most of the employee owned model."

OAUK News

Big welcome to Highland Fuels as they join the growing number of companies in employee ownership. With over 250 employees, 11 depots and offices from Lerwick to Manchester, Highland Fuels is one of the larger businesses in Scotland's employee-owned community. It was good to hear how much the employees welcomed the news, and I'm told that customers have reacted very positively.

I've just returned from this year's Oxford Symposium and you can read a report on the next page. This was such an informative and inspiring event. It was encouraging to hear that the UK is pretty far ahead of a lot of countries when it comes to growing employee ownership, and Scotland in particular has a good reputation for the rate of growth bearing in mind we're a smaller country. One of the key learning points for me was the role of Co-operative Development Scotland in supporting that growth. The funded feasibility report offered to business owners looking to explore employee ownership and the awareness programmes aimed at companies and advisers have been instrumental in helping us get to where we are.

Another takeaway was to reinforce that this is not a numbers game. It has to be what Graeme Nuttall refers to as "good employee ownership" – where it's about worthwhile employment, long term strategy, fair reward and a commitment to corporate citizenship. Employee ownership isn't just a tax free exit. Ownership has to be real for employees and that means transparency around business information and operations, and authentic employee voice within the company. Dave Fitzgerald, CFO of Vermont based Carris Reels, used a phrase that I found particularly striking. He said his company was "100% employee-owned, 100% employee-governed" which I thought was a pretty good aspiration for any EOB!

Good to see the CEO of the John Lewis Partnership restate his commitment to the company's employee ownership. There had been a suggestion that the board might look to dilute the ownership by bringing in external investors. It sounds like this idea has now been dropped and



Christ Church College and the blue moon

although there have been some concerns around the strategy to diversify into non retail areas, it looks like the Partnership is back on the path. The role of the Partnership Council in this cannot be underestimated; the Council sent a very strong message to the Board that they were unhappy with last year's performance and strategy. It's a shining example of Dave's "100% employee-governed".

Congratulations to Balhousie on their Trusted Trader status. That's no small achievement and demonstrates commitment to ethical practice and good customer service. Congratulations are also due to Brian Hanley on his promotion to Director at Grossart Associates. I had the pleasure of working alongside Brian on Grossart's Trust Board and I know that he will be a great addition to the company's leadership.

The HMRC Consultation on the EOT and EBT legislation ends this month. If you're interested in finding out more about the legislation and also what changes might be in the offing you should tune into the CDS webinar on 13th September. More information [here](#).

Thanks as always for your contributions to the newsletter. If you have any stories for us, email to carole@ownershipassociates.co.uk

Yours in Partnership

- Carole
01786 611066



Oxford Symposium on Employee Ownership 2023

What a success! The first Symposium took place last year to great acclaim, bringing together government officials from various countries to discuss what is required to create the best conditions for employee ownership what policy is required to create the best conditions for employee ownership. Graeme Nuttall OBE and Professor John Hoffmire decided to expand the event this year, backed by international law firm **Fieldfisher**, the US based **Employee Ownership Foundation** and the **Center on Business and Poverty**. Delegates this year included representatives from almost all national employee ownership organisations. This was the first such gathering for 30+ years. At least 21 countries were represented at the event which featured a varied programme over two days. There was also a pre-Symposium event held in London the day prior.

The event took place in the impressive Examination Schools and Sheldonian Theatre. Professor Jonathan Michie, President of Kellogg College welcomed attendees to Oxford.

Graeme Nuttall began with a session exploring the elements required to build good, sustainable employee ownership. He emphasised the importance of the long term; employee ownership shouldn't be a transient

model. He also suggested that the employee-owned firm should be an exemplar of wider corporate purpose, and this was a theme picked up throughout the two days.

The first panel discussion looked at the best uses of profits when there are no external shareholders to pay. With speakers from the US, UK and Slovenia, it was a wide ranging topic.

Managing international operations was next on the agenda. The varying tax regimes can cause issues for equitable treatment for all employees. We were fortunate to hear from Janet Cooper OBE, international expert on share schemes, Dave Fitzgerald from Carris Reels an international ESOP owned group and Jon Shell of Social Capital Partners in Canada.

The after lunch session looked at the importance of government supported regional centres for employee ownership. Many US states have their own centre which serves to encourage business owners to consider a sale to employees, and also provides ongoing support to employee-owned firms. Speakers included Cindy Turcot, of the **Vermont Employee Ownership Center**, Glen Dott of **Co-operative Development Scotland**, Paul Cantrill of **Cwmpas** in Wales, Beatriz Gonzales of ASLE in the Basque Country and Sam Blakeborough of the **Employee Ownership Association**. The

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conclusion was that regional support goes a long way to fostering good employee ownership. The final plenary session of the day looked at the role of tax legislation in supporting the growth of employee ownership. In the UK, we have seen how the introduction of the Capital Gains Tax exemption impacted hugely on the adoption of the Employee Ownership Trust. For most people, tax is rarely an exciting topic but the two excellent speakers, Sarah Anderson of **RM2** and David Binns of **ESOP Services** certainly made for a lively, informative session.

There was then a meeting specifically for the government officials attending, whilst the remaining delegates gathered for “Around the World of Employee Ownership in 80 Minutes”. This was a fun experiment where attendees from each country gave a brief history of employee ownership. Professor Andrew Pendleton chaired the event ensuring no-one exceeded their allotted 3.5 minutes! Conversations continued over dinner in the impressive surroundings of the Divinity School where we heard a thought-provoking philosophical view of employee ownership from John Hoffmire.

Day 2 opened with a discussion on how we can increase international collaboration followed by a look at the relationship between Employee Ownership and Environmental, Social and Governance (ESG) criteria.

The next session looked at how employee owned organisations can be negatively impacted by ill-considered legislation, advocating that every government should have a Minister for Employee Ownership.



Jonathan Michie



Importance of government supported regional employee ownership centres

We heard from senior politicians on why governments should support employee ownership. Welsh Minister for the Economy Vaughan Gethin and Anas Sarwar MSP sent video messages of support and local MP Anneliese Dodds spoke on how important employee ownership is for a fair and healthy economy. This was echoed by Igor Feketija, Slovenian State Secretary of Labour, Family, Social Affairs and Equal Opportunities.

The final panel session looked at what makes for a “perfect” Employee Ownership Business Succession Solution. The takeaway from this session was the need to not focus solely on the financial rewards of employee ownership, but look carefully at the value of good employment practice and corporate citizenship.

It was good to see the warm and enthusiastic standing ovation Graeme Nuttall received for hosting such a brilliant event, and also for his contribution to employee ownership across the world. We wouldn't be where we are in the UK had it not been for Graeme's input. John Hoffmire is also due recognition for his superb organisation of what must have been a momentous task.



The role of tax legislation in supporting the growth of employee ownership



Balhousie Glazing becomes a Which? Trusted Trader

Balhousie Glazing can proudly call itself a Which? Trusted Trader, having recently passed a rigorous assessment that recognises reputable traders.

Consumers in Perthshire, Dundee, Fife and Central Scotland can have confidence when using Balhousie Glazing due to their Which? Trusted Traders endorsement. To become a Which? Trusted Trader, Balhousie Glazing successfully passed the endorsement process, including a visit by a professional Which? Trusted Traders assessor, with extensive trading standards experience, as well as a company credit check and customer references.

Drew Hay from Balhousie Glazing said: “We are thrilled to be endorsed as a Which? Trusted Trader. Although we have been in business for 30 years this endorsement gives customers additional confidence that our installers entering their homes have been Which? assessed and abide by a strict code of conduct. It also reassures customers that we comply with a strict set of standards drawn up by Which? Trusted Traders.”

Balhousie Glazing was founded in 1993 by two local tradesmen Malcolm Sweeney and Drew Hay. Over the 30 years of trading, the company has steadily grown to a workforce of 22 and is known for its expert workmanship, quality products and

excellent customer care. In 2018 Balhousie became an Employee Ownership Trust. The employees are now co-owners of Balhousie Glazing resulting in staff that are dedicated to the company and its success.

Raj Kakar-Clayton, Managing Director of Which? Trusted Traders, said: “We are delighted to announce Balhousie as a Which? Trusted Trader. Our service gives consumers the confidence to make the right choices when it comes to finding skilled professionals and we’re pleased to be able to give traders the chance to distinguish themselves from their peers. This scheme is a valuable and free resource for consumers.”

Which? have been testing products and services and awarding ‘Best Buy’ icons for over 50 years. The Which? Trusted Traders scheme captures this spirit to give consumers the same reassurance when choosing a trader.

Which? Trusted Traders offers additional peace of mind for consumers as they can also benefit from free dispute resolution from independent provider Dispute Resolution Ombudsman, should any issues arise between a trader and customer. To find out more about Which? Trusted Traders, go to <http://trustedtraders.which.co.uk>



guitarguitar heroes rock with the TRNSMT stars

guitarguitar tell us about their Trnsmt experience



Pictured Left to Right: gg social media team - Keiran, Anna, and Ryan

We've been very lucky to have had the opportunity to set up a tent in the Artist Area at TRNSMT Festival over the past few years, and this year was another great success offering restringing, having a jam and a chat with some big name artists, as well as enjoying the incredible live performances throughout the weekend!



Our friends at D'addario strings happily provided us with plenty of strings so we could offer the artists of the festival a fresh set of strings on their guitars. This meant that not only did their guitars sound incredible on stage, but it gave us an opportunity to geek out with some of the top artists performing at the festival about their guitars and other gear.

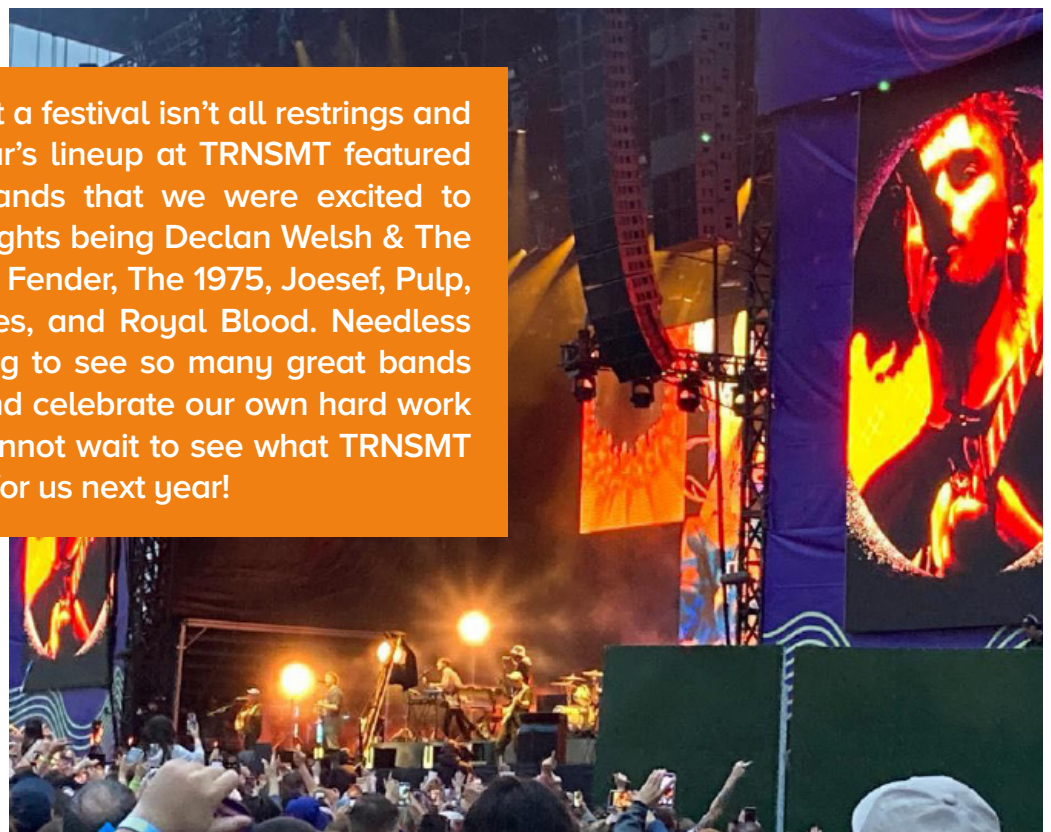
Pictured: Nieve Ella and Keiran

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It wouldn't be a guitarguitar pop-up without our famous Jam Tent! With help from our Glasgow store, we were able to get our tent setup with a variety of guitars, a bass guitar, and a Roland Electric Drum Kit which proved to be an absolute hit with many of the musicians passing by our tent in the artist area. Nothing beats jamming with the very musicians that'd later be performing on the mainstage of TRNSMT! Who knew Kyle Falconer was a keen drummer?!

Of course, working at a festival isn't all restrings and networking! This year's lineup at TRNSMT featured so many brilliant bands that we were excited to check out. Our highlights being Declan Welsh & The Decadent West, Sam Fender, The 1975, Joesef, Pulp, Kasabian, Pale Waves, and Royal Blood. Needless to say, it was exciting to see so many great bands over the weekend and celebrate our own hard work over the year. We cannot wait to see what TRNSMT Festival has in store for us next year!



Merlin's Neil Armstrong completes Silk Road Mountain Race

Neil Armstrong, **Merlin** Engineering Director, used the four weeks of holiday awarded at Merlin after 10 years of service to take part in the Silk Road Mountain Race. This unsupported mountain bike race covers a challenging course of 1880km in Kyrgyzstan, almost all off road with about 30,000m of climbing. The ultra-distance cycling community consider it to be one of the hardest races on the circuit because of the high altitude, severe weather and the lack of resupply locations. There are 118 entrants this year and all previous races have seen only half the entrants finish.

Neil says; "I'm grateful to Merlin for allowing me the time off at a busy time for the business, to my family for putting up with me spending so much time training and to my friends for listening to me



droning on about the race and my preparation for it, since January. I've always liked an adventure and this one looks like it could be the toughest yet. I think it'll be good to launch myself well and truly outside of my comfort zone into a challenge with so many unknowns and risks, with a high chance of failure. Let's see if I can hack it!"

You can see how the race progressed [here](#) in a very cool graphic. Neil finished in 71st place – huge achievement!

Clansman colleagues mark Colin's retirement

Clansman recognised the retirement recently of one of their longstanding colleagues, Colin Stewart, draftsman in the design office. Colin brought a wealth of knowledge and experience to Clansman from earlier in his career and contributed significantly to the company's success during his years with the firm. Having earned a break from the stress of working life, Colin plans to spend a lot more time on the golf course!



From all the team at Clansman, thank you for being a great colleague and good luck for the journey ahead.

Promotion at Grossart Associates

Grossart Associates are delighted to announce a new board appointment. Brian Hanley has been promoted to the Board of Directors. Brian is a Chartered Engineer and has been with the company for almost 12 years. He was one of the first Trustees to be elected to the EOT when Grossarts became employee-owned in 2019.

Managing Director Hector Munro says "This is a well-deserved promotion for Brian who has shown great commitment to the company. We



have a deep pool of talent here at Grossarts and it is good to see our people develop over the years. As an employee-owned business, it's rewarding when we can promote from within."

EO Tax Webinar

For expert advice on taxation and the #EOT, join Co-operative Development Scotland, Richard Jones at ICAEW and Nick Wright at Jerroms Miller at their #EOExplained webinar on 13 September 2023. The session will also solicit views on what improvements attendees believe should feature in the current HMRC review.

Book now:

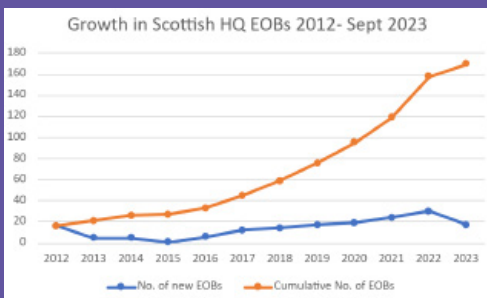
https://www.eventbrite.com/e/taxation-and-the-eot-tickets-705370170167?aff=odcleoeventsincollection&keep_tld=1

Employee Ownership Explained



Webinar Series

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