

South Wales architectural firm acquired by its employees

A Newport architectural firm has been acquired by its employees.

Through an employee ownership trust (EOT) deal, leading care sector practice KWL Architects , has been acquired by its staff from the firm's founding directors Philip Lewis and Neil Ross, who will remain with the business for the foreseeable future. The founder will also becoming trust directors – joined by Sally Morgan, practice manager and Rob Sheward, director, who have both been with KWL since its formation. Alun Chapple has also been appointed as an independent trust director.

The value of the deal has not been disclosed. The transition to the new EOT was supported with finance from Triodos Bank UK, with advisory services from Social Business Wales and legal support from Darwin Gray.

Mr Lewis said that the EOT option was perfect to safeguard the future of KWL Architects. He added: “We have a great team that's well-known and very well respected in our field. When Neil and I discussed the future of the company, and our eventual retirement, we couldn't see anyone else taking it over and doing what we thought was best for the business than the staff themselves. Succession planning is such a difficult thing to consider after you have worked for more than 20 years building up a business. But many of our employees have been here since day one and have worked as hard as we have to make this practice the success it is, so it seemed like the perfect solution for all of us.”

Mr Ross added: “We are also pleased that we will continue to

work for the company and help with the transition, as well as keeping continuity for our clients and this was very important in our decision process about the EOT. Nothing will change day-to-day, but there will be new board directors and some new people coming to the fore in the company to make their mark.”

In addition to the EOT trustees, KWL has also appointed a new board, comprising directors David Hand, Mr Sheward, Kevin Powell alongside the two founding partners.

Incoming EOT director and KWL’s practice manager Ms Morgan said: “I am delighted that Neil and Philip have entrusted us with their business, and we are all pleased that they will continue to work for the practice.

“This is a company that I am totally invested in, and one that cares about its staff just as much – which is reflected in this EOT. I can’t wait to see what the future holds for KWL and to be key part of it.”

KWL Architects was advised on the EOT by Social Business Wales, which is delivered by Cwmpas.

Dr Paul Cantrill, specialist EOT advisor for Social Business Wales, said: “Philip and Neil thought long and hard about succession planning before seeing that an EOT was the perfect solution for them and their business.

“Passing on your company to your trusted colleagues is a great option for those planning on retiring – however long in the future it may be. It is great that they are also going to stay on to support the new Directors in the next stage of the development of the practice. I wish them all the very best for the future.”

Stephen Thompson, of Darwin Gray, who acted on behalf of the company on the EOT, said: “It was a pleasure to work with the team at KWL Architects and also their accountants, BPU, and we were delighted to be able to assist them in completing their

EOT deal.”

Sarah Johnson, relationship manager at Triodos, said: “The transition to employee ownership offers many benefits to business owners, employees and the communities in which they operate, so it’s an ideal area for us to support as a sustainable bank. While Triodos has worked on employee ownership projects for many years, we’re pleased that KWL Architects is the first company in Wales that we have supported with lending to establish an employee ownership trust. We hope that we can support many other Welsh organisations on similar journeys in the future.”

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