

## **‘The Future of the Co-operative Ideal’,**

**Wednesday 2nd July 2014, Thatcher Room, Portcullis House, Bridge St, London**

### **Introduction**

This is a short briefing document of our seminar *The Future of the Co-operative Ideal*. The event explored how the co-operative idea can have a new future as the basis of people powered localism. The event was chaired by **Sarah Marsh** from the Guardian and the speakers included **Cllr Jim McMahon**, Leader of Oldham Council and Leader of the LGA Labour Group; **Cllr Sharon Taylor OBE**, Leader of Stevenage Borough Council and Deputy Leader of the LGA Labour Group; and **Liz Kendall MP**, Shadow Minister for Care and Older People.

The cooperative movement in the UK faces significant challenges. The problems of the Cooperative Group have led some to question the legitimacy and relevance of cooperative ideas, raising questions about the potential for cooperative principles to shape our politics and society at a time when bold and radical transformation is most needed.

This seminar provided an opportunity to discuss these challenges, but also to make the case for cooperation as a catalyst for progressive transformation. It heard from leaders of cooperative councils, which are beginning to transform local politics and build more equal partnerships with their communities. With a new focus on how to build “productive places”, connecting state and civic action to build community resilience, unlocking opportunities and building thriving local economies, cooperative councils are exemplifying the potential of the cooperative ideal. The seminar also explored what implications this has for national politicians, and whether cooperative localism provides an opportunity to meet the big challenges facing society and public services.

The Network’s first seminar in Parliament proved to be a lively event. The Chair **Sarah Marsh, Journalist for the Local Government Network at the Guardian**, opened with some challenging questions about the future for cooperatives given the poor performance of the bank.

**Liz Kendall MP**, Shadow Minister for Public Health, opened by saying that on the contrary, she strongly believes **cooperation is the future**. For the big challenges, change can’t be done for people or by top down state control. Better health; school performance (where Leicester kids are 15 months behind the average) anti-social behaviour - all require communities working together, giving people a bigger say. A bigger role for individuals, families and communities.

But it is not easy. Rethinking your role as a state body or an elected representative is **fundamentally challenging** on many levels. This agenda doesn’t just challenge how we work and what we do but for some, especially at the centre, it challenges our very existence.

We must recognise that the state is more successful when it acts as a catalyst and brings people together. We should start with asking “how do we get better results for people”?

The only way to change politicians is to show them how this approach **makes people’s lives better**. We have to show people.

You have to **follow the money**. Where people have control over their own budgets you can bring them together to change the options available. In social care people should be able to shape the options that are available to them, not just be able to choose between failing options.

**Cllr Sharon Taylor**, Leader of Stevenage Council said that being a member of **Labour’s Local Government Innovation Taskforce** had been one of the most inspiring experiences of her life. She outlined the approach being taken by the Taskforce to achieve radical localism based on cooperative principles.

The Taskforce’s final report (published on 7 July) sets out a new people powered localism based on the principles of democracy, devolution, engagement and individual responsibility. The Taskforce believes that good public services are at the heart of any community but they need a major **transformation based on people power, collaboration and prevention**.

She gave an example of a new intervention for teenagers in Stevenage where they are being treated a bit like troubled families with a range of tailored support. The budgets are small but the impact has been high. This group had over 200 police interventions before the project started and now there are none.

Radical localism offers the greatest hope of advancing social justice. It sets out a pathway for how to deliver long term social change.

**Cllr Jim McMahon**, Leader of Oldham Council and Chair of the CCIN, said in Oldham they started out by asking “what if the council was a cooperative?” We should see people as shareholders. What has happened is a disconnect which has led to mutual dependency and resentment.

Oldham’s approach is to define the outcome not the structures. It is **often hard for councils given a tendency to want to control things**. You need to sometimes stand back and get out of people’s lives. For example, development in Oldham town centre was inhibited by the council buying up land.

We need to **redefine the public service**. The council’s budget has gone down from £600 million to £500 million. There is money in the system but it is spent on failure. Public services are geared up for people with problems and quite late in the day. **Public service is dependent on the community being dependent**.

Co-operative councils are not just about delivering services in new ways. They are also about finding innovative ways to invest in transforming the lives of communities. For example in Oldham the council has developed a new initiative called “**Warehouse to wheels**.” Warehouse work is low paid and insecure with a typical cycle between work and JSA. There are 98 vacancies for well-paid driving jobs in Oldham. An LGV and HGV driving course is a £1000 one off cost. A driving job has a wage differential of £7,000 per year. That’s £148,000 in additional wages. That’s a good use of investment. **It turns on its head the ideas that public services only step in when there’s a problem**.

Leading through campaigns - Oldham’s Fare’s Fair campaign saved £50 a year on a travelcard; the energy saving campaign saves people £171 a year. Cooperating requires leadership and collaboration.

You take a conscious decision to be part of a cooperative. You participate, you draw a dividend. People think the government doesn't reward hard work. People have been doing this but councils need to catch up. Oldham's motto is **"if you put something in you get something out"**.