



Developing the Cooperative Economy

Meeting for Leaders and Cooperative Leads

1430 - 1600 hours 21 July 2022 - Zoom

MINUTES

Members

Councillor Louise Gittins – Leader, Cheshire West and Chester Council (Chair)
Councillor Sharon Taylor OBE – Leader, Stevenage Borough Council
Councillor Mili Patel - Deputy Leader, London Borough of Brent
Councillor Ruairi Kelly - City Convener for Neighbourhood Services and Assets, Glasgow City Council
Councillor Tomas Logan - Cabinet Member for Education, Employment & Skills, Liverpool City Council
Councillor Shanika Mahendran - Milton Keynes Council
Councillor Elizabeth Dennis-Harburg - Leader, North Hertfordshire District Council
Councillor Susan Brown - Leader, Oxford City Council
Councillor Matthew Brown – Leader, Preston City Council
Councillor Paul Frew - Cabinet Member Efficient Council, Newcastle City Council
Councillor John Fahy - Chair Corporate Finance & Performance Scrutiny Panel, Royal Borough of Greenwich
Councillor Paul Foster - Leader, South Ribble Borough Council
Councillor Anielsa Bylinski Gelder - Cabinet Member (Communities, Social Justice and Wealth Building) South Ribble Borough Council
Councillor John Merry CBE - Deputy Mayor, Salford City Council
Councillor Joyce Welsh – South Tyneside Council
Councillor Sean Laws - Sunderland City Council
Councillor Ged Cooney - Leader, Tameside MB Council
Councillor Swithin Long – Cabinet Member for Economic Regeneration, Tourism and Housing, Torbay Council

Guests

Mark Cook - Anthony Collins Solicitors
Rose Marley - Cooperatives UK

In Attendance

Nicola Huckerby – Operations and Communications Lead, CCIN (Minutes)

Apologies

Cllr Darren Rodwell - Leader, Barking and Dagenham
Cllr Ian Ward - Leader, Birmingham City Council
Cllr John Cotton - Cabinet Member Social Inclusion, Community Safety & Equalities, Birmingham City Council
Cllr Muhammed Butt - Leader, Brent Council
Cllr Huw Bradbury - Leader, Cardiff Council

Cllr Richard Beacham - Cabinet Member for Inclusive Growth, Economy & Regeneration Cheshire West and Chester Council
Cllr Susan Aitkin - Leader, Glasgow City Council
Cllr Anthony Okereke - Leader, Royal Borough of Greenwich
Cllr Mike Ross - Leader, Hull City Council
Cllr Graham Morgan - Leader, Knowsley Metropolitan Borough Council
Cllr Amanda Chadderton - Leader, Oldham Council
Cllr Sue Smith - Portfolio Holder for Communities and Cooperation - Rochdale Metropolitan Borough Council
Cllr Tracey Allison Dixon - Leader, South Tyneside Council
Cllr Joyce Welsh - South Tyneside Council
Cllr Graeme Miller - Leader, Sunderland City Council
Cllr Paul Stewart - Cabinet Secretary, Sunderland City Council
Cllr Shaun Davies - Leader and Cabinet Member for Neighbourhood Services, Telford & Wrekin Council
Cllr Rae Evans - Cabinet Member for Finance, HR and Governance, Telford & Wrekin Council
Cllr Keith Cunliffe - Deputy Leader and Cabinet Member for Adult Social Care | Lead for Community Wealth Building - Wigan Council
Cllr Rita Garner - Cabinet Member for Culture & Leisure, Worthing Council
James Wright - Policy Officer, Cooperatives UK
Suhan Rajkumar - Bates Wells LLP

Watch the recording of the meeting here: <https://youtu.be/yPyQA6w7ndM>.

1. **Welcome and introduction to the session**

In Cllr Taylor's absence, Cllr Gittins welcomed everyone to the meeting.

2. **Matters Arising from the last meeting on 31 March 2022**

2.1. **CCIN Study Visit to Mondragon, Spain**

Nicola Huckerby reported that EOC had approved the Study Visit to Mondragon as a funded Policy Policy. The visit would take place from Sunday 9th - Wednesday 12th October, which included two full days at Mondragon. The proposal was for the CCIN to cover the cost of the course, dinner, bed and breakfast for up to 15 participants. There were flights from Bristol, Gatwick and Manchester for around £150.

Action: Anyone interested in attending should contact NH asap.

2.2. **Cooperative Option training update**

NH reported that following the last meeting, a proposal had been circulated from Mark Simmonds at Coop Culture offering three half-day online modules to deliver Cooperative Option training for CCIN member councils. This had been approved at the last EOC meeting.

Action: Anyone interested in participating should contact NH.

NH to look at whether an in-person session could be organised at the Annual Conference in November. (23rd and 24th November in Telford).

2.3. **Note on Subsidy Control**

Still outstanding.

Action: NH to follow-up with Suhan Rajkumar

2.4. **Workshop with practical examples on overcoming procurement challenges**

Mark Cook explained that he was in the process of writing a piece about the Procurement Bill, Public Benefit and Social Value. He suggested running a session at the Annual Conference to explain the existing legislation and the changes that would come into effect next year (no changes in Scotland where the European legislation was being kept).

MC shared his article on 16 August:

<https://www.anthonycollins.com/insights/ebriefings/procurement-bill-power-to-the-people->

[otherwise-known-as-maximising-public-benefit/](#).

MC reported that he was also speaking to the Scottish Government about Public Procurement and Community Wealth Building because a CWB Bill was going through the Scottish Parliament. He was seeking to introduce the concept of Social Value not being an add-on but community benefit being the core of a contract.

Agreed: To run a session at the Annual Conference in November.

2.5. **CCIN's commitment to supporting regional cooperative banks**

CLlr Matthew Brown reiterated that we had an ideal opportunity to support a more democratic financial system based on the German Model. Five/six banks across the UK have been registered as cooperatives with the FCA. As reported previously, Banc Cambria, backed by the Welsh Government, would be the first community bank to open in the UK; it is currently recruiting and on track to open 30 branches over the next eight years. The challenge now was to encourage cooperative councils to invest in these cooperative banks so that they could progress to getting a banking licence.

2.6. MB reported that he had taken on a CWB role with Key Cities and suggested organising a further session involving the fledgling banks, Key Cities and the CCIN on what could be done to encourage more councils to invest in these projects.

2.7. CLlr John Merry welcomed the opportunity for Key Cities and the CCIN to work together to promote regional cooperative banks.

Agreed: To organise a further session to update members of CCIN and Key Cities on Regional Cooperative Banks and encourage council investment.

2.8. Councillor Ruairi Kelly - asked about some background on why regional cooperative banks could be such a gamechanger.

Action: NH to send the link to the session from the CCIN Conference in February 2022.

2.9. **CCIN's commitment to supporting worker ownership of post offices**

MB reported that the CWU has said they want to look at CWB and worker ownership in post offices and broadband. They are currently looking at pilot locations, and should these be successful; they will want to look to other local authorities for support.

Agreed: To review in six months to consider how the CCIN can support this model in several regions.

3. **Co-operative Development Programme from Co-operatives UK**

3.1. Rose Marley introduced her presentation to give an overview of the organisation and explain some of CUK's cooperative development programmes and where we might be able to work together. A copy of the presentation is attached. Points to note were:

- CUK is the trade body for cooperative businesses across the UK
- There are 7,237 independent coops in the UK (2021), contributing £40.1bn to the UK economy across 16 sectors
- People are looking at how they spend their income to maximise the benefit to their communities
- Co-ops are more resilient than shareholder-owned business
- CUK's Policy work to grow the sector - embedding co-op references in legislation
- Business Development programmes funded by The Co-operative Bank
 - ⇒ The Hive - for start-ups and existing co-ops
 - ⇒ UnFound Accelerator - supporting ethical digital business

- Community Shares
 - ⇒ a way of crowdfunding finance, unique to co-ops
 - ⇒ Booster Fund for business development grants and match-funding
- Worker and Employee Ownership
 - ⇒ The Ownership Hub to help grow employee and worker ownership
 - ⇒ Sheffield City Region is the first partner of the UK
- UK Shared Prosperity Fund (UKSPF) - closing date 1 August 2022. This is the government's domestic replacement for the European Structural and Investment Programme (ESIF), which the UK continues to participate in until 2023.
- RM felt that the next step in co-op development was the opportunity for councils to become members of multi-stakeholder coops, so rather than giving a grant, they become members of the co-op. This would mean that councils were embedded into that organisation and, as such, had a future say in that organisation. She cited the example of Cooperative Infrastructure Network, which came out of Tameside MB Council.
- Community Wealth Building - 5 key principles (CLES)
 - ⇒ plural ownership of the economy
 - ⇒ making financial power work for local places
 - ⇒ fair employment and just labour markets
 - ⇒ progressive procurement of goods and services
 - ⇒ socially productive use of land and property

Action: NH agreed to circulate a list of relevant CUK contacts to members

- 3.2. Cllr John Fahy explained some challenges regarding encouraging procurement teams to consider the benefits of the social care co-operative agenda when awarding contracts rather than settling with private sector providers.
- 3.3. Cllr Matthew Brown commented that the predominant way that most councils delivered economic development was very free market/neo-liberal. He asked how we changed the mindset of councils to prioritise co-operatives and economic democracy. With austerity, the cost-of-living crisis and Covid, now was the moment to overhaul the way we work and make these cooperative options mainstream.
- 3.4. In response, Rose Marley felt that one of the ways we could grow the sector was to engage young people through tech and by building a digital infrastructure together, perhaps with 'Decentralized Autonomous Organisations' (DAOs - *Member-owned communities without centralised leadership and a safe way to collaborate with internet strangers*).
- 3.5. RM explained that CUK was doing some work in GMCA, where the procurement processes actively stopped co-ops and social enterprises from competing against the 'big corporates'. Once tackled, she offered to share this learning across the Network.
- 3.6. RM suggested that:
 - We could be doing more to promote the visibility of credit unions, as loan sharks were still targeting the most vulnerable in society in areas of deprivation.
 - Schools could offer credit unions to encourage money management
 - We could do more to promote a cultural change amongst procurement officers so they could become evangelists for co-ops, having understood the real benefits that co-ops and social enterprises can bring to an area.
- 3.7. ST reported that Stevenage BC had submitted its proposals for UKSPF monies to the Stevenage Together Partnership, which included bids for CWB and Cooperative Neighbourhoods (participatory budgeting). One of the projects they are pursuing is a Film Screen Office to be funded by UKSPF,

which would be run on a cooperative basis for the benefit of the community.

Action: If anyone is aware of a Film/Screen Office that is run on a cooperative basis, please let ST know.

4. **Overcoming procurement challenges faced by Councils - any further thoughts since the last meeting**

- 4.1. MC explained that getting councils to participate in cooperative governance was key to overcoming procurement challenges. He was doing some work in this area with four other local authorities, which he would be able to share with the Network at the November Conference.

Cllr Ruairi Kelly explained that Glasgow was in the process of developing a CWB strategy, but one of the issues they were facing was a lack of capacity. The Council is looking at identifying contracts reserved for co-ops and social enterprises and how they could build capacity amongst those organisations. Once this has been achieved, those providers can bid for contracts with other anchor organisations. It was very much seen as the local authority's responsibility to build capacity.

Agreed: To develop a short guide, which could be a checklist or a toolkit, for Offices to demystify the cooperative difference and encourage procurement teams to understand the benefits of contracting cooperatives and social enterprises to deliver council services where they cannot be insourced. And if providers don't exist, what action needs to be taken to develop them? The ultimate objective is to create a circular economy and prevent wealth from leaking away from local communities.

Action: NH to speak with CUK and legal members to progress.

5. **Date of next meeting: end of October**

To feedback from Mondragon Visit | Political Conferences | outcomes from UKSPF Bids.

6. **Any Other Business**

NH reported that there were vacancies for full council members on the Executive Oversight Committee and the Values & Principles Board. If anyone is interested, they should get in touch.

The meeting closed at 1600 hours.

Contact:

Nicola Huckerby

Operations and Communications

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