



Co-operative Councils

Innovation Network

Developing the Cooperative Economy

Meeting for Leaders and Co-operative Leads
1130 - 1300 hours, Wednesday 9th November 2022 - Zoom

MINUTES

Members

Councillor John Fahy – Royal Borough of Greenwich - Chair
Councillor Peter Bradbury – Cabinet Member, Cardiff Council
Councillor Catherine Braun – Leader, Stroud District Council
Councillor Matthew Brown – Leader, Preston City Council
Councillor Susan Brown – Leader, Oxford City Council (until item 3)
Councillor Ged Cooney – Leader, Tameside Council
Councillor Elizabeth Dennis-Harberg – Leader, North Herts District Council
Councillor Paul Frew – Cabinet Member Efficient Council, Newcastle City Council
Councillor Rita Garner – Cabinet Member for Culture & Leisure, Worthing Borough Council
Councillor Louise Gittins – Leader, Cheshire West and Chester Council
Mayor Philip Glanville – Hackney Council
Councillor Swithin Long – Cabinet Member for Economic Regeneration, Tourism and Housing, Torbay Council
Councillor Martin McClusky – Vice Convenor, Policy & Resources Executive Committee, Inverclyde Council
Councillor Susan Smith - Cabinet Member for Communities and Co-operation, Rochdale MBC
Councillor Paul Stewart – Cabinet Secretary, Sunderland City Council
Councillor John Turley – Cabinet Member for Resources, Worthing Borough Council

Guests

James Wright – Policy & Development Lead, Cooperatives UK
Mark Cook - Anthony Collins Solicitors
Julian Blake - Stone King LLP

In Attendance

Nicola Huckerby – Operations Lead, CCIN
Simon Grove White – Principal Economic Development Officer, Oxford City Council

Apologies

Andy Burnham – Mayor of Greater Manchester
Councillor John Cotton - Cabinet Member Social Inclusion, Community Safety & Equalities, Birmingham
Councillor Keith Cunliffe – Deputy Leader and Lead for Community Wealth Building – Wigan Council
Councillor Steve Darling – Leader of Torbay Council
Councillor Paul Foster - Leader, South Ribble Council
Councillor Ruari Kelly – Glasgow City Council
Councillor Shabir Pandor – Kirklees Council
Councillor Darren Rodwell – Leader, London Borough of Barking and Dagenham
Jonathan Nunn – Policy & Partnerships Team Manager, Kirklees Council

1. **Welcome and introduction to the session** – In the absence of the CCIN Chair, Cllr Sharon Taylor, Cllr John Fahy, Vice Chair of the CCIN Values & Principles Board agreed to chair the call and welcomed everyone, and each introduced themselves.
2. **Matters arising from the last meeting held on 21 July 2022**
 - 2.1. **Note on Subsidy Control** – Suhan Rajkumar (Bates Wells)

NH reported that she had spoken to Suhan who said that he has a working draft note, but proposes to finalise and share it once the statutory guidance relating to the regime is published. The new Act goes live in January 2023, and we don't yet have the statutory guidance due to accompany it, so there is a risk that any note finalised now would swiftly be out of date!

Agreed: to bring this item forward for the next meeting.
 - 2.2. **A short guide (checklist/toolkit) for Councils to develop the cooperative economy**

NH explained that it was envisaged that this item would be picked up as one of the funded Policy Labs for which Bids were currently being prepared. Both MC and JB confirmed that they would attend the CCIN Annual Conference and continue discussions with various authorities in the interim.
3. **Feedback on Mondragon Study Visit** – Cllr John Fahy and Simon Grove-White

The Chair began by thanking NH for organising a very insightful and productive study visit to Mondragon in October. He also thanked all the councillors and officers that had participated and so enthusiastic about what they had learned in Mondragon.

Simon Grove-White gave a presentation on the visit attended by a delegation of 12 councillors and officers, a journalist from the Coop News and a filmmaker, which included sessions at:

- Otalora – Management Development Centre
- Fagor – Industrial Cooperative
- Ikerlan – Technology and R&D Centre
- Mondragon University

Mondragon is one of Spain's largest corporations, employing 80k people, of whom 35k are owners. The organisation comprises 95 cooperatives and has a turnover of 11,500 m euros. The coops includes 63 industrial coops, a credit coop, consumer coop, 8 educational and 14 R&D coops.

Simon explained the structure of each coop, and how each worker-owner has one vote. The wage ratio was 1:7. He explained how each worker-owner was required to make a financial investment in the organisation of 16k euros which could only be withdrawn once the worker left. He explained that the structure challenged some of the perceived problems often associated with coops as the organisation sought to develop a rich society (rather than rich people) and economic security.

The presentation concluded with a look at how cooperative councils might address some of the gaps:

- Embedding cooperative culture
- Finance and investment
- Policy support Engage and incentivise emerging growth sectors

Download Simon's presentation here: <https://www.councils.coop/presentation/mondragon-study-visit/>

Cllr Matthew Brown explained that Preston CC had visited Mondragon in 2016 to see this different way to do economics for themselves. His view was:

- that the economy was gentler as the economy had been democratically organised to benefit the people.
- Coops and democratically owned businesses also fared better in a recession.
- The public health evidence was that with greater democratic ownership comes higher life expectancy and better mental health.
- What we now needed was a way to implement these solutions at scale around the 4 pillars that Mondragon is based on: Banking | Wealth | Industry | Education

Julian Blake totally agreed that UK was in a different position to Mondragon. He felt the key to developing a cooperative economy was procurement:

- The way procurement is thought of & current reform initiatives.
- The current UK Procurement Bill
- Making social value a serious thing, not an added value, equating it to public value.
- Lessons from other parts of the UK: Wellbeing Act in Wales and Social Partnership and Procurement Act (states that private profit in children's services isn't appropriate).

4. **Feedback from Political Conferences – All**

NH reported back on the Autumn Labour Party Conference and the new Members that had joined. The Lib Dem Conference was cancelled following the death of HM Queen Elizabeth II.

Mayor Philip Glanville – raised the cooperative opportunity for community energy and how that might fit into a democratically owned economy. There was a question on how GB Energy might fit into other democratic opportunity like the Private Local Electricity Bill and the need to ensure that localisation and cooperatives are referenced in manifestos.

Action – to connect with the community energy movement. Presentation to future meeting?

CLlr Catherine Braun – echoed the comments to work closely with the community / green energy sector. And confirmed that the CCIN was hoping to exhibit at the Green Party Annual Conference in 2023.

Action – NH to find out details

CLlr Louise Gittins reported that a Net Zero North West Conference had been held in October, which included a strand on Community Energy. One of the outcomes was to organise a conference on for community groups interested in establishing Community Energy Coops in early 2023.

Action – LG to share the details on the event when they are available.

NH suggested we seek out a speaker for a workshop on Community Energy Coops for the Annual Conference in November. She sought suggestions for someone available to speak and lead this. JB suggested **Energy 4 All**.

5. **Outcomes from UKSPF Bids – Deferred to next meeting.**

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

James Wright, Head of Policy and Development at Coops UK gave an update on their:

6.1. Coop development programme:

- National coop business support programme - £400k budget for new and existing coops, including putting coops in front of people at appropriate times.
- Resources into support around capital raising.
- Community Shares Unit (partnership between Locality, Plunkett Foundation and CUK) – provides equity match investment. About to launch a new Equity Investment Fund. This

new fund will enable them to invest in a wider range of businesses, including Multi-Stakeholder Coops and Worker Coops.

The Unit also trains Community Shares Practitioners whose role it is to go out to support community organisations.

- Central Govt has recently sought views on what to do with a large tranche of Dormant Assets - £800m. CUK is lobbying for £40m to do to wholesale equity investment in community shares
- Ownership Hub – first one is up and running in South Yorkshire with is a partnership between the Combined Authority and CUK it promotes worker coops and employee ownership. The OH trains local business advisers. Two more Combined Authorities are to be announced very soon.

6.2. Coop development programme. Westminster Policy Update:

- Cooperative asset lock reform
- Law Commission Review
- Levelling Up and the social economy
- Community Ownership Fund (Govt Initiative)
- Home Energy Saving and Retrofit

Action – James Wright to circulate the notes from the Roundtable event between Cooperatives UK and Coop Party, outlining some of the barriers to developing the coop economy.

6.3. Scottish Policy Initiative:

- Scottish Govt review of how to grow the Scottish co-operative sector
- Community Wealth Building Bill
- Housing co-operatives
- Cross Party Group lobbying on home energy saving and retrofit

6.4. Local policy update

- UKSPF Investment Plan – allocations for cooperative development
- Local policy partnerships with South Yorkshire Combined Authority & Greater London Authority to inform policy and practice on cooperative development
- Northwest Energy Taskforce
- CCIN Policy Lab – Toolkit for Coop Development

Cllr Peter Bradbury warned that it was too early to judge whether the Levelling Up strategy helped those in poorer areas.

Cllr Martin McClusky advised that another Bill was going through the Scottish Parliament, the [Moveable Transactions \(Scotland\) Bill](#) and Paul Sweeney MSP was seeking to get more cooperative thinking into that Bill.

7. **Overcoming procurement challenges faced by Councils** - update.

Mark Cook explained some of the issues he would look at in the Workshop on Procurement at the Annual Conference in November.

8. **Council updates** - anything new since the last meeting

9. **Any Other Business**

NH reported that looking back at some of the discussions at previous meetings of this group it was worth noting that the 10th Anniversary Conference on 23 and 24 November in Telford includes several elements in the programme that have been discussed previously:

- 9.1. **The frustrations of Procurement in delivering a cooperative agenda (Workshop)** – Mark Cook, Anthony Collins Solicitors
- 9.2. **Cooperative Option training (Workshop)** – Mark Simmonds, eCulture
- 9.3. **Community Ownership Fund, assets of community value & community (Workshop)** – Cooperatives UK
- 9.4. **Mondragon – next steps (Workshop)**
- 9.5. **Banc Cambria update (Plenary)** - Mark Cooper, Banc Cambria

Special thanks were recorded for Baroness Taylor for all of the work that she has done to raise the profile of the Network during her time as chair and for the pivotal role that she played in forming the Network. Everyone wished Sharon good luck in her new role in the House of Lords.

10. Date of next meeting: early July

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22-02-23 - NH