



Councils' Cooperative Development Toolkit

Kickstarting Your Cooperative Development

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Outline

- Background
- Developing the Toolkit
- Filling resource gaps
- The Toolkit

Background

- Members of the Cooperative Councils' Innovation Network since 2019
- Power to Change wanted to jointly fund a policy lab project
- Led by Kirklees with participation from Greenwich, Oldham, Oxford, South Ribble, Stevenage and Sunderland
- Support from Coop Futures, CMS and Innovation Coop
- Input from Cooperatives UK
- Launched the toolkit in October 2024

Developing the Toolkit

- Formed steering group of participating councils
- Participatory workshop at CCIN Conference 2022
- Commissioned Cooperative Futures
- Desk based research
- Surveys of councils and cooperative development consultants
- Local workshops
- Writing the toolkit...

Filling resource gaps

- Getting from “We need more coops!” to what coops and why...
- Developing a set of case studies
- Strengthening the evidence base for UK coops

The Toolkit

1

Back to basics: what are cooperatives, their benefits, the evidence for them and related national support.

2

What can I do? Taking you through the main areas where councils can take action to support cooperative development.

3

Doing your homework: understanding your local context and objectives.

4

Taking action: get going by identifying stakeholders, developing a theory of change, finding funding and developing an action plan.



SCAN ME

- What is a cooperative?
- Why cooperatives?
- What's the evidence for cooperatives?
- National Support Organisations



Case studies

Co-operative Network Infrastructure

South Manchester Credit Union

Suma Wholefoods

Delta-T

Fox & Goose

Newfield Medical Group

Outlandish Co-operative

Equal Care Co-op

Arla Foods

Câr-Y-Môr

Lilac Housing Co-op

Lambeth GP Food Co-op

Dulas

Belfast Cleaning Society

East Marsh United

Unicorn Grocery

GlenWyvis Distillery

Sharenergy

EQUAL CARE CO-OP

OVERVIEW

Registered Name	Equal Care Co-op Limited
Date of Incorporation	09/02/2018
Legal Form / Structure	Society
Ownership class	Multi-stakeholder
Type	Platform co-op
Number of Members	219
Number of Employees	27 employees +59 independent
Number of Volunteers	9
Turnover (2022/23)	~£858k
	Est. £1.5m 2023/24

Location

Hebden Bridge, Calderdale, England
(+ project in London)



DESCRIPTION

- A multi-stakeholder platform cooperative providing care and support at home and in the community to a very broad range of adults experiencing a wide range of scenarios, illnesses, and challenges
- Equal Care offers a trusted, accessible care and support matching and management platform, delivering 5,000+ hours of care per month
- Caregivers and receivers get full choice and autonomy over their care, including the opportunity to be in both roles: care users can share their skills, support others and be fairly rewarded for this.
- Care workers can choose employment type and decide their hours and clients, contributing to a low staff turnover (4.5%)
- 31% of workers are completely new to care
- The company and the technology is owned by the participants and the creators of value
- Equal Care is a Real Living Wage employer
- Regulated by Care Quality Commission (CQC)
- Built a piece of technology and designed a model that enables power to flow away from the usual sources of it in social care, i.e., funders, commissioners, and managers, towards people who are receiving that support and the people who are giving that support, whether that is in a paid or unpaid capacity.



KEY MILESTONES

Founding

- 2017 – Met with founding group
- 2018 – Incorporated and received a few small grants
- Managed to employ co-founders on part-time minimum wage in mid-2018

BACKGROUND

IDEA: It was "one of those things that wouldn't go away" The reasons were threefold: 1) Working in social care and seeing all the abuses, problems, and issues from both a worker and support recipient perspective, 2) The power organisational structures had to either contribute to people's sense of empowerment or, more commonly, to take it away, 3) The increasing distance between the people who are the subject of decisions and where decisions are made. Key influences included the sharing economy, co-production, and time-banks.

CO-OP: A charity might have been the obvious option but wouldn't have enabled the sense of equity desired. The multi-stakeholder platform structure fitted the aspirations of the co-founders much better, and this was further confirmed through a series of 'care conversations' that brought together the founding group of people receiving support, family members, unpaid carers, and a couple of care workers.

MODEL: It might have developed differently and been more technology focused if they had moved faster but the first year deprioritized the importance of technology and prioritised the people involved – "That was when we worked out that it was about power. Fundamentally, this is about power."

Raising funds

- Late 2018 managed to launch and complete first community share offer
- Raised £410,000 and employed the core team by the end of 2019

Rough terrain

- Core team started in January 2020
- Pandemic hit in March 2020
- Co-op flatlined for 2 years

Recovery

- Emergency recovery share offer to avoid closing door, raised £300,000
- Managed to work out how to grow and found rhythm, ~10-15% growth per month

London calling?

- Developed project in London with £100,000 grant from London Office of Technology and Innovation
- Outcomes include service specification for councils and a playbook for councils and new groups exploring care co-ops

Governance – Small core team with oversight from a Board

30% 'employed workers' paid on salary basis with range of billable hours and all normal work protections and benefits

70% 'independent workers' charge hourly rate, earn more gross than employed workers, greater control but need to report taxes etc.

'Platform' consists of a website and a companion app

KEY FEATURES

CQC regulated so more expensive than other platforms but provides assurance – both employed or independent workers

Charge for every hour of care delivered – that's where the revenue comes from (~25% contribution rate)

First 5 years focus was on the day-to-day model and the sense of control that could be retained or empowered, limited scope for votes

- 1) Pay out of own pocket
- 2) Direct payment
- 3) Framework contract
- 4) NHS healthcare

Engaging the membership bears a resource cost and therefore hard to prioritise alongside keeping things moving

Recent focus on engaging membership. Two big issues voted on: 1) Pricing and 2) Raising the commons contribution

CHALLENGES

- Absence of structural support for co-ops from state actors and financial institutions
- Tension – Poor coordination between local councils and 'health' services
- Capital restrictions on investing in co-ops

SUPPORT

- UnFound Accelerator (Co-ops UK)
- UnLtd grant
- Finance Innovation Lab
- Care Quality Commission Innovation Sandbox
- Key investor-members
- Current Chair is "closest thing to an angel investor"

GROWTH AND/OR REPLICATION

Cost of maintaining the platform implies some kind of distributed growth would be preferable, if not necessary, vs replication – i.e. creating more expensive platforms that do the same thing.

2024 is the year where, following a period of arrested development, the co-op is really breaking through – revenue will exceed £1m, albeit including ~£130k of grants

While the London project and its two key outputs (service spec. for councils and a playbook for councils and new groups) is a success, it also highlights a barrier to growth or replication where rates are lower, which renders the model untenable.

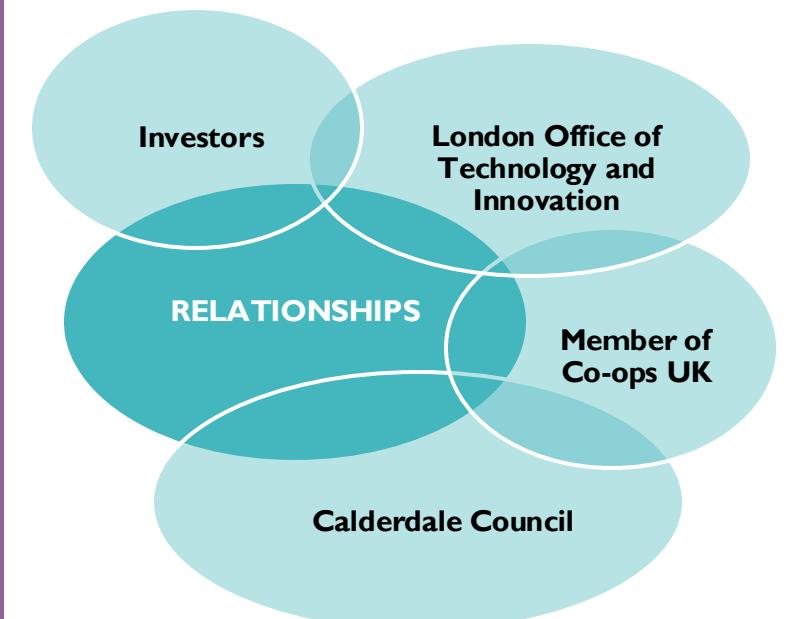
However, sticking with the teams and platform model seems like the obvious route toward further growth beyond the Pennines.

Can say with ~85% confidence that Equal Care has a model that is capable of solving the social care crisis, not assisting or sustaining it, but convincing others of this remains the barrier to be overcome.

KEY MESSAGES / TAKEAWAYS

TO LOCAL AUTHORITIES

- **Excuses** – Many local authorities shy away from any positive action around assisting social enterprise-like businesses and particularly co-ops because they think it breaks procurement rules or whatever. Like what? And lazy excuses get trotted out.
- **Favour** – Councils have a big challenge in being able to show preferences, but even if they just commissioned with favour toward businesses that have an asset lock, charities, social enterprises, anything that is mission, that would help.
- **Can do** – The Welsh Government have shown that's all lies. Of course you can do it. If there's a political and administrative will, then you can do it.



Realist Rapid Evidence Review

Cooperative Business Impacts – A Realist Perspective

Moving beyond 'what works' by applying a Realist perspective to evidence building.

Dr Catherine Brentnall, Department of Strategy, Enterprise and Sustainability, Manchester Metropolitan University.

The Problem

Co-operative businesses are democratically owned businesses which are run to meet the common needs and aspirations of their members. Councils and other stakeholders interested in supporting co-operative businesses want clear and informative evidence as to the effects of cooperatives. In March 2024, a Rapid Evidence Review was published by the What Works Centre for Local Economic Growth about the effects of different types of ownership, including cooperatives, on firm performance. The review concluded that there is *no strong evidence for or against claims about the importance of different types of ownership on firm performance*. The review also highlighted displacement as a key issue. This may occur where similar competitors exist in the same area, such as retail for example, or where goods and services are less unique and more susceptible to local displacement. Displacement could be an argument against investing in supporting new cooperative businesses if they displaced existing employment. The review noted that there might be wider benefits from different forms of ownership – such as contributing to civil society and improving pride in place – but stated that these benefits are likely to be *small and difficult to measure*. The Rapid Evidence Review based these judgements on a small (six) number of studies. The report takes a 'hierarchies of evidence' perspective about which data they use. This assumes that certain types of research, such as systematic review and randomised controlled trials, provide the best evidence about 'what works.' However, this narrow focus excludes large swathes of good data and useful evidence about contexts and processes – where, for whom and how things work - thus providing an insufficient basis for making recommendations. Our research adopted a Realist perspective on evidence, focused on developing insight, building explanations, and understanding what makes something possible (or not). This provides Councils with a broader evidence base with which to assess the wider effects of cooperatives.

What we discovered

Combining iterative literature searches and evidence synthesis with interviews with cooperative business owners and business support providers, our research expands understanding of cooperative business impacts. We focused on three types of cooperative business – worker coops, energy coops and childcare coops – to conduct more refined literature searching and develop contextual insights. Combined with new interview data, this suggested that cooperatives have numerous wider benefits, and that many of these are measurable. In addition, this expanded view on evidence helped to explain the cooperative advantage. To grasp the difference that cooperatives make, it is important to recognise that cooperatives do not emerge in a vacuum. They are *not typically formed when there are no workplace grievances, no contractual problems, or when a community is well served with public goods*. Rather, they emerge where there is excessive exploitation and where the state is failing to provide the quantity and/or quality of important goods and services. Cooperatives are a business structure formed to meet the needs of workers, members and communities. They build on solidarity within communities, and extend these relationships for the betterment of enterprises, workers and community. This means that concerns about displacement misunderstand why cooperatives emerge. A cooperative requires an economic justification and collective action is taken because of excessive market power and the undue exposure and alienation of workers and/or associated members. Evidence was found connecting cooperative businesses variously to job quality, wages, skill





- Commissioned from realist researcher Dr Catherine Brentnall, Manchester Metropolitan University
- Framed in response to What Works Centre for Growth's report on plural ownership
- Focus on community energy, worker coops and childcare coops

Create a Dedicated Support Programme

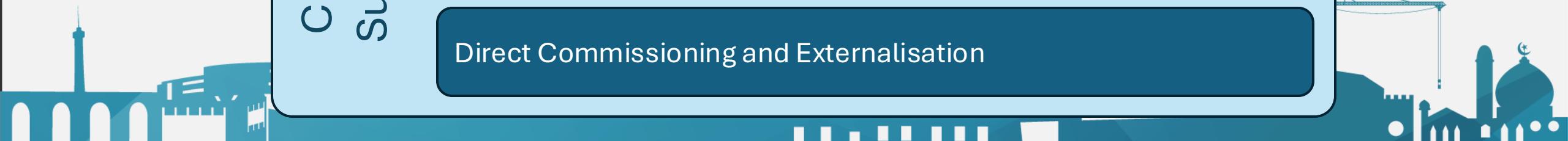
Increasing Awareness and Understanding

Creating a Supportive Policy Environment

Business support

Access to Finance

Direct Commissioning and Externalisation



Co-operative Councils
Innovation Network
Member





Kirklees Council
Business for West Yorkshire Programme

Partnership approach sees £500k Business for Good West Yorkshire programme established to promote cooperatives and social enterprises.

West Yorkshire has a new programme supporting start up and growth of cooperatives and social enterprises – Business for Good West Yorkshire (BGGW). The £500k, 18-month partnership-delivered programme delivered by Third Sector Leaders Kirklees (TSL), aims to create 25 new businesses, provide non-financial support to 90 businesses and see a total of 26 jobs created or safeguarded. It is the result of a successful bid to the West Yorkshire Combined Authority's (WYCA) open call for pilot proposals to support 'alternative business models', and is part funded by the UK Shared Prosperity Fund (UKSPF).

The bid built on the work TSL, the local VCSE infrastructure organisation, has done over the past few years in establishing a Social Enterprise Sounding Board following development of the Kirklees VCSE Investment Strategy (IS) – a shared strategy to strengthen the third sector in Kirklees. While the Council has directly supported the creation of Co-operative Care Cone Valley and the Dewsbury Arcade Group – who plan to take on management of the Dewsbury Arcade as the first community-run shopping centre in the country, TSL has delivered and promoted the Kirklees Social Enterprise Competition to profile social entrepreneurs in the borough.

When the open call was released, the Council were clear that the proposal should – if at all possible – address both cooperatives and social enterprises, but also that in line with Priority 2 of the IS 'Invest in whoever is best placed to provide the service or support' that TSL should take the lead. The Council's role was to support and enable the development of the proposal. TSL built the third sector partnership through participation in proposal development sessions with VCSE partners from across West Yorkshire and the School for Social Entrepreneurs while Kirklees Council liaised with the other West Yorkshire councils to understand their priorities and build support for a West Yorkshire-wide proposal. This approach was possible due to the existing

relationship of trust between the organisations and key individuals involved. The resulting partnership led by TSL, includes local specialist organisations Participate and Voluntary Action Leeds, See Ahead and Co-op Culture and two national organisations Co-operatives UK, School for Social Entrepreneurs, as well as CCIN affiliate member Stir to Action.

The involvement of Co-operatives UK and cooperative partners, was facilitated by the Council identifying a common aim across all partners of breaking down a siloed way of working and approach to individuals and groups who want to establish alternative businesses with clear social or community purpose that support both people and places. This brought significant partners from the coops sector locally and nationally into the proposal and also leveraged assets such as the Coop Option Training previously funded by CCIN. We hope this programme will go some way to breaking down barriers between the worlds of cooperatives and social enterprise and to development of a rounded view of the relative benefits of the two different approaches.

The programme consists of four strands:

1. Free enterprise coaching and start up workshops for individuals or groups with a new idea
2. Free enterprise coaching and Growth & Resilience grants of up to £2,499 for existing alternative businesses
3. Support to grow or safeguard existing jobs through a Growth & Resilience Learning and Development programme delivered jointly by Co-operatives UK and the School for Social Entrepreneurs
4. Free business options training for business advisors and other business support professionals.

As a VCSE-led programme there is a significant focus on driving an inclusive economy, with the clear intention of engaging marginalised communities. This is being done through six place-based Alternative Business Advisors – Enterprise Coaches – building on the trusted relationships of local VCSE groups and specifically – the existing community anchor networks.

Co-operative Councils
Innovation Network
Member



UK SPF Intervention	Output (OP) / Outcome (OC) Description	Number (EDI Targets)
E23: Strengthening local entrepreneurial ecosystems	OP14: Number of potential entrepreneurs assisted to be enterprise ready	60 BAME: 22 Women: 40 Disabled: 5
E24: Training hubs, business support offers, incubators & accelerators	OP24: Number of enterprises receiving grants	25 BAME: 8 Women: 12 Disabled: 1
E26: Support for growing the local social economy, including community businesses, enterprises and social enterprises	OP23: Number of enterprises receiving non-financial support	91 BAME: 31 Women: 58 Disabled: 5
E23: Strengthening local entrepreneurial ecosystems	OP18: Number of people attending training sessions	45 BAME: 5 Women: 15 Disabled: 0
E24: Training hubs, business support offers, incubators & accelerators	OC1: Jobs created as a result of support OC26: Number of enterprises adopting new to the firm technologies or processes OC27: Number of enterprises engaged in new markets OC23: Number of new enterprises created as a result of support OC1: Jobs created as a result of support OC2: Jobs safeguarded as a result of support OC28: Number of early-stage enterprises which increase their revenue following support	5 5 25 7 14 20

LEVELLING UP

Funded by UK Government

Business for Good West Yorkshire UK SPF Interventions, Outputs, Outcomes and Targets

The programme is overseen by an advisory group that together represents representatives from the group that districts as well as WYCA and Co-operatives UK. The group has a building oversight of delivery the group has a developing a long-term vision for the role of developing models in West Yorkshire and funding long-term programme to succeed the pilot vision in fruition.

that, with or without future funding, the democratic and social economy can continue to grow in West Yorkshire.

The Business for Good West Yorkshire project is part-funded by the UK Government through the UK Shared Prosperity Fund, delivered by TSL Kirklees. In West Yorkshire the West Yorkshire Combined Authority leads the implementation of the Fund as part of the Mayor's ambition to make West Yorkshire the best place to work, learn and live.

The UK Shared Prosperity Fund is a central pillar of the UK government's Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK, investing in communities and place, supporting local business, and people and skills. For more information, visit gov.uk/government/publications/uk-shared-prosperity-fund-prospectus

Kirklees
COUNCIL



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Policy Areas to Consider

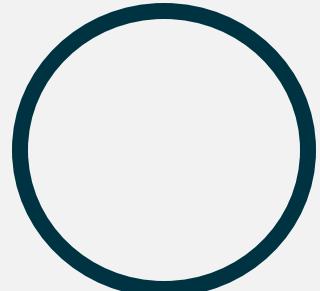
- Procurement
- Grant making
- Business support
- Business rates relief
- Assets

Doing your homework

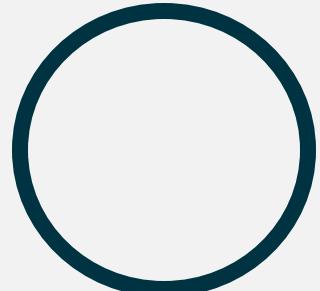
- Local Context
- Local Objectives
- Commissioning a Study
- Cooperative Commissions



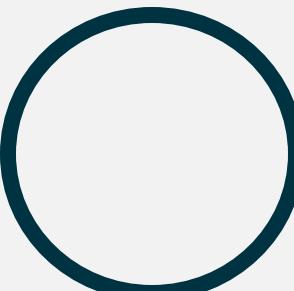
Current Coops in _____



Coops



Social Clubs



Top examples:

Current Coops in Greenwich



Coops

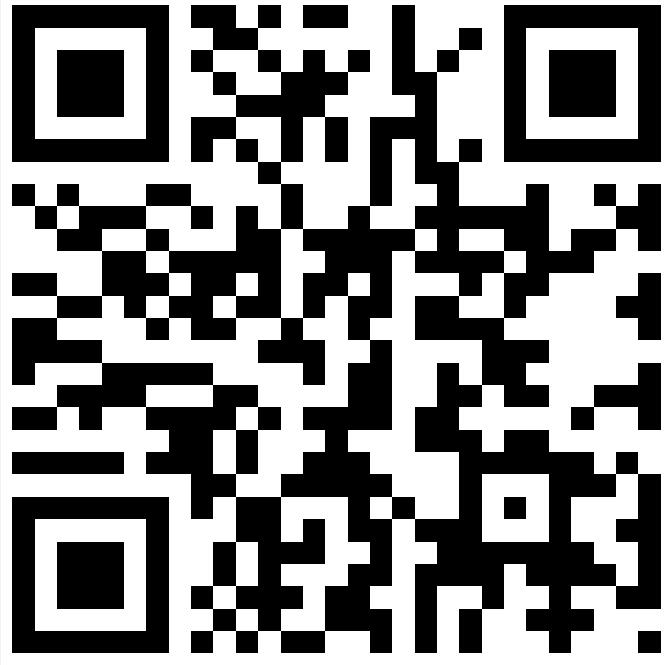


Social Clubs

Top examples:



Try it out...

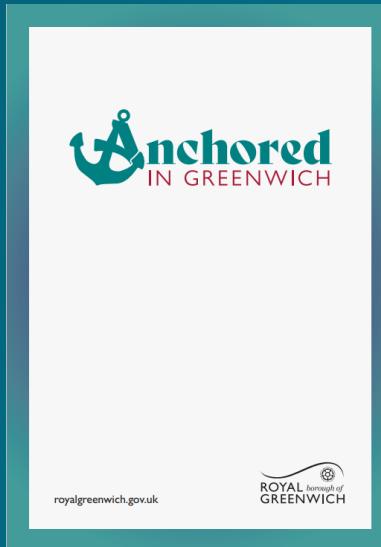


- Go to Coops UK Open data page with the QR code
- Download Organisation Data
- Open data and filter by *Registered State/Province* (Column I) selecting your place (e.g. Greenwich)
 - Note number of coops (rows)
- Filter by *FCA Reporting Class* (column L) selecting 'Social Clubs'
 - Note number of social clubs (rows)
- Remove reporting class filter and browse list

Identifying Priority Objectives: Key strategies

- Any high-level local partnership strategy
- Economic Strategy or Community Wealth Building Strategy
- Joint Strategic Needs Assessment
- Health & Wellbeing Plan
- Environmental Strategy
- Housing Strategy
- Transport Strategy
- Community Safety Strategy
- Council Plan

Key Strategies for Greenwich



Key Goals...

Our Missions



People

1. People's health supports them in living their best life
2. People will not experience discrimination
3. Those in financial need can access the right support, advice and opportunities to improve their situation
4. Children and young people can reach their full potential
5. Everyone in Greenwich is safer, and feels safer



Place

6. People in Greenwich have access to a safe and secure home that meets their needs
7. It is easier, safer and greener to move around the borough and the rest of London
8. Development delivers positive change to an area for existing and new communities
9. Neighbourhoods are vibrant, safe and attractive with community services that meet the needs of local residents
10. Greenwich plays an active role in tackling the climate crisis and improving environmental sustainability, in line with our commitment of being

Economy

11. Everyone has the opportunity to secure a good job
12. Town centres, high streets and shopping parades are vibrant, prosperous, well-maintained places that meet the needs of local people
13. The economy attracts new high value businesses whilst strengthening its foundations
14. The voluntary, community and socially motivated sectors in Greenwich are strengthened and able to provide more support to the most in need

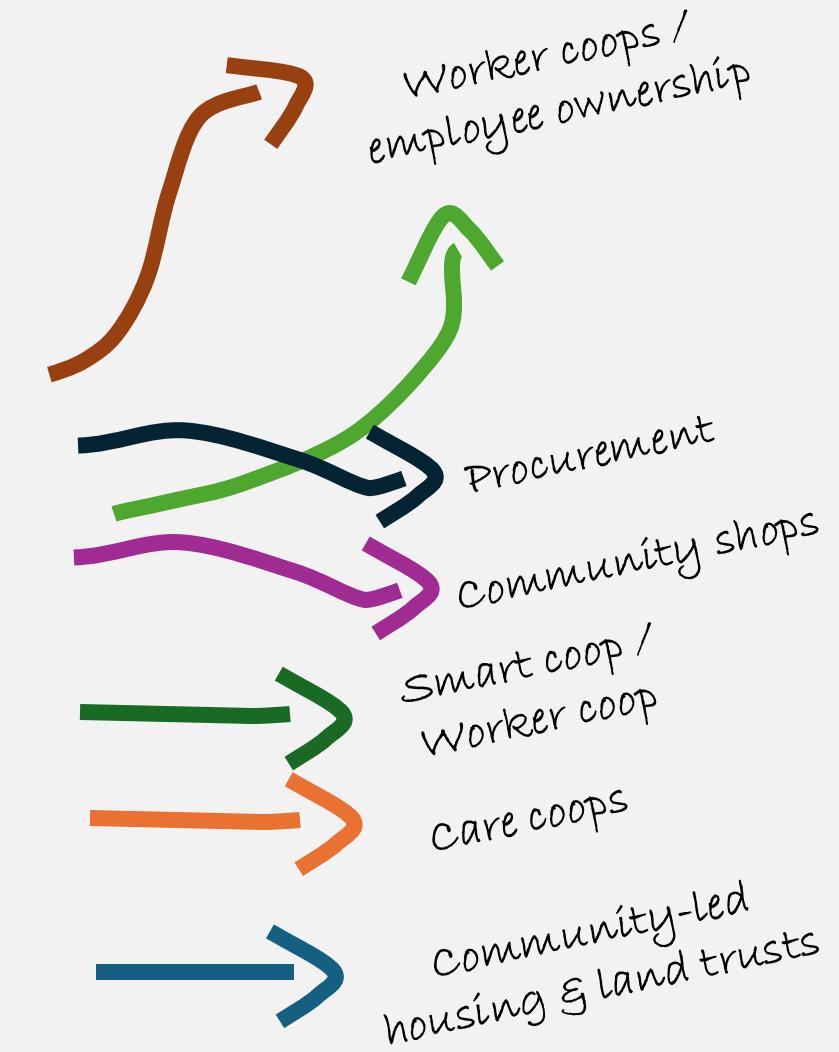
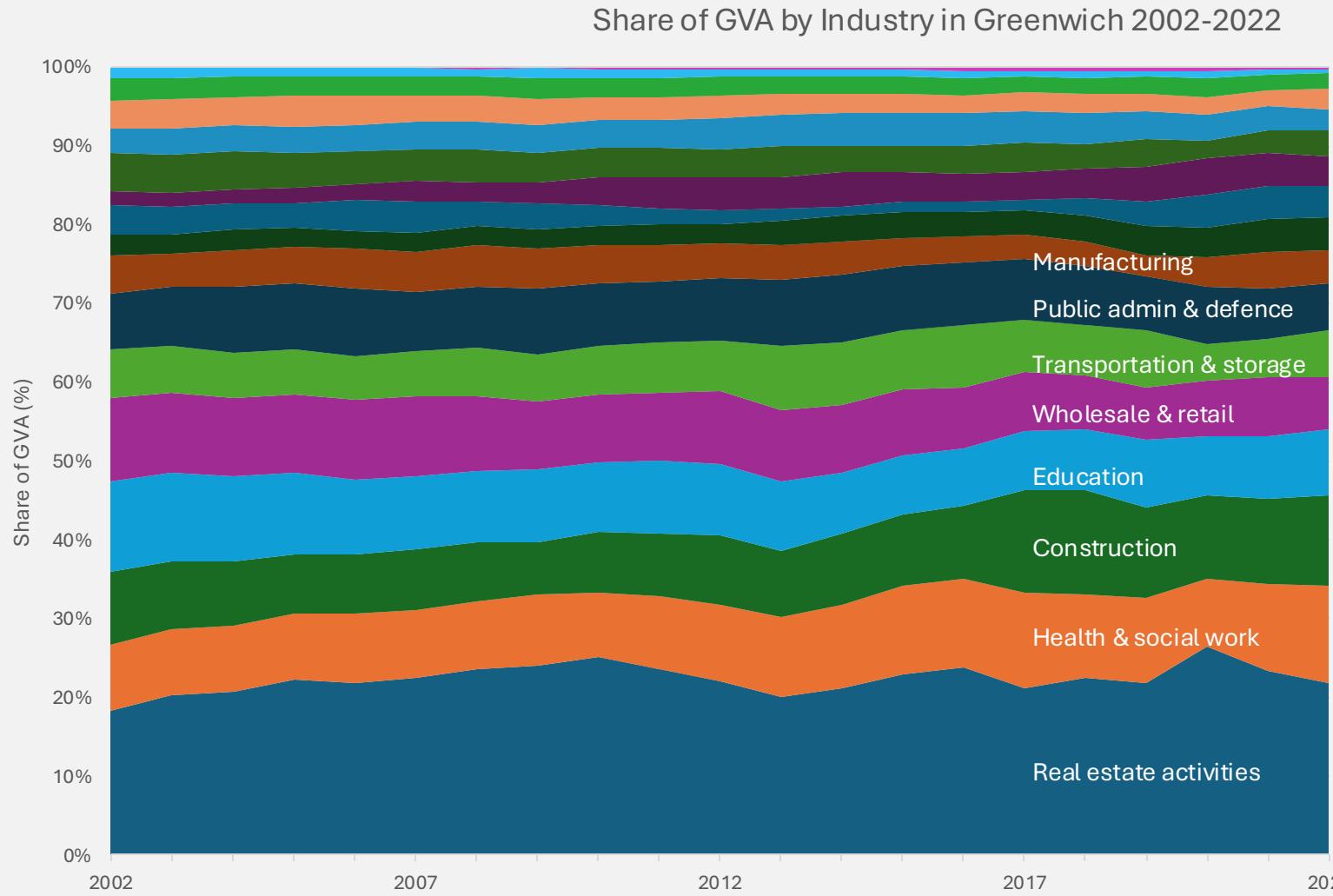
Communities

15. Our Council is better at listening to communities, and communities feel they are heard
16. We develop networks with communities, key partners and businesses to meet need and address challenges together
17. We design our services around the needs of our residents

Organisation

18. Our Council is an adaptive organisation, enabling it to navigate the increasing number of challenges it faces while remaining financially sustainable
19. Our Council works in the most efficient and effective ways possible
20. Our Council is a great place to work, with a diverse workforce who have the right skills and are motivated and empowered to deliver

The Greenwich Economy...



Market Failures

- Access to affordable quality food
- Access to affordable housing
- Access to affordable childcare
- Reduction in community spaces
- Exploitative employment practices in some sectors
- Extractive real estate sector that promotes speculative investment
- Increasing rental costs forcing out local retail & leisure businesses



- Who are my stakeholders and partners?
- Areas for Action
- Theory of Change
- Finance
- Measuring Impact



Cabinet portfolios

Each member of the Cabinet has a portfolio they are responsible for.

Portfolios for each member are as follows:

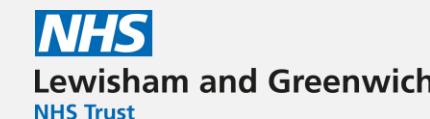
- [Anthony Okereke](#) – Leader of the Council
- [Averil Lekau](#) – Deputy Leader, also Cabinet Member for Climate Action, Sustainability and Transport
- [Adel Khaireh](#) – Cabinet Member for Children and Young People
- [Majid Rahman](#) – Cabinet Member for Planning, Estate Renewal and Development
- Vacancy – Cabinet Member for Equality, Culture and Communities
- [Denise Hyland](#) – Cabinet Member for Finance, Resources and Social Value
- [Jackie Smith](#) – Cabinet Member for [Inclusive Economy](#), Business, Skills and Greenwich Supports
- [Mariam Lolavar](#) – Cabinet Member for Health, [Adult Social Care](#) and Borough of Sanctuary
- [Pat Slattery](#) – Cabinet Member for [Housing Management, Neighbourhoods](#) and Homelessness
- [Rachel Taggart-Ryan](#) – Cabinet Member for Community Safety and Enforcement

Who are my stakeholders?

Your local MPs

There are three Members of Parliament serving Greenwich. The following Members of Parliament were elected during the UK Parliamentary General Election on 12 December 2019:

- [Clive Stanley Efford](#) – MP for Eltham
- [Abena Oppong-Asare](#) – MP for Erith and Thamesmead
- [Matthew Thomas Pennycook](#) – MP for Greenwich and Woolwich



Action Plan & Theory of Change

Area	Intervention	Outputs	Outcomes
Coop Awareness campaign	Coop option training Training for social entrepreneurs Social media campaign	Professionals and entrepreneurs with increased understanding Residents better understand coops and their contribution	Entrepreneurs consider coop option and/or are encouraged to Increased local spend with coops and other SEs
Policy Review	Revised policies for procurement, asset transfer, ACV and planning (esp. community-led housing)	More supportive policy environment for coops & social enterprises (SEs)	Higher # of registered ACVs Higher # of CLH planning apps
Business support	Revised approach to business support promoting alternative business models	More appropriate business support for coops & SEs	Higher # of new coops
Procurement	Identify opportunities to promote coop development through procurement	New coops developed and coops with public contracts	Increase of public spend £ with coops

Assumptions

Legislative context remains broadly similar

People will start coops if they understand them better

Coops able to engage with procurement processes

Professional services sector able to provide support following awareness raising

Jonathan Nunn

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