



# A co-operative agenda for **London 2012**



**the london co-operative party**





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# Foreword

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The London Co-operative Party has gone from strength to strength in recent years and in 2012 we have an excellent opportunity to take our ideas to the people of London as part of Ken Livingstone's campaign. The London Party has thousands of members and campaigns on a wide variety of important issues. We are well served by an experienced executive and many committed activists.

The vote for a new Mayor and Assembly in 2012 will be crucial to steer the future course of our city and we must all fight to get Ken and our Assembly candidates elected.

London has been badly let down by the current Mayor, who has consistently focused on self-promotion, just at the time that the people of London needed strong leadership on the real issues: the economy, crime, transport, poverty, inequality and opportunities for young people.

That is why I believe the Co-operative Party can make such a difference.

In this manifesto we put forward a co-operative vision for jobs, for skills, for clean and efficient energy use, for better transport and for stronger communities. We have the ideas and the commitment to build a greener, more equal and safer London.

The Co-operative Party has seen great success nationally in recent years and we know that our ideas can make a real difference to people's lives. I believe that this manifesto will be of great use to co-operators in London and to Ken's campaign.

2012 is the UN International Year of Co-operatives and so a hugely exciting year for our movement and our Party. We should be proud of our vision for a Greater London Commonwealth based on co-operative values and we should speak up together for those values and principles of co-operation.

**Gareth Thomas MP**

**Co-operative Party Chair**

**National Executive Committee member for London**



# Summary

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London is one of the world's great cities. Wonderfully diverse and varied; a city packed with entrepreneurialism and bright new ideas; a cultural capital with a rich history. The people of London have a lot to celebrate and of which to be proud.

In recent years though, Londoners have faced a series of problems that are not being taken seriously by the current Mayor. Personal finances are being tightly squeezed by high housing costs, government spending cuts, increasing transport fares, stagnant wages, ballooning energy bills and a lack of opportunities for young people. London is increasingly separated between those with money, opportunity and power, and those without. The Mayor has failed to take firm action on reducing carbon emissions, creating jobs, building new affordable homes or encouraging a community approach to reduce crime and resolve tensions.

London is already too unequal and the current Mayor's policies are taking our city in the wrong direction. We need a new Mayor who takes a serious approach to these serious issues.

The Co-operative Party has the ideas and the vision to build a strong, equitable and green London.

We are the Party that stands up for organisations and businesses that put people before profit. We believe that Londoners should be given direct democratic power – over their housing, their culture, their environment and the Olympic Legacy. By bringing people together, issues such as fuel poverty, affordable housing and community policing can be more effectively tackled.

Our agenda is not about selling off services, or relying on volunteers. We believe that a co-operative future for London should promote and build upon the best of the co-operative movement. A movement founded on the idea that ordinary people can work together to improve their own lives and their communities by coming together for a common purpose.

## Our policies at a glance

The manifesto is split into five themes.

### **1. An Economy in all our Interests (p.6)**

- The Mayor and Assembly should promote the growth of co-operatives to create jobs by incentivising lending to start-up co-op enterprises, appointing a City Hall 'Co-operative Commission' and exploring options to expand co-operative business development.
- Access to affordable and fair financial services is critical to build a better economy in London. The Mayor should support community finance initiatives and aspire that all Londoners will have access to a credit union by the end of the mayoral term.
- The Mayor should advocate a more diverse banking system and stand up for customer owned banking as a crucial element in reform of the City.

### **2. Building for the Future (p.10)**

- All Londoners should have access to affordable homes over which they have real control. The Mayor and Assembly should look to bring London's co-operative housing stock up to the European average of 10%.

- Existing social housing stock should be made more accountable to tenants, through the development of Tenant Management Co-operatives and promotion of co-operative housing options during stock transfer.
- London needs more affordable housing. The Co-operative Party's New Foundations model is an excellent way to make sure that new housing is accessible and sustainable.
- The Mayor should promote mutual forms of retirement homes.
- The Olympic Legacy must be in the interests of the communities of East London. We propose that the new homes and facilities should be owned mutually by residents.

### **3. Co-operative Communities (p.15)**

- The Mayor and GLA should work with local authorities to encourage the transfer of community assets – such as city farms – to the control of local people. The Mayor should advocate a new 'community gateway' model to make this process transparent, accountable and in the best interests of the communities.
- The Mayor should look to mutual models to make cultural events, such as Notting Hill Carnival, accountable to their communities.
- The Mayor should support and promote the Co-operative Councils initiative.
- The Mayor should promote inclusive, community policing and crime reduction partnerships. It is important to protect police outreach budgets as well as maintaining officers on the beat.
- Young Londoners must have a real democratic voice. We support votes at 16 for the mayoral and GLA elections, a co-operative Youth Assembly and encouraging young people to be ambassadors for greater democracy in their communities.

### **4. Ethical London (p.19)**

- The Mayor and Assembly must ensure that London takes seriously its position as the world's largest Fairtrade city. Embedding Fairtrade in City Hall and in London's sporting and cultural events is vital.
- London's green spaces – such as the Royal Parks - should be made more accountable to Londoners and 'brownfield' sites used to develop local food production.
- The Mayor and GLA should use 2012, the UN's Year of Co-operatives, to promote our movement and teach the values of co-operation.
- We need leadership to improve London's record on food consumption and waste. Not only should City Hall set the highest standards, but also the Mayor should promote sustainable consumption to London citizens by publicising what has been achieved and how.

### **5. Sustainable Infrastructure (p.23)**

- The Mayor should promote and develop consumer energy co-operatives as a radical way to cut fuel poverty, tackle climate change and address the cost of living crisis.
- The Mayor and Assembly should encourage community transport to cut costs and develop greener public transport alternatives.
- London's infrastructure should be better integrated and 'smarter'. The new Mayor should advocate a smart city approach and improved access to broadband, especially through telecoms co-operatives.

# An economy in all our interests

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## Harnessing co-operatives to create jobs and address inequality in London.

Londoners are facing a crisis in the cost of living brought on by the increasing price of basic goods, low wage growth, job losses and higher energy and housing costs. These pressures compound the inequality that often seems endemic in London, a city which includes some of the poorest communities in the UK as well as the headquarters of international investment banks. The current London Mayor has done very little to address basic economic issues that are of pressing concern to most ordinary Londoners. We need a Mayor and an Assembly who take the financial challenges of ordinary Londoners seriously and stand up for businesses that put people before profit.

The Co-operative Party advocates an agenda for jobs, for skills and to address inequality. We believe that the new Mayor and Assembly should look to harness the potential of co-operatives to create decent jobs and promote financial inclusion and education. The Co-operative agenda is a pro-growth agenda – we support enterprise, innovation and job-creation. But, crucially, co-operative business and mutual finance is not about generating profits for shareholders. Co-operatives are businesses with values, run for the benefit of their members and their communities.

We believe that by promoting co-operative businesses and values, the new Mayor can radically improve London's economy and society.

**Our vision: London's co-operative and financial mutual sector is harnessed by the new Mayor as a way to create jobs, tackle financial exclusion and promote financial education. The GLA puts energy and resources behind a drive to support small and large co-operative businesses and promotes the values that make co-operatives successful and ethical enterprises.**

## Promoting co-operatives to create jobs

The co-operative economy has seen great success in recent years. Since 2008, turnover of co-operative businesses nationally has increased by 21%, far out-performing the UK economy as a whole. The Co-operative Party welcomes the national and regional success of co-operatives, credit unions and mutual finance.

We believe that the Mayor can harness the success of co-operatives by providing support for their growth and potential for job creation in London.

- The Mayor and Assembly should put support for co-operative and mutual enterprises at the core of the London economic development strategy.
- An Assembly member should be given 'the co-operative economy' within their policy portfolio and tasked with promoting co-operative enterprise.
- In addition, the Mayor should appoint a 'Co-operative Commission', with strong links into co-operative and mutual businesses, in City Hall to co-ordinate different agencies and funding streams to support the growth of co-operatives and creation of jobs.



- The Mayor should look at options for partnering with the co-operative sector to provide start-up finance for new co-operatives.
- The Olympic Park and Legacy provides opportunities for new jobs in East London. The Mayor and Assembly should work to ensure that there is adequate support for start-up businesses which look to benefit and involve the community.

Co-operative development in London could be better co-ordinated and integrated, as it is in other parts of the country. Currently London's co-operative development is only just beginning to form a central co-ordinated base, with scattered organisations and initiatives across the boroughs with too few resources.

The Co-operative Party believes that the Mayor should invest in greater co-operative development in London to foster the creation of new co-operative businesses and promote the co-operative model. New initiatives should work with existing co-operative development structure and expand on them where appropriate. Any new services should provide business support and advice, as well as funding an increased number of skilled co-operative development workers.

- The Mayor and Assembly should drive an initiative to support co-operative development in London, this could include exploring options to better integrate existing co-operative development agencies. Any new co-operative development initiative should seek to generate a proportion of its own funding from consultancy, which would also help to cement a culture of enterprise within the organisation. Such an initiative could also develop revenue streams by providing advice and loans to consumer utility co-operatives.

## Fostering new businesses

One of the major ramifications of the credit crisis felt in London and across the country is the drying up of business loans from mainstream lenders. Access to finance to start or grow a business is crucial if we are to reduce unemployment and foster the talent and entrepreneurialism of Londoners.

Community Development Finance Institutions (CDFIs) already provide vital credit for small businesses unable to access finance from mainstream lenders but the demand for such services, and the value that they create, is not yet fully realised in London.

- The Co-operative Party believes that the Mayor and Assembly should commit to fostering new small businesses which create jobs and are often the lifeblood of communities. A London economy in all our interests is one which is able to provide support for smaller enterprises, including local co-operatives, as they form the overwhelming majority of London businesses by number.
- The Mayor and Assembly should work with boroughs, mainstream lenders and others to set up a Small Business Growth Fund for viable small businesses unable to access mainstream lending. There is great potential for City Hall to leverage investment from the private sector through the provision of first risk capital. The capital provided could be structured so as to benefit a portfolio of borrowers, including co-operatives and mutual enterprises. The private investment can be sourced from the very same mainstream lenders who are unable to offer the service needed by small businesses.

## Supporting London's community finance

Financial mutuals, such as building societies and credit unions, are run in the interests of their members, not external shareholders. Credit unions have seen increasing success in London over the last decade and the Co-operative Party welcomes this. We would like to see credit unions promoted by a new Mayor and Assembly to improve access to financial services and as a credible, attractive alternative for the banking needs of whole communities.

Recent research on the credit union sector in London has highlighted the need for strong community finance initiatives in the capital, as well as noting the success of credit unions in London in recent years. 57% of low-income Londoners are credit users, while 61% of Londoners have no savings. Legal loan sharking and illegal money lending are sometimes seen as the only viable options, a situation that it is vital to change.

The Co-operative Party believes that the new Mayor and Assembly should take seriously the challenge of supporting community finance by working with industry and borough partners.

- The Co-operative Party believes that the new Mayor and Assembly should commit to the aspiration that every Londoner has access to a credit union by the end of the Mayor's term. Currently there are borough wide credit unions in all but five boroughs. However we believe that this aspiration should recognise that credit union expansion should be organic and incremental, working with existing credit unions.
- The Mayor should champion a new scheme to provide targeted business support to London's credit unions. City Hall staff should be encouraged to second into credit unions and the Mayor should press banks to set up exchange schemes and training opportunities for credit union staff.
- The Mayor should take a lead on the growth of credit unions by ensuring that payroll deduction facilities to credit unions are available to employees of City Hall and the public bodies it oversees as a default employment benefit.

Whilst it is vital that communities have access to decent financial services, it is also important that they have access to good financial education. The Mayor and Assembly should provide leadership within London to build knowledge and skills on financial issues.

- The Mayor and Assembly should partner with the co-operative movement, boroughs and others to fund 'Money Mentors' to provide financial education through the credit union network for credit union members.
- The Mayor and Assembly should work with the credit union sector to help expand the work in primary and secondary schools undertaken by the credit union sector, to teach young people about sound financial management and raise awareness of community finance initiatives.

## A better way to do business

The financial crisis and recession have shown that London's economy is overly exposed to risky lending from some parts of our financial services. Currently London's financial services are dominated by a single business model – the large, shareholder owned plc. Research has suggested that stability is increased through greater diversity of service providers. The Co-operative Party believes that a strong vibrant mutual sector would help us to avoid the mistakes of the past.

- The Mayor should support the development of greater diversity in financial services, by advocating the responsible lending of building societies and mutuals as well as the co-operative business ethos.
- The Mayor should work with national Government to develop a 'diversity index' for London's financial services, which seeks to create a more stable and equitable balance between plc and mutual financial services. This could be underpinned by a 'diversity threshold', which would be a target for government and regulators. The diversity index and threshold should be embedded within the new national regulatory architecture that is likely to be in place by late 2012.

The Co-operative Party believes that inequality is damaging to both society and the economy. Low income families in London have been abandoned by the national government and current Mayor, whilst the richest are increasingly divorced from their communities. We need a Mayor who takes inequality seriously and has a strategy to make London a more equal city. Co-operatives operate ethically and responsibly and invest within their communities. We believe that promoting the co-operative ethos will benefit all of London by making our city more equal.

- The Mayor and Assembly should support the Living Wage campaign.
- The Mayor should promote co-operative businesses as a way to address inequality, using the 2012 UN Year of Co-operatives as a platform.
- The Mayor should look at incentives within current capital and revenue streams for start-up businesses, from City Hall, central Government and Europe and press for measures to incentivise those who are looking to set up businesses that benefit their communities or are structured as mutuals and co-operatives.

# Building for the future

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## Delivering co-operative, affordable and sustainable living in London.

Access to decent and affordable housing is a critical issue for Londoners. Pressure on mortgage affordability has come in recent years from four factors: a contraction in house building, demographic shift (a growing population and more single households), greater prosperity and a slowdown in lending following the financial crisis. Equally, private rents in London are soaring above the national average while wage growth has been stagnant. Young people and those on lower incomes are disproportionately affected, trapped between options of high rent, reduced state subsidy or unaffordable deposits for mortgages. Housing has become a key source of intergenerational and social injustice.

On top of these pressures, housing policy – both from City Hall and Westminster - is hitting the most vulnerable hardest. Loss of security of tenure for social housing tenants will have an enormous impact on the wellbeing of thousands of Londoners. The housing benefit ceiling has been cut to 30% of market rents, whilst there are further cuts of 11.5% to the Supporting People Budget and of 13% for those on housing benefit with a spare bedroom. Indeed, the new ‘affordable rent scheme’, is stretching beyond recognition the very term ‘affordable’. In addition, City Hall has failed to meet both its own house building targets and scrapped the aspiration of the previous Mayor for half of all new builds to be genuinely affordable.

Londoners deserve better and we believe that co-operative housing provides a much needed alternative. Co-operative housing models give residents and tenants real control over their conditions of living through embedding democracy. Evidence from the Tenants Services Authority, published by the Commission on Co-operative and Mutual Housing, shows that co-operative housing is by far the most popular with tenants on all indicators tested. Co-operative housing organisations also establish and sustain community identity by bringing people together to make decisions on their future. The Co-operative Party is promoting and pioneering new models of ownership that provide affordable and sustainable living and could be used to alleviate the pressure on London’s housing.

**Our vision: Every Londoner has access to an affordable, decent home over which they have democratic control or mutual ownership. Londoners are given real, democratic control over their Olympic legacy.**

The Co-operative Party believes that the principles and models of housing co-operatives should be central to London’s statutory future housing policy.

- The Mayor should include a ‘co-operative and mutual housing vision’ at the heart of the next London Housing Strategy and London Plan which includes a commitment to raise the level of co-operative housing in London to the European average of 10%.

## Democratic Housing

Housing Association boards are too often controlled by housing professionals, rather than tenants. Housing co-operatives and co-operatives principles at the heart of other tenures will give people control over their lives. Stock transfer provides an opportunity to develop democratic, co-operative principles in social housing.

The Housing Strategy and London Plan should include commitments to:

- Ensure councils prioritise co-operative and mutual housing when considering stock transfer. Local authorities should be encouraged to change their 'value for money' methodology to recognise the social, personal and economic benefits of housing co-operatives and other mutual community owned and managed housing.
- Ensure that tenants considering application for stock transfers are aware of the co-operative and mutual options available. This should be co-ordinated with Boroughs and with appropriate London agencies.
- Ensure that when local authorities hold ballots on stock transfer, tenants are able to vote for a community-led transfer. The models available should include the Community Mutual model and the Community Gateway model.

Almost a quarter of housing stock in London is social housing, going up to half for some East London boroughs. It is vital that housing associations and local authority social housing can be made more democratic even if they are not co-operatives.

- The Mayor should declare a London tenant 'right to manage' in the Housing Strategy. In local authority housing, this should take the form of Tenant Management Co-operatives who would take over the management of day to day running of the housing stock. The right to manage should also be extended to housing association stock and the Mayor can encourage this through targeting subsidies to those associations which have tenant representation on boards.
- The Mayor should commit in the Housing Strategy to make subsidies for new developments for housing associations contingent on greater democracy in the association. Subsidy should only be granted to associations that enable their tenants to exercise the right to manage as a co-operative and include tenant participation on their board.



## New Foundations

The Co-operative Party supports Labour's commitment to build more affordable homes in London. We believe that the core principles of new investment should be:

- 50% of new build housing should be affordable.
- 30% of new affordable housing should be co-operative addressing in particular intermediate affordable provision. This will start to move London towards the European average of 10% co-operative housing.

The basis for new investment in co-operative housing in London should come from the Co-operative Party's 'New Foundations' model.

The New Foundations model, developed by the Co-operative Party and CDS Co-operatives, separates the cost of the land from the purchase price, through the use of a community land trust. The homes are financed by a corporate loan taken out by the co-operative. Residents would be able to start by paying rent to the co-operative and then be able to buy equity shares in the co-operative when their income permitted them to do so. Rent is geared to be affordable at 35% of net household income.

Initial capital subsidy is released over time as members incomes rise, allowing members to buy more equity shares. The community land trust can then use this capital to invest in more affordable homes.

- New investment in affordable co-operative housing should be based on the Co-operative Party's 'New Foundations' model.
- The Mayor and Assembly should press Government to pass any necessary legislation to support London's Co-operative Housing Vision.
- The Mayor should follow the example of the Huw Lewis, the Labour Co-operative housing minister in Wales, with an aspiration for 10% of housing stock to be co-operative.

The New Foundations model is attractive because it tackles head on the major issues for London's future housing provision. It brings affordability as it allows for mixed tenure – both an equity stake through co-operative ownership and co-operative rent.

The model is also well placed for institutional investment, such as from pension funds, due to the long-term and mutual nature of the community land trust offering a secure asset which generates reliable cashflows.

- The Mayor should work with Boroughs to promote housing co-operatives as an investment opportunity for pension funds.
- The Mayor should work with large co-operative and mutual finance institutions to secure investment for housing co-operatives based on the New Foundations model. The Mayor should show willingness to back the scheme financially giving investors greater confidence in the assets, which are already much more secure than many other social finance investments.
- The Mayor should press the government to ensure that some funding from 'Big Society Capital' bank is ring-fenced for co-operative affordable housing schemes in London.
- The Mayor and Assembly should set up a working group to report on the feasibility of a London 'Co-operative and Community Housing Bank', privately funded, to invest in housing co-operatives and other community owned and managed housing.

In order to help secure co-operative housing as an alternative source of affordable housing, the Mayor and Assembly should press for national legislation to recognise co-operative housing as a distinct tenure.

- The Mayor should press UK parliamentary colleagues to pass national legislation to create a distinct form of co-operative housing tenure. This should build upon the work of Co-operative MPs who tabled a 10 minute rule bill on this issue in the Autumn of 2011.

There is also a real opportunity to link new investment in house building with environmental sustainability. Housing co-operatives are often at the forefront of green living, encouraging their development will also help achieve our shared environmental goals for London. The Mayor and Assembly must work to ensure that as we develop much needed new affordable housing, we also consider energy efficiency and climate change adaptation.

- The Mayor's Housing Strategy must include financial incentives for greater energy efficiency, such as making funding for new builds contingent on the installation of smart meters or improved insulation.
- The Mayor's Housing Strategy should include the target for all new housing to meet level 6 of the Code for Sustainable Homes.
- The next Mayor's Housing Strategy should include a consideration of the projected impacts of climate change and provide recommendations for how funding can be used to incentivise resilient building and the retrofit of existing stock.

## Mutual Retirement

London, like the rest of the UK, faces changing demographic pressures over coming decades. It is crucial that older people have decent options for housing in retirement, which are affordable and allow residents to retain the ability to take their own decisions about their housing.

Whilst the majority of people will remain in the own homes and some may need to move into residential care for health reasons, many older people are deciding to sell their existing homes and buy into private sector retirement housing.

Mutual alternatives to private sector providers of retirement housing could provide many older people with an improved quality of life whilst helping them retain control over decisions within their housing. Mutual retirement housing is also an attractive alternative as it can help foster companionship, boost self confidence and reduce dependency.

Mutual retirement housing in London could be developed along similar lines to the 'New Foundations' model, with residents becoming members of a co-operative which owns the land on which the retirement housing is built. Capital could be provided by residents from the sale of their existing homes and loan capital from commercial lenders.

- The Mayor and Assembly should work with local authorities to encourage mutual alternatives in retirement housing.
- The Mayor should press for necessary legislative changes to give mutual forms of retirement housing a level playing field with private providers.

## London's Olympic Legacy

The London 2012 Olympics are a great opportunity for our city. Not only are we showcasing the world's sporting talent and encouraging greater participation in sport, but we are re-developing a part of London that has long been in need of greater investment. The key principle of that re-development and legacy should be that the people of London come first.

So far, the people of East London have not had a big enough say in the legacy. It is not enough just to vote for the names of the new communities – the existing communities should have a real say in how their area develops.

The Co-operative Party welcomes the opportunities that the Olympics bring to London. It is now crucial that the ownership and control of the legacy is put into the hands of ordinary Londoners.

- The Co-operative Party believes that legacy decisions should be as accountable as possible to the people affected.
- The Olympic Park Legacy Company (OPLC) should be more accountable to local people. The Mayor and Assembly should commit to quickly exploring options for reforming the board of the OPLC to include elected representatives from the affected boroughs.
- The Mayor should encourage the use of housing co-operatives to provide at least 30% of the new affordable housing, reflecting the policy for London as a whole.
- The Mayor should press for the 8000 new homes created as part of the Olympic investment to be made as accountable as possible to residents and tenants.
- Community groups should be encouraged to come together to take ownership of the assets from the Olympic investment – parks, shops and sporting facilities.
- The Mayor should encourage the use of co-operatives in improving the sustainability of the Olympic legacy. By championing the Olympic legacy homes, businesses and facilities as a new consumer and producer energy co-operative with additional investment in renewable energy, insulation and smart meters, the Mayor could help the new site reduce fossil fuel dependence and target fuel poverty.
- As well as being the year in which the Olympics come to London, 2012 is the UN's International Year of Co-operatives. The Mayor and Assembly should use this opportunity, and that of the Olympic legacy, to promote and endorse co-operative values of self-help, self-responsibility, democracy, equality, equity and solidarity.

# Co-operative Communities

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## Strengthening London's communities by passing real power to citizens

London is a vibrant and diverse capital, built up of thousands of communities, cultures and identities. The Co-operative Party will always celebrate and promote London's social richness and we believe that the ideas and actions of our movement bring people together across the city for collective benefit. At their core, co-operatives and mutuals are organisations and businesses that give a democratic voice to all their members. We believe that the new Mayor and Assembly must draw upon the co-operative ethos as they seek to strengthen the bonds of community that are so vital to London.

Over the last two years our city has experienced protests, riots and severe cuts to local services. These events and decisions threaten the fabric of communities and threaten to isolate groups while turning them against one another. It is vital for London that the new Mayor and Assembly stand up for strong and co-operative communities in which people feel safe.

Crime fell across London under Ken Livingstone, whilst incidents of knife crime and gang violence have risen under the current Mayor. Funding for the Metropolitan Police is crucial, but ensuring that police officers are able to engage effectively with the communities they serve is equally vital. We must also ensure that young people are given respect, opportunities and a democratic voice.

The Co-operative Party believes that a serious plan for London's future should include the recognition that co-operative communities are safer and stronger.

**Our vision: The Mayor and Assembly press for greater ownership of community and cultural assets by the people who use them, whilst encouraging young people to become active and co-operative members of their communities.**

## Young co-operators

Young people in London are often given a bad name in the national and local press, despite all of their positive contributions to our city. The Co-operative Party wants to see a greater voice for young Londoners, in terms of access to democracy and engagement in services. We believe the Mayor and Assembly should help to bring young people into the centre of London's communities, rather than forcing them to the margins.

- The Mayor and Assembly should press for votes from 16 in future London Authority elections. This policy could be seen as part of an agenda to engage young voters and would be an excellent pilot for the country.
- The Mayor and Assembly members should work with borough partners to encourage a roll out of Lambeth's 'Youth Mayor' initiative across London. This hugely successful scheme has engaged young people and attracted over 20,000 votes since it was set up in 2008.
- To support the borough level 'Youth Mayor' project, the GLA should set up a 'Youth Assembly', resourced from City Hall but which goes out to the boroughs and engages young people through social media to increase accessibility. The Youth Assembly should be structured as a co-operative– with an open and democratic membership and signed up to the values of the co-operative movement. The Youth Assembly would be a forum for young people to take their concerns or questions to the Mayor and GLA.
- These initiatives to increase the democratic voice of young Londoners should be united with a drive to encourage young people to engage with their communities. Each October in 'local democracy week', young people should be encouraged by the Mayor and Assembly members, in collaboration with borough partners, to go into their communities and help people sign on to voting registers.
- The Mayor should use the UN International Year of Co-operatives to encourage a drive to educate young people about the value of co-operatives in their communities. The Mayor should partner with the co-operative movement and others to sponsor 'Co-operative Ambassadors' to go into London's schools and engage young people on the ideas of our movement.

## Co-operative Councils

The Co-operative Councils Network is a network of Labour Councils that are implementing co-operative policies and ways of providing services, which give communities power and a real say over the ways they are run. The new initiative aims to spread best practice and encourage co-operative solutions in local government. The Co-operative Party and the LGA Labour Group jointly launched the network in 2011.

- Co-operative approaches can be applied to almost every aspect of local government, including community regeneration and economic development, youth services, housing, leisure, social services and education. The precise model is different from service to service, but the approach is the same – working together, building self-reliance, encouraging innovation.
- The Mayor and Assembly should work with boroughs to encourage the promotion and development of the Co-operative Councils initiative in London. Currently one council (Lambeth) and one Labour group (Redbridge) are within the network in London.

The Mayor and Assembly should engage with the Co-operative Council Network to ensure that City Hall also benefits from the ideas coming out of the network and is able to work effectively with the councils involved.



## Community and cultural assets

Swingeing public spending cuts from national government to local authority budgets, alongside a weak economy, have put many of the services and facilities for London's communities at risk. Children's playgrounds, city farms, lidos, pubs and community shops across the capital are facing closure or sale. It is vital that these facilities remain in the use of their community as often such places are focal points that bring a mix of people together and provide vital services.

Such community assets could be taken over and run by local people to avoid closure, provided that there are adequate revenue streams and good business support. This is not about voluntarism, but rather fostering community owned businesses that employ staff and provide reliable services.

The Co-operative Party endorses the findings of the Quirk Review and believes that local and national authorities should work to increase the rate of asset transfer. The Co-operative Party advocates the use of community benefit societies as the best legal model to ensure that assets remain accountable and in the public interest.

- Whilst community assets – such as playgrounds and city farms - are often under local authority rather than GLA control, the Mayor and Assembly should use their position to advocate the process of community asset transfer to ownership and management by local people, especially when such assets face closure or sale to a private company. The Mayor and Assembly should promote the community benefit society model as the best means for this transfer.

Whilst the Co-operative Party believes that London would benefit from having more community assets locked into local ownership, we understand that the process of asset transfer is itself often complex and difficult in particular circumstances. More should be done to ensure that communities have a voice and a stake in the process of asset transfer, in order that they feel it is something led by the community, rather than imposed on it.

- The Mayor and Assembly, working with local authority partners, should set up a 'community gateway model' for London's asset transfer, based on the community gateway model for housing stock transfer. This model would ensure that communities can develop the process of asset transfer at their own pace.

The Co-operative Party believes that London's cultural heritage can also be made more accountable to local people. The world famous Notting Hill Carnival, which attracts over one million visitors per year would benefit from greater accountability to the community. The new Mayor and Assembly should look again at the review into the Carnival commissioned by Ken Livingstone in 2004 which noted the need for the Carnival to incorporate the diverse views of interested parties and secure sustainable funding.

- The Mayor and Assembly should explore the possibility of facilitating a move by Carnival organisers to create a member owned Notting Hill Carnival mutual. Not only would an open and democratic member mutual be accountable to the community and interested parties, but mutual ownership could allow for new funding streams to be accessed.

## Crime and policing

Whilst incidents of many forms of crime, including violent crimes, fell under Ken Livingstone the fear of crime remained high. This is important, because the perception of crime and the fear generated can be damaging to community relations. Whilst the new Mayor and Assembly will need to tackle crime and disorder itself, which has increased under the current Mayor, they will also need to ensure that people feel safe in their communities.

The Co-operative Party believes we should look to co-operative community initiatives to reduce the crime and the fear of crime by bringing people together and forging links between different groups.

- Crime and Disorder Reduction Partnerships (CDRPs) have been effective at making the reduction of crime a key priority in local authorities and communicating the community's interests to the police. The partnerships, which are an unsung success from the Labour government, engage communities and can make a real difference to how the public feel about crime in their area. The Mayor and Assembly should encourage the development of these partnerships and help to raise awareness about them through the Metropolitan Police.
- The Mayor should work hard to protect the budget of the Metropolitan Police from national government spending cuts and to ensure that spending on community projects and outreach projects are not disproportionately cut.

# Ethical London

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## Revolutionising how we live and work to reflect our values.

The Co-operative Party believes that the Mayor and Assembly should provide inspirational leadership, in London and elsewhere, for a revolution in sustainable and ethical living. This is particularly important given the huge rift in lifestyles between the wealthy and deprived within the capital. Much of inner London is in the top decile of the Index of Multiple Deprivation, with very little purchasing power to consume, yet in the same area city firms rank among the most carbon intensive businesses in the UK. City salaries are driving massive consumption and waste as well as the social problems posed by inequality. The Co-operative Party believes more should be done to decarbonise the city of London, reduce consumption and to address inequalities.

Reducing food miles and encouraging greater food production in London is not only the right thing to do, but can also help Londoners to save at a time that individual's budgets are hard pressed. The same is true of food waste, which must be put to better use.

The current Mayor has given warm words to initiatives to change the consumption patterns of people and businesses, but real pressure is needed if we are to have revolutionary change. Boroughs and businesses must be held to account for consumption choices, whether on fair trade, energy or recycling. Ken Livingstone drove real action on improving London's environment, we must return to practical solutions, rather than hot air.

The Co-operative Party and co-operative movement are ethically driven. Our values of self-help, self-responsibility, democracy, equality, equity and solidarity are values that should be central to London's future. As 2012 is the UN's International Year of Co-operatives, it is a unique opportunity for the Mayor and Assembly promote a values driven approach to London that reflects the values of our movement.

**Our vision: London, as the world's first 'Co-operative City', is made to emulate the values of our movement. Green spaces are democratised and unethical consumption and waste are addressed. The Mayor embeds Fairtrade initiatives into his areas of responsibility and Assembly members actively promote Fairtrade in all boroughs.**

## Embedding Fairtrade

London should be proud to be the world's largest Fairtrade city, but much more could be done to ensure that all the boroughs participate in this crucial initiative that has long been intertwined with the co-operative movement. The Mayor and GLA should show real leadership to ensure decent prices and working conditions for farmers and workers in the developing world.

The Co-operative Party is pleased that London is a 'Fairtrade City', but just as with our proposal for London to be a 'Co-operative City' we think that the name should be a tool for action, rather than an end in itself. The Mayor should be doing more to embed Fairtrade and set an example with City Hall.

- The Mayor and Assembly members should commit to become Fairtrade Ambassadors for London internationally and within the boroughs. Each Assembly Member should commit to leading the borough(s) for which they are responsible to become a Fairtrade Borough.
- The Mayor and Assembly should use City Hall Fairtrade projects and procurement to encourage a greater emphasis on worker ownership of production and supply chains. This allows primary producers to gain an increasing share of the profits of their enterprise. The Co-operative Party believes this should be the future strategic direction for the Fairtrade movement.
- The Olympics are a fantastic opportunity to showcase London as a Fairtrade city. The Mayor should use his position to pressure delivery authorities and London more widely to commit to using Fairtrade produce during the games and beyond.
- The Mayor should commit that all future major London sporting events, such as the 2015 Rugby World Cup, will be Fairtrade events. The Mayor should pressure other major world cities to make similar commitments.
- The Mayor should use the stature of the office to champion national policies that would benefit the Fairtrade movement. The Mayor should call on the government to remove VAT for Fairtrade products and press for the scrapping of EU tariffs on fairly traded goods.

## Transforming London's Consumption and Waste

London's economy is often energy intensive. Research has shown that the businesses responsible for the highest levels of greenhouse gas emissions are often in financial services. As the price of oil and other fossil fuel intensive forms of energy remains volatile, this is bad for business as well as for the environment. London should seek to decarbonise its economy: to save money and tackle global warming.

- The Mayor should make it a priority for the next term to decarbonise London's financial services. This should be achieved through increasing the use of renewable energy, but also by naming and shaming businesses that waste significant amounts of energy. The Mayor could publish a 'Carbon List' on the GLA website, detailing the most carbon intensive businesses.

Food consumption and waste is also an issue for which the co-operative ethos can be harnessed to improve London. Ken Livingstone took sustainable food seriously as Mayor, he established the London Food Board and the Food Strategy Unit at the London Development Agency, as well as publishing the first (and only) London Food Strategy. The current Mayor has not produced his own food strategy for London and with the scrapping of the London Development Agency it is not clear how much resource will go to strategically planning for sustainable food use in London.

- The Mayor should commit to promote more sustainable and ethical consumption of food. The new Mayor should produce a new food strategy for London during the term and should ensure that there is adequate resource in City Hall to give strategic direction to sustainable food consumption in London.
- To increase transparency, the Mayor should fund an online 'Sustainability Map' for London that rates the borough authorities against one another on the use of Fairtrade produce, space for community food production, 'food miles' for the authority, recycling and other suitable metrics.

- The Mayor should commit to reform the procurement standards for those organisations that fall under his responsibility such as the Metropolitan Police, Transport for London and the London Fire Service. GLA funded organisations should sign up to 'food sustainability contracts' to increase the use of Fairtrade, low carbon and sustainable produce (such as sustainably caught or farmed fish).
- London should lead on cutting food waste and making best use of waste. The Mayor should commit to cutting City Hall's food waste and supporting 'community compost' schemes.
- The Mayor should commit to partnering with existing charities focused on food affordability and the waste of food to encourage borough by borough reductions in waste. The Mayor should commit to support social enterprises and co-operatives in the capital that seek to redistribute food that would be wasted to vulnerable groups such as the homeless.
- The Mayor and Assembly should support community food enterprises such as food co-operatives, community owned shops and farmers' markets in London by partnering with boroughs and charities to provide affordable business support and promote these businesses to their communities.
- The Mayor should raise awareness about the collapse in pollinator species, such as bees, and support current campaigns to address the problem. The Co-operative Group's 'Plan Bee' campaign includes a commitment to support urban bee keeping in London, the Mayor should highlight the work of this campaign in preserving pollinator populations.

## Community Green Spaces

London is fortunate to have extensive green spaces in proportion to the size and population of the city. Royal Parks, the 'green belt' and allotments are all part of London's diverse environment. The Co-operative Party would like to see London's green spaces become more accountable to Londoners and used more effectively to reduce food miles and waste.

Responsibility for the Royal Parks is moving to the Mayor, from the Department of Culture, Media and Sport. Whilst the government announced that this would make the Royal Parks much more directly accountable to Londoners, the new Royal Parks board will be appointed by the Mayor rather than Londoners themselves.

Londoners should be trusted to have real responsibility and ownership of their parks.

- The Royal Parks should be preserved as community green spaces for Londoners. Any reform of the ownership or management of the Parks should be accompanied by appropriate locks on the land, so that the Parks cannot be developed in ways that do not align with their community purpose.
- The Mayor should commit to explore the creation of a Royal Parks' mutual which would have open membership and a democratic board, as well as ownership of the land. This would only be set up with appropriate locks on the use of the land.

Community allotments can help people to reduce their food bills and gain new skills.

- The Mayor should encourage the development of co-operative allotments on suitable, unused land. The land should be locked into permanent use for the community through the use of community land trusts with 'community benefit society' status.



## UN International Year of Co-operatives

2012 is the United Nation's International Year of Co-operatives. The UN has resolved to encourage all member countries to use 2012 to 'promote cooperatives and raise awareness of their contribution to social and economic development and promote the formation and growth of cooperatives'. The Co-operative Group has resolved to invest £1 million to celebrate and promote this UN initiative.

- The Mayor and GLA should partner with the co-operative movement to promote and celebrate co-operatives as a priority through 2012.
- London should become the world's first 'Co-operative City' in 2012. The Co-operative Party, Mayor and Assembly would draw up a charter of values for London which could be used to promote co-operative development. The Co-operative City status should be used as a tool to promote economic development, job creation and ethical business.
- To show real commitment in 2012 to co-operatives as an opportunity for economic development and regeneration, the Mayor should commit to setting up a 'Co-operative Development Centre' modelled on the existing centre in Wales (see page 7).

# Sustainable Infrastructure

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## Creating accessible, green and integrated energy and transport

Transport and energy must be at the centre of any vision for a better London. Our shared infrastructure is often prohibitively expensive, crowded and ill-equipped for the projected impacts of climate change. The Co-operative Party believes more should be done to reduce the carbon intensity of our infrastructure, whether it is through the promotion of renewable energy or through energy efficiency.

Our city's rapid population growth and changing climate will only intensify the need to reform our infrastructure. This is not just an issue of environmental responsibility, but also of fairness. Access to reliable and cheap transport and affordable electricity and gas is of critical importance to many Londoners. Around 10% of London households are classed as fuel poor and once London's proportionately higher housing costs are included, this rises to 24%. The problem will only be compounded by energy companies' recent above inflation price hikes.

In addition, above inflation hikes to transport fares are creating a cost of living crisis for many Londoners. The current Mayor has done little to keep this under control, preferring to grandstand with signature – but ultimately ineffective – transport schemes. Single bus fares have gone up by 44% since the current Mayor took office.

The Co-operative Party believes that by coming together, consumers can fight for a better deal and protect the most vulnerable. Energy and transport co-operatives offer a way to pool collective buying power and can be linked to energy efficiency and renewable energy schemes. Co-operatives models and principles offer a sustainable future for London's infrastructure.

**Our Vision: London takes full advantage of the consumer energy co-op movement, making energy more affordable and reducing consumption. London's transport and communications infrastructure is accountable to its users and accessible to those on lower incomes.**

## Collective Power

The Co-operative Party has developed a model to revolutionise consumer energy. The model brings together solutions to fuel poverty, energy insecurity and climate change, which are often seen as conflicting problems. Indeed, evidence from other countries – such as Denmark, Norway and Sweden – suggests that bringing together individuals and businesses into energy co-operatives is the most effective way to address these issues.

Collective power models involve residents joining with their local schools, community institutions and businesses to form a consumer co-operative which collectively purchases gas and electricity wholesale from the energy markets. Banding together enables the co-operative to secure lower prices, through collective purchasing power. This is an effective and practical way to combat the cost of living crisis for Londoners brought on by increasing energy prices and stagnant wages.

- The Mayor should champion energy co-operatives as an innovative way to reduce the cost of living for Londoners and commit to reduce London's carbon dependent energy use through collective power models. This could involve:
  - A forum on the London.gov.uk website to share best practice for consumer energy co-ops and get advice on setting them up.
  - 'Cost of living crisis' workshops in each London borough with experts on collective power.
  - Partner with organisations and charities that encourage energy saving to provide practical help and funding to those who wish to set up consumer energy co-operatives.
  - Partner with existing energy co-operatives to encourage their development in London and encourage them to support new energy co-ops in London.
  - Commit to the Olympic legacy homes being a large scale London pilot as a consumer and producer energy co-operative.

New energy co-operatives will require business support, community engagement and legal support.

- The Mayor and Assembly should use some of the assets and resources from the London Development Agency, which is being wound down and incorporated into the GLA, to set up a 'London Co-operative Centre', modelled on the Welsh Co-operative Centre (see p. 7). The Centre should include a 'community energy unit' which would:
  - Act as a delivery agent to join up the various London interests on community energy and climate change
  - Actively engage with existing expertise on local level renewable energy and climate change solutions
  - Provide a support hub for the development of collective energy schemes; including legal and financial advice.
  - Develop model constitutions that could be used by community energy projects.

Collective power can be revolutionary for London's consumer energy market. Its potential goes beyond this though – energy co-operatives can also drive necessary improvements to the energy efficiency of our homes and businesses. This is both good for the budgets of hard pressed Londoners, but also sustainable. The installation of smart meters has been found to reduce energy use by up to a quarter, whilst there is enormous scope for improving retrofitting insulation. The previous Mayor set a target of 200,000 homes (6%) to be better insulated, but only managed a quarter of that. Energy co-operatives could drive real change.

- The Mayor and Assembly should partner consumer energy co-operatives with private investors or low carbon charities to buy smart meters and home insulation for their members. This can be either as a grant or as a loan paid back by the co-operative through the energy efficiency savings made by its members. The Mayor could consider the use of GLA funding to do this for pilot energy co-operatives, in order to demonstrate the effectiveness of the scheme.
- The Mayor and Assembly should provide subsidy for consumer energy co-operatives to develop renewable energy production, for example through a partnership with solar energy co-operatives. This subsidy could be in the form of a loan paid back over time from cost savings or contributions to the grid.

## Community Transport

The Co-operative Party believes that transport should be accessible, affordable and accountable. The best way to ensure people-centred transport provision is to encourage local authorities or community groups to pool resources.

Hackney Community Transport (HCT) is an excellent example of a community transport company. HCT re-invests surpluses into transport provision to ensure that services remain affordable for everyone in the community. This sort of community transport can help to improve the mobility of Londoners for whom current transport provision is less accessible.

- The Mayor and Assembly should work with local authorities, social enterprises and others to build London's provision of affordable community transport. The Mayor and Assembly should encourage authorities and social enterprises to look into community vehicle pools that could provide social care, health and education transport. The Mayor should look at ways of supporting community transport schemes to provide forms of transport not easily accessible to those on low incomes, including minicab, bus and minibus services.

Transport for London (TfL) is an important part of the Mayor and Assembly's responsibilities. Whilst TfL is a world-leading integrated transport system there may still be room for greater accountability to Londoners, who expect the highest quality of transport provision. Many Londoners have felt powerless, for example, in the face of above inflation bus fare rises.

- The Mayor's London Transport Strategy should include a vision for how TfL can be made as accountable as possible to Londoners and for how the corporate governance of TfL could be improved with co-operative principles – the current Mayor did not fully explore accountability in his Transport Strategy.
- The Mayor should task TfL with setting up a mutual electric car pool to complement the introduction of car charging points by 2015. The car pool would be owned and managed by members (with an elected member board) and surpluses would be put back into the scheme to improve affordability.

A recent addition to London's varied forms of transport has been the central London 'pedicabs', which are mostly located in the West End. Pedicabs are often unlicensed and uninsured, a situation that puts Londoners and tourists at unnecessary risk. Some companies do promote much higher standards, but there is no requirement. Co-operative pedicab companies could allow drivers to have a real say in the running of companies, pool insurance and would be easier to regulate.

- The Mayor should press for legislative changes that would incentivise co-operative pedicab companies and champion such companies.
- The Mayor should commit to there being general regulation of pedicabs to ensure good safety standards and decent insurance by the end of the Mayoral term.

## Integrated Infrastructure

Beyond transport and energy, co-operative principles can be used to develop London's spatial planning, ICT infrastructure and to ensure that a future smart city approach is community-led.

- The Community Infrastructure Levy will be the main source of funding from new developments to local authorities. The Mayor should promote co-operative solutions to how the Levy is delivered.
- Access to broadband can foster economic development and social integration. It is also vital if we are to reduce pressures on transport through home-working. The Mayor should commit that every Londoner should have access to affordable, fast broadband by the end of the next term. To achieve this, the Mayor should work with boroughs to support and develop consumer mutuals – such as the 'Phone Co-op' – which keep prices low by investing surpluses in improving services.
- The Co-operative Party supports the development of an integrated 'smart city' approach that tackles waste and promotes efficiency. We believe that the Mayor should champion a 'Co-operative Smart City' bringing together the principles of co-operation with the principles of the smart city approach. This would ensure that communities lead on the development of more integration, for instance through consumer energy mutuals providing smart meters for all of their members.



# The Co-operative Party

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The Co-operative Party is the political arm of the co-operative movement. Nationally, we have more than 9,000 members.

Our party was established in 1917 and has been a sister party of the Labour Party since 1927.

We believe that people achieve more by working together than they can by working alone. We support the efforts of those who seek success through that co-operative endeavour.

We believe that the only way to create a just and fair society is through power being spread evenly throughout society, and not arbitrarily based on wealth, class, gender or race.

We work to promote co-operatives and all forms of mutual organisation.

We work with the Labour Party in the UK to influence its policies towards more co-operative solutions. There are 29 Labour and Co-operative members in the House of Commons, 15 in the House of Lords, 5 MSPs, 9 Members of the Welsh Assembly, 7 Members of the Greater London Assembly and hundreds of local councillors.

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# the co-operative party

politics for people



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