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This manifesto is the result of a national consultation.
We have made every endeavour to reflect the views
and positions of our members. We will base all our
forthcoming campaigns around the ideas developed here.

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introduction

The Co-operative Party is the Party of Social Justice.

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

We believe that through increased co-operation, we will achieve a sustainable future for our economy and society.

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

We believe that the only way to create a just and fair society is through giving power to all our citizens. Power should be spread evenly throughout society and not be arbitrarily based on wealth, class, gender or race.

We believe that the best way of empowering people is by encouraging co-operative organisations where people can work together, and not simply through market mechanisms where everyone competes against one other.

We work in partnership with the Labour Party as its sister party and other like minded organisations to achieve these ends.

**These principles form the
basis of our manifesto policies
for Labour's Third Term**



our policies

Our manifesto has three sections:

Developing people-based public services

Public ownership does not have to mean top-down management from Whitehall or Town Halls. Local communities must be empowered to participate in decisions that affect their lives through partnerships with government.

Promoting social and responsible enterprise

The opportunity to share in the wealth of our country should be open to all. Co-operatives and mutuals are well placed to balance the interests of all stakeholders. Business too, must act responsibly and ethically to protect all those affected by their operations.

Tackling global poverty

Poverty is political. The Co-operative Movement has a proud record of helping to tackle global poverty through support for international development aid and assistance in the establishment of self help initiatives. Wealthy nations must take seriously their responsibilities for supporting this work.



Politics for People
A Co-operative Agenda
for a Labour Third Term
Spring 2005

A photograph of a staircase with a door at the top, overlaid with large white text.

developing people-based public services

“The Co-operative Party is really important in informing the values of the Labour Party and influencing our policy making for the long-term future.”

Hazel Blears MP

Public ownership does not have to mean top-down management from Whitehall or Town Halls. Local communities must be empowered to participate in decisions that affect their lives through partnerships with government.

The Co-operative Party is strongly wedded to the concept of state-funded public services, free at the point of delivery.

We believe that mutual models offer the best hope for reforming public service delivery. This way the quality of service is not dependent on the commands of producer interests or the whims of market forces, but on frontline expertise and the needs of the people they serve.

Labour’s goal of creating world-class public services can be achieved through the greater involvement of staff (at all levels), users and local communities in the delivery of those services.

Local Government Services

Local Government should do much more to deliver power and ownership of local services to the communities that depend on them:

All local authorities should be encouraged to develop co-operative development strategies through which they can:

- Promote and support new mutual models for the provision of community services, including housing, pre-school childcare, residential and home-care, recycling and leisure. They can make these solutions possible through service reviews, externalising or re-contracting services and through procurement procedures.

- Develop procurement strategies that make a direct link between the Community Plan and other strategic objectives and contract specifications, ensuring that community benefits can be fully integrated in to the procurement process.

■ Work with the co-operative sector and Regional Development Agencies to improve access to finance and support for socially and mutually owned businesses.

The co-operative commitment to social values supports the development of high quality service provision as well as the achievement of the public sector's wider policy objectives and community benefits, including regeneration, community planning, equality, sustainability, active citizenship, lifelong learning, and social inclusion.

The Co-operative sector has considerable experience of running democratic mass membership organisations. Labour must work closely with its allies in the co-operative movement to ensure that new ownership and governance structures for public services are genuinely accountable and democratic, and that membership of local public sector stakeholder bodies confers genuine power and responsibility to staff, users and the wider community.

Making Healthcare Mutual

The NHS remains Labour's greatest achievement, but it must continue to change and develop to meet the needs of modern society.

We commend the work done to promote community-based mutuality within the NHS, including the first foundation trusts in England. We call on the Government to press ahead towards its objective of ensuring all English hospitals attain foundation



status, avoiding a two-tier system, and to pursue further co-operative and mutual opportunities in primary and intermediate healthcare.

The new mutual model for out-of-hours care developed by the mutual and co-operative sector offers an immediate opportunity to take this programme forward and has the potential to establish a model that can be used throughout primary care.

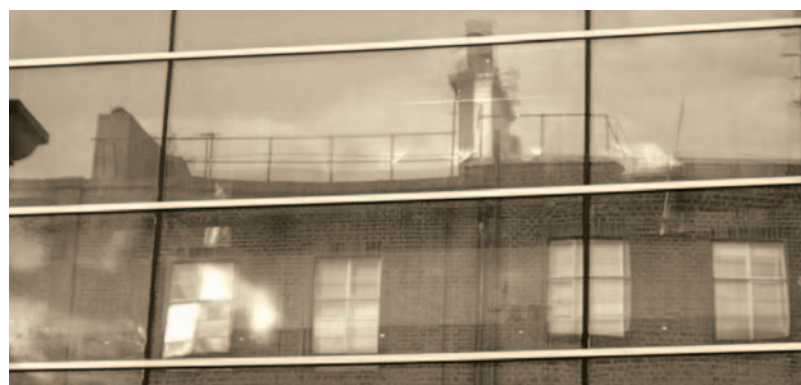
Social Housing

Through housing co-operatives and other similar organisations, tenants and residents have taken real control over decisions that affect their lives and created strong and cohesive communities. All the available evidence shows that co-operative forms of housing perform well on value for money terms in comparison to housing association and local authority provision of housing; that they are a successful model of genuine active citizenship and community empowerment, and that they provide

a range of social and community benefits, due to the local frameworks of mutual support they create.

The Co-operative Party views the nationwide programme of voluntary housing stock transfer as an opportunity to extend co-operative principles, empowering tenants across the social housing sector. Co-operative and mutual models must be seriously considered by councils considering stock transfer.

■ **Community Mutual** – developed by the think tank Mutuo and endorsed by the Welsh Assembly, the



The co-operative movement has now developed various models to facilitate the expansion of co-operative principles in housing.

Community Mutual offers active membership opportunities to all tenants.

■ **Community Gateway** – developed by the Confederation of Co-operative Housing and Co-operatives UK, the Community Gateway is a means of developing tenant democracy in housing, offering communities a range of empowerment opportunities. Supported by the ODPM's Community Housing Task Force, the first Community Gateway is being piloted in Preston.

■ **Common Ground** – for Mutual Home Ownership – combines community land trusts, which hold housing land outside the market for the provision of affordable housing, with a mutual home ownership trust to enable key workers and others who are priced out of the housing market in high cost areas to have an equity stake in their home.

■ **Fully Mutual Housing Co-ops** – this type of housing is suitable for social housing particularly when supported by secondary co-operative housing agencies.

The following are needed to support these developments:

■ All relevant Government Departments in England, Scotland and Wales should further develop their support for mutual and co-operative models in the local authority options appraisal process.



■ In England, The Home Office should examine how community orientated approaches could establish genuine local community empowerment solutions, as should the devolved Governments in Scotland and Wales.

■ The Housing Corporation and the Audit Commission in England should consider how neighbourhood based empowerment opportunities should be made available in the housing association sector, incorporating best practice from the co-operative and mutual sectors.

■ Regional housing and planning boards should support the development of an expanding programme of mutual home ownership schemes.

In some areas tenants will prefer their housing to remain under local authority control. Where this is the case, local authorities can enhance the powers given to tenants by providing support and guidance to encourage the creation and effective management of tenant participation committees.

Public Service Broadcasting

Approximately every ten years a Charter Review is carried out to establish how the BBC is serving the public and to consider how it is governed. As part of the current review, due for completion in 2006, the Government should consider all possible future ownership options, including the conversion of the BBC to a mutual organisation owned and controlled by the licence payers as well as the British Government.

Utilities

The Government should pursue every opportunity to enable the conversion of utility monopolies to mutual organisations owned and controlled by consumers, and to encourage the co-operative ownership of those that were previously privatised.

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promoting social and responsible enterprise



The opportunity to share in the wealth of our country should be open to all. Co-operatives and mutuals are well placed to balance the interests of all stakeholders.

Business too, must act responsibly and ethically to protect all those affected by their operations.

Support for mutuals and social enterprise

Labour should ensure that every assistance is given to the preservation of mutual and co-operative business structures, and to the creation of new mutual businesses.

Mutual forms of business incorporation are not sufficiently understood and supported by the Financial Services Authority and the City of London, despite being robust and proven business structures with the potential to be funded both by mutual shareholders and potentially through commercial loans.

The Co-operative Party endorsed the recommendations of the 2002 Strategy Unit report *Private Action, Public Benefit*, and recommends its implementation at the earliest juncture.

The following aspects are of primary importance:

■ The 2003 Co-operative and Community Benefit Societies Act provides for HM Treasury to take forward an asset locking regime; it should do so without delay.

■ The umbrella term 'Industrial and Provident Society' should be replaced in law by the distinct terms 'Co-operative' and 'Community Benefit Society' as appropriate. To qualify as a Co-operative, an organisation must comply with the International Co-operative Alliance's Statement on the Co-operative Identity.

New forms of mutual and co-operative businesses have an important role in stimulating economic and social activity and creating and retaining prosperity. We endorsed the publication in 2002 of the DTI report *Social Enterprise – a strategy for success* and advocate its implementation in full.

Most importantly, the report recommends that social enterprises should be given:

- Better business support and training through the Small Business Service, recognising and supporting the wealth of experience and expertise in co-operative and social enterprise development that has been built over the last 30 years within smaller independent agencies across the country.
- Better access to public sector procurement opportunities through the education of the relevant public sector officials and social entrepreneurs.
- Better access to debt and equity finance.

Regional Development Agencies and other arms of Government should be obliged to place the development of co-operative and mutual forms of enterprise at the core of economic development strategies and intervention through the adoption by each individual RDA of a properly funded and

resourced Social Enterprise Strategy. Furthermore, each RDA should compulsorily include on its board at least one representative from a co-operative or other mutual, to ensure that the needs of the sector are fully represented to these bodies.

Government should make it a priority to incorporate teaching on co-operative principles and practice into economics, business and citizenship classes, which would help promote the value of positive engagement in society.

We advocate the extension of government support for employee share ownership and a renewed emphasis on the participation rights of individual shareholding employees.

Corporate Social Responsibility

We call on the Government to make corporate social responsibility reporting compulsory for large companies, as well as local authorities and public bodies, giving customers and investors access to information on environmental, health and safety, employment and ethical investment performance.

For both social and environmental auditing the Government should develop standardised performance indicators, setting out benchmarks, requirements for stakeholder dialogue and public reporting. This should be overseen and monitored by a Standards Board established as a subsidiary of a Company Law and Reporting Commission, building on the role of the current Financial Reporting Council.

We call for all Directors to be held legally responsible for the failure of companies to prepare and publish regular social and environmental reports.

Promoting Employee Ownership

We call for special arrangements to be introduced for public sector employees to have the right to serve on those Council Committees that directly affect their particular employment.

We advocate the extension of government support for employee share ownership and a renewed emphasis on the participation rights of individual shareholding employees. In particular we call for government support for significant growth in the number of employee owned businesses in the UK

A new mechanism is needed to translate individual employee shareholding stakes into a collective, democratic voice that can deliver genuine empowerment. This could prove to be a successful third way between public ownership on one hand and companies ignoring the legitimate interests of employees on the other.

Considerable progress in these areas has been made with the passage of the *Employee Share Schemes Act 2002*, introduced by Labour & Co-operative MP Mark Lazarowicz.

To build on this, an 'Employees Direct' initiative could enable the creation of sustainable collective stakes by employees, and could be set up with Government seedcorn funding similar to the football supporters' body *Supporters Direct*.

We call for a firm commitment from Government that where worker shareholder trustees were elected by their fellow shareholders to represent them on boards then those trustees could only be removed from that board by the same worker shareholders unless there were extenuating circumstances to do otherwise.

To enhance the prospects for business recovery and employment in actual or potential insolvency situations, we also advocate a right of first refusal for employee buy-outs, and consideration

of some form of tax advantage for employee buy-out bids in such situations.

We call on the Government to combine a right of first refusal for employees with a major awareness campaign and the development of proper guidelines for employers and employees on the options and advice available on employee ownership. This would address lack of awareness among business owners about the succession opportunities provided by employee ownership, and again build on the modernisation of the tax regime governing company buy-outs introduced in the *Employee Share Schemes Act*.

Protecting our Environment

Our continuing reliance on fossil fuels places an unsustainable and dangerous burden on our environment, as well as aggravating international tensions and jeopardising progress towards social justice.

For real progress to be made in making clean, safe energy available to all, there needs to be a major, sustained increase in funding for renewables such as off-shore wind power, bio-energy and wave power. We also need to find ways of reducing our per capita consumption of energy, through better promotion of energy conservation measures and recycling initiatives.

Co-operatives should be at the forefront of renewable energy production and recycling; mutual ownership structures have the potential to tie sustainable production and energy conservation together as a means of combating fuel poverty as well as global warming.

Labour should work with the Co-operative movement to develop community-based electricity co-operatives, ensuring that resources are distributed fairly, in the public benefit, and with the minimum of waste. To this end they should create a community energy unit to facilitate the development of community owned energy schemes.



'We call for new legislation to have all food labelled more clearly and accurately to show the presence of all GM products and additives'

Little is known about the impact of GM food on health and the environment. We call upon the Government to support a moratorium on the commercial growing of GM foods

until the implications of their introduction on human, animal and plant life has been fully examined and any negative impacts have been ruled out or contained.

Both the Government and the European Commission should encourage a wider public discussion of scientific developments, including genetic manipulation, as a

fundamental part of developing a functioning knowledge-based society and economy.

We call for new legislation to have all food labelled more clearly and

accurately to show the presence of all GM products and additives, and to enable consumers to make choices based on genuine nutritional value.

Much of the produce that is available to consumers has travelled unnecessary distances to the point of retail, driving up costs, impacting negatively on the environment and threatening the livelihood of small-scale producers. Wherever possible, local production and procurement should be encouraged through additional financial support for environmentally friendly agriculture.



Rural Communities

In Government, Labour has shown itself to be committed to tackling rural social exclusion and economic under-performance. Looking beyond the traditional boundaries of the private and public sectors, Ministers are increasingly aware of the potential role of mutuals in helping deliver a society that is both entrepreneurial and socially inclusive.

In many rural areas mutual social enterprises - including agricultural co-operatives, farmers' markets, community-owned shops, community bus services, credit unions, housing co-operatives, childcare schemes and community land trusts - are filling the void left by retreating public and private sector providers, and offer the best available solution to social exclusion and service access problems.

Each of these organisations places as much emphasis on efficient and dynamic management as any

proprietary business. But, in contrast with most businesses, they have explicit social aims - such as job creation, training or the provision of affordable services. Their defining characteristic is social ownership, with governance and ownership structures based on partnership by stakeholder groups.

We believe that a key strand of any policy aimed at regenerating rural Britain should be the development and promotion of practical, self-help mutual solutions to problems facing rural people.



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Tackling Global Poverty

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The Co-operative Party believes that everyone has the right to earn a decent living and provide for their family.

The Co-operative Party believes that everyone has the right to earn a decent living and provide for their family. Poverty is political and the Co-operative Movement has a proud record of helping to tackle global poverty through support for international development aid, and promotion of the establishment of self-help initiatives.

Increasing aid to achieve the Millennium development goals

At a special Millennium Summit, all countries promised to halve world poverty by 2015. Their progress was to be measured by eight targets known as the Millennium Development Goals. The Co-operative Party supports these Goals and believes that their achievement is crucial to eradicating world poverty

The International Finance Facility

Much more funding is required to help ensure that the Millennium Development Goals are met. One of the initiatives that could generate a fundamental increase in aid is the International Finance Facility proposed by our United Kingdom Government. The Co-operative Party supports this initiative and is currently campaigning to rally international support. By working with the International Co-operative Alliance (a non-governmental organisation which unites and represent co-operatives worldwide), we will seek to raise awareness among co-operators worldwide on the benefits of the IFF initiative and encourage them to call for their own Governments to join it. We believe that co-operatives can be instrumental in raising awareness at individual and corporate levels on the issue of global poverty and policies to fight it.

Co-operatives throughout the developing world have empowered employees and given them improved working conditions.

These are both important factors in helping communities fight long-term poverty. The Co-operative Party will work with the IFF to increase co-

operative development and we call on the Government to prioritise this issue through the Department of International Development.

Millennium Development Goals

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

Trade as a tool for development: Fair Trade and Trade Justice

The Co-operative Party believes that trade is the best tool in the fight against global poverty. Two areas are key to rebalancing the global trading system: fair trade and trade justice.

Fair trade ensures better prices and decent working conditions for farmers and workers in the developing world. It rebalances conventional trade, with fairly traded products benefiting their producers.

However, products produced under fair trade conditions need to be available to the consumer at comparative prices. The Co-operative Party will continue to campaign for lower, or no, tariffs for fairly traded products and a change in international trade rules to create favourable tariff regimes for sustainably produced products. We will also work with international colleagues to remove

the tariff barriers that prevent developing countries processing raw materials in the country of origin.

We call on the Labour Party to promote fairly traded products by encouraging all citizens to be aware of their purchasing power and choices, and challenge retailers to stock and promote fairly traded goods.



International trade rules favour the most powerful countries, putting poor families and developing countries at a disadvantage.

Labour should take a practical lead in this by encouraging enlightened purchasing policies among all public sector bodies to ensure equality for fair trade suppliers.

International trade rules favour the most powerful countries, putting poor families and developing countries at a disadvantage.

The Co-operative Party will work with governments to replace free trade (where a country's economy is run without government intervention) with just and equitable trade. Under free trade conditions, millions of poor people's livelihoods are threatened and their governments are powerless to prevent it.

We call on the Labour Government and the European Union (EU) to develop and implement trade policies

that benefit the poorest countries and allow their governments to choose the best solutions to end poverty and protect the environment, particularly in the areas of agriculture, water companies regulation and core labour standards.

Economic Partnership Agreements

The European Commission is currently in the process of negotiating Economic Partnership Agreements (EPAs). These EPAs are effectively free trade agreements with 77 former European colonies in the Africa, Caribbean and Pacific region.

The Co-operative Party believes they will not benefit the economy or local trade in these areas.

We believe that reciprocity is not an appropriate basis for trade between developed and developing countries.

The Co-operative Party calls on the Labour Government to base all trade agreements with developing countries on the principles of equitability and justice which will take into account the different levels of development of each country.

We will work, with local communities, to promote an alternative set of agreements to benefit development and environmental protection.

The Co-operative Party supports local and regional trades and businesses, recognising the important role they play in eradicating poverty and sustainable development.

“The Co-operative Party stands for fair trade, for ethical business and for people having a say in the running of their communities.”

Rt. Hon. Gordon Brown MP,
Chancellor of the Exchequer

Playing a Full Role in Europe

The EU has the potential to be the world's primary force for progressive politics, and Britain should be playing a leading role in realising this opportunity. The Co-operative Party believes that, if the nations of Europe work together, we can deliver economic prosperity, fight poverty and reduce the possibility of armed conflict.

Labour must promote the benefits of membership of the European constitutional treaty, and the single currency, to the British public and hold a referendum on these issues at the earliest opportunity.



“If you want to change the world...be that change.”

Ghandi