

A Co-operative Agenda for London

The manifesto of the London Co-operative Party 2008



A Co-operative Agenda for London

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 London's 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 Londoners. Power should be spread throughout society and not be arbitrarily based on wealth, class, gender or race.

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

We believe that people should be empowered to work together and individually for the benefit of their communities, harnessing collective action to fight crime and its causes, to deal with environmental problems and to build a safer, more inclusive, enterprising, vibrant London.

We work in partnership with the Labour Party as its sister party and other likeminded organisations to achieve these ends. We will work to support our Labour Mayor of London and the Labour Group on the London Assembly, and their reelection in 2008 and 2012.

Our manifesto is in four sections:

- **People-based public services** allowing people to have a say in the services they use, in the decisions that affect their lives
- **Meeting London's housing needs** rising to the challenge of decent, affordable homes for all Londoner, and giving tenants and communities control and ownership of where they live
- A co-operative economy supporting co-operative, social and responsible enterprise
- **Co-operating around the globe** meeting our responsibilities on climate change and global poverty, supporting Fairtrade and involving all of London's diverse communities in the London 2012 Olympics and Paralympics

People-based public services

Public ownership does not have to mean top-down management from Whitehall or City Hall. 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 people they serve.

The co-operative sector has considerable experience of involving stakeholders in democratic structures. Through new bodies such as NHS Foundation Hospital Trusts, the government has backed the role that democratic mutual structures can play in engaging staff and users. Councils have pioneered similar schemes in other services around the country.

The Greater London Authority could promote and support new mutual models for the provision of services. It can make these solutions possible through service reviews, externalising or re-contracting services and through procurement procedures. As the GLA matures, it becomes ever more necessary to develop structures to assist London's elected representatives in giving Londoners ownership and control of their public services.

Parks, open spaces and allotments are an example of fragmented and historically poor management. Yet Londoners clearly care about their parks. There needs to be more coordinated, strategic management of London's parks, along co-op principles, looking at the work of the Royal Parks, the Corporation of London, the Lee Valley Park Authority and boroughs.

CASE STUDY: Greenwich Leisure Ltd – staff-owned, stakeholder-led

GLL is a staff-owned leisure trust led by a board drawn from employees, users and Greenwich councillors. It arose out of 1993 plans in Greenwich to close leisure centres to cut council spending. The trust transformed the service, opening new centres, creating new jobs and saving money for the Council. Greenwich Leisure now runs 65 leisure centres within the M25 and has been a model for other co-ops.

- Public participation should be at the heart of the GLA's procurement and contracting processes
- The Mayor and Assembly should continue to reach out and listen to London's communities
- A strategic authority to coordinate London's parks and open spaces should be created under the Greater London Authority.
- Work should be done to consider common ownership of London's open spaces as a community land trust
- There should be support for new mutuals running services such as local bus routes or taxi companies that involve consumers and the public

Meeting London's housing needs, building for the future

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.

New build, new communities

We recognise that there is a real need to develop many more affordable homes for Londoners and that this requires positive action and new ideas. Many people on modest incomes cannot get into social housing nor can they afford to buy if they earn less than £33,000 per year. Key workers cannot afford to live in London.

The Co-operative Party supports Labour's commitment in the London Plan and elsewhere to provide new affordable homes and believes co-ops can provide a positive solution:

- Mutual Home Ownership combines community and land trusts which hold housing land outside the market for the provision of affordable housing, with a mutual home ownership trust. This enables key workers and others who are priced out of the housing markets to have an equity stake in their home. Developed by CDS Co-operatives and supported by the GLA, this new model provides an additional attractive alternative to current shared ownership schemes run by RSL's. It is the only intermediate form of ownership that remains permanently affordable, in perpetuity – only a mutual model can deliver this.
- **Mutual Housing Co-ops** building new affordable housing for rent but owned and managed by tenants, via a tenant ownership cooperative supported by a secondary housing co-operative.

- The Mayor should use his new powers in the prioritisation and distribution of housing investment to support schemes and providers that engage communities in the planning, ownership and management of their housing.
- The London Development Agency should proceed with the pilot mutual home ownership scheme, drawing on best practice in the sector. Positive results should be championed in future schemes.
- Housing created as part of the London 2012 Olympic Games' legacy should be developed along the lines of community land trusts, mutual home ownership and rental co-ops.

Building sustainable communities

Many existing council housing estates have problems of not only under-investment, but also a lack of engagement of the communities that live there. The Co-operative Party views the programme of voluntary housing stock transfer as an opportunity to extend co-op principles, empowering tenants across the social housing sector. Cooperative and mutual models must be considered by councils during stock transfer.

Where tenants prefer their housing to stay under local authority control, they can still be given support and guidance to encourage the creation and effective management of tenant participation committees.

- **Tenant Management** the management of properties on behalf of their landlords normally local councils by the tenants themselves, which may be:
 - Tenant Management Co-operatives
 - Tenant Management Organisations (TMOs)
 - Estate Management Boards normally formed via the activities of Tenant Associations.
- **Community Mutual and Gateway Associations** the co-op solution for council tenants where landlords undertake large-scale voluntary transfer of housing stock to a registered social landlord, focussing on developing tenant democracy and offering communities a range of empowerment opportunities. ALMOs ('Arms length management organisations' set up by councils as a largely independent housing management structure) can also be set up along this model, without transferring ownership.

CASE STUDY: The Community Gateway and Mutual models:

The first Community Gateway scheme has been set up in the City of Preston. The tenants approved the transfer by a large majority in November 2004. Further Community Gateway and Mutual schemes have been developed in Watford, Lewisham, Braintree and Rhondda Cynon Taf, the latter with the support of the Welsh Assembly Government.

Get some evidence from Andrew Bibby's new book to support tenant participation on mutual lines.

- The Mayor should become the champion of good governance, tenant management and community and resident control of housing across London. An advisory service within the Greater London Authority could promote best practice and help new organisations be set up, and improve the capacity of existing RSLs through training.
- All RSLs and local authorities, tenant management organisations and ALMOs should be supported to be more democratic, more co-operative, with housing investment directed by the GLA to use community engagement and ownership as a factor in decisions.

A co-operative economy for London

The opportunity to share in the wealth of our country should be open to all. Cooperatives 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. Labour should ensure that assistance is given to the support for the mutual sector and creation of new mutual businesses.

Mutual forms of business incorporation are not sufficiently understood and supported by the business advisory services, 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.

There needs to be better business support and training, 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 GLA officials and social entrepreneurs; and better access to debt and equity finance.

Co-operatives and mutuals should be at the heart of London's support for social enterprise and better business. Co-op structures can help build a culture of enterprise and grow London's economy in a fair way. London's existing co-ops need to be championed, and to take a leadership role themselves. Better understanding of the existing co-op sector and networking between co-op businesses will do much to support new co-operative ventures and to raise the profile of the co-op model.

Credit unions and other financial mutuals are crucial for helping all Londoners access financial services, and should be supported.

- Understanding of co-operative structures should be improved across business advisory services and the LDA
- Explicit references to co-operative and mutual structures should be made in LDA contracts for business advisory services
- Renewed leadership of the co-operative sector across London through the creation of an umbrella body should be supported, with someone with experience of the co-operative and mutual sector on the LDA Board
- Contracts with the co-operative and social enterprise sectors should encourage continuity to allow financial security and stability, given the investment constraints of the sector.
- The LDA should work with Co-operatives UK to map the co-operative sector in London, and better understand its contribution in terms of turnover, employment and service provision
- The education sector should be supported to 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.
- The distinct role of co-operatives should be recognised in Social Enterprise Strategies.
- The development of credit unions to cover every borough in London should be supported.

Co-operating around the globe, celebrating London's diversity

London is a world city in a globalised economy. Troubles in the US mortgage market, or conflict in the Horn of Africa, or floods in South Asia affect what happens on the streets of London. And we as Londoners have responsibilities to the rest of the world – the goods we consume, the fuel we use, the pollution we produce all have consequences. Co-operative values can help London rise to the challenges of climate change and global poverty. Co-operative values can help Londoners feel engaged in these issues, and in the challenges that London itself faces, not least to welcome the world to our city in 2012 for the Olympic and Paralympic Games.

London is the most diverse city in Europe. According to the Greater London Authority, more than one in three of London's residents belong to an ethnic minority group, with nearly a quarter of the population being born outside the UK. 300 languages are spoken, more than 14 faiths are practised and 42 communities of over 10,000 born in countries outside Britain live in the capital. Londoners of all backgrounds must be engaged in the challenges of globalisation, and efforts to build a fairer economy here and abroad.

"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 Prime Minister and Leader of the Labour Party

Co-operative and Sustainable – a Greener London

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 we welcome the Mayor's support for the London ESCO (energy services company) and the C40 Cities project to bring renewables and energy efficiency to London's public buildings.

We must also recognise that the battle for a sustainable planet requires a more integrated approach, with linked agendas and partnership between sectors and agencies. We must focus on adaptation as well, and do more to support individual action in collective forms.

CASE STUDY: Westmill Wind Farm Co-op

Westmill Wind Farm Co-op was established to build the first onshore wind farm in the south-east of England and is 100% community owned. Work on the five turbine site at Watchfield, South Oxfordshire, has finally started in August 2007. The scheme will produce enough 'green' electricity to power more than 2,500 homes whilst avoiding the release each year of 10,000 tonnes of carbon dioxide which contributes to climate change. Westmill Co-op is a member of the Energy4All family of co-operatives and is the first initative of its kind in nearly a decade.

- Climate Change community networks, akin to Neighbourhood Watch, should be considered to empower communities to share knowledge and initiatives, and hold politicians to account.
- London's authorities should develop closer partnerships and make links across their agendas to improve their climate change strategies.
- Community and local ownership of energy sources on co-operative grounds should be supported.
- Environmental considerations, especially where energy use can easily be designed out, should not be de-prioritised in new development.
- Businesses should be encouraged to use energy audits and to access advice through business rate reductions and the like.

Fairtrade London – supporting people to support themselves

Poverty is political. 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. The Co-operative Party believes that trade is the best tool in the fight against global poverty. Alongside trade justice, fair trade is key to rebalancing the global trading system.

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.

The Co-operative Party supports the Fairtrade London initiative – to achieve the declaration of London as a Fairtrade World City and raise awareness and availability of a wider range of fairly traded products across the City. Thanks to the efforts of activists and councillors, with the support of the Co-operative Group, 15 of London's boroughs already have Fairtrade status. We will work locally to help the remaining authorities to achieve the same.

There is more that we can do. Through the GLA's services, contracts and venues, at London's events and the 2012 Olympic Games, London can show leadership and support for Fairtrade.

Recommendations

- London should be declared a Fairtrade World City in 2008.
- Support for Fairtrade should be given through procurement across the GLA family, from head offices to local police and fire stations.
- Fairtrade-providing companies should be considered when renting outlets in GLA properties and at festivals and events.
- The Olympic boroughs should be prioritised for support to gain Fairtrade status before 2012. A Fairtrade Olympics, with food, sportswear and other goods ethically sourced as much as possible, should be supported.
- The Mayor should become a champion of Fairtrade across London, and particularly promote it among London's diverse communities.
- The Fairtrade London steering group requires more coordinated support, with help for organising meetings, communications, etc. The Mayor's International Office should take on this responsibility.

CASE STUDY: Divine Chocolate – enterprise and ethics

Divine Chocolate is a London-based Fairtrade company 45% owned by a Ghanaian farmers' co-op. It produces high quality chocolate, including the own-brand Fairtrade chocolate for the Co-op, the first supermarket to convert its own-brand range. Divine won Social Enterprise of the Year 2007 and is an example of a successful London business doing good here, and good abroad, with co-operative principles at its heart.

The People's Games – a mutually run, community based Olympics

We are proud that in 2012 our city will host the Olympic Games, and thousands of visitors from around the world. The idealism of the Olympics – the fellowship of citizens – caught our imagination and at the moment London was announced as host city, Britain was united in pride and joy at being chosen.

But as the process of developing the Olympic venues and brand continues, we must ensure that we maintain the imagination and support of Londoners, not allow the Games to become something that 'others' – the Mayor, the Government, Seb Coe are responsible for, not really something we all share in. We must re-capture and build on Londoners' goodwill, in order to get the most for London out of the Games.

The Co-op Party's document, *The People's Games*, suggests a way to reconnect the Olympics with those they are for. It outlines how all sports fans from across the country, and the people of London in particular, can get involved to strengthen London's Games, through a community focussed body called 'The People's Games'.

The People's Games will be a membership-based group, uniting the shared ambitions of the bid partners, the people of London and beyond. The People's Games would provide the basis for a supporting mechanism for the Games themselves. It could provide a mechanism for recruiting volunteers and helping to build support for the legacy resulting from the Games, particularly in east London.

There is much strength in Londoners that Olympic organisers should be harnessing. Having the ordinary citizens of London involved in the preparation of the Games will greatly benefit the execution of the event. The wide range of expertise that ordinary Londoners have about London itself and their commitment to sports in general will provide important information when making crucial decisions regarding the Olympics and important regeneration and legacy projects. London's great ethnic diversity should be harnessed too. In our population most, if not all of the different nationalities who will compete in the Olympics can be found. London, uniquely in the world, illustrates the full potential of the fellowship of citizens.

The phenomenal success of football supporters' trusts has demonstrated that communities want to become partners with their clubs and have a say, and that mutuals are the best way of delivering real democracy and a sense of ownership. A mutual structure for fans and taxpayers can give a voice to Londoners.

We need the People's Games because:

- The 2012 Olympics must retain public support
- Trust and transparency are the key to achieving this
- The contribution of Council Tax payers must be represented
- Ordinary citizens should be consulted
- A mutual People's Games will facilitate this

People will want to join the People's Games:

- So that they can show their support for London 2012
- To receive information about the Olympics organisers

- To be consulted on major strategic aspects of the ODA's work
- To elect representatives to The People's Games Forum
- To elect a representative to the ODA Board

Recommendations

- The Mayor should agree the People's Games Charter and work with the Minister for the Olympics to implement its points
- The Mayor and Labour's Assembly Members should promote membership of the People's Games amongst Londoners
- The Mayor and Labour's Assembly Members should continue to champion the ideas and expertise of ordinary Londoners and sports fans in the development of the Games and their legacy

CASE STUDY: Bees United, supporting Brentford FC

Bees United is one of a family of more than 120 such organisations, who have been part of a quiet revolution in how football clubs are managed. Bees United is the trading name for Brentford Football Community Society Limited which was formed as an Industrial and Provident Society in April 2001 with the twin aims of giving ordinary football supporters greater involvement in the future of Brentford Football Club and bringing the Club closer to the whole community.

Bees United acquired the majority shareholding (60%) in Brentford Football Club in 2006. Bees United has loaned over £1.4m to Brentford Football Club up to and as part of the acquisition and now has 4 non-executive Director places on the 9 seat Football Club Board.

Key Recommendations

- Put public participation at the heart of the GLA's procurement processes
- Continue to reach out and listen to London's communities
- A strategic authority to coordinate London's parks and open spaces
- Common ownership of London's open spaces as a community land trust
- New mutuals running services that involve consumers and the public
- Support schemes and providers that engage communities in the planning, ownership and management of their housing
- Proceed with the pilot mutual home ownership scheme, drawing on best practice in the sector and championing in future schemes
- Housing in the London 2012 legacy to be developed along the lines of community land trusts, mutual home ownership and rental co-ops
- Champion tenant management and community and resident control of housing across London, with an advisory service
- Housing providers to be more democratic, more co-operative, with housing investment to use community engagement and ownership in decisions.
- Understanding of co-operative structures should be improved across business advisory services and the LDA
- Explicit references to co-operative and mutual structures should be made in LDA contracts for business advisory services
- Renewed leadership of the co-operative sector across London; someone with experience of the co-operative and mutual sector on the LDA Board
- Stable, long-term contracts with co-operative and social enterprise sectors for financial security and stability
- Map the co-operative sector in London, and better understand its contribution in terms of turnover, employment and service provision
- Incorporate teaching on co-operative principles and practice into schools
- Distinct role of co-operatives recognised in Social Enterprise Strategies.
- Develop credit unions to cover every borough.
- Climate Change community networks to empower communities to share knowledge and initiatives, and hold politicians to account.
- London's authorities should develop closer partnerships and make links across their agendas to improve their climate change strategies.
- Community and local ownership of energy sources on co-operative grounds
- Environmental considerations not de-prioritised in new development.
- Firms encouraged to access energy advice with business rate reductions
- London should be declared a Fairtrade World City in 2008.
- Support for Fairtrade through procurement across the GLA family
- Fairtrade-providing companies renting GLA properties and at events.
- A Fairtrade Olympics, in Fairtrade Boroughs.
- The Mayor should become a champion of Fairtrade across London, and particularly promote it among London's diverse communities.
- More coordinated support for the Fairtrade London steering group
- Agree the People's Games Charter and work with the Minister for the Olympics to implement its points
- Promote membership of the People's Games amongst Londoners
- Champion ideas and expertise of ordinary Londoners and sports fans in the development of the Games and their legacy

- Further information
- Greater London Authority <u>www.london.gov.uk</u>
- The Co-operative Party <u>www.party.coop</u>
- CDS Co-operatives (Housing) <u>www.cds.coop</u>
- Fairtrade London <u>www.fairtradelondon.org.uk</u>
- London Sustainability Exchange <u>www.lsx.org.uk</u>
- Labour Environment Campaign <u>www.sera.org.uk</u>
- Greenwich Leisure <u>www.gll.org</u>
- London Labour Party <u>www.labourinlondon.org.uk</u>
- The Co-operative Group www.co-op.co.uk
- Co-operatives UK <u>www.co-operatives-uk.coop</u>
- Social Enterprise London <u>www.sel.org.uk</u>

Acknowledgements

With thanks to: the North London, South London and Surrey & Berks Co-operative Party Councils; the London Assembly Labour Group; David Rodgers and Jane Cameron of CDS Co-operatives; Veronica Pasteur and Hannah Reed of the Fairtrade Foundation; Mark Sesnan of Greenwich Leisure and Social Enterprise London; Kathryn Smith of Co-operatives UK and Social Enterprise London; Sion Whellens of Calverts; Samantha Heath of London Sustainability Exchange; Clive Fraser, Tony Thorpe, Hugh Goulbourne, Marilynne Burbage, Qaisra Khan, Jennette Arnold AM, Munir Malik, David Taylor, Cllr Timothy Godfrey, Gordon Donaldson, Peter Cooper, Nicholas Holzapfel, Chris Sewell, Stella Creasy, Robbie Erbmann.

"If you want to change the world...be that change."

Ghandi

The London Co-operative Party

77 Weston Street, London SE1 3SD t. 020 7367 4150 e. support@party.coop www.party.coop