

a co-operative agenda **for Wales 2016**

Foreword by Rt Hon Alun Michael



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Foreword



A fairer society means people and organisations sharing power and working together. We believe that things work best when everyone has a voice and when services are accountable to the people who use them.

That means railways run in partnership with passengers and staff. It means tackling the housing crisis through co-operative housing. It means fans having a say in the club they support – and in their local sports and recreation facilities. It means support for credit unions as the best way to promote strong personal and community financing arrangements and financial literacy – and as a better alternative to rip-off payday lenders. It means shops being owned by customers, and giving back to the community.

The purpose of the Co-operative Party is to promote the Co-operative Ideal and a better understanding of the successes achieved by the Co-operative Movement in Wales, in the UK and internationally. We work in partnership with the Labour Party to achieve these aims.

At a time when 'austerity' is having a devastating impact on individuals, communities, organisations and standards of service to the public, it is tempting to say that this is not the right time to promote co-operative approaches. We disagree. The Rochdale Pioneers established the first co-operative, based on the highest moral and political objectives, when they and their families were being squeezed, oppressed and exploited by rapacious employers who would have much in common with the present Conservative Government and their supporters. At a time when so many things about which we care are under threat, it is imperative for all departments of Welsh Government and every agency and organisation in Wales to work together in the interests of the people of Wales.

There are 9 Labour and Co-operative AMs in Wales, as well as twenty-five Labour & Co-operative MPs in Parliament, representatives in the Scottish Parliament, and co-operators in local government across the UK and in the European Parliament. Together, we're ensuring that co-operative and mutual values are at the heart of

politics. We have two Labour & Co-operative Police Commissioners – but most of the other 11 Labour Commissioners are Co-operative Party members who are applying principles of partnership in their area. We want that to be the case in all four police areas in Wales.

“...political parties of necessity spring from deep and abiding causes”

Alfred Barnes MP, Co-operative Party Chair, 1924-45

In 1917, Co-operative Congress - meeting in Swansea - voted overwhelmingly to secure direct representation in Parliament and on all local administrative bodies. That aspiration was translated into action at a conference in Methodist Central Hall, Westminster, later the same year.

The Co-operative Party has come a very long way since then. After Labour came to power in 1997, a succession of successful Private Members Bills raised the profile of the co-operative movement in Parliament, protecting the status of co-operatives and mutuals and promoting their future. These, together with changes to legislation enacted by the Labour Government following the wholesale review in 2007, led to a decade of revolution in the legislative framework for the Movement.

We believe in an entrepreneurial approach to public service and reject the idea that only the private sector can bring about innovation and change – a mistaken impression that is taken for granted in large parts of the press and the media. From Victorian times, the best of local government has developed major initiatives - from water and electricity to transport, care and tourism. At a time of acute ‘austerity’, there is more need than ever to value the skills and imagination of public servants – and that is best done by empowering employees and those who use public services to play their part. That is the concept encapsulated in our vision for ‘Welsh Co-operative Councils’, which was welcomed by Welsh Government Ministers but needs to be developed fully over the coming years.

Enabling our people to be safe and confident in their homes and in public places has always been a Labour and Co-operative priority because it is our people in our communities who have always borne the brunt of antisocial behaviour and crime. South Wales elected a Co-operative and Labour Police & Crime Commissioner, with partnership and co-operation as the cornerstone of tackling and preventing crime and disorder. Partnership with local government and with Welsh Government is proving extremely effective and we want that co-operative approach to be taken in every part of Wales. As the Commissioner elections take place on the same day as the Welsh Assembly elections we urge everyone to use “Three Votes for Labour” – one for your constituency Assembly Member, one for the regional list of AMs and one for your local Commissioner – as the best way to get effective leadership and partnership working for the people of Wales.

Labour and Co-operative MPs form just over 10% of the Parliamentary Labour Party. They have promoted new ideas and – for example – provided the spearhead in the campaign against Payday Loans.

Since 1999, we have worked with Labour in the Welsh Assembly and in Welsh Government to promote co-operative principles and values and we applaud the leadership that we have seen from Welsh Government on this agenda.

Individual members, central to the Party's success for a century, continue our work in local government and within local Labour Parties – and our Agenda for Government 2015 set out our aspirations for a growth in co-operative solutions that could make a significant contribution in every part of the UK. Our Co-operative Agenda for Wales 2016 includes relevant ideas from that Agenda as well as ideas and proposals that are home-grown for Wales.

This publication renews and refreshes our ambitious agenda for a co-operative future for Wales and for the National Assembly for Wales and Welsh Government.



Rt Hon Alun Michael

National Executive Committee representative
for Wales Chair of the NEC Policy Committee

Introduction

The Co-operative Ideal places collective benefit above personal gain. It is based on mutual responsibility and emphasises sustainable development. The Co-operative Party promotes co-operative principles, mutual models of governance and the success of co-operatives.

A co-operative is an organisation that is owned and controlled by its members. Workers' co-ops are owned and controlled by the workers while consumer co-operatives are owned and controlled by the consumers; housing co-operatives are owned and controlled by the tenants; agricultural co-operatives are owned and controlled by the farmer members; credit unions are owned and controlled by the depositors. In modern Britain the same principles need to be applied in the public sector and in the voluntary and community sector as well as in business and commerce.

The size and scope of the co-operative movement in Wales is significant and

often underestimated. It provides financial services ranging in size from the Principality Building Society to local credit unions; and retail shops, from the Co-operative Group to local community co-ops. Co-operative businesses run funeral services, travel agents, social housing, home care, childcare, residential care and all forms of new and traditional employee owned businesses.

They all have one thing in common – they provide jobs and create wealth in many Welsh communities, and they are controlled by the people they serve or those who work in them.

Co-operative & Mutuels Commission

The Wales Co-operative and Mutuels Commission, set up by Welsh Government, highlighted the role that co-operatives and mutuels have a role to play in enterprise, education and the environment, in health and social services, in local government and public services, and sport. Moreover, it showed the commitment of the Welsh

Labour Government to ensuring the continued growth of the co-operative movement in Wales.

Much has already been done, and we welcome the reconvening of the Commission in 2015 and the work in place to recommend the next steps. Alongside

this, ongoing work on the delivery of public services has looked at the role of co-operatives in the public sector.

The next step is to ensure that the recommendations of the Commission are translated into action. This requires several key actions:

- 1 A clear process in Welsh Government to co-ordinate and drive actions that are within its remit.
- 2 A system for reviewing and reporting regularly on progress.
- 3 Support for the co-operative and mutual sector to take action on those recommendations that are within the movement's remit.

Summary of Recommendations for Welsh Government

Co-operative & Mutuels Commission

- 1 A Minister with interdepartmental responsibility for co-op development.
- 2 An authoritative Co-operatives and Mutuels Strategy Unit to ensure that the wide ranging recommendations made by the Commission are implemented.
- 3 Support and recognition for an alliance or forum to strengthen links and mutual support across all parts of the movement in Wales.

Economic Development & Business Support

- 4 Continued support for the Wales Co-operative Centre as the UK's leading co-operative development agency.
- 5 Clear signposting for the co-operative option by other business advice agents.
- 6 Support for the rural economy to include further development of secondary co-ops in agriculture and tourism to promote economies of scale and joint marketing and help to secure food security and provenance.

Local Government & Community Safety

- 7 Community options for pubs, shops and community centres.
- 8 A Community Right of First Refusal
- 9 Promote an active role for excluded members of Welsh society and local communities in the design and control of businesses.
- 10 Increase the awareness of the option of co-operative delivery and urge local authorities to engage with employees and service users to discuss service priorities and service design.
- 11 Encourage existing and new shadow authorities to promote co-operative or mutual models of service delivery, especially when these would have a strong chance of improving or protecting the service and jobs.
- 12 Encourage local authorities to support co-operatives and mutual businesses as a fair and sustainable way to promote local economic development.
- 13 Actively promote the concept of Welsh Co-operative Councils and



A co-operative Agenda for Wales

Economic Development

Mutually-owned business and social enterprises are the ideal form of home-grown Welsh business.

They not only generate wealth and employment, but their profits are retained in the community for the benefit of other local business and are often used directly for the benefit of the community.

There is now a greater demand in the media and by the public for businesses that are ethical and transparent. The dramatic increase in business through financial mutuals and credit unions shows evidence of this demand. In the eyes of the public in Wales, profit is no longer seen as the only measure of a good business. Welsh Government needs to take account of this when determining the types of business to nurture, encourage and support.

Co-operatives also have a tendency to be more resilient in tough economic times. Despite the recent and well-publicised problems at the Co-operative Group, the co-operative sector as a whole grew by 13.5% between 2009 and 2013, more than double the rate of the rest of the UK economy.

A larger co-operative, mutual and employee-owned sector would create broader and more democratic ownership

within our economy, creating more equitable distributions of wealth and power.

Mutual organisations are often catalysts for local economic regeneration. For example, football supporters' trusts often provide community support that extends beyond the sport, the club and its fans. RCT Homes, the UK's first community housing mutual, works to drive economic regeneration by developing skills training and generating local jobs in Rhondda Cynon Taf. It has established a regeneration-focused social enterprise with subsidiary social businesses that give opportunities to tenants as volunteers to help boost their skills. Meadow Prospect, RCT's charitable arm delivers regeneration projects that complement the organisation's community enhancing goals.

Business Support

We have already seen the growth of secondary co-ops as a way to make small and medium size enterprises stronger by working together. Agricultural-co-ops are a prime example: farmers have known for years that they have to co-operate in purchasing and in marketing if they are to survive. In France, 9 out of 10 farmers belong to an agricultural co-operative. Wales needs to match those figures.

Co-operation was born in the United Kingdom. Yet we are nowhere near as

ambitious as co-operative movements in a range of countries whose Governments see the sector as vital to the economy and to society. Wales has the culture and capacity to lead the way and show the benefits of co-operation to the rest of the United Kingdom.

For small businesses to thrive in the current climate, they need support to work together to achieve economies of scale and to procure contracts. There is therefore massive scope for the further development of co-operative consortia, for example in the building trades and in tourism as well as in social care – and there are already some excellent and successful examples in Wales.

Giving employees a stake in their business provides workers with economic gains and creates companies that are responsive to their frontline staff. Evidence shows that firms in which the staff have a significant ownership stake and a say in decisions do not just create happier workers, they also make more productive businesses.

The degree to which employee ownership boosts productivity can be seen in the performance of co-owned companies, which have consistently outperformed their plc rivals. In cash terms, an investment of £100 in the EOI (Index of Employee Owned Companies) in January 2003 would have been worth £754 at the end of September 2014. The same amount invested in the FTSE All-share would have been worth £280. This superior financial performance is the little known story of a sector worth

a combined turnover of £20-25 billion annually, and going from strength to strength.

The Co-operative Party believes that the achievements of the co-owned sector should be recognised and built upon. We believe that both employees and employers could equally benefit from a more participative form of employee share ownership and that there is a need to extend employee share ownership schemes, particularly those that give employees a collective, democratic voice.

The Co-operative Party believes that the benefits of employee ownership should be more widely understood. Employee buyouts show how self-help and mutuality can build resilience into our economy, saving productive businesses and decent work. These buyouts can be an attractive route for business succession because they transfer ownership to people with a genuine interest in an enterprise's long-term success, and so increase the likelihood of it continuing to trade and provide jobs locally.

The Wales Co-operative Centre has built unrivalled expertise in supporting co-operative business succession, and the Welsh government could be more proactive, supporting employee buyouts before the threat to jobs becomes inevitable; and increasing the number and size of co-operatively owned businesses in the private sector.

It is essential to ensure that the right environment exists in which co-operatives

and mutuals can thrive. Mutual forms of business have suffered from a lack of support, despite being robust and proven business structures.

We particularly welcome the launch in 2015 of Social Business Wales, which is expected to deliver support for around 500 social businesses, including co-operatives, employee-owned companies and social enterprises.

We want Welsh Government to continue its strong support to the Wales Co-operative Centre as the UK's leading co-operative development agency, and to ensure that the co-operative option is signposted by other business advice agents.

Local Government and Community Safety

During 2010, Labour councils and Labour Group leaders from over one hundred local authorities across the UK pledged to become 'co-operative councils'. Since then, the Co-operative Councils Innovation Network has developed across the UK to promote best practice in local government.

Co-operatives and mutuals models are ideally placed to provide best value, both within and outside council structures. Co-operatives provide local jobs and retain profits in the locality – thus promoting economic development – and give workers and users a real interest and experience in how the service is run. Councils that have transferred their leisure services to co-

operatives, for example, have found that services previously threatened with cuts have been improved and expanded.

There is also scope for co-operatives to take over some of the local government provision that has moved into the private sector over the years, such as supply teachers.

Where cuts are unavoidable, greater use of participatory budgeting should be made.

Community buildings and leisure centres should be used imaginatively to maximise their value to all. We would also advocate small, cyclical funding for community projects, to be allocated by community participative decisions.

Co-operation is not just a way of doing business successfully: it's a key principle for providing public services and helping to create positive, constructive community.

In recent years the concept of the Co-operative Council has been gaining ground. It's a tough time to promote new ideas as UK Government cuts public expenditure, with inevitable consequences for Welsh Government and for local government in Wales. But this is the very time when a host of organisations in the public sector need to work together to avoid people dropping through the gaps as organisations in the public sector are forced to shrink. Buying and tendering by all agencies within Wales should be done in a way that maximises the long term local economic and environmental benefit to every part of Wales. By their nature co-operatives

circulate their income back into the local communities in a way that is less common in the private sector. Working through co-operative and mutual models provides a way of ensuring that spending by public bodies is retained within the Welsh economy.

Tackling and preventing Crime & Disorder

In 1997 the incoming Labour Government promised to be 'tough on crime and tough on the causes of crime' – cutting the long delays in getting young offenders before the courts, investing in crime reduction and tackling the environment in which crime was flourishing under Margaret Thatcher. Figures for recorded crime are now at a 30-year low point – reflecting the success of a co-operative approach to community safety. The flagship legislation – the Police and Crime Act of 1998, steered by a Welsh Co-operative & Labour MP – established co-operation and partnership as the key to cutting crime. Acknowledged by senior police officers as the best legislation for the police in a generation, it established the local partnerships that continue today and the Youth Offending Service, which has headed massive numbers of young people away from the self-harm of a criminal career.

Principles into practice: Co-operative delivery through the Police and Crime Plan in South Wales

Alun Michael – a former Home Office Minister – stood down as the Labour & Co-

operative MP for Cardiff South & Penarth to stand for election as the Police & Crime Commissioner for South Wales, arguing that local co-operation was the way to cut crime and to tackle big issues like violence on the streets, violence against women and girls, youth offending and a range of other problems. His Statement of Principles is based on the Co-operative Ideal and strong Co-operative principles. The key statement in his planning process is that 'Co-operation is the underlying principle that inspires us - together, we achieve more than we can achieve alone'.

The overall aims of the co-operative approach are to:

- reduce crime, disorder and anti-social behaviour
- promote the interests of victims and protect vulnerable people
- help build strong, positive, collaborative communities
- take an evidence-based approach
 - identifying the problems our communities face, analysing data and identifying 'what works'
- enable the Criminal Justice System to work faster and more efficiently
- support the South Wales Police team in which everyone is a Leader and is Proud, Positive and Professional

In practice, the teamwork has four elements:

- 38 Jointly by Commissioner, Chief Constable and their teams

- 39 More widely with the South Wales Police 'Family' (Officers, PCSOs, staff and volunteers)
- 40 In partnership with all other agencies – which are mostly already devolved to Wales, and through
- 41 Engagement with the public, with an emphasis on vulnerable people, older people, young people and Black & Minority Ethnic communities.

The statement of values asks everyone to 'value, challenge and respect those with whom we work whether within the police team, within partner organisations and agencies, or within the wider community and the public'. Partnership with Welsh Government, agencies of Welsh Government and with local government in Wales is at the heart of this approach.

We call on Welsh Government to give strong and explicit support to the impact of co-operative working between the police and devolved bodies, and to continue the joint approach that has already had a positive impact in South Wales.

An Innovative, Entrepreneurial and Co-operative Public Service

We believe in an entrepreneurial public service and reject the idea that only the private sector can bring about innovation and change – an impression that is taken for granted in and even nurtured on a daily basis in large parts of the press and media. From Victorian times, the best of

local government has developed major initiatives from education and clean water to electricity and transport and care. There is more need now than ever to value the skills and imagination of public servants – and that is best done by empowering employees and those who use public services to play their part. That is the concept encapsulated in our vision for Welsh Co-operative Councils, which was welcomed by Welsh Government Ministers but needs to be developed fully over the coming years.

A Welsh model for political action to change communities and councils by doing things together

At the core of the Welsh Co-operative Council concept is a determination to reclaim the founding traditions of the Labour and Co-operative Movements. The emphasis is on collective action and local co-operation, and on empowerment and enterprise. The purpose is to transform local services, value our people and strengthen local communities.

The essence of a Welsh Co-operative Council is to transform the relationship between the leadership of the Council (leaders, councillors and executive) and the public and with those who work with the Council - to engage everyone, working in partnership, to deliver the Labour and Co-operative vision for our people. Many have found it difficult to achieve this at a time of the deep financial challenges of 'austerity' but this is an essentially long-term strategy requiring transformation throughout any organisation.

The Co-operative Council concept is being promoted by the Welsh Co-operative Party in partnership with Welsh Labour. Our intention is to work with the Wales Co-operative Centre, the co-operative movement, the Wales TUC and others – such as the Bevan Foundation and the WLGA - to agree the best ways of developing this new Welsh model of governance.

We want to help the local Labour Party in each part of Wales to put forward policy ideas and initiatives designed to meet the needs of local communities and to deliver the services they need. We all need to help our communities avoid the worst of the UK Government's brutal cuts while taking forward the co-operative and mutual initiatives set out in every Welsh Labour manifesto since 1999.

Co-operative approaches can also be applied to almost every aspect of local government, including community regeneration and economic development, youth services, housing, leisure, social services and education. The details will vary from service to service and from county to county, but everywhere the approach is to work together, build self-reliance, and encourage innovation.

The approach we propose for Wales is about better public services, with users and employees fully engaged. It's not about turning all services into co-operatives, nor about replacing skilled professionals with volunteers. Where services are under threat and resources are tight it may make sense to preserve quality by exploring the

benefit of public service mutuals as the alternative to privatisation or administrative bureaucracy, but there is every reason to change relationships to the co-operative model of governance within a council and its departments – engaging employees and users alike in meeting real needs in ways that are more efficient and effective. Talent and skills are often wasted because staff don't feel trusted, involved and empowered in traditional models of local government management.

We have the tools and the relationships in Wales to make a big difference in the way we do things, led by Welsh Labour and the Welsh Co-operative Party. We want to work with the Wales Co-operative Centre and the Wales TUC on making this the universal approach in Wales. Co-operative and mutual models allow councils to retain jobs and investment locally, are ethical, are more flexible around citizen and worker needs, and contribute to the local economy.

A new Welsh Co-operative Council kite-mark could identify Labour-led councils that give local people a real say in the public services they use. It is about listening to the voices of citizens and valuing the contribution of those who work for the local council. It's about putting the 'Public' back in 'Public Service' at the same time as empowering and engaging the people who work for the council. The way different services work will vary, but these principles are at the heart of our approach.

We call on Welsh Government to actively promote the concept of Welsh Co-operative

Councils and to support those councils that have already shown commitment for going down this road.

Procurement

When any public body in Wales seeks a supplier for goods or services, the approach should deliberately seek to maximise the long term local economic and environmental benefit.

Co-operatives and mutuals are often small and medium enterprises (SMEs) - local businesses and members of the local community - so any assistance given to them can also bring benefits to that community.

In both Welsh and local government, more still needs to be done to support smarter and more strategic commissioning and procurement of both goods and services. The current and future financial pressures on the public sector and the desire for efficiency savings make getting the most from public resources essential. Commissioning the third sector, in particular the local third sector, to deliver services not only harnesses the advantages to produce potentially more effective and far-reaching, customer-focussed services, but also provides opportunities to achieve wider local social and economic objectives such as higher levels of volunteering, increasing local employment and improved local skills, and a greater sense of community ownership of local issues.

Mutual and social enterprises provide services that tend to be more focused

on the end user. Their structures are generally established in order to balance the appropriate importance of different stakeholder groups. Co-operative and social enterprises can rightfully claim to be popular with users because their services are influenced by them. They also tend to provide added value by meeting social, environmental and economic development goals, and often deliver services to hard-to-reach groups and in areas of market failure.

These ownership considerations are rarely taken into account when tenders for public services are being offered. Yet they can have a profound effect on the manner in which services are provided. Ultimately, it is important that public services operate in the best interests of the public.

The small, co-operative and third sector suppliers are still held back by a number of factors, including short consultation periods in the development of services; poorly advertised contract opportunities and guidelines for third sector applicants; inconsistent policies and processes across the directorates, and from one contract to another; resource intensive pre-qualification and tendering procedures; complex language and lack of clear guidelines; and lack of clarity around the approach to Full Cost Recovery, leading to uncertainty about what costs third sector providers can reclaim, difficulties budgeting and inconsistent funding practices. As both public bodies and would-be suppliers face increasing financial pressures it is crucial to re-design tendering processes in the public interest.

The following themes have been identified for effective third sector capacity building through commissioning and procurement:

- Support from all public sector 'commissioners' to local providers
- Adopting Full Cost Recovery principles
- Clear, transparent and inclusive communication
- Clarity and assistance in monitoring and evaluation tasks, proportional to the size of the contract
- Understanding and acceptance of the principles of capacity building by both commissioners and providers
- The importance of local people and providers contributing to needs analysis and service mapping.

We welcome the work that Welsh Government has done so far with Sell2Wales and by commissioning research into the barriers that prevent co-operatives, social enterprises and small local companies from procuring public sector contracts, and particularly the inclusion of provisions in the Social Services and Well Being Act 2014 that local authorities must support the development in their area of co-operative organisations or arrangements to provide care and support and preventative services.

Information Age

Consumer co-operatives such as the Phone Co-op and organisations such as the Independent Networks Co-operative Association and the Community Broadband

Network have been at the forefront in developing new technology and making it accessible.

There is, however, an increasing divide between those who have access to the internet and those who do not. As more and more goods and services become cheaper, or with a wider choice, or even exclusively available on-line, those who cannot access them in this way, particularly the elderly, will become increasingly excluded.

In order to ensure that all citizens can exploit the benefits of the internet – in terms of access to information, greater choice and lower consumer prices, government services and educational opportunities, as well as social networking – it is crucial to ensure that not only do people have access to broadband, but that they are also equipped with the right skills to use digital communications.

Employment opportunities in Wales have largely failed to adapt to developments in new technology, environmental concerns, demographic changes or changes to the hours and places people want to work.

In order to cut carbon emissions, we must reduce the need for workers to commute if their employment is not location-specific. To protect rural community services, we must ensure that more people are around to use them. There is clear evidence that people tend to shop near to their place of work rather than their home.

And if we want to provide work for young people, parents and carers, and part time employees; all of whom find commuting disproportionately expensive or time consuming. Schemes like Wheels to Work are vital to open opportunities for young people in rural and urban areas but we must also bring work, education and services closer to communities.

Community Workspaces

The Co-operative Party proposes furthering the development of community workspaces in small towns and villages to provide workspaces for people in their communities, achieving economies of scale with shared resources.

The benefits would include:

- contributing to the climate change agenda by reducing commuting (also contributing to the green jobs agenda)
- sustaining local shops by bringing employment to rural, suburban and Valleys communities and to those who find commuting difficult (e.g. young people, single parents, carers)
- providing access to online educational and government services

The workspaces could provide desk spaces; basic administrative, franking and photocopying facilities; broadband and computer facilities; meeting spaces and video/phone conference facilities and childcare.

They could be used by local government and public sector workers who currently work from home or would if circumstances permitted; part-time workers, for whom commuting long distances is disproportionately expensive and time consuming; carers and parents, who need to be near school or home; young single parents, who cannot return to work without access to a workplace and childcare that are both close to home and to each other; small and micro businesses, who would benefit from shared back office functions or need staff spread across Wales but cannot sustain that many premises; secondary co-operatives e.g. agricultural co-ops; other 'local' co-ops e.g. home care co-ops; credit unions; public service one-stop drop in centres e.g. council housing or benefits one day, jobcentre the next.

Assets of Community Value

The Co-operative Party welcomes the Welsh Government's response to the consultation on extending Assets of Community Value provisions to Wales. Swift action should be taken to enact the Localism Act 2011 provisions, this would then allow time for the Welsh Government to consider whether to go further by including a Community Right of First Refusal – something the Co-operative Party has argued for.

Energy and the Environment

In our energy markets six companies, all of whom were originally regional monopoly suppliers, dominate the retail market in the UK. Together these companies supply 98% of the domestic market and 82% of the

smaller business market. Their dominance is due to an uncompetitive market where a lack of transparency, regulation and competition allows these companies to dominate. This has led to stark increases in prices.

Since 2010, household and small business energy bills have increased substantially.

More than 10% of households are fuel poor - too often facing the choice between heating and eating. Our current energy market is broken, with companies using their dominant market position to inflate prices at the same time that their poor environmental progress puts our future at risk.

Co-operative Energy is an excellent example of how collective consumer action can make a difference within a highly monopolistic market – delivering fairer long-term prices for its consumers. But along with other smaller suppliers, it finds it difficult to compete because the 'Big Six' dominate both generation and supply.

Since 1990, German citizens have had a legal right to be producers and suppliers of electricity to their grid system. There, the right to generate has become the power to transform - providing the platform for constructing a more open, democratic and sustainable energy market. Over the course of a decade, renewable energy has become the largest supplier of electricity, providing for 28% of the country's electricity needs.

More than 50% of this supply is owned by households, communities and farmers,

with less than 13% owned by the utility companies. This transformed energy market now operates without subsidy, having delivered 400,000 jobs and lower energy prices than five years ago.

We welcome the Silk recommendations that consenting responsibility for all energy generation projects below 350MW should be devolved to Wales.

For Wales to undergo a German-style energy revolution, all the evidence from pioneering energy markets suggests that renewable technologies are best deployed where policies and measures are directed at bringing together communities of households and businesses.

The Community Scale Renewable Energy Generation Programme was a major step towards creating more community owned renewable energy schemes.

We call on the Assembly Government to continue to look at further ways to support and promote community owned renewable energy schemes, including the option of a Community Energy and Climate Change Unit and to lead the public and private sectors, communities and individuals in Wales towards a Carbon Neutral Wales.

Welsh Water is a 'not-for-profit' company owned by Glas Cymru.

The establishment of Glas Cymru has done a great deal to prove that essential public services are best when run in the interests of the users, not shareholders. Converting Glas Cymru to a true consumer

co-operative would ensure even greater confidence that the service is fully owned and controlled by, and accountable to, the people of Wales.

Likewise, other essential services such as the supply of electricity, would better serve the needs of the users were they to be transferred to consumer mutuals.

Transport

The Co-operative Party supports a transport system that is run in the interests of those who need and use it. This principle should apply locally as well as nationally – to buses, rail and future metro systems and to a fully integrated transport system.

The UK Government's support for the Silk recommendations to devolve the Wales and Borders rail franchise and oversight of Trust Ports is welcomed.

As advocated in Rail Cymru - A People's Railway for Wales, we urge the Welsh Government to work with rail users and staff to develop a not for profit model for rail that is accountable to the people of Wales, and to press the UK government for the necessary legislation to facilitate this.

Trust Ports are publicly-owned and are operated by trusts. Trustees are appointed by officials within the Department for Transport (currently) and are not accountable locally.

If given the powers to do so, the Welsh Government should legislate to open up the governance of these Trust Ports to

ensure that the communities working and living in and around them have a say over the way in which the port operates and how their profits are reinvested locally.

Too often our vital bus routes are being cut leaving isolated communities more cut off from important family, work and social links. Our bus services are a critical driver of economic growth and activity. Increasingly local authorities struggle to ensure that they are able to provide the service their communities require. The power within the bus industry is heavily tilted in favour of a small number of large operators. These operators can cherry pick the profitable routes whilst leaving the socially necessary routes alone.

In order to arrest the decline in services, falling passenger numbers and raising fares there is a need to look at this industry in a new way. Co-operative and Social Enterprises successfully operate services across the country – running metropolitan services to socially necessary education and social care networks.

These operations run in true partnership with commissioning authorities, reinvest profits back in to the services and infrastructure and often are employee led. These models of bus service delivery require support and promotion by the Welsh Government to ensure that procuring authorities are aware of the options available to them. The Welsh Government should work with the co-operative and social enterprise movements

to ensure a task force is created to drive forward the advancement of these public transport models.

In addition to the taskforce consideration should be given to whether new procurement regulations should be extended to ensure that local authorities have a duty to consider sourcing services from these sectors when delivering bus services.

Housing

Through housing co-operatives and other mutual 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. Additionally, they have proved themselves to be a successful model of genuine community empowerment, providing a range of social and community benefits due to the local frameworks of mutual support that they create.

We welcome the development of co-operative housing supported by the Welsh Government, particularly new build co-op housing around the country including Cardiff and Newport; and the transfer of Merthyr Valley Homes to a mutual model.

The Co-operative Party believes that everyone should have access to a decent and attractive home, at an affordable price, whether to rent or to buy in rural

and urban areas. In the aftermath of the financial crisis, ensuring that everyone has access to a decent home they can afford is a major political and electoral challenge.

The shift that has occurred in the global financial markets means that the housing landscape in the UK will never be the same again, and the major outcome will be a new risk averse, resilient and more regulated approach to lending.

The role of Community Land Trusts (CLTs) is crucial. They work well in both rural and urban areas, and are a flexible tool to meet a variety of community needs. They not only offer a number of options for rent and low-cost home ownership, but can also provide a mechanism for generating an income stream for reinvestment by the community. In areas where a rising population, economic investment and limited stocks of affordable homes threaten to exclude local people from the areas where they live and work, CLTs are able to ensure a supply of affordable housing through the control of housing costs and resale prices.

In particular, the 'New Foundations' model can make a significant contribution in the supply of homes. It separates the cost of the land from the purchase price by taking it out of the marketplace through a Community Land Trust. It ensures affordability through flexible monthly payments that are based on an affordable percentage of income. Any public subsidy is locked in and preserved for future generations, due to the structure of equity arrangements.

Finance & Credit Unions

Over the past 10 years, credit unions have more than doubled their lending and membership, while savings and assets have almost trebled. Bank of England figures from the final quarterly returns of 2014 across 362 credit unions in England, Scotland and Wales showed that total membership (including juvenile depositors) rose from 562,577 in September 2004 to 1,173,299 in the latest figures – a 109% increase. And, where credit unions were lending just over £314m in September 2004, this rose by 119% to almost £688m in September 2014. The amount saved in credit unions has leapt by 175%, from just over £381m in 2004 to almost £1.05bn a decade later. Assets have grown by 187% from £432m in 2004 to almost £1.24bn in September 2014.

We welcome Welsh Government's continued commitment to credit unions and the Access to Financial Services through Credit Unions.

Despite the recent growth in credit union membership, the percentage of the Welsh population who are members of a credit union remains small. This is largely due, we believe, to the lack of resources that they are able to devote to promotional work. There is still much to be done to encourage people, including those with secure incomes, to join credit unions and to encourage employers to introduce payroll deduction facilities for them.

Since our last manifesto calling on the Welsh Government to support campaigns

to raise their profile in Wales, credit unions have been more widely promoted, including on television and on buses. We call for that support to be maintained and strengthened.

We also welcome the Welsh Government's support for financial literacy for adults and in schools – and call for this to be increased and for the role of credit unions to be embedded in the curriculum.

Children, Young People & Education

New models of social enterprise in childcare build on the long history of community based childcare services and co-operatives in the UK, US and Europe. The last 20 years have seen significant growth in the co-operative care sector in mainland Europe. This is notable in counties such as Sweden and Italy.

In the UK, the number of childcare co-operatives is growing in response to the increasing need for affordable, high quality provision. Where employees have a real stake in the business, staff are highly motivated and turnover is low. Worker co-operatives can provide attractive employment benefits and working conditions that suit the staff as well as the users. Profits from co-operatives are reinvested in the business and/or the local community rather than distributed to shareholders, ensuring a service that is affordable as well as meeting the needs of the users.

To be effective in a modern global economy, young people need to be equipped not only with individual skills, but the knowledge and understanding to effectively work in teams – to learn to co-operate. In order to give young people a well-rounded education, it is equally important that education also focuses on developing ethical values and social responsibility.

Through its involvement in education, the Co-operative Movement has demonstrated that it can provide a values-led, faith-neutral environment and curriculum for the future citizens of tomorrow's global economy. Reports from OFSTED in England and the results of pupils have shown the benefits of using co-operative values as a framework to deliver the breadth of curriculum areas and personal development undertaken in schools. Young people instinctively understand co-operative principles while co-operative values and skills can empower young people as active citizens, and embed civil society skills. These need to be embedded in the new curriculum across early years, primary and secondary education.

It is also important to ensure that young people develop an understanding of the depth and breadth of the Co-operative Movement, both in Wales and across the world. As it stands, a very small proportion of young people leave school with an understanding of co-operatives and mutuals, as opposed to other economic models.

We call on the Welsh Government to ensure that co-operative ethics and models are central to business and citizenship curricula and to the way our children are educated, and to ensure that co-operative business models such as Young Co-operators are embedded in the Youth Entrepreneurship Service

Labour in Welsh Government introduced the Music Development Fund in 1999 to provide access to instrumental experience for children in our poorest families. Music and sport have been the route out of poverty and a gateway to success for many people throughout our history and this initiative had significant impact in opening up opportunities for many young people. The Fund was later delegated to local government and – like other aspects of informal education – has been squeezed by the impact of 'Austerity' and the financial cuts imposed by the UK Government. So Wales needs a different approach to enabling and empowering the engagement of all young people in informal education and the Arts.

Most reasonably well-off parents are able to support their children to take part in recreational and personal development activities from within the family budget. This can take the form of out-of-school sporting activities, learning to play a musical instrument or taking part in projects with real community benefits, such as volunteering. Such opportunities are not available to all children and young people. We need to make sure that they are so that every young person is able to fulfil their potential.

We believe that there are commercial, charitable and cultural interests in Wales that would be willing to coordinate their efforts to provide the means to offer such 'life chances' to some of our more disadvantaged children and young people. Government has a key role in maintaining a national focus on those most at risk of missing out on the opportunity to demonstrate their talents and abilities. We propose:

- The development of a 'Life Chances Fund' to provide financial support for disadvantaged young people to enable them to take part in recreational and personal development activities that might otherwise be denied them.
- Welsh Government and local government should seek to harness the goodwill that exists in Welsh society to make sure that the musical, artistic, and sporting talent of the next generation is not lost because of the impact of 'Austerity' and an approach nationally that is at odds with the priorities and experience of Welsh people.
- That the Youth Service be included within the protected education budget – a step that is currently being explored within the Welsh Labour policy process at the request of the Wales Council of the Co-operative Party. This would not produce extra money but, as austerity continues to bite, it would recognise the part that is played by informal education through the Youth Service and through music

and sport to rescue many of those most excluded in society – something that fits well with Welsh Government's Wellbeing of Future Generations Act which we support. No Co-operative or Labour candidate at any level has stood on a platform of cutting the services to young people.

We call on Welsh Government to build on the excellent principles set out in the Well Being of Future Generations Act by recognising that our next generation will be failed unless informal education and skills through sport, music and the arts are nurtured through the Youth Service and Community Groups; and that this is a key equalities issue affecting children and young people in poorer families more than others.

Equality of opportunity and respect

Inclusion is a basic co-operative principle. For many years many people have been excluded from Society – in terms of employment, education, income and being listened to – and this has not only been damaging to individuals personally but has wasted the talents that are of value to society locally and nationally. Increasingly in Wales women, disabled people, people from Black and Minority Ethnic Groups, are being valued and showing how much they have to offer – so that many now wonder how we survived without using their talents to the full. While the picture has therefore improved there is still a long way to go. Co-operative approaches can enable community of interest groups to manage

their own destiny and co-operatives in all sectors are encouraged to include all groups in their work.

We call on Welsh Government to promote a co-operative approach to inclusion as an embedded priority within all their departments and agencies and within schemes with economic, social, educational and health objectives – as a mainstream priority and not just as an afterthought.

Health and Social Care

We support the Assembly's ambitions to build a healthier Wales, and to solve long term health issues with initiatives such as anti-smoking legislation. The National Co-operative Chemists started in Wales, and assistance from the co-operative movement, such as the Co-operative Group's grants to breakfast clubs and walking buses, has helped to educate children and young people to lead healthier lives.

Other schemes to improve health such as fresh fruit co-operatives must be supported and extended to ensure that every family in Wales - rich or poor, urban or rural - has access to affordable fresh food.

Allotment clubs for young people, at or near schools, would help to educate children in healthy eating and even could supplement school dinners. They could even be run as co-operative business enterprises along the lines of Young Co-operatives.

We welcome the Health and Social Care Act 2014 and the specific provisions for the development of co-ops and mutual in that sector.

We call on Welsh Government to examine new and innovative ways to improve primary care, such as GP co-operatives for the provision of out-hours-services and social enterprises such as not-for-profit Industrial and Provident Societies, for NHS dental services.

Fair and ethical trade

We congratulate Welsh Government's leadership which enabled Wales to become the first Fair Trade Country in 2008, and we take pride in the role the co-operative movement played in helping to achieve this outcome. The co-operative movement has led the UK business sector's contribution to ethical trade. This approach needs to be recognised and built upon by all businesses and individuals.

The Co-operative Party believes that trade can be beneficial and that fair trade is the best tool of all in the fight against global poverty. The two areas that are key to rebalancing the global trading system are 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 everyone in Wales – including Welsh Government and its agencies - to be aware of their purchasing power and choices, and to challenge retailers to stock and promote fairly traded goods and goods with high animal welfare standards, as pioneered by the Co-operative Movement.

The Co-operative Party calls on Welsh Government to assist in the promotion of improving animal welfare standards, including making this a factor to be included in decisions on public sector procurement.

International trade rules tend to strongly 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. We want a minimum of bureaucracy, but under free trade conditions, millions of poor people's livelihoods are threatened and their governments are powerless to prevent it.

We call on Welsh Government and the National Assembly, along with the UK Government and Parliament and the

European Union, to develop and implement trade policies to benefit the poorest countries and allow their governments to choose the best solutions to end poverty and protect the environment, especially in agriculture, water company regulation and core labour standards.

We call on Welsh Government to take a practical lead in this by encouraging enlightened purchasing policies among all public sector bodies to ensure equality for fair trade suppliers.

Sport

Sports clubs are often regarded as community assets, yet too often they are owned by either private individuals who seek to promote their own interests or controlled by well meaning, but distant committees. The Co-operative Party believes that sport should be accessible to all and that it should be controlled in the interests of those who participate in its enjoyment.

Sport is not just important to those who play, but to the many more who support their teams week in week out over lifetimes and generations. Sports teams often form the core of a community's identity and common bond.

The Co-operative Party and the last Labour Government were instrumental in the creation of Supporters Direct and the development of football supporters' trusts. Through the pooling of individually held shares in supporters' trusts, many football fans have collectively won a real

say over the manner in which their clubs are run. So far over 200 trusts have been established using the democratic, not-for-profit community benefit society model and around 75 have representatives on the board of their club.

The evidence shows that fan ownership can help football clubs become more successful and sustainable, and generates wider social value for the communities in which fan-owned clubs are situated. It is widely acknowledged that the survival of Swansea City, currently Wales' only Premier League team, can be largely attributed to the Supporters' Trust. Many trusts have also worked to benefit their wider community as well as their club.

The Co-operative Movement worldwide

Co-operatives are a major part of the global economy. According to the most recent figures of the World Co-operative Monitor the 300 largest co-operatives in the world grew 11.6% in 3 years to reach a combined turnover of USD 2.2 trillion, the equivalent of the 7th largest national economy. 250 million people are employed or earn their living thanks to a co-operative.

Co-operatives can combine economic growth with quality employment and are recognized by international organizations like the ILO for their work in this area.

the welsh co-operative party

politics for people

plaid gydweithredol cymru

gwleidyddiaeth i'r bobl

The Co-operative Party is part of a global Co-operative Movement that includes over one billion people around the world. The United Nations estimated in 1994 that the livelihood of nearly 3 billion people, or half of the world's population, was made secure by co-operative enterprise. These enterprises continue to play significant economic and social roles in their communities.

We work with the Labour Party to influence its policies towards more co-operative solutions through our 25 Labour and Co-operative MPs, 15 Peers, 4 MSPs, 9 AMs and hundreds of local councillors.

**To contact or to join the Co-operative Party in Wales,
phone 0207 367 4178, email wales@party.coop or go to
www.party.coop.**



the co-operative party

Yes I'm in -
I'd like to become a member
of the Co-operative Party

Name:

Email:

Address:

Postcode

Phone:

Date of Birth:

Gender:

Female

Male

I declare myself a Co-operator, and agree to accept the programme, policy and constitution of the Co-operative Party, national and local. I will do all in my power to promote the policy of the Party as declared from time to time. I am not a member of any political Party other than Labour or SDLP. I am a member of a recognised co-operative as determined by the NEC.

Signature:

I am a member of these co-ops:

Instruction to your bank or building society to pay by Direct Debit

The Co-operative Party, 65 St John St, London EC1M 4AN

Name(s) of account holder(s)

Account Number:

Sort Code:

Name and full postal address of your bank or building society:

To: The Manager

Bank/Building Society

Address:

Postcode



Service User's Number:

2

8

2

3

6

9

Instruction to your Bank or Building Society:
Please pay the Co-operative Party Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand this Instruction may remain with the Co-operative Party and, if so, details will be passed electronically to my bank/building society.

Signature:

Date:

Standard membership is £3 monthly or £33 yearly - please tick the relevant rate:

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<input type="radio"/> £3 monthly	<input type="radio"/> £33 yearly	<input type="radio"/> £2 monthly	<input type="radio"/> £20 yearly	
<input type="radio"/> £5 monthly	<input type="radio"/> £60 yearly	<input type="radio"/> £1 monthly	<input type="radio"/> £10 yearly	
<input type="radio"/> £10 monthly	<input type="radio"/> £120 yearly	<input type="radio"/> Aged 14-17:	<input type="radio"/> £1 yearly	

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