

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

Summary of recommendations

Foreword by Rt Hon Alun Michael



# In this document

<b>Foreword</b>		<b>3</b>
<b>Introduction</b>		<b>6</b>
<b>Co-operatives &amp; Mutuels Commission</b>		<b>7</b>
Economic Development & Business Support	8	Finance 10 Education 10
Local Government & Community Safety	8	Equality of opportunity and respect 10
Public Services	8	Health & Social Care 10
Energy and the Environment	9	Fair & Ethical Trade 11
Transport	9	Sport & Leisure 11
Housing	9	
<b>The Co-operative Movement Worldwide</b>		<b>12</b>

This document has been produced by Co-operative Party Limited. Registered in England under the Co-operative & Community Benefit Societies Act 2014. Registration no. 30027R.

For information or more details, please contact Co-operative Party Limited,  
Registered Office: 65 St John Street, London EC1M 4AN.

020 7367 4150  
mail@party.coop  
www.party.coop

# Foreword



A fairer society means people and organisations sharing power and working together because 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. We have to “Shrink Together, not Shrink Apart” as a matter of principle and in order to protect our people and our principles.

There are 24 Labour & Co-operative MPs in Parliament, as well as representatives in the Scottish Parliament, the National Assembly for Wales, 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.

The 24 Labour and Co-operative MPs who were elected in 2015 form 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 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 which 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 & 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-operatives & 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, the commission 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 movement to take action on those recommendation that are within its 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 fulfilled
- 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.
- 7 Community options for pubs, shops and community centres.
- 8 Promote an active role for excluded members of Welsh Society and local communities in the design and control of businesses.

## Local Government & Community Safety

- 9 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.
- 10 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.
- 11 Encourage local authorities to support co-operatives and mutual businesses as a fair and sustainable way to promote local economic development.



- 12 Actively promote the concept of Welsh Co-operative Councils and support those councils that have already shown commitment to this model.
- 13 Give strong and explicit support to the impact of co-operative working between the police and devolved bodies, following the approach that has already had a positive impact in South Wales.

## Public Services

- 14 Support the development of new mutual models for the provision of public services, including residential and home care, health and pre-school and out-of-hours school care.
- 15 Consider the feasibility of converting Glas Cymru to a true consumer co-operative, which would ensure even greater confidence that the service is fully owned and controlled by, and accountable to, the people of Wales.

## Energy and the Environment

- 16 Examine further ways to support and promote community owned renewable energy schemes, including the option of a Community Energy and Climate Change Unit.
- 17 Lead the public and private sectors, communities and individuals in Wales towards a Carbon Neutral Wales.

## Transport

- 18 To work with rail users and staff, as advocated in Rail Cymru - A People's Railway for Wales, to develop a not-for-profit model for rail that is accountable to the people of Wales, and press the UK government for the necessary legislation to facilitate this.
- 19 If given the powers to do so, to legislate to open up the governance of Trust Ports to ensure that the communities working and living in and around them have a say in how the port operates and how their profits are reinvested locally.

## Housing

- 20 Encourage existing Registered Social Landlords to adopt co-operative principles and support them in converting to mutuals and co-ops where there is support for that approach from tenants and workers.
- 21 Target 20% of the future social housing grant programme towards mutual or co-operative homes. All rented housing schemes with greater than 25 homes should offer residents a mutual or co-operative offer. This includes local authorities considering building new council housing following borrowing powers.

- 22 Commitment that 'right to buy' will not be extended to housing co-operatives in Wales.
- 23 Expand the development support role of the Wales Co-operative Centre to allow both the development and future management of co-operatives to be supported.

## **Finance**

- 24 Continue support for the development of strong, sustainable credit unions in Wales, facilitate shared resources and continue to undertake promotional campaigns on their behalf.
- 25 Ensure that financial literacy is included in at all levels schools and colleges.

## **Education**

- 26 Ensure that co-operative ethics and models are central to business and citizenship curricula and to the way our children are educated in schools and colleges.
- 27 Support Young Co-operatives in schools to run credit unions other businesses to promote and provide hands-on co-operative experience.
- 28 To build on the excellent principles set out in the Future Generations Bill 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**

- 29 Promote a co-operative approach to inclusion as an embedded priority within all departments and agencies and within schemes with economic, social, educational and health objectives – as a mainstream priority and not just as an afterthought.

## **Health & Social Care**

- 30 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 community benefit societies for NHS dental services.
- 31 Continued and enhanced support for fresh food co-ops and community agriculture schemes.
- 32 Recognise and encourage an active role for excluded members of the community in the design and control of services.

33 Active support for social care co-ops to develop in the wake of the Health and Social Care Act.

## **Fair & Ethical Trade**

- 34 Assist in the promotion of improving animal welfare standards, including decisions on public sector procurement.
- 35 Work with the UK Government and the European Union 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, regulation of water companies and core labour standards.

## **Sport & Leisure**

- 36 Give financial and other necessary support to establish Supporters Direct Wales, to assist thousands more football and rugby fans in Wales to have a real say in the running of 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. Covering 26 countries, the top 300 co-ops are mainly involved in the insurance sector (46%), the agricultural and food sector (27%) and wholesale and retail trade (20%). Based on turnover, the top co-operative in 2012 was Japanese-based Zenkyoren, an insurer, with a total output of 77.61 USD billion. Co-operatives can combine economic growth with quality employment and are recognized by international organizations like the ILO for their work in this area.

'...ILO's mandate is summarized in the Decent Work Agenda and its four pillars: the promotion of employment, rights at work, the extension of social protection, and the strengthening of social dialogue.

We believe that by their very nature, cooperatives can contribute to the simultaneous achievement of all four of these objectives:

- they provide members with voice, representation and an organizational platform to defend their rights;
- they foster economies of scale and greater bargaining power of producers to make work more productive;
- they extend social protection by harnessing and modernizing traditional systems of mutuality, solidarity and reciprocity; and
- they deepen and broaden social dialogue by reaching out to rural areas and the informal economy. ILO Recommendation 193 on Promotion on Cooperatives,

celebrates its 10th anniversary this year. Since 2002, it has inspired more than 70 countries to change their policies and legislation based on its good practice provisions...'

José Manuel Salazar-Xirinachs, Executive Director, Employment Sector, ILO, speaking on "Promoting productive capacity for sustainable livelihoods: the role of cooperatives" in 2012

It is the responsibility of the International Co-operative Alliance to represent co-operatives worldwide and to offer global leaders and institutions ideas, solutions and examples on how to tackle some of the major economic and social challenges of our time. To do this, the Alliance is actively engaged with the G20, G8, UN and its agencies, among others.

The ICA's values and main messages are:

- The co-operative business model can deliver sustainable economic growth and employment and therefore should be promoted and developed in all countries;
- The global economy needs more diversity and openness in terms of business forms in order to be more stable, fair and resilient; it is important that cooperatives are allowed to operate in all areas of economic activity and that their model of business is promoted more widely;
- Co-operatives need an adequate enabling policy and regulatory environment that recognizes and respects their specific characteristics to be able to better perform their mission and objectives;
- Economic growth is a tool to create wealth – not an end in itself – and cannot not be achieved to the detriment of human rights, people, workers and/or local communities;
- The co-operative model of business is in a privileged position to achieve the aims of sustainable growth and employment because it is people-centred and values-based and the wealth it generates is more equitably distributed to members, workers and the community at large.

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.

# politics for people

65 St John Street, London EC1M 4AN

020 7367 4150

[info@party.coop](mailto:info@party.coop)

 [CoopParty](#)

[www.party.coop](http://www.party.coop)



Co-operative Party Limited is a registered Society under the Co-operative and Community Benefit Societies Act 2014. Registered no. 30027R.