

BUILDING A FAIRER FUTURE

The **Co-operative**
Plan for **Britain**



co-operative
party

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FOREWORD

In the sixth richest economy on Earth, it ought to be a given that nobody goes hungry, that people get a fair day's pay for a fair day's work, and everyone has a secure and affordable place to call home. Basics such as food, dignity at work, and decent housing ought to be a given.

After all, it's just basic common decency – but these things we used to take for granted seem further away than ever for millions. Children starting secondary school this year have only ever known recession and austerity, born in a credit crunch brought on by big business, and now going to school hungry. Teachers who haven't seen a real term pay increase for years are dig into their own pockets to make sure their students have full enough stomachs to concentrate, while juggling their own rising rents and expensive childcare.

It is clear that more of the same will no longer do. More of the same will not change the way our economy distributes its rewards. More of the same cannot save our world from the climate emergency. It won't put food on the table or a roof over our heads.

As we go to the polls this winter, let us face the future. To build a fairer future, we must seek inspiration from the people, projects and movements who have dared to do things differently.

Doing things differently comes naturally to co-operators. From the outset, the co-operative movement has challenged the status quo. It is this experience and this willingness to be disruptors which will be so important in facing the challenges to come. Co-operation, a global movement of more than a billion members, shows that our values and principles can support social justice both at home and abroad.

This policy platform shares the ideas that the Co-operative Party wants to put at the top of the next Parliament's to-do list. They are borne from the real-life experiences of our members and movement, who are already doing things differently across the country. Putting our co-operative values into practice on shop floors in every high street, through community share offers to build solar panels and save post offices, on marches for a public vote on any Brexit deal.

Let us face the future, confident in our co-operative values and daring to put them into practice in every community. Let us build a fairer future where wealth and power are shared.

Joe Fortune
General Secretary
Co-operative Party

BUILDING A FAIRER ECONOMY

By most measurements, our economy isn't working. At a personal level, the UK's current economic system is one within which homelessness and billionaires co-exist. Wealth and economic success are not fairly shared, and the economy's rewards flow upwards without trickling back down. Productivity is low, and wage growth and living standards has been decoupled from wider economic growth. Consumers, workers and communities have a declining share in an economy which doesn't work in their interests.

Co-operation provides an antidote to many of the economy's failings. The original co-operative and mutual societies were created as a way for ordinary people to come together to provide mutual self-help for their members – from good quality affordable food to fair rewards for their labour and protection against sickness and unemployment.

While the country is a very different place to when the Co-operative Party was founded a century ago, the solutions offered by co operatives are as pertinent and important today as they were then. By existing to provide a service for their members rather than generate profits for external shareholders, co-operative and mutual enterprises are the key to creating an economy that puts people before profit. And conversely a larger co operative sector is a sign and measure of a different kind of economy emerging, where purpose and participation are valued above profit maximisation.

Double the Size of the Co-operative Sector



With values and principles at its heart, co-operative enterprise is the fairest way to do business – democratic organisations with a social purpose, operating in the interests of their members and wider communities, and sharing the dividends of success fairly.

Economies characterised by a larger co-operative sector are more equitable, productive and accountable, with a narrower gap between the rich and poor. Instead of wealth being concentrated in the hands of a small percentage at the top, co-operative economies have a wider ownership base.

In communities like Emilia Romagna in Italy, co-operative enterprises generate close to 40% of GDP in the province resulting in the lowest socio-economic inequality of any region in Europe. In contrast, the UK's economy is skewed to the interests of private business.

Co-operative growth and expansion are hindered by a legislative and regulatory framework that is designed for privately-owned businesses. Despite the success of member finance and community share offers in financing community energy, co-operative pubs and other projects and enterprises, co-operatives' unique structure means they are often excluded from traditional investment methods.

This unequal playing field places the sector at a competitive disadvantage and makes it easier for new enterprises to adopt conventional business models. It is testament, therefore, to the resilience of co-operatives that the sector is worth £37.7 billion to the economy each year – despite this hostile economic environment which creates barriers to further co-operation.

A Co-operative Development Agency and support to grow

There should be a national Co-operative Development Agency (CDA), with a network of regional agencies or partnerships across England to enable practical, proactive co-operative development in every community, tailored to suit their own regions. This should partner with Co-operative Development Scotland (CDS) and the Wales Co-operative Centre (WCC) and support them on non-devolved matters. In Northern Ireland a publicly funded CDA should be created. The national CDA should also build on rather than replicate existing co-operative development and support.

National and regional CDAs should be mandated to grow the co-operative sector; to support and promote co-operatives; to ensure legislation and regulation are fit for purpose and do not discriminate against co-operatives; to work with partners in the sector and in local and regional government; to provide loans and grants; and to provide education, training and advice. These activities should be suitably resourced in order to at least double the size of the co-operative sector and enable it to engage in the economy at the scale and pace to be genuinely transformational.

A Marcora Law for British workers

In Italy, the innovative “Marcora Law” gives workers access to financial resources and business support to buy out their company if it's being sold or is at risk of closing down. The government should learn from this example, to give workers new rights to take a stake in their workplaces. This support should include financial assistance from the government, as well as tasking the new National Investment Bank and Regional Development Banks with providing appropriate finance to employees considering a worker buyout.

New legislation should give employees a statutory ‘right to request’ employee ownership during business succession, alongside an ‘early warning’ resource capable of informing workforces in advance of insolvency or disposal of a viable business. This would enable employees to assess the scope for acquisition and prepare a bid.

Financing co-operative growth

Access to funding is a barrier to new co-operatives starting up and existing co-operatives expanding. Grant and loan funding should be made available, via the Co-operative Development Agency and its regional partnerships, to support the co-operative sector to grow.

Given the range of co-operative endeavour and types of co-operative currently involved in the sector it is likely that there will be requirement for a range of other tools which co-operatives can use in the development of their operation. New financial instruments, learning from Australia's new Treasury Laws Amendment (Mutual Reforms) Act 2019, should be developed to enable non-member investment in co-operatives while protecting their integrity and the nature of the co-operative business model.

A new investment bank, with accountable co-operative governance, in addition to the British Business Bank and new mutual guarantee societies, which is jointly owned by bondholders and the UK Government.

The Bank should support the expansion of the co-operative, mutual and social enterprise sector through the provision of patient risk capital.

There should also be a dedicated government-backed Responsible Finance Fund to unlock private sector investment in a similar way to Community Development Finance Institutions. For example, scientists and researchers organising into co-operatives to better access research facilities, raise awareness of their research and collaborate would benefit from this as it could provide a broader source of funding.

New duty to foster diversity of corporate form

There should be a new statutory ‘duty to foster diversity of corporate forms’ to enable a new culture of co-operative entrepreneurship. This would include amending the government's Impact Assessment on new legislation and regulation, to ensure that all legal forms are properly considered, and to identify and remove burdensome unintended consequences of new government policy.



Review of laws to ensure level playing field

Co-operative and mutual enterprises continue to operate under a regulatory framework that can disadvantage them in contrast to company law. Laws applying to co-operative and mutual enterprises should be reviewed to ensure they benefit from a level playing field and to ensure no policy has unintended consequences for the co-operative sector, or Henry VIII powers in the Co-operative and Community Benefit Societies Act 2014 should be attached to all the various thresholds and other provisions which require regular update.



Machinery of government

There should be a new Minister for Mutuals, a joint post across the Cabinet Office and Treasury. They should be tasked with developing a roadmap for policy development in Whitehall aimed at making co-operative options more user friendly, removing the unnecessary red tape facing many co-operatives and allowing them to adopt a statutory asset lock if they choose.

The Inclusive Economy Unit, currently within the Office for Civil Society at the Department for Culture, Media and Sport, should be strengthened and moved to a more appropriate department within the Minister's portfolio. The Minister would also be responsible for the new Co-operative Development Agency.



Tax incentives and support

Community Benefit Societies are non-profit distributing businesses that exist for a specific social purpose. While several of these are also registered as charities, this can be a difficult bureaucratic hurdle to navigate for some smaller organisations. As businesses solely concerned with social outcomes, the government should exempt Community Benefit Societies from paying corporation tax, as well as business and non-domestic rates.

Changes to the Enterprise (EIS) and Seed Enterprise Investment Schemes (SEIS) should be made to ensure that asset locked mutuals have access to funding. Currently, small asset-locked mutuals are unable to benefit from the EIS and SEIS due to the limited role that external capital plays in member-owned organisations. Where mutuals decide to opt for an asset lock, their retained profits should qualify them for tax relief under EIS and SEIS.

Co-operatives rely on internal reinvestment of earnings to grow, so many schemes designed to encourage private investment are of limited use for some co-operatives. The government should introduce tax relief on profits reinvested by co-operatives which have opted to have an asset lock, and create a common capital fund.

Consumer Rights



The Co-operative Party has long championed the rights of consumers, and believes that in a well-functioning economy, well-informed and empowered consumers drive up standards, innovation and value for money.

The economy is also a very different place from the 1960s and 1970s when Labour & Co-operative MPs developed the raft of legislation that underpins much of today's legislation. Consumer protections have not kept pace with new technologies, consumer trends and different ways of doing business – and Brexit risks the further erosion of consumer rights, as many of the rules protecting customers come from the EU.

However, many of our consumer markets do not currently function well and are characterised in many sectors by a lack of competition, an overdominance of large commercial firms, corporate decision-making focused on short-term profit not long-term value creation, inadequate access to information, barriers to shopping around or switching, and exploitative practices.



New consumer co-operatives

Consumer co-operatives are businesses owned by their customers for mutual benefit. They provide a challenge and an alternative to market failures from energy and broadband to food – by operating for the benefit of their members and wider communities rather than for private profit.

A new Co operative Development Agency should include support for consumers to come together to create new consumer co-operatives. When companies are fined for abuse of market position or other anti-competitive behaviour, a portion of their fine should be spent on empowering consumers in that sector to start new consumer co-operatives.



Consumers on boards

Britain's businesses lack the scrutiny needed to prevent bad corporate behaviour and to ensure consumers get a fair deal. Corporate governance requires urgent reform so that, where appropriate, consumers have a voice on company boards.



Advice, advocacy and information

Access to advice and advocacy services are also important. Having access to independent advice can help consumers understand their rights and resolve problems more quickly. A new duty should be placed on statutory regulators to report annually on the provision of free independent advice available to consumers purchasing services in their sector.

Consumers deserve the right to access their data in a meaningful format and to be allowed to share it. The government should bring forward legislation to create a framework for Next Generation Intermediaries (NGIs) - these 'consumer clubs' need the ability to use data shared by consumers to negotiate services on their behalf. NGIs would enable consumers not only to individually compare prices but to collectively negotiate them for a wide range of services from energy to banking, and provide a new weapon in their fight for a fairer deal.



A competition health check

It is vital that the Competition and Markets Authority (CMA) remains responsive to consumer concerns, acts on the priorities of consumers and works closely with other consumer champions. The government needs to put CMA reform at the top of the agenda and introduce an annual 'Competition Health Check'.

Led jointly by consumers and the competition authorities, the annual health check would ensure regulators and politicians act where markets do not work in the public interest. In markets where failure is identified by regulators or the Competition Markets Authority, additional support should be given to the development of new consumer co-operatives.



Transparency

Legislation should go further and ensure that consumers are given access to accurate and portable information. Too many companies are opaque in their dealings, obscuring charges and costs to hold on to customers or to overcharge them.



Single common ombudsman

There are at least 17 different Ombudsman services and fourteen different recognised complaint handling services. Navigating this confusing system makes it harder for consumers to get justice. There should be a single Consumer Ombudsman with US-style powers and the ability to take up class actions on behalf of consumers against companies.

Fair Taxes



Society relies on taxation to raise the revenue needed to fund our public services and invest in infrastructure. But in a progressive system, tax also combats inequality by redistributing wealth, provides a tool to tackle wider issues from carbon emissions to smoking, and creates a level playing field for businesses large and small.

However, from offshore havens to legal but meanspirited accountancy tricks, high profile examples of companies and individuals being seen to avoid tax to extreme levels have exposed an unfair system that requires significant reform. In contrast, there is a growing movement of organisations – from co operatives to local councils – who are proud to pay their fair share of taxes. The Fair Tax Mark champions organisations that pay the right amount of tax in a transparent way.

Not all of the problems with the UK's tax system comes down to businesses and individuals playing the system. The unequal burden of business rates, government tax cuts to corporation tax, antiquated council tax banding, and capital gains relief for wealthy business people are evidence that a more equitable system is needed – so that small, regional and co operative businesses can grow while ensuring big businesses play by the rules and contribute their fair share.



Fair Tax Mark

The Co-operative Party wants to see a more equitable system of taxation for businesses in the UK which enables small, regional and co-operative businesses to grow while ensuring big businesses play by the rules and contribute their fair share. Tax transparency is key to ensuring that UK businesses are paying their fair share of tax. Measures such as the Fair Tax Mark will make it easier to reward firms doing the right thing and identify those who are not.

The Co-operative Party is proud to be the first political party to be awarded the Fair Tax Mark.



Local tax and rates reform

Currently, business rates tax economic activity, creating a perverse disincentive to doing business, while stamp duty can have a dampening effect on the housing market. These less efficient, regressive taxes should be scrapped in favour of this new Land Value Tax, and council tax should be reformed so that it is fair and based on income not property values.



Online sales

Business rates tax economic activity, creating a perverse disincentive to doing business, and because they are only paid by bricks-and-mortar businesses, high street stores and cafes pay a disproportionate share of corporate taxes based on their profits compared to the large multinationals.

Many big online retailers and marketplaces register much of their activity overseas or in tax havens, further reducing their costs as their corporation taxes remain very low.

There should be an online sales or transaction tax and/or VAT could differentiate between in-store and online sales to create a more level playing field.



Land Value Tax

The Co-operative Party wants to see a new approach to land and planning which rewards productive economic activity rather than simply owning the deeds to a plot. We believe this requires a rethink about the UK's tax policy, replacing regressive property taxes with a fair land value tax to encourage developers to "use it or lose it" instead of land banking.

The Co-operative Party proposes that a new Land Value Tax is levied on all land, based on its unimproved optimum current permitted use.



Scrap entrepreneur tax relief

The Entrepreneur Tax Relief is an ineffective and unfair policy – not only does it fail to increase entrepreneurship, it simply provides large handouts from the government to some of Britain's wealthiest people. This tax break should be scrapped, and the £2.7 billion additional income a year as a result should be invested in measures which create a fairer economy – this could include a combination of creating a new co-operative investment bank, funding the new Co-operative Development Agency, and developing new regional mutual banks.



Crack down on tax havens

Companies who shift profits to tax havens should play by the same rules as every other business. The Treasury should use its powers under the Finance Act 2016 to properly enforce country-by-country reporting for global corporations, so that public scrutiny of corporate behaviour can put pressure on businesses to be more responsible.

Responsible Business



Many of the economic and social problems we face in today's economy can be put down to the lack of accountability of Britain's big businesses. Some notable exceptions notwithstanding, too many companies have become fixated on short term profit maximisation at the expense of their workers, their customers and the wider economy. From workers' rights scandals uncovered at Sports Direct and recently uncovered role of businesses like Chevron and Shell in global emissions, to the collapse of high street shops like BHS, it is clear that consumers, employees, the environment and the high streets pay the price for irresponsible business practices.

Despite the 2006 change to Company Law requiring businesses to focus on long-term profitability and their impact on their stakeholders, little has changed and the news is still dominated by stories of rising bonuses at the top, low wage jobs and unsustainable business practices that damage our environment and erode public trust.

It is all too easy to be an irresponsible business, while those businesses choosing to do the right thing can be put at a competitive disadvantage. This needs to be reversed, so that good company behaviour is the norm; corporate governance is reformed for the benefit of workers, consumers and the environment; and businesses that behave badly are penalised.



Board reform

In the European 'stakeholder' approach to business, employees are given a formal role in making decisions about how a company is run. All publicly listed companies should have a 'duty to involve' their employees at a workplace level, and have representatives of employees on their board.

These new rights would operate in addition to, not instead of, the vitally important role that trade unions play in Britain's workplaces, and the Co-operative Party would like to see a higher penetration of trade union membership and recognition in the private sector.

Similarly, consumers on boards, where appropriate, would supply Britain's businesses with the scrutiny needed to prevent bad corporate behaviour and to ensure consumers get a fair deal.



Triple bottom line reporting

Despite the existential threat of climate change, private businesses continue to profit from unsustainable behaviour – paying more regard to their bottom line than their impact. There are some businesses which understand that their long-term profitability cannot be decoupled from their social and environmental responsibilities – however, too many businesses continue to pursue business as usual.

New measures are needed so that business which behave responsibly are rewarded, while those which don't currently are compelled to take stock. This could take the form of an amendment to company law to require companies to report on environmental and social impact as well as their bottom line, giving consumers, employees and shareholders the information they need to be able to seek enforcement .

Better Financial Services



British banking is dominated by four large banks: Barclays, Lloyds, HSBC and the Royal Bank of Scotland (RBS) provide 70% of current accounts despite the wave of eye-catching digital challengers, and new rules designed to loosen the big four banks' stranglehold and boost competition are having a limited impact.

The lack of choice and diversity mean very few customers switch, and there remain many people without current accounts at all. 1.7 million people don't have access to banking of any kind, and 40% of households have less than £100 in savings. Household debt in the UK is worse than at any time on record. Credit card debt is growing at the fastest rate since the financial crash, and as house prices continue to rise faster than wages, households are taking out bigger mortgages.

Beyond personal banking, high street banks are not performing for businesses either and are increasingly reluctant to lend to SMEs. And the feeling is mutual – only 1.7% of small firms sought new loans in the first half of 2017, down from 2.9% for the same period in 2012, preferring to find alternative funding or not borrow at all even if it meant they couldn't expand.

Alternatives already exist – credit unions and community development finance institutions (CDFIs) which provide accessible and affordable banking, and building societies which exist to provide a service for their members rather than create wealth for external shareholders. However, much of the legislation and regulation governing the sector is antiquated and in need of reform, or disproportionately impacts on their ability to compete with the commercial high street banks.

Universal access to banking

Every adult, household and business should have access to at least a basic package of fair and affordable finance tools, including a basic transactional bank account; a savings scheme; access to credit; physical access to branch banking facilities; insurance; and independent money management advice.

Strengthen the credit union movement

Credit Unions provide affordable and accessible banking for everybody, whether they are excluded from other parts of the financial system or are simply looking for a fairer deal.

The government should support the growth of the credit union movement, aiming to at least treble the number of members. This can be kickstarted by ensuring that all public-sector employers establish payroll deduction facilities for credit unions. A credit union payroll deduction system should also be a requirement for private organisations tendering for public contracts.

To promote financial education and promote saving, the government should follow the lead of innovative local authorities like Haringey to offer a credit union account for every child, opened in their first year at primary school.

Regulatory changes, such as reforming the way capital rules for credit unions are set up, would further enable the sector to grow, and legislative reform of the Credit Unions Act is required to enable credit unions to deliver a full range of services to members.

Bailouts in the public benefit

When banks fail or require bailout, like RBS, they should be required to take a mutual form, like a building society, to inject competition and diversity into the banking sector and so that public funds used to bail banks out are spent for benefit of the consumers rather than future shareholders.

SME lending

Some commercial lending to SMEs sits outside of the regulatory perimeter, so other than increasingly large fines, bad behaviour continues to go unchecked. Small business owners are also often required to secure small business loans against personal guarantees like their homes which creates a significant barrier to many would-be entrepreneurs. The regulatory environment for SME lending should be strengthened to provide appropriate protections for SMEs and they should be given the ability to refer disputes to the Financial Ombudsman Service.

Duty to serve

The government should legislate to introduce a new 'duty to serve' that would force UK banks to demonstrate that they are serving individuals and SMEs from all backgrounds, as happens in the US under the Community Reinvestment Act. Financial institutions could also look to form a partnership with CDFIs operating in their region and commit to supporting and promoting their activities whenever possible. Data collected on this already by the Bank of England should be transparently available to enable this and create greater accountability.

Building societies

Much of the legislation governing building societies and other financial mutuals is old fashioned and in urgent need of reform. The government should modernise the Friendly Societies Act, which hasn't been reviewed since 1992. A better regulatory environment needs to be developed - one that facilitates the expansion of existing building societies as well as urgently reviewing the hurdles currently put down by government and regulators that have effectively meant no new building societies can be created.

The banking levy disproportionately hits the ability of building societies to lend and punishes them for the misdeeds of the PLC banking sector. As such, building societies should be excluded from this levy.

Innovating for fairness

Banking operates within a blunt regulatory framework that puts credit unions, building societies and other innovative banking models on the back foot. In an effort to increase competition in the financial sector, fintech start-ups have been given a degree of regulatory flexibility to enable them to innovate and grow. The same flexibility and support should be extended to proven models of banking, like credit unions, and the wider co-operative banking sector to enable them to continue to grow and provide the competition desperately needed in Britain's broken financial market.

A genuinely competitive banking system will require widening fair access to the UK payments system, which is how financial transactions are processed. The market review conducted by the UK's Payment Systems Regulator in 2016 found a lack of effective competition in Britain's payment infrastructure. In order to enable genuine competition in the current accounts market, the government should commit to working with this regulator to make appropriate reforms.

Mutual Guarantee Societies

Mutual methods of working for SMEs across Europe ensure that there are other avenues for attracting investment. Mutual Guarantee Societies (MGSs), which have several forms and legal underpinning, allow up to 9% of all European SMEs to work together, pay into a MGS and more easily access banking lending.

The Co-operative Party believes that for the UK to have just one MGS – the British Business Bank – does not allow British SMEs to be as competitive and as well placed to innovate as their European counterparts. A new government must provide the appropriate regulatory guidance to allow MGSs to form.

Regional banking

The government should work with city and local authorities to establish a network of regional mutual banks tasked with lending to co-operatives, social enterprises and small and medium sized businesses in their regions. These regional banks should be encouraged to take a co-operative form of ownership, ensuring that they are inclusive and helping them return benefits to their locality to reinforce local economic growth.

Payday lenders

The collapse of Wonga into administration shows that high cost credit is discredited and damaging. This lesson should be applied to all kinds of credit, with a cap on interest rates and fees.

ATMs and local banks

Cash machines around the UK are closing at a rate of 300 a month, and there are over 3,000 communities in Britain that no longer have a single bank branch, especially in smaller towns. These are vital not just for consumers, particularly those who can't or don't want to bank online, but also for SMEs who rely on local branches to manage their business banking.

To ensure branches are not replaced by phone and internet banking only, new Access to Banking Standard should be introduced to protect the continued existence of the "last bank in town", supervised by the Financial Conduct Authority and penalised when banks fail to uphold that standard, with the funds from any fines spent on financial inclusion and development of credit unions. A review of ATM charges should take place, with a view to reforming them or abolishing charges altogether.

Personal debt and fairer overdrafts

The growth in personal debt as a result of repaying overpaid benefits or council tax arrears is a worrying trend, but not one that is currently measured or reported on – obscuring the real picture of the UK's personal debt crisis and preventing any meaningful action to help those households out of debt. The government should measure and report on debt to public bodies and impose tighter regulations on the bailiff industry.

When indebted households dip into their overdrafts, they can often face significant and unexpected fees. The majority of unarranged overdraft charges are paid by just 1.5% of customers, who pay around £450 per year in fees and charges, while banks profit from their indebtedness. In 2016 it was estimated that this revenue stream provided banks with an estimated £2.3 billion additional income. The amount that banks can charge in overdraft fees should be capped and any funds still collected by banks from overdraft fees should be ringfenced for the provision of debt advice and financial inclusion programmes.

Car finance

The way that consumers borrow money is changing – no longer are loans for a car sought from a high street lender. Instead, car manufacturers and dealerships offer personal contract purchase agreements at point of sale, making buying a new car – almost completely on credit as easy as taking out a new mobile phone contract.

New protections for consumers choosing to lease cars should be introduced, including tighter rules on end-of-contract fees, and new protections for people who wish to end the contract early due to changes in circumstance. There should be a review of the competitiveness of the industry, including an exploration of potential conflicts of interest arising from commission arrangements at car dealerships.

For the consumer, the affordability of this car finance model relies on rising used car values – without this, the risk and cost of depreciation is greater. As a greater number of new vehicles come off lease and into the used car market there is growing risk to the sustainability of the car leasing model. The government should develop sustainable models of used car leasing, as well as promoting other forms of car sharing.

Democratic Public Ownership



Privatisation has failed, and we believe that running utilities, telecoms and rail should be in the public interest, and should be made accountable to the public and employees who use and work on them.

Along with the scandal of profit extracted from our system, there is an accountability deficit at the heart of the way these services are owned and run. Workers and customers are disempowered - with no mechanism to have their say on the utilities and transport that they rely on every day – leaving our economy with a democratic deficit.

Democratic public ownership enshrines accountability in essentials we rely on day-to-day; ensuring that the voice of customers, staff and the taxpayer are at the heart of how these industries are run, and that services are shaped around the interests of the people who use and work in them.



Energy

In energy supply and generation, the role of communities, co-operatives and councils should trump that of private profit-maximising energy companies. The unfair advantage given to the Big Six should be turned on its head in a new, transparent and fair system. The energy networks should be publicly owned – nationally, privatisation of the National Grid should end, with a mixed stakeholder model of governance, and regionally the distribution grids should be accountable to their bill-payers and workers.



Water

The UK is the only country in the world to have fully privatised its water and sewerage systems. This has to end – with accountable, democratic regional structures owned by their billpayers and workers and surplus reinvested, redistributed or spent on social and environmental outcomes.



Rail

Rail services should run by accountable not-for-profit train service providers, replacing the private train operating companies. Rail assets, such as track and land, and Network Rail's borrowing powers should be transferred into a new Guiding Mind, which would play a strategic role in developing investment and expenditure plans alongside the Secretary of State and the Department for Transport. This new body would be democratic through passenger and employee voice on its stakeholder board, which would have a say on issues from remuneration and executive appointments to longer term strategic priorities and scrutiny of performance.



Telecoms

There should be no role for monopolistic private companies in delivering telecoms and broadband. The government should create new, accountable mixed stakeholder models to take over the national phone and broadband infrastructure.

BUILDING A FAIRER DEMOCRACY

Many people feel powerless or alienated from the electoral process. Some of this can be addressed through reforming the way we take part in elections, and some of this requires us to change the way we engage in decision-making between elections.

The Co-operative Party champions the principle of locating decision-making and economic development closer to those affected. And rarely has this been so important than now, a time when the foundations of our economy have been shifted by Brexit, technology and deindustrialisation.

These changes have shone a light on a growing divergence in views and values across geographies and generations and are both a symptom and cause of the breaking down of many of the ties that traditionally brought people together. This new era calls for a new settlement, one where democratic power lies with local communities – through a new participatory politics rather than top-down paternalism.

Devolution



The Co-operative Party believes in subsidiarity and the radical decentralisation of power – not simply away from Westminster, but beyond Holyrood and Cardiff Bay to town halls and beyond. Devolution, done right, is progressive politics – it should be a tool to empower, helping to rebalance our economy and level the playing field of our democracy.

This is why devolution was a significant achievement for the last Labour Government, delivering on a promise to bring government closer to the people and make politics more inclusive.

However, over two decades have passed and it is time to build on Labour's legacy of decentralisation with a settlement fit for the 21st Century. It's time for a co-operative vision for devolution – not simply what to do with powers when, or if, they're devolved, but the bigger picture.

The Scottish, Wales and Northern Ireland Co-operative Parties will continue to lead further and more detailed policy development on what powers should sit with their respective devolved administrations.



A constitutional convention

There should be a new political settlement – both in terms of devolved and reserved powers to Scotland, Wales and Northern Ireland, as well as, crucially, devolution to English regions.

A constitutional convention would enable a transparent and inclusive debate about the UK's political settlement. Any discussion and decision should be reached in a consultative and participatory way, with local communities, elected representatives and other representatives of civic society able to take part and shape something that works for their own areas.

Its remit should include:

- Further devolution to Scotland, Wales and Northern Ireland;
- English regional devolution;
- The relationship between local councils, devolved regions, combined authorities, central government and national and subnational bodies like the NHS;
- Devolution of fiscal powers;
- Structures for accountability and governance;
- How a new settlement for devolution can go beyond town halls to genuinely empower local communities;
- And the role of town, parish and community councils in providing direct local representation, particularly for town and rural governance.



Devolution to Scotland, Wales and Northern Ireland

Scotland, Wales and Northern Ireland continue to lack some policy levers, and there is the potential for further powers to be devolved. The constitutional convention should include a review of devolved and reserved powers, to identify further powers to be devolved from Westminster.

The Party's approach to a future constitutional convention's work on reviewing reserved powers would be led by the Scottish, Wales and Northern Ireland Co-operative Parties respectively.



English regional devolution

Within England, the scope of the commission should include a co-operative vision for English regional devolution– not simply what to do with powers when, or if, they're devolved, but the bigger picture. Rebalancing the economy cannot be achieved from the top down, and recommendations from the commission should include a framework for devolution within England that moves beyond the piecemeal status quo but ensures local arrangements suit local needs.

And if English devolution is a tool for growth and greater equality, then those areas currently without a deal must not be left to fail. These rural areas, towns and cities need devolution to work for them too – and it is time to move beyond separately negotiated deals to a framework which provides the benefits of devolution to every region without removing the ability for different areas to shape it to suit local needs. It is important that any framework provides the flexibility for each area to agree a devolution deal that meets the needs of their local area.

Intergenerational Fairness



The challenges faced by younger generations are increasingly well documented – from stagnant wages and an inability to get on the housing ladder, to student debt and looming pension and social care crises. Data shows that Gen Z and millennials are poorer than their parents' and grandparents' generations—not only have incomes faltered, but the very house price rises which are keeping young people from homeownership are enriching older generations, increasing the intergenerational wealth gap.

However, the inequality between generations is not purely an economic problem. There is a growing divergence in attitudes, aspirations and values. Around three quarters of young people voted to remain in the EU, while two-thirds of older people voted leave, and in 2017 age overtook income as an indicator of voting intention for the first time in the UK's modern political history.

However, unlike in previous generations where the cohort of young people voting was large enough to have a meaningful impact on electoral outcomes, demographic imbalances caused by our ageing population risk disenfranchising younger voters. By 2031, 65-year-olds will exercise 73% more voting power than 18-year-olds.



Lower the voting age

The Co operative Party reconfirms our commitment to lowering the voting age to 16 and give serious consideration to the case for further reducing it to 14.



Youth councils

Young voices, cut out of decision-making because they aren't yet able to vote, should be at the heart of decision-making.

Many local councils show leadership here, with strong youth councils and youth mayors with a formal role in local governance. These are important both for making sure young people have a say, but also as a way to engage them into the political process and build a more participatory democracy. The government should support these initiatives to expand, and enshrine their role in law so that every young person, regardless of postcode, has a voice.



Adverse Childhood Experiences

Compelling research in Wales has demonstrated the devastating impact of four or more Adverse Childhood Experiences (ACEs) on the outcome of an individual's health, prosperity and likelihood of being involved in drugs, violence (as victim or as perpetrator) and in poor health and low life expectancy. These impacts can be prevented or ameliorated through investment in early intervention and strong interagency working at every stage of life. Tackling these issues must be at the heart of a progressive social justice policy.



Future Generations

The Well-being of Future Generations Act (Wales) 2015 requires Welsh public bodies to consider the long-term impact of decisions and created a new Future Generations Commissioner, who acts as a guardian for future generations. This is particularly important when the impact of the biggest decisions facing policymakers today will be felt long into the future.

The rest of the UK should learn from Welsh best practice with the establishment of commissioners in England, Scotland and Northern Ireland to ensure the interests of young people and future generations have a statutory consideration in future decision-making.

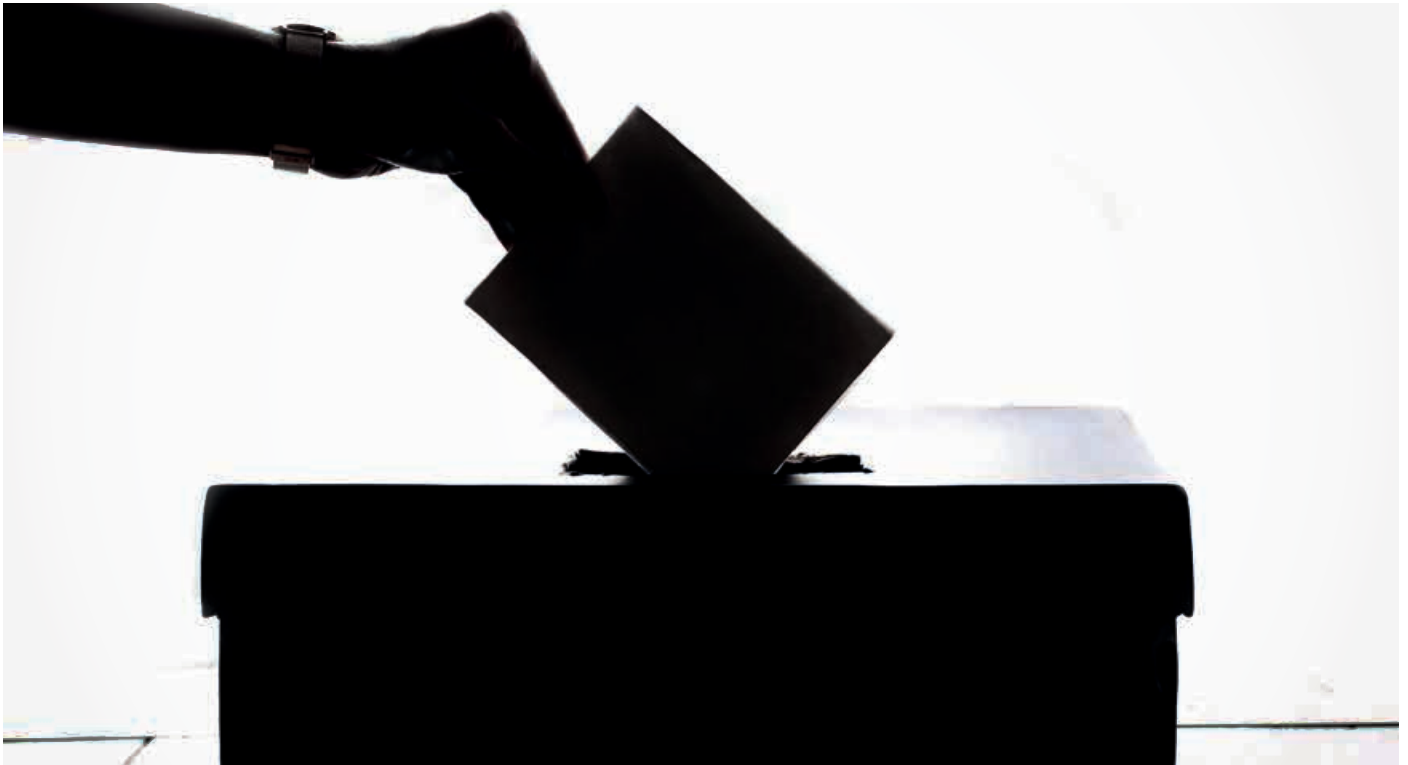


Reform the Equalities Act

The Equalities Act 2010 defines nine protected characteristics, including age. This means youth and old age are grouped together despite the different impact of policies depending on generation, and the differences in outlook and aspirations. Conflicts within this assessment mean policy may benefit one age group at the direct expense of another.

So that the Equalities Act 2010 delivers both for older and younger generations, it should be amended so that assessments are made of distinct age-based equality target groups of children under 16, young people between 16 and 25, and older people aged 65 or over.

21st Century Democracy



The government should be removing barriers to participation in Britain's democracy, not putting them up. A democracy that works for everyone is one where it is easy to exercise your right to vote, where the political system encourages and enables participation, and where the outcome cannot be unfairly skewed by fake news or those with the deepest pockets.

Many people feel powerless or alienated from the electoral process. Some of this can be addressed through reforming the way we take part in elections, and some of this requires us to change the way we engage in decision-making between elections.

Voting is just entry-level democracy. As well as heading to the polls, mechanisms should exist that enable people to engage in every aspect of civic decision-making, with tools designed to ensure transparency and facilitate consensus decision-making.

Remove barriers to voting

Under the guise of combating electoral fraud, the Conservatives have introduced a number of bureaucratic requirements which make it more difficult for people to vote. Individual Registration, introduced ostensibly to respect the voting rights of the individual, has had the opposite effect and many people have faced new barriers to having their say at the ballot box.

Previous generations campaigned for the “Right to Vote”, not just “a Right to Register”, and the government should make it easier for everyone to be registered and to be able to exercise their right to vote.

There should be a review of potential electoral reforms and their expected impact on participation and representation, including online voting, 24-hour polling stations, moving elections to weekends, automatic voter registration, quotas of young representatives, reform of the House of Lords, political education in schools, and abstention options on the ballot paper.

Parliamentary democracy

As a parliamentary democracy, clearer rules are required for when a referendum can be used, whether or not the government of the day is bound by its decision, what kind of majority might be required, and what protections need to be put in place to prevent the government of the day using referendums to avoid its responsibility to resolve an issue within its own party.

Open data

Government data and statistics should be made available, accessible and easy to understand – in an interactive format that means citizens can create tools and scrutinise effectively. An open data strategy should also ensure equal access to high speed broadband and programmes of digital inclusion, so that barriers to participation are removed and reduced.

The Wales Co-operative Centre has led important work in this area, for example, with programmes on digital skills building. There should be online platforms, both at national and local levels, which enable mass collective deliberation on projects and thorny issues.

Platforms for consensus decision-making

The Co-operative Party believes it is time to trust citizens and communities to set the agenda. Democracy needs to be brought into the 21st Century so that it can meet 21st Century challenges and empower today’s citizens. This means going beyond the ballot box, and creating platforms for digital democracy too.

Taiwan has a national platform for online participation called Join, as well as data visualisation tools to understand how budgets are allocated. There are participation officers in every ministry to ensure a link between the public and the public sector. At a local government level, Taipei City government use a “g0v system” to involve public in budget setting. And this is not just top-down – vTaiwan is a platform run by citizens. Recently it was enabled a debate on the legal status of Uber.

In Barcelona, citizens have a voice on the future of their surroundings and services through using technology to facilitate active democracy. Decidim Barcelona is a digital and democratic platform for built from opensource software which lets citizens debate, make proposals, and self-organise. Nearly 40,000 people and 1,500 organisations contributed 10,000 ideas and suggestions to the city’s strategic plan.

A Healthy Press to Hold Decision-Makers to Account



A well-functioning free press is a cornerstone of democracy – able to hold politicians and business to account, keep the population well-informed, and shed light on the most pressing issues of the day.

However, this crucial role cannot be properly performed without looking too at media ownership and accountability. Diverse ownership within the media is critical to ensuring checks, balances and a fairer distribution of power, preventing, for example, future hacking scandals. Proper mechanisms which ensure facts are checked and the audience, listeners or readers have a voice too are also important.



A say in how the BBC is run

The BBC is the largest broadcasting corporation in the world and a pillar of Britain's cultural life. Yet with huge sums of money spent annually on services, the public deserve to have more of a say in the package of programmes and services that are delivered.

For the BBC to become truly accountable, all television licence holders should be given real say in how the BBC Trust is run. This means a BBC that is accountable to the people who pay for it, and which is independent of politicians and political interference. And it means licence-fee payers becoming individual members of the BBC Trust, and treated as such with greater say over how it is run and the service it provides.



Clamping down on fake news

One of the referendum's most memorable images was the leave campaign's large red bus promising £350m a week for the NHS if Britain left the EU. This notorious pledge has been largely discredited, deemed inaccurate given the UK's rebate; and does not form part of the Government's future spending plans. And bus was the tip of the iceberg. As never before, the referendum saw online campaigning play a key role in spreading information, disinformation and misinformation.

Unlike traditional print materials, online images don't need to include an imprint—meaning no legal requirement to attribute material or tell you who published it. The UK's electoral laws need to keep pace with the digital changes that drive how we consume information, campaign and make choices – the government should introduce a requirement for imprints on all online material, as exists for leaflets and newspaper adverts.

Further reforms to give voters confidence that the news and campaign material they read is factual and published in good faith should be explored—including mechanisms for greater transparency in electoral funding and use of intermediaries, responsibilities for online platforms to monitor fake news or interference in elections, and a code of conduct for organisations selling campaigning services.



Local Press

Once a mainstay in every town and city, local news is in decline. As well as being bad news for journalism, it's bad for democracy too – which functions best with well-informed scrutiny and regular communication of what local public bodies are doing.

There are co-operative solutions – in 2009 the West Highland Free Press became the then only employee-owned newspaper in the United Kingdom enabling them to continue to provide local reporting and investigative journalism.

There should be recognition from national and local government of the value of a thriving local press – in the form of funding, advice and support, particularly focused on news organisations which are owned and run by their employees, while retaining the all-important independence from government that the press needs. Local newspaper subsidies should be considered, similar to those in Norway which are designed to foster local competition and national diversity.

BUILDING A FAIRER WORKPLACE

Employment models have drastically changed over the last ten years. Instead of companies and public organisations taking on the risks and costs of employment, this burden has been shifted to the individual in the guise of self-employment.

Dressed up as flexible working, this new gig economy is characterised by precarious jobs, low and insecure wages, an erosion of the rights we take for granted in the workplace like sick pay and maternity leave, and a growing vulnerability to debt, insecure housing and in-work poverty.

In workplaces which don't rely on these precarious models, the nature of work is changing too. 10% of the workforce is underemployed, with 5 million people under-utilised at work, 5.8 million earning below a living wage, a 400% increase in the number of people on zero-hour contracts since 2002 and a million people in part-time work who can't find full time jobs. The link between wages and wider economic growth has been severed – between 2007 and 2015 the UK was the only advanced economy in which wages contracted while the economy expanded. This has resulted in a hollowing out of the jobs market as middle income, middle-skill jobs disappear leaving a widening gap between those in well-paid, high-skill jobs and the rest.

Technology has radically changed workplaces too – automation not only risks a loss of many jobs but changes the nature of many others. In warehouses, call centres, shop floors and even social care, jobs are being deskilled as machines take on more and more tasks, from self-service checkouts to call handling and logistics.

And in other sectors, platform technology and apps are creating a new elite of technology entrepreneurs and developers. The ownership and profits from apps which offer cheaper taxis or takeaways, for example, sits with a small concentration of entrepreneurs and investors, and the wealth from their success does not trickle down to the cyclists and drivers who actually contribute the labour to deliver the service.

Gig Economy



The co-operative movement emerged as a way to empower people who were being left behind. Much like when, 150 years ago, the self-employed garment workers and launderers came together to provide mutual support, the co operative model continues to have much to offer in this area. Similarly, the work of trade unions to challenge this definition of self-employment is incredibly important, and we want to see the workers of the new gig economy able to organise and be represented in their daily working lives.

Employment rights

Employment law needs to be amended so that all working people benefit from the same decent employment rights and enjoy the same protections. This should include clear rules to prevent employers getting out of their employment responsibilities or misclassifying staff as self-employed.

Freelance co-operatives

The government should play an active role in supporting self-employed workers who are organising themselves into co-operatives and starting service co-operatives, through improving access to start-up advice and investment, and ensuring that they have a level playing field to compete with big commercial enterprises. For example, the Link Psychology Co-operative in Preston is a consortium of self-employed educational psychologists who offer services to schools. Their co-operative model enables them to join forces to gain mutual benefits such as access to administrative support, marketing services and training.

There should be support for the development of mutual aid and insurance to help self-employed workers who experience or are at risk of periods of unemployment. For example, 'Bread funds' in the Netherlands enable freelancers to pool the risk of periods of unemployment by creating funds into which freelancers can pay when they are working and then draw upon if they are not able to work.

Harnessing new technology for good

Platform co-operatives offer shared ownership and collaboration through digital platforms. Currently, digital platforms tend to have narrow ownership and push the risk onto providers and users of the platform, undermining traditional employment relationships and the rights that go with that. The technical, financial and legal infrastructure should be developed to support the development of co-operative platforms and limit the market domination of extractive models.

Employment co-operatives

The Department for Work and Pensions should explore the potential for employment co-operatives for people on benefits such as Job Seekers Allowance. This would mean that unemployed people would not lose out on the security of their benefits payments while they start out as self-employed workers, and enable them to access the collaboration, services and mutual support of the co-operative.

Voice for self-employed workers

Individuals should be helped to take back more control over their workplace. The interests of self-employed workers are poorly represented in national policy making and not loud enough in individual and local workplace issues. The rights of workers to trade union representation in the workplace must be enforced in every business – including those that rely on a largely self-employed workforce.

At a national level, the Department for Business, Energy and Industrial Strategy should identify how to create a voice for self-employed workers in business policy, regulation and commissioning, learning from the way in which the wider small business community has successfully become recognised.

Agency workers

In many sectors, temping and employment agencies dominate the market, resulting in less secure work, little direct employment, and an erosion of working rights. The agency extracts fees and profits in the middle, leaving both the customer and the workers worse off. Loopholes which allow agency workers to be paid less than regular workers should be closed, and gangmaster licensing should be extended to agencies operating in high risk sectors.

Support should be given to agency workers to organise into co-operatives. And public procurement rules with respect to using employment and temping agencies should be amended so that only co-operative and not-for-profit models, as opposed to commercial for-profit agencies, can apply for public contracts.

Training and Education in the Workplace



The Co-operative Party believes education should be accessible and affordable to people at every stage of their life.

The co-operative movement seeks to promote lifelong learning, providing education, training and information to its members and communities. Scotmid Co-operative, for example, has an academy for their staff, ensuring access to ongoing training and development in the workplace.

Cuts in funding to education institutions mean adult education isn't an opportunity afforded to to all. However, applying the co-operative ethos of, and investment in, learning in every workplace helps to build a more skilled and productive workforce while offering individuals the opportunity to succeed and progress.



Lifelong learning

The government should actively widen access to learning opportunities, funded through the UK's industrial strategy. It should be delivered collaboratively between local authorities, local health organisations, local learning institutions and employers so that every workplace offers access to education and training.



Apprenticeships

Apprenticeships offer an opportunity to learn on the job and gain new skills and qualifications. For example, the Co-operative Group has employed over 4,000 apprentices since 2011.

The Co-operative Party believes technical and vocational qualifications, and apprenticeships, should have parity of esteem with the traditional academic routes.

They should be open to all – not just young people but throughout lifetimes to enable people to re-enter the workplace or upskill. The Co-operative Funeralcare leads in this area, for example, with apprentices joining the businesses aged 18 to 67, some undergoing a career change and others entering the workplace for the first time.

The Co-operative Party believes best practice like this should be encouraged, helped with some additional flexibility introduced to the Apprenticeship Levy so that employers can spend it on more diverse programmes.



Green skills and jobs

A green industrial strategy should invest in creating good quality, well paid green jobs, as part of a rapid and just transition to achieve zero carbon by 2030.

This means ensuring schools, colleges and universities are equipping the workforce of the future with the appropriate green and transferable skills to succeed, as well as ensuring the current workforce is supported, retrained and retooled so that they can fully benefit from the transition.

Productivity and Workplace Democracy



Putting co-operation at the heart of our economy not only means a larger co-operative sector, but also the hard wiring of co-operative values and principles into the DNA of the wider economy.

That means purposeful, values-driven businesses creating growth and jobs, it means the fruits of labour being more fairly shared, and markets working in the interests of consumers and employees rather than shareholders.

It makes good economic sense too. Companies and organisations in which employees have a real influence, particularly where this comes in parallel with an ownership stake, are more productive than organisations where this is not the case. In these organisations workers are happier, better remunerated and more productive.

Businesses at the point of transition present a great opportunity for a step change in the size of the co-operative sector. Employee buyouts show how self-help and co-operation can build resilience into our economy, saving productive businesses and providing an attractive option for business owners. As they transfer ownership to employees, there is a guarantee of the new owners taking a genuine interest in an enterprise's long-term success.



One million worker-owners

An economy where workers own a stake and have a say in their workplaces has lower wealth inequality, higher engagement and productivity, and more resilient businesses, as highlighted in the Co-ops UK and Employee Ownership Association's #1MillionOwners campaign.

The appropriate government investment should be made to support a voluntary expansion of employee ownership, so that there are one million worker-owners by 2030.



Transition

Working with the existing movement, development organisations and experts, a new Co-operative Development Agency should be tasked with providing advice and support to existing business owners on how to transfer ownership and governance to employees – something that CDS Scotland has had significant success in putting into practice.



Right to request

New legislation should give employees a statutory 'right to request' employee ownership during business succession, alongside an 'early warning' resource capable of informing workforces in advance of insolvency or disposal of a viable business. This would enable employees to assess the scope for acquisition and prepare a bid.



Employee share ownership tax relief

Tax reliefs should be reformed so that they are only offered to all employee share ownership schemes that require employees to purchase and hold shares for a number of years in order to benefit. The significant savings to the government as a result should be invested in giving permanent employee benefits trusts the same tax treatment as temporary schemes, developing new schemes that give employees a collective democratic choice, and a new Co-operative Entrepreneurs' Programme to augment existing start-up support.



Profit share

Co-operatives are not a last-ditch response to crisis, and nor should workers have to wait until a business owner is ready to retire to have a meaningful stake and say in their workplaces.

Urgent action is needed to re-establish the link between profits and wages – so legislation to ensure that all British businesses with more than 50 employees are obliged to set up a profit-sharing scheme with their staff, with a minimum profit share pot set aside based on a calculation of its annual profits and its financial position.

In addition, all larger shareholder- or privately-owned businesses should be required to have an 'inclusive ownership fund' where a small amount of profit is transferred into a worker or wider stakeholder-owned trust, which gives workers a collective voice in how the company is run. This would democratise the parts of the economy that are narrowly owned and don't share their rewards fairly, rather than the existing worker and consumer co-operatives who would be exempt.

BUILDING A FAIRER ENVIRONMENT

The fact that our planet is on course for destruction is not a new concept – our environment and changing climate have been on policy agendas and the subject of activism and protest for decades. But it is only recently that it is being addressed with the urgency required. For many this is already too little too late.

Communities across the world are already feeling the effects of climate change, from extreme weather events and rising sea levels, to polluted oceans, contaminated soils and toxic air – especially those communities which have contributed least to global emissions and which are least equipped to dealing with its consequences.

The window to tackle these problems is narrowing. In some cases, it is already too late, and we must urgently devise ways to adapt and protect lives and livelihoods, and in others it may be a matter of years or even months. Despite this, too many are turning away. From Trump's politics of climate change denial to French fuel tax protests, the hard- won global consensus on the need to change is being challenged.

But the co-operative movement is not turning away – social responsibility and concern for community are hardwired into how co-operatives operate and we can see this reflected in the enthusiasm of community energy groups building solar and wind generation; in co-operative retail societies making it easier for their members to make sustainable choices and developing innovative materials; in co-operative farmers pushing for higher environmental standards; co-operative housing and community land trusts building energy efficient homes.

A Co-operative Green New Deal



Current policy on climate change is failing to achieve the pace of change needed to prevent irreversible climate catastrophe and is failing to consider those communities most impacted.

The co-operative movement is guided and governed by its values and principles – including democratic participation, concern for the community, social responsibility, openness, equality and solidarity. These are no less relevant when considering wider policy questions and should be at the heart of proposals to tackle climate change and protect our environment.

These values and principles have helped to inform some foundations that we believe climate change and environmental policy should be built on.

A just transition

Climate change and inequality are intertwined, both in cause and effect. The poorest have contributed least to its onward march – yet they already bear the brunt of its effect, and are most vulnerable to adverse impact from the policies designed to slow its progress.

The co-operative movement is founded on the values of solidarity and fairness – and these must be at the heart of our approach to tackling climate change and dealing with its effects, as well as ensuring the opportunities of this transition are available to the many, not just the few.

A just transition that leaves no-one behind is one which:

- Ensures the needs of the present generation are met without compromising the ability of future generations to meet their own needs too;
- Secures the future and livelihoods of workers and their communities;
- Supports the most vulnerable in society, ensuring they don't pay the price of climate change disproportionately, either in its effects or as a consequence of the policies designed to tackle it;
- Follows the principle of subsidiarity – that there is no one-size-fits-all approach to mitigate the impacts and benefit from the opportunities of the transition, and local workers, unions and communities should be empowered and supported to develop locally relevant solutions;
- Gives voice and widens participation, recognising the potential and benefits of collective action as a force of societal change;
- Makes sure the most sustainable choice is the easiest and most affordable choice, so that social and environmental considerations aren't the preserve of the better off.

Evidence-based policy

Evidence-based policy helps people make well-informed decisions, making explicit what is known through scientific evidence. There is an overwhelming volume of evidence and expertise on our climate and environment, and this should form the basis of any policy designed to prevent, slow down and mitigate climate change and protect our environment.

This should include whole-life carbon and environmental impact assessments – a principle well understood in many industries but often poorly implemented. Seemingly quick wins can have unexpected environmental consequences if not properly assessed and understood.

Ambition and urgency

The impacts of climate change are already being felt across the world, and every fraction of additional warming will worsen its impact. It's no longer enough to talk about climate change. We are in a climate emergency and our actions should reflect this.

The Government's net zero by 2050 targets are not ambitious enough. The Co-operative Party believes the UK should adopt a 2030 zero carbon target.

International co-operation and leadership

The co-operative movement has always stood for an international approach to tackling the world's problems, and nowhere is this more important than in our approach to climate change and the environment.

The issue of climate change is too big to be tackled alone, and the UK should continue to advance international action on climate change by playing a leading role in pressing for and delivering international agreements. It is particularly important to work with our nearest neighbours in Europe, given 80% of the UK's current environmental laws were developed collaboratively over the last 40 years with the EU.

An accountable, transparent transition

Tackling climate change and protecting the environment are collective efforts, and require mutual trust and confidence for government-led top down measures and bottom-up and individual actions to find synergy.

Furthermore, the scale of change and public spending required need the buy-in and effective scrutiny of communities across the country.

Transparency and accountability must therefore be embedded in any policy response.

There needs to be a strong statutory body with the power to hold the government fully to account for environmental performance. It should be properly resourced, have full prosecutorial power, be coordinated across all four nations and be at full capacity before Brexit happens, if it is to be effective. Climate change prevention, mitigation and adaptations should be included in the watchdog's remit.

A Green Industrial Strategy



Industry accounts for 33% of all UK emissions, 25% from the direct use of oil and gas and 8% from electricity demand. Of this, manufacturing is responsible for approximately 60% - or a fifth of the sector's total carbon emissions. Changing the way our industrial sectors operate should, therefore, be at the heart of the UK's approach to tackling climate change.

The UK is underserved by its industrial strategy – the incentives that guide the way people invest, produce and consume are not accounting for environmental costs. The Co-operative Party believes there should be a new, green industrial strategy to recognise, capitalise on, and encourage further growth in green goods and services.



Co-operatives at the heart of new green industry

The UK's transition should be to our collective benefit, rather than captured by a small number of private companies. The UK's old industrial paradigm was dominated by private interests, whose short-term profit motives offer little incentive to divest from the carbon-intensive technologies and fuels which are damaging our environment and future.

Instead, collective ownership and participation ensures the transition is in the interests of today's workers and communities, as well as those of future generations. Everyone should have a stake in the success of the transition, and as democratic organisations run by the workers and communities who own them, co-operatives are the best form to ensure this.

The government should offer strategic and practical support for the co-operative movement to start-up, grow and succeed in low carbon and green industries.



Addressing regional imbalances

Manufacturing is concentrated in particular regions of the UK – presenting either risk or opportunity for those communities. Done without regard for workers and communities, a transition to a low carbon economy risks losing jobs or substituting them with lower skilled and lower paid alternatives.

However, done right, the transition can create more resilient and prosperous local economies in those regions. The focus on green skills and job quality should be rolled out via targeted investment and funding in those areas at greatest risk of being left behind, to that those local communities benefit most from the new green economy. Addressing regional imbalances should be an aim not a by-product of the transition.



Green jobs

New green industries and sustainable co-operative enterprise will need workers trained in low-carbon technology and with the appropriate green and transferable skills. This means investing in green skills and training in schools, colleges, universities and current work places to ensure everyone is able to take advantage of future employment opportunities and benefit from the UK's transition.



Building on high environmental standards

The UK should aspire to be a global leader in setting and enforcing environmental standards. This means at least matching EU regulations, but also being an exemplar of innovation and future developments. Our laws should remain aligned with or ahead of all future environmental legislation in Europe, and all future trade deals should ensure that environmental protection is incorporated.



Productivity

When workers have a stake and a say in their workplaces, productivity improves. This isn't just a positive result for that industry and the country's economy – it is also key to tackling climate change. Combined with an increased resource efficiency, this supports manufacturing effectiveness by lowering inputs while improving the quality and/or quantity of output.

This dual focus of productivity and resource efficiency will contribute to rebalancing regional economies - manufacturing makes up 15-20% of the economy in lagging regions, and parts of the country with a larger manufacturing industry also have lower overall productivity – raising the performance of manufacturing will have bigger benefits in lagging regions.

Financial and practical support should be made available to grow employee ownership in green manufacturing.

Rapid decarbonisation

Waiting for the market to decarbonise our energy sector has not worked. We remain over reliant on coal and gas – in 2018 gas accounted for 39.4% of electricity generated, while coal made up 5%. Renewables, at a record high in 2018, still only generated a third of our energy.

Rapid decarbonisation requires accelerated Government-mandated phasing out, with thought not just for what technology we don't want, but also what technology should replace it.

As well as rapid growth of renewables, the Co-operative Party believes there should be a gas phase-out target so that there is no post-coal dash for gas. Meeting more urgent targets also requires stricter government limits on exploration and production, including an end to fracking and shale gas exploration.

Community energy

Community energy should be an important part of the UK's renewable sector – and its growth to date and the thousands of volunteers mobilised, when the policy environment was enabling, have more than demonstrated communities' ability and eagerness to be part of a renewable energy transformation in the UK. In community energy, the investment in infrastructure comes from a community share offer, meaning local residents are investing in, and benefiting from the success of, the technology.

The government should recognise the role that communities are already playing in the transition to a low carbon economy, and the value that community energy brings to future decarbonisation. This includes:

- The reinstatement of Social Investment Tax Relief for community energy;
- Greater funding for new projects, including funding for urban areas to mirror the recently introduced Rural Community Energy Fund;
- Zero or below-market interest loan facilities for community energy projects;
- A Community Smart Export Guarantee;
- Energy efficiency funding, designed in a way to ensure it delivers for the most vulnerable customers;
- Reversing the recent VAT increases on Energy Saving Measures, including solar panels and battery technology, ultimately reducing VAT on these to zero;
- A Community Feed-in Tariff, giving long term investor confidence in schemes;
- Removing punitive business rates for roof-top solar;
- Reforms to enable community energy groups to become energy suppliers.

Green investment programme

Economic orthodoxy has relied on market forces to tackle climate change – including social costs of carbon in the prices people pay in an incremental way. This alone has not caused the step change needed to change our downward trend to ecological destruction. Global temperatures continue to rise too far and too fast.

Economic activity therefore needs to be decoupled from carbon emissions and ecological destruction – through a public investment programme as significant in scale and ambition as the post-War Marshall Plan in Europe or Roosevelt's New Deal in the States.

This investment should align with a new green industrial strategy and seek to achieve a rapid and just transition to achieve zero carbon by 2030 by:

- Rapidly decarbonising industry through investment in new low carbon technology;
- Creating good quality, well paid green jobs;
- Investing in modern 21st Century infrastructure, including low carbon and public transport, water and energy;
- Initiatives to improve energy efficiency of homes and businesses;
- Building resiliency against the impacts of climate change.

Future energy mix

There should be targets for the proportion of the UK's energy generated by community energy, matched with the appropriate funding in the form of a national community-owned renewable energy fund, administered at a local level.

This should include section 106 and Community Infrastructure Levy (CIL) payments, as well as government grant and loans to provide seed funding, start-up loans and bridging loans of £100,000 to £3 million for medium-scale community-owned energy projects.

A Low Carbon Economy



Environment versus economy is a false dichotomy. Our economic prosperity is underpinned by our natural capital – such as our biodiversity, clean water, and finite resources.

For a just transition, our understanding of the economy needs to include natural capital, and go further yet. Our human resource and well-being should be measured and considered too, so that the transition to zero carbon achieves a fairer society.



Wellbeing budget

The Co-operative Party believes that environmental accounting is an important tool in safeguarding our environment and climate for future generations, and that for a purposeful economy which is genuinely equipped to protect future generations we need new and better measures, with a statutory footing.

Drawing inspiration and learning from New Zealand's new Wellbeing Budget, the Government should use new measures which look beyond the financial bottom line to include the value of our natural capital, our well-being, and our long-term sustainability. All public expenditure should be measured against its contribution to achieving climate targets.



Triple bottom line accounting

It isn't only the national accounts which focus on unsustainable growth at the expense of our climate, environment and well-being. Private businesses continue to profit from irresponsible behaviour – paying more regard to their bottom line than their impact.

They should be required to report on environmental and social impact as well as their bottom line.



Polluter pays

A carbon tax should be introduced so that companies who continue to profit from unsustainable business practices pay for the impact. This should be proportionate: a disincentive for big corporate polluters, but mindful in its design of the need for a just transition and ensuring it doesn't penalise people on the lowest incomes.

Protecting the Environment



Human activity is accelerating the extinction rates of species, the erosion and degradation of our soil, the poisoning of our air, razing of our forests and destruction of the oceans. But our policy change has been too slow, and limited to certain natural systems, precipitating the ‘age of environmental breakdown’.

There needs to be a strengthened effort to prevent negative environmental change and protect the natural resources we rely on and ecosystems we cohabit.



A plan for our environment

There should be statutory targets for the rapid reduction of a full range of environmental impacts, building on existing strategies such as the UK's Biodiversity Framework and giving actions the necessary footing in law and effectively placing a full sustainability constraint on all UK economic activity.

It should include:

- Biodiversity
- Land use
- Soil protection
- Air quality
- Reforestation



Tackling plastic waste

The issue of plastics in our oceans and landfill is one which has gathered vast global momentum, with high profile campaigns and campaigners raising awareness, cutting their own consumption and calling on others to do the same.

And it isn't just individual consumers and local communities taking action – many businesses are stepping up their efforts. Leading the business community, many co-operative societies are developing ambitious and innovative approaches. The Co-operative Group, for example, has replaced single use plastic bags with the UK's first compostable carrier bags in over 1,000 stores, and were the first retailer to remove plastic from their own brand teabags having developed a version without polypropylene (which most teabag makers use to help teabags hold their shape).

There is no way that recycling can keep pace with the growth in plastic production, and so the focus must be on reducing the use and limiting the production of plastic.

There should be a national Plastic Action Plan, which sets a target of reducing plastic pollution to zero, building in the time to innovate and ensure the appropriate economic and social adjustments are made. It is crucial that local authorities are supported and encouraged to improve curbside collections and recycling so that the widest possible range of materials can be recycled in every community.



Measures to mitigate

The UK has a National Adaptation Programme – a 5-yearly register of actions to address the increasing risks from climate change, as part of the requirements laid down in the Climate Change Act 2008. It includes flooding, coastal change, health, water, natural capital, food, pests and more.

This plan as it currently stands fails to set measurable success criteria with timescales, and is lacking detail and rigour on monitoring and evaluation. A number of risks are missing from the list of actions, including extreme heatwaves.

This plan should be reviewed and made more robust and measurable. Reporting of exposure to climate change risks for companies and pension funds should be made mandatory – as the current voluntary reporting approach is failing to set sufficient pace and scale of change.

Food, Farming and Fishing



The UK has some of the highest food and farming standards in the world—a fact that British farmers and retailers are very proud of. However, 8 million people in the UK have trouble putting food on the table. Over 500,000 people used food banks last year. Around 10% of the NHS budget goes on treating Type 2 Diabetes. Over 1 million people live in food deserts. There is something very wrong.

Our co-operative movement grew out of a fundamental belief that the ordinary working people of Britain should have access to decent, affordable food as one of the key building blocks of a decent life. Achieving food justice and tackling hunger is a huge endeavour and will require profound, long-term, concerted change – but the co-operative sector already helps lead the way including partnerships with Fareshare to redistribute surplus food, keeping local supermarkets open in communities left behind by other retailers, and helping to campaign for food justice.

At the other end of the food chain, the co-operative sector is thriving in our countryside—in fact agricultural co-operatives are the second largest part of our movement by turnover. Over 140,000 British farmers are members and co-owners of over 400 agricultural and farmer co-operatives. They are also custodians of our countryside, and play a key role in protecting the natural environment.

However, Brexit creates huge uncertainty for the sector. As a significant upheaval looms large for agriculture, co operation is more important than ever. Co-operative approaches provide mutual protection, access to new markets, ways to retain more added value throughout the supply chain, shared best practice, cost savings and efficiencies and a louder collective voice for the industry.



Food justice

In the sixth-richest country on earth, people are going hungry. There should be a Fair Food Act which incorporates a commitment to zero hunger by 2030 (Sustainable Development Goal 2) into UK law.



Food standards

If agriculture becomes a bargaining chip in trade negotiations, our currently high food standards are put at risk with prices undercut by lower quality food from overseas. Furthermore, any reduction in standards which result in divergence from EU standards means a greater need for lengthy customs checks and certification of products and production facilities which would be time consuming for producers wishing to export food.



Co-operative models in agriculture

Co-operative models in agriculture help farmers to mitigate risk, achieve economies of scale and invest collectively in innovation and efficiencies. Some of the funds currently spent on direct payments to landowners should be put into an agricultural co-operative development fund, which would provide loans and grant funding for existing co-operatives to grow and new co-operatives to start up.



Responsible purchasing strategies

Co-operative models in agriculture help farmers to mitigate risk, achieve economies of scale and invest collectively in innovation and efficiencies. Some of the funds currently spent on direct payments to landowners should be put into an agricultural co-operative development fund, which would provide loans and grant funding for existing co-operatives to grow and new co-operatives to start up.



Agricultural subsidies

Agricultural subsidies should instead be reformed—gradually and collaboratively with the industry to enable farmers to plan ahead and phase in any changes. A new subsidy regime should mean an end to payments based on landownership— this currently just reinforces wealth inequality and vested interests, and results in the inflation of land prices while failing to reward labour inputs, innovation or good environmental stewardship.

Instead, Norway's model of supporting diverse ownership and small- and medium-sized farms, accompanied by payments which reward public good such as boosting natural capital would make an appropriate starting point for a new direct payment regime.



Fishing

There are 65 co operatives in the UK's fishing sector, with a collective turnover of £48.1m. Co operative structures, as with farming, allow fishermen to pool risk and access bigger markets. It also enables the sector to work together collaboratively to protect the long-term sustainability of the UK's seas.

Whatever agreement on fishing in UK waters is agreed in Brexit negotiations, the underlying inequalities in distribution of quotas needs to be addressed if coastal communities and small-scale fishermen are to succeed. Fishing quotas should be distributed based on social, economic and environmental criteria. This should be accompanied by greater transparency of the UK's Fishing Quota Register.

Support should be given to existing fishing co operatives to grow, and to new co-operatives to start up. This should be targeted at those coastal towns where the fishing industry has been in steepest decline.

BUILDING FAIRER COMMUNITIES

Over the past five decades, political and economic power has become increasingly concentrated in the UK's capital. Communities feel ignored or alienated by a politics that feels distant and unrepresentative of their daily experiences.

Since the EU referendum result it has become something of a cliché to talk about how to respond to the sense of powerlessness felt by too many people. As the country goes through seismic changes in its outlook, politics and economy, empowering ordinary people to take control over the things that affect their daily lives remains at the heart of the Party and the movement.

The Co-operative Party's platform explores power, decision-making, cohesion and subsidiarity, from a starting point of community empowerment rather than top-down reorganisation.

Common Decency



In the sixth richest economy on Earth, it ought to be a given that nobody goes hungry, that people get a fair day's pay for a fair days work, and everyone has a secure and affordable place to call home. Basics such as food, dignity at work, and decent housing ought to be a given. After all, it's just basic common decency.

But after a decade of austerity, for many common decency seems further away than ever. Hunger, insecurity and destitution are becoming a growing reality on the streets of Britain.



Food justice

In the sixth-richest country on earth, people are going hungry. There should be a Fair Food Act which incorporates a commitment to zero hunger by 2030 (Sustainable Development Goal 2) into UK law in order to end hunger.



Financial inclusion

1.7 million people don't have access to banking of any kind. Every adult, household and business should have access to at least a basic package of fair and affordable finance tools.



Homes

Too many renters put up with cold, damp and draughty homes. The Decent Homes Standard was a significant achievement of the last Labour Government, and the next government should extend this standard to the private rented sector too.



Rights at work

All working people should benefit from decent rights in their workplaces, including those classed as self-employed. The rights of workers to trade union representation in the workplace must be enforced in every business.

Workers' rights cannot become a casualty of Brexit, and as EU rules develop and improve, rules in the UK at least keep pace ensuring workers in the UK continue get the same or better rights as their European counterparts.

Rebalancing Power to Communities



As the tier of government closest to residents and communities, local councils are at the forefront of helping residents respond to today's economic and social challenges, from the rising costs of housing to financial exclusion. They are the providers and commissioners of the services that sustain our local infrastructure – homes, schools, roads – and how they choose to do this has a direct impact on the local economy.

Local government should be supported to do more – with greater powers and the funding to match. But when power is passed simply from Whitehall to county and city halls without a real community stake in new settlements, there is a missed opportunity. Our co-operative devolution agenda is about shifting power from Whitehall, but it goes further than the town hall. Co-operative approaches are about placing power directly in the hands of people and communities.

Across the country, hundreds of co-operative councillors and metro mayor are already putting this into practice, doing politics differently so that everyone has a stake and a say in where they live and the services they rely on.



Definition of place

Communities should be supported to organise around places that people recognise, rather than a top-down definition. Local communities – as defined by where people live, their emotional connections, shared history and traditions, the amenities they rely on for shopping, health, civic participation and socialising, their places of work – should be reflective of and owned by those who live there not drawn to accommodate the needs of distant service providers.

A new settlement of place and power should respect all local areas, whether city, rural, towns or regions. All should have a share in decision-making, whichever of the four nations, and particular care must be taken to counter any risk or perception of unequal distribution of investment and voice between cities and their surrounds.



Citizen voice

Those who provide, receive and rely on services are best placed to know how to ensure they are run cost effectively and to a high quality. That means care recipients, their families, care workers and the wider community having a role in decision-making and social care service delivery. It means passengers and employees involved in the governance and decision-making on local transport, and housing tenants involved in policies and decisions to do with their housing estates.

The Co-operative Party believes that local councils should ensure services have transparent, participatory governance structures, which give service users, workers and the wider community a say in how they are run. This is not about who provides the service – the Party supports insourcing – but in the way it is run so that voices outside the town hall can be heard.



Giving young people a say

Wales has led the way in considering the needs of young people with the Future Generations Act, which helps ensure their needs are a key consideration of policy. Many local councils also show leadership here, with strong youth councils and youth mayors with a formal role in local governance. These are important both for making sure young people have a say, but also as a way to engage them into the political process and building a more participatory democracy.



Local co-operative growth

A better local democracy is incomplete if the businesses that communities interact with everyday, from private service providers to workplaces, are as top down and extractive as ever.

Local economies with a larger co-operative sector mean wider ownership where everyone has a stake and a say, not just distant shareholders. They become characterised by collective endeavour and shared reward.

As well as a national Co-operative Development Agency, there should be co-operative development organisations in every region – investing in co-operative growth and transition to employee ownership. These should work with and support councils to play an active role in shaping a fairer, more co-operative local economy.



Participatory decision-making

Councils often have to make difficult decisions – so deliberative, inclusive decision-making is all the more important. Not only is it about reaching the right decisions, but doing so in a transparent way that enables communities to develop solutions that work for them and understand why a course of action is decided upon.

One mechanism for this is Citizens' Assemblies, which can be an impactful way to forge consensus. Public meetings, local neighbourhood forums, participatory budgeting processes, meaningful online engagement and open meetings can also help to include and engage the wider public beyond the town hall. Councils should be supported to innovate and involve residents in more inclusive, deliberative decision-making.

Co-operative councils like Oldham and Plymouth have pioneered new working relationships with neighbourhoods and residents, underpinned by a genuine commitment to working with communities rather than merely doing things to them.



Accountable public bodies

Many of the mechanisms for accountability and voice in public life have been eroded, from regional school commissioners and fire services to contracts for major public services outsourced to private companies.

The Co-operative Party believes that public services should be accountable to their public – those who pay into, use and work for those services. For example, it is important to develop a means of bringing Scotland's police and fire services back into clear democratic control. All schools in receipt of public funding should be accountable to publicly elected bodies – the role of local authorities in schools oversight and governance should be restored and directly elected mayors should have strategic oversight of education in their regions.

The structures which look after energy, water, infrastructure and transport should be transferred into democratic public ownership, with more power and resources as well as roles for local government and passenger representatives.



Embedding community assets in planning

Beyond the responsive provisions in the Localism Act, there should be a new proactive role for local authorities to ensure there are not community asset “deserts” – places where there are no assets or resources within a reasonable distance of their communities – through a community asset sufficiency assessment similar to the childcare assessments made under the 2006 Childcare Act. These assessments would identify when communities isolated from community assets, and feed into planning processes such as Local Plans so that developers and s106 funding can be targeted at those left behind communities.



Open by default

When one organisation holds all of the available information, the power balance is skewed in their favour. It is difficult to scrutinise or contribute if not all of the facts are available or incomplete information is shared. At the same time, austerity means that some councils are struggling with the cost and practicalities of managing the volume of Freedom of Information requests.

Open by default means data is publicly available so that residents can access it freely without making a request. Many councils are already adopting this approach, and the Co-operative Party supports this trend. It is important that this information is accessible, with easy, user friendly dashboards.

There should also be a commitment to open source – opening up the tools that the council uses so that community contributors and councils can collaborate to innovate, create and share. These commitments to open data and open source should be shared by local government contractors and partners.



Localism and community assets

The community deserves to play a key role to play in the preservation and delivery of local assets outside of local authority control. The Localism Act 2011 contains important powers for local communities to do just this and the co-operative movement has had significant success in applying localism powers to protect pubs under threat, for example. To date, over 2,000 pubs have been listed as assets of community value, and there are also many co-operative pubs open and trading.

However, the Act needs to be strengthened, as the regulation and timetables can still result in barriers for communities. In particular, it is still a real challenge for them to mobilise quickly enough when a local asset is under threat, especially when the owner of the asset refuses to engage in a constructive dialogue.

The government needs to review the existing rights and strengthen the legislative framework to effectively change the balance of power, by extending the protected period within which communities can mobilise to nine months, with a further extension where the asset owner refuses to speak to interested groups.

Furthermore, Community Interest Groups (CIGs) that have successfully listed assets should be given a 'first right of refusal' to purchase the asset, making the right a real 'right to buy' not simply a 'right to bid'.

Finally, central and local government should recognise that for the localism agenda to reach its full potential, communities need better advice and practical support, as well as these legislative changes.

It isn't just legislative change and practical support that is needed for communities to be able to mobilise or successfully protect local assets. Findings show that over 4,000 community and public spaces are being sold off each year for private use, with an estimated 16,000 spaces at risk by 2022, leaving communities around the UK without essential social hubs.

Access to funding can be a significant barrier for groups trying to save their pub, post office, local shop or green space – and there is a role for government funding, the third sector and responsible businesses.

This is an area where the co-operative movement shows leadership: the Co-operative Group, for example, has committed to working with charity Locality to protect, support and improve over 2,000 community spaces over the next three years.

Local Government Financing



The Co-operative Party believes that local councils should be properly funded to ensure they can continue to deliver the services that people rely on. The Party also sees a need for a radical change in the way that local government works if it is to remain effective, relevant and accountable in this time of cuts in spending and changing expectations.



Fiscal Devolution

The council tax base of councils is low, just 1.7% of GDP – especially when compared to other countries across Europe where a greater proportion of taxes are devolved to local and regional government.

Fiscal devolution means greater local control it affords – rather than relying on central government to apportion it.

However, the council tax bases across English local government areas are unevenly distributed. Even if every council charged the same rates, the council tax base per person in 2018-19 is more than three times larger in Kensington and Chelsea than Nottingham. This imbalance risks seeing rich areas get richer and poorer areas suffering.

To avoid negative consequences such as a race to the bottom between councils, the Co-operative Party calls for a reform of council tax so that it is based on income not property values. Devolving this new income-based rate would provide councils with significant funds as well as greater control.

There should be further exploration of the case to devolve other taxes too, including local or regional tourist taxes and devolved land value taxes.

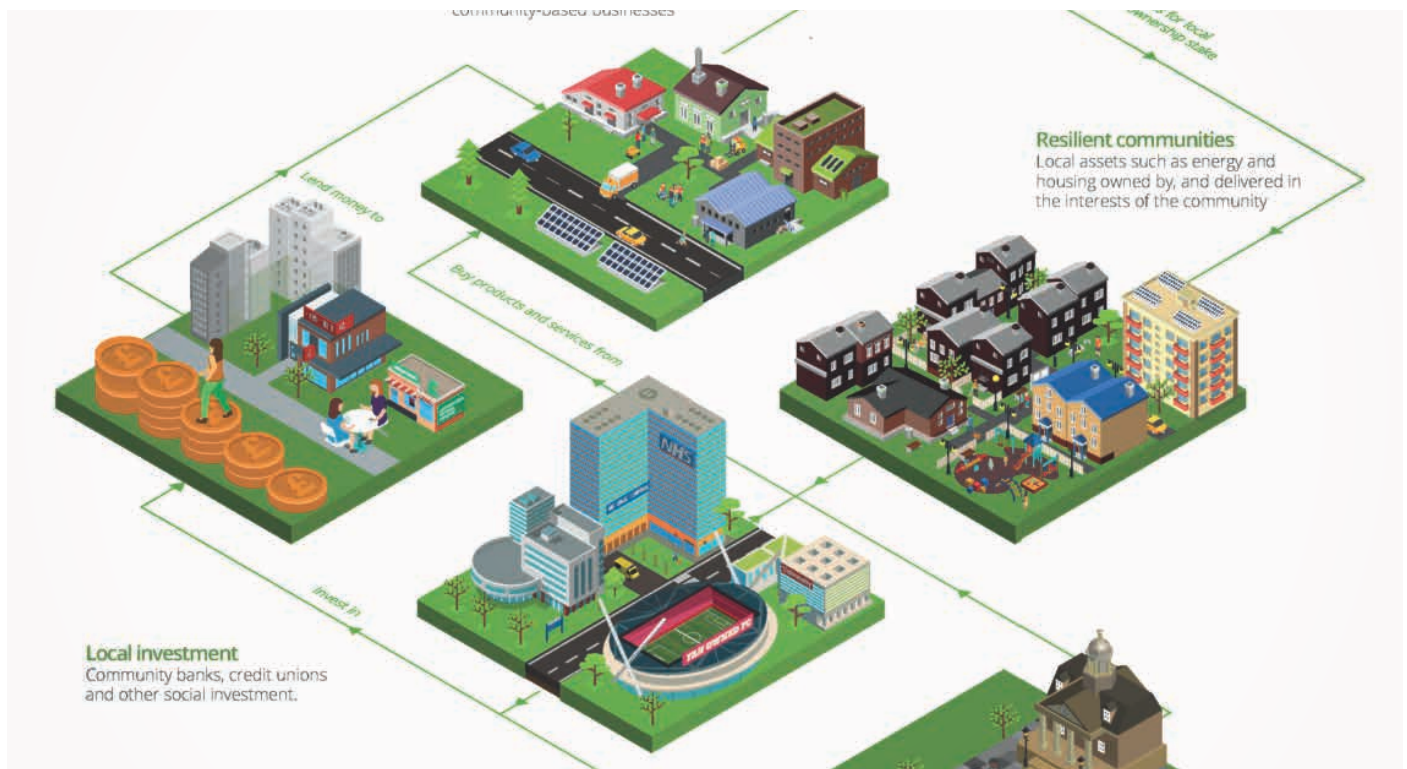


Central government funding

The Co-operative Party believes that central government funding should be an important tool in fighting inequality – both ring-fenced and unrestricted funding should be needs based, redistributing tax revenue into the communities that need it the most. This means an end to the austerity being imposed on local government. It is wrong that councils are forced to choose between funding one vital service or another: it erodes the services communities rely on and undermines local democracy and accountability.

Funding from central government, in addition to locally raised taxes, must remain a crucial part of local government finances. It ensures needs-based funding so that local councils with greater demand for services or lower tax bases do not struggle to provide vital services. Central government grant is a protection from entrenched regional inequality and redistribution according to need is a tenant of progressive economic thinking.

Community Wealth Building



Approaches to local economic growth have for too long centred around a model of inward investment; reliant on the whims of Whitehall and a race to the bottom between regions in a bid to incentivise big business to set up shop.

Deindustrialisation left many parts of the UK in decline. And while these areas have, by and large, moved past its worst excesses, they remain economies indifferent to people and place. Central government austerity policies leave councils struggling to provide basic services and communities vulnerable to shocks. Britain's manufacturing heritage has been replaced by call centres and warehouses where jobs are too often secure only until the service is cheaper to provide elsewhere. Wealth is too often concentrated in distant market providers with little local economic or social return.

Local economies rely on a bedrock of goods and services that everyone consumes, from hairdressing to healthcare. This everyday economy has borne witness to the race to the bottom that has seen many households face increasingly insecure work with stagnant wages and poorer working conditions.

Community wealth building is a new approach to regeneration framed around co-operative values of self-help, participation, social responsibility and democratic accountability.



Support local authorities to build community wealth

Local and devolved government has a key role in growing their economy and improving the quality of jobs – a bottom-up and meaningful way to create community wealth. Local authorities should be supported to follow a community wealth building approach.



New procurement rules

Where possible, the Co-operative Party supports local authorities and the public sector bringing services back in-house. However, where this isn't possible or practicable, we believe that new procurement rules should be developed which acknowledge the benefits of co-operative and social enterprise procurement as opposed to large private companies.

There needs to be strong and clear guidance on the types of co-operative, mutual and social enterprise models covered by Regulation 77 (public Contracts Regulations 2015) to ensure that they deliver the social value intended and do not allow for privatisations via the back door.



Pension funds

40% of the UK's wealth is held in private pension funds. This is unevenly distributed and adds to overall wealth inequality. Higher rates pension contribution relief should be restricted, and tax relief currently available to pension funds should be made dependent on meeting social outcomes in investments, with a focus on employment creation, local economic growth and infrastructure investment.

The Manchester Pension Fund, for example, already leads the way in this area, investing in infrastructure and housing in the greater Manchester region.



Anchor institutions

Organisations like hospitals and universities have strong ties to their local region. By leveraging their supply chain, it is possible to make significant contributions to the local economy, generating community wealth that remains in the area rather than being extracted by big businesses and their shareholders.

Where an anchor institution is an arm of government, there should be targets setting out expectations on local spend.

Anchor institutions should also be encouraged to use their expertise and capital to invest in the development of local worker-owned co-operatives.



Social value act

The Social Value Act is a tool which public institutions can use to support community wealth building. This piece of legislation must be strengthened and enhanced to give local authorities and public-sector institutions greater scope to procure for social and long-term value rather than simply on a short-term assessment of cost. This should include:

- Giving public commissioners a duty to 'account for' rather than just 'consider' social value, with measurable targets and clear steps outlined if these are missed;
- Public bodies should be required to publish social value priorities and how they weight contracts;
- Extending the scope of the Act to include contracts of a lower value.

High Streets



The high street is the beating heart of the local economy – for shopping, leisure and accessing services, a sense of pride of place, a centre of employment in retail and service industries.

In many towns and cities, however, the high street is in decline. Nowhere is immune to the difficulties faced by the retail sector, and towns and cities alike are losing many of the stalwarts of their town centres. High street retailers face a litany of existential challenges: competition from online retailers, lower household incomes depressing their customers' spend, increases to rents and business rates, reduced footfall thanks to bank branch closures, the uncertainty of Brexit, and cuts to police putting frontline retail workers at risk.

The co-operative movement grew from the shop floor and today plays an active role on many high streets – from the co-operative supermarkets selling good quality food and providing post office services, to the communities coming together to rescue their local pub and the credit union continuing to provide financial services after the last bank has left town.



Online sales tax

High street retailers are significantly impacted by online retailers who are able to provide the same products for less because of not having to pay rents or business rates.

The tax system has not kept up with changes to consumer habits - the tax take should reflect the location of the customer in the territory in which large values of sales are generated. This could take the form of an online sales or transaction tax, or VAT could differentiate between in-store and online sales to create a more level playing field between online and bricks-and-mortar-business.



Community assets

The glue that holds the high street together, from post offices to pubs, is too often at risk of closure. While the Localism Act contains important powers for local communities to play a key role to play in the preservation and delivery of local assets and services outside of local authority control, it needs to be strengthened.



Business rates reform

Business rates should be scrapped in favour of a more progressive, much fairer form of business taxation including a land value tax. Until this happens, the tax should urgently be reduced and reformed. High street retailers should not be penalised for offering services to the community such as a free ATM, for example.



Ending violence against shopworkers

High streets, shopping centres and town centres should be a safe place for communities and retail workers alike.

However, there is rising concern about abuse, threats and violence against retail workers as the rate of reported violence with injury has doubled in the last year.

The government should invest in the police to ensure all reports of retail crime are properly investigated and a strong case is made for prosecution. There should be a single, clearly defined offence in law for violence against shopworkers.



Cash machines

Cash machines around the UK are closing at a rate of 300 a month, and there are over 3,000 communities in Britain that no longer have a single bank branch, especially in smaller towns. These are vital not just for consumers, particularly those who can't or don't want to bank online, but also for SMEs who rely on local branches to manage their business banking.

To ensure branches are not replaced by phone and internet banking only, new Access to Banking Standard should be introduced to protect the continued existence of the "last bank in town", supervised by the Financial Conduct Authority and penalised when banks fail to uphold that standard, with the funds from any fines spent on financial inclusion and development of credit unions. A review of ATM charges should take place, with a view to reforming them or abolishing charges altogether.

BUILDING FAIRER HOUSING

We are in the midst of a housing crisis. For years, we have been building fewer and fewer homes while demand continues to increase. This Government's policies on housing have deregulated an already dysfunctional market, putting greater burdens on social landlords while failing to provide them the funding they need.

The co-operative movement has long been concerned with the provision of good quality, affordable homes – in 1861 the Rochdale Pioneer Land and Building Company provided the first co-operative housing on land in Spotland Road, Rochdale.

Our movement is founded on the principles of participation, self-help and community, so we believe that services are better when empowered service users actively inform decision-making. In housing, however, this is increasingly not felt to be the case. Grenfell was a tragic reminder that all too often tenants in social housing feel disenfranchised and ignored. And many private renters feel similarly powerless, as rent increases and insecure tenancy agreements force them to uproot and move home regularly, with little right to redress.

Across the world, from Norway to New York, co-operatives provide a secure home for their members. But in the UK, the co-operative and community-led housing sector has remained relatively small in comparison. The Co-operative Party believes that the co-operative movement has more to offer our broken housing market.

New Co-operative and Community-led Housing



Co-operatives can play a role in helping to increase the supply of affordable housing, while also creating employment opportunities in the construction industry and stimulating economic growth.

The UK's policy has stood still for the last seven years and fails to recognise the sector's potential. Around 10% of Europeans live in housing co-operatives – compared to 0.6% in the UK. This shows the potential contribution housing co-operatives can make, but concerted action is needed to enable this to happen.

A co-operative housing strategy

There should be a commitment to develop a co-operative housing strategy, which ensures that a significant proportion of new social and private rental and owner-occupied homes built are developed through co-operative and community-led approaches in order to reshape the market.

Access to Finance

Because co-operative and community-led housing develops from the bottom up in response to local housing need, there is no one-size-fits-all in terms of the scheme design or structure. However, one experience that is common across much of the sector is the challenge of accessing sufficient and affordable financing. A lack of understanding of the co-operative and community-led housing sector means lenders often lack the confidence to offer mortgages and loans.

In England, the £300 million Community Housing Fund should be extended beyond 2020, and the government should also work with the co-operative movement to develop a financial intermediary to raise and manage future institutional investment in new community-led, co-operative and mutual housing developments.

Many community-led and co-operative housing projects rely on mortgages to finance the scheme. However, mortgage lenders can be risk-averse when it comes to lending to co-operatives, and for every success story, there are many more aspiring communities unable to access and structure an appropriate mortgage product.

The government, in partnership with the sector, should also create a government-led guaranteed buyback scheme of last resort on mortgage products for homes that are co-operatively owned or include the principle of affordability in perpetuity, and develop a standard mortgage form for mortgage products that include a 'perpetuity' arrangement to encourage lender participation. As the Building Societies Association recommend, this could be funded using NS&I Pensioner Bonds.

There are also restrictions on accessing the finance for existing schemes to scale up. Co-operative and community-led house building should be better supported through a review of the ability of existing schemes to borrow against assets to invest in new schemes.

Co-operative housing tenure

In order for co-operative housing to be more easily defended and promoted, as well as to reduce unintended consequences, a new legal definition of 'Community-led Housing' must be established. Recognition in law would ensure the housebuilding industry, professionals and financial services are better placed to facilitate and promote cooperative and community-led house building.

New co-operative housing tenure must also be introduced in law to enable more straightforward legal navigation by new schemes and improved legal understanding.

The UK government needs to follow the best practice shown by the Welsh Government, who helped new co-operative houses to be built by lifting the ban on fully mutual co-operatives granting assured tenancies, and giving greater powers to lenders to fully mutual co-operatives in the Housing (Wales) Act 2014.

Community Land Trusts

The role of Community Land Trusts (CLTs) is crucial. They work in both rural and urban areas, and are a flexible tool to meet a variety of community needs, offering affordable options for rent and home ownership.

In areas where a rising house prices threaten to exclude local people from the areas in which they live and work, CLTs ensure a supply of affordable housing through the control of housing costs and resale prices.

The government should support and encourage CLTs, by:

- Exempting CLTs from any proposals to ban the future sale of homes as leasehold as these are commonly used by CLTs to maintain affordability;
- Exempting CLTs from the so-called-voluntary Right to Buy which, now it has been extended to housing associations;
- Offering feasibility and technical support funding;
- Creating a mortgage guarantee scheme;
- Extending the 'Right to Build' to CLTs;
- Introducing public benefit principles to the disposal of public land.



Commonhold tenure

Under the 2002 Commonhold and Leasehold Reform Act, commonhold was the first type of new legal estate to be introduced into English law since 1925. The Co-operative Party supports this as a form of ownership, as it enables owners of flats or other housing developments with a shared freehold to come together and own and run their building for the benefit of the residents rather than the outside landlords.

However, in the fifteen years since the act was passed, very few developments have used this form of tenure and too many leaseholders are subject to exploitative behaviour from the freeholders. The Co-operative Party believes it should be easier for existing leaseholders to convert their ownership to Commonhold through strengthening the legislation as part of the wider leasehold reform.



Student housing

With the housing market and student finance broken, students across the UK are doing away with landlords and setting up their own student housing co-operatives. Students in Birmingham, Edinburgh and Sheffield have successfully started housing co-operatives to offer a better alternative.

As well as providing lower rents and better quality, the student housing co-operatives organise themselves using participatory, democratic structures and work to engage the wider community in the co-operative movement. The government should support the expansion of co-operative student housing in every university town and city across the UK.

Fairer Approach to Land and Development



In many parts of the country, demand for housing outstrips supply, and not enough new homes are being built to fill this gap. Local authorities are struggling to assemble the land and access the funds to build new social housing, a challenge felt even more keenly by the community-led and co-operative housing sector which is too often overlooked in favour of bigger profit-maximising developers when looking for a site.

Meanwhile, big developers sit on undeveloped land – nearly half a million homes are yet to be built despite being granted planning permission. Land values continue to rise faster than any other investment, even if it is left derelict.

The Co-operative Party wants to see a new approach to land and planning which rewards productive economic activity rather than simply owning the deeds to a plot, where the big developers are discouraged from sitting on empty land waiting for land values to increase while thousands sit on council waiting lists for an affordable home. The productive use of land – for homes, agriculture or business and employment – should be more profitable than sitting on vacant plots of land as their value goes up.

Land Value Tax

A Land Value Tax would be a stimulus to development and an obstacle to land banking or buying up empty homes as investments. It would demand a greater contribution from the wealthy without adversely impacting ordinary homeowners. In high value areas, it would ensure the uplift in value of land is captured for the good of everyone, not just property speculators. In deprived areas with lower land values, it would stimulate development.

The Co-operative Party proposes that a new Land Value Tax is levied on all land, based on its unimproved optimum current permitted use – the highest and best use of the land in question given its current planning permission meaning the landowner will have to pay just as much for an empty plot as they would a plot with flats, businesses or shops built on it.

To enable the implementation of a Land Value Tax, the Valuation Office Agency should devise a fair and robust valuation of all land in the UK. These should be revaluated regularly to avoid the pitfalls of the current out-of-date and unfair council tax banding.

A new “community-led” planning designation should be introduced through local planning policies so that Community Land Trusts are not adversely affected by high land values when building new homes, and to enable them to ensure homes are affordable in perpetuity.

Community benefit principles for disposal of public land

The Co-operative Party proposes that the Treasury green book valuation guidance should be amended in line with recommendations from RICS Land and Society Commission Report to ensure that ‘best value’ considerations in disposing of all publicly owned land take account of long term social and financial benefits, beyond simply seeking the highest bidder.

The government should also establish a new national in favour of change of land use being granted where land value uplift is to be captured for the benefit of the community. This will be an incentive to free-up more land for co-operative and community-led housing development.

Furthermore, communities should have the “Right to Designate” when public land is being disposed of, similar to the mechanism for designating an asset of community value. This would ensure that land is specified in planning frameworks as being for community-led or cooperative housing.

Reform of the planning process

The Co-operative Party believes that it should be the role of the planning authority, in partnership with local communities, to make decisions based on the best local outcomes not based on the profit margin of the developer.

There should be a review of planning legislation to re-establish the principle of community interests ahead of developer profit when planning decisions are made – in particular, the clause added to the National Planning Policy Framework that states that plans “should not be subject to such a sale of obligations and policy burdens that their ability to be developed viably is threatened” in 2012 should be amended so that it does not give developers licence to ignore local policies on community benefit and affordable housing provision.

To this end, viability assessments presented to planning authorities by developers should all be made public. Developers’ current right to keep them private allows them to reduce the level of affordable housing that they build without the community able to scrutinise the justifications for decisions. Many local authorities have started to do this – central government should make this mandatory in every planning authority.

To further support this, training for public planners and regeneration officers should include a greater understanding of co-operative and community-led housing models.

Affordability

The Co-operative Party believes that for homes to be affordable, the definition of what affordable means needs to be re-examined. Changes to government policy mean that affordable could mean up to 80% of market rents, which in many parts of the country is completely out of reach of ordinary people.

Many co-operative and community-led housing schemes link affordability with income rather than markets, to ensure homes remain affordable for a diverse community in the long term. The Co-operative Party agrees with this approach and support the work that the Mayor of London is doing to develop a London Living Rent on this basis. The government should commission a study into how this approach can be implemented more widely.



Land assembly

One barrier to development of empty land is fragmented ownership – where there is no single agent able to bring diverse landowners together to develop housing and other development in the public interest.

Compulsory purchase powers should be strengthened so that councils can buy at existing use value, plus a reasonable compensation for the existing landowner, rather than the price being dictated by the market and inflated by the “hope value” associated with the likelihood of future development.

New partnership models for land assembly should be created, so that landowners of sections of a wider development site, as defined by the local authority, can be given the option to enter into an equity partnership with other landowners and the local authority as an alternative to compulsory purchase. They would be able to exchange their land for shares in the partnership and will earn a fair profit when the value of the new development is realised, as done in Germany where, in order to redevelop areas with fragmented ownership, the municipality assembles the land so that the increase in value is shared proportionately among the existing land owners.

These partnerships would create new Development Corporations like those that created the Garden Cities. The New Towns Act 1981 should be updated to enable these partnerships, and to specify that Development Corporations be organised along mutual lines, so that landowners, the local authority and the local community all have a voice in its development and all benefit from its success.



Co-operative housebuilders

The housebuilding sector is heavily reliant on a small number of big developers, resulting in a sector driven by commercial self-interest with little incentive to build new homes any faster. More than half of all new homes are built by the country's eight largest housebuilders while over half of the construction sector is now operating as self-employed.

Self-employed construction workers should be supported to join trade unions, and to organise themselves into co-operative construction companies so that every worker can share in the success. Support should be given to new entrants to reduce the dominance of a small number of large companies, and to ensure that SMEs and co-operative housebuilders have the access to finance, advice and land to enable them to play an active role in building new homes.

Social Housing



The social housing sector over the last seven has changed significantly. Budget cuts and new obligations have made it harder for local councils to build and invest in social housing – while the need for new council homes has never been greater. Tenants and households on the long waiting lists for a home they can afford have limited ability to have their voices heard on the need for investment in social housing, and in many places also have little influence locally either, on how their homes are run.

Meanwhile, the government has placed greater emphasis on the role of housing associations, who have undergone significant deregulation over the last seven years. Government housing policy and budget cuts across wider public services have forced housing associations to become increasingly commercialised – with larger housing associations buying up smaller providers and merging to create “super-sized” social landlords. The role of the tenant shrinks as these “too big to fail” organisations grow further and further away from the concerns and experiences of the residents they house.

National Tenant Voice

It is heart-breaking that it took a human tragedy of the sheer scale of Grenfell to put tenants' concerns and contributions to the management of their own homes in its rightful place at the top of the political agenda.

Despite promises in the weeks following the fire, a re-established national, representative body for tenants has not materialised.

The Co-operative Party proposes a re-establishment of the National Tenant Voice, along mutual lines, independent of government and properly funded. Its role would include:

- Representing the interests of tenants to the government, regulator and other public bodies;
- Evaluating government policy on housing and other relevant areas, from benefits to building regulations, and its impact on tenants;
- Supporting the tenants' movement to grow, in collaboration with other national, regional and sub-regional housing bodies.

There should be a new statutory duty on the Secretary of State for Communities and Local Government to publicly respond at least twice a year to issues raised by the National Tenant Voice.

Tenant representation in housing regulation

The new Regulator of Social Housing should include tenant representation in its governance – instead of all board members being appointed by the Secretary of State for Housing, Communities and Local Government, some should be elected social tenants.

Co-operative management of social housing

The Co-operative Party recognises the importance of tenants and leaseholders having a real stake and voice in their housing.

Tenants should be actively supported to exercise their 'Right to Manage' by forming Tenant Management Organisations (TMOs) to take over the management of the council-owned housing in their neighbourhood. Many TMOs are constituted as co-operatives and evidence shows they provide an enhanced service and deliver real added social value – this should be encouraged. In addition, the 'Right to Manage' and the 'Right to Transfer' should be extended to Housing Association tenants to give them legal opportunities to manage housing services co-operatively.

The government should ensure that where local authorities hold ballots on stock transfer, residents have the option to vote for community-led stock transfers. These put residents at the heart of the management of their homes. Tenants, as members, have the right to stand for election to the board, vote in elections, and attend the AGM, as well as earning a 'dividend' for paying rent and service charges on time. Current and future tenants should also have a say in the design of new housing.

Upgrading Britain's Buildings



The best route to limiting, or managing, energy costs in the long term is to reduce the need for energy in the first instance. The cheapest unit of energy is the one not used. The Co-operative Party sees energy efficiency as a top national infrastructure priority, which deserves a long-term revenue stream and appropriate incentives for homes and businesses to retrofit their buildings.



Environmental incentives

We want to see individuals, communities and the co-operative sector able to have tangible impact on improving energy efficiency and reducing bills. Similar to the incentives that the renewable energy Feed-in Tariff and Renewable Heat Incentive created for the installation of low carbon generation, there should be a Feed-in Tariff for energy to incentivise domestic and business consumers to retrofit homes and businesses and replace inefficient appliances. The Energy Company Obligation should be reformed to put a community-based approach at the heart of the drive to tackle energy efficiency.



Energy efficient social housing

Central government funding should be made available for councils to improve energy efficiency in their own social housing stock – not only does this protect the environment, it delivers better outcomes for tenants who can benefit from warmer homes and lower energy bills.



Building standards

A review of building regulations should raise expectations for new build development in terms of materials and energy efficiency. Developers shouldn't profit at the expense of the environment, and new buildings shouldn't contribute to existing urgent problems for the environment and climate. Local councils can also take action on building standards, embedding the highest possible environmental standards into local plans.

Private Renting Reform



By the end of 2021 it is predicted that almost one in four households will be renting privately as homeownership and social renting continue to fall. The greater focus on the sector highlights the growing problems that renters face – from punitive lettings fees and unaffordable rents, to poor quality accommodation and a lack of security.

The private rented sector has undergone significant deregulation over the last few decades – long gone are the days of rent controls and renters' rights, and the housing benefit freeze mean many in the private rented sector now face a substantial monthly shortfall between the housing benefit they receive and even the cheapest rents.

Much as the Co-operative Party was able to lay the foundations of modern consumer law in the 1960s, the Party wants to give private renters the voice and power to challenge unscrupulous and unfair behaviour in the private rental sector – through new powers to negotiate a fair deal, an end to unfair fees, better regulation, a right to redress akin to that in other consumer markets, and new co-operative approaches to the lettings market.



Minimum standards and a right to redress

Many homes in the private rented sector fail to meet Decent Homes Standard and tenants have to put up with cold, damp and draughty homes.

The Co-operative Party proposes a new regulatory framework for the private rented which would define minimum standards for privately rented homes. Landlords would be obliged to have regular inspections, administered by the local authority, in order to be permitted to continue letting the home, and the new housing watchdog would be able to act proactively on tenants' behalf to hold private landlords to account.

A register of landlords, held and kept up to date by the local authority, would enable prospective tenants to check if a home is decent before signing the contract. This would professionalise the sector, providing clear expectations and a right to redress if homes are substandard.



Reform the lettings market

The lettings market isn't working for tenants or landlords. New bans on letting agent fees still leave loopholes for unscrupulous lettings agencies to charge both landlords and tenants high fees to perform basic services, and push landlords to behave less scrupulously such as only offering shorter tenancy agreements, in order to maximise their own profits.

The government should close loopholes and introduce more wide-reaching rules to genuinely reform the market.

Furthermore, a landlords' co-operative should be supported to develop, to help manage and market properties outside of the private sector, and to give both tenants and landlords a fairer deal.



A voice for private renters

The balance of power in the private rented sector puts renters on an unfair footing when discussing rents, asking for repairs or challenging bad practice. The Co-operative Party proposes a new national private tenants' association to represent the collective and individual interests of private renters.



End Section 21

Despite a pledge from the Government that Section 21 will end, tenants can still be evicted for no reason with little notice, leaving them powerless to negotiate a fairer deal on rent increases and afraid to challenge bad practice. Eviction from the private rented sector is the leading cause of homelessness. To give private renters the security they need, there should be open-ended tenancies and an immediate end to Section 21.

BUILDING FAIRER PUBLIC SERVICES

Our public services must be high quality, responsive and accountable. The level of funding cuts to services our communities rely on, from local government and social care to the NHS and policing, make this an increasingly challenging task. For our public services to remain effective, they must be properly financed by central government in a way that ensures funding is linked to need.

The challenges facing our public services are too complex to be solved only through top-down solutions, without the active engagement of the people who deliver, use and rely upon them. This hasn't been solved by the trend towards outsourcing, where there is even less accountable large private sector involvement. A future based around large outsourcing companies simply reinvents the problem, but with an additional cost of profit leakage and unaccountability to government.

Local communities must be given the right to participate in decisions that affect their lives, and the Co-operative Party believes that co-operative and mutual models offer important lessons for the delivery of public services.

Health and Social Care



Our health and social care system is in urgent need of reform.

Across the country, services are at breaking point thanks to chronic underfunding. To deliver the high-quality health and social care services that communities need, significant investment is required.

However, increasing funds from the top down without fixing the broken system itself won't improve services alone. The shift to private provision of services has reduced the quality of care, undermined labour market conditions and reduced cost efficiency within the sector. Private companies profiteer, whilst those who rely on social care and the staff that deliver it pay the price. That health and social care services should be delivered by the market is an idea whose time is up – it's time to end the race to the bottom on quality and workforce conditions, the lack of accountability and the de-personalisation of services.

The Co-operative Party proposes a new model of care, one that uses the principles of co-operation to build on the first-hand knowledge of those who rely on, receive and provide care. It is care recipients, their families and care workers who know how to create a care system that will deliver consistently high-quality care - they should be allowed to lead the care sector. Co-operation that is hard-wired into the system as well as that which emerges from the bottom up within this sector can provide a powerful tonic with the ability to radically benefit those in need.

The Co-operative Party believes that wherever possible public services like health and social care should be truly public – delivered in-house.

NHS reform

Britain's National Health Service is Labour's greatest achievement. It provides high quality healthcare that is free at the point of need. However, this is being jeopardised by a Government intent on fragmentation and privatisation.

There should be reform of our NHS to bring health services closer to their stakeholders; mindful of the huge diversity in this sector, from hospitals and specialist care, to GPs, dentists and pharmacies.

NHS Improvement in England should toughen the regulatory framework on NHS Foundation Trust hospitals to ensure service users are more engaged in decisions taken by local hospitals. Meaningful engagement must become a properly measured feature of their operation, in conjunction with the local Healthwatch and local communities, to avoid this being a paper exercise. The trusts' regulatory framework should be toughened, with trusts forced to explain how they are engaging members in decision-making and ensuring that governor elections are vibrant.

Service user voice

People who receive, rely on and provide care (care recipients, their families, and care workers) have the most sophisticated understanding of what good quality care looks like. This knowledge should be respected, and given equal weight within the governance of private care providers. To hardwire the interests and knowledge of frontline staff and care recipients, workers, care recipients and community representatives should be offered positions on corporate boards.

Regulation

The Care Quality Commission should level the playing field between co-operative and private care providers by modifying its inspection methodology to capture the ownership model of its registered providers. Currently all non-state providers are categorised as 'independent', undermining the ability of service users and their families, as well as commissioning authorities, to distinguish between for-profit and not-for-profit providers. This would also allow users and commissioners to analyse the relative performance of different ownership models within care.

Health and social care integration

The Co-operative Party believes in health and social care systems that are properly integrated, providing services that are joined up from home to hospital. This alternative vision needs to be brave - built around the whole person, and meeting their physical, mental and social care needs. This vision can only occur under local systems that truly integrate the different players in the system, delivering co-operation not competition and putting people before profit.

There is also an urgent need for reform of the 'market' in social care – reducing profit leakage, improving the quality and accountability of care, preventing the continual downward pressure on terms and conditions for the workforce, and better aligning the values of social care with those of the NHS to support the transition to an integrated system.

A stake and a say for social care workers

The Co-operative Party believes that wherever possible public services like health and social care should be truly public – delivered in-house.

However, when services are delivered by private organisations, better protections are needed. When private organisations face financial difficulties, they are often sold on to another private organisation or simply closed down.

Under such circumstances, there should be a 'right to own' in the private sector. Much like public sector employees have a 'right to request' the option to turn the service they work for into an employee-owned enterprise, so should those carers working for privately owned organisations as a 'Right to own'.

Not-for-profit social care providers should be 'asset locked' to ensure that assets of all types (including any surpluses) are locked within the organisation or transferred to another asset locked organisation on winding up.

Social care procurement

National policymakers should learn from Social Services and Well-being (Wales) Act 2014, which goes further than the Social Care Act 2014 by putting a duty on local authorities to promote co-operative organisations to deliver care in their area.

To support this, guidance must be given to social care procuring authorities to ensure that the special features and sometimes sizes of co-operative and social enterprise delivery models are taken account of and included in procurement exercises.

Police, Crime and Justice



Communities are characterised by the people that come together to shape them. This is especially true when exploring policing and community safety policy, where genuine partnership working based on trust and shared values doesn't just involve communities but keeps them safe from harm.

Co-operative approaches to community safety listen to the experiences and concerns of ordinary people - victims, offenders, staff and the communities they come from - and reflect them in policing priorities. Decisions should be devolved beyond town halls and commissioner offices, so that the communities impacted by them have a genuine say.

Public participation in police work has always been vital, but as resources become tighter it is becoming ever more vital. The government should do more to unlock the hidden wealth of voluntary activity and social networks to contain and prevent crime.



Involving residents and businesses

The whole community should play a role in ensuring their neighbourhood is safe, and there should be good partnerships between local police, residents and businesses. Street Watch is currently the only fully regulated UK model for civilian street patrols that involves the whole community. The scheme encourages residents to adopt a new working partnership with police in patrolling their own communities. The government should provide funding for the establishment of a street watch scheme in every lower-tier local authority in the UK.

Facewatch is a business-led initiative to tackle crime that enables local firms to file reports with witness statements and CCTV footage directly to the police. The government should ensure that all local police forces work with Facewatch to introduce a scheme in their area.



Neighbourhood policing and participatory budgeting

There should be greater involvement of local communities in allocating police resources and setting local priorities. Police forces should establish 'participatory budgeting units' and the success of the Crime and Disorder Act 1998 should be built upon in order to improve local accountability by ensuring that local government is involved in the appointment of local police commanders.

The relevant tier of local authorities should be given additional powers to set priorities for neighbourhood policing, local policing of volume crime and anti-social behaviour, and should retain a proportion of the police precept ring fenced for the commissioning of police and crime priorities. Since 2011, elected Police and Crime Commissioners have worked in co-operation with local government, the police, communities and other bodies to cut crime, tackle violence against women and girls, and confront the evils of modern slavery. In Wales, the Future Generations Act has built on this to encourage an even more collaborative approach, with new public service boards. New strategies should learn from this best practice.



Youth Offending Teams

The success of Youth Offending Teams – a co-operative initiative in the justice system – has shown that many people who were drawn into crime in the past didn't need to become career criminals had they been offered better alternatives at an early stage. The Co-operative Party recommends a similar integrated approach to those in the 18-25 age group who are going through the transition to independence and adult life, as is being trialled successfully in South Wales.

Education



Education is embedded in the co-operative movement's founding principles, from educating members and employees, to inspiring new generations of co-operators. Co-operative values and principles - of participation, equal access to good education, concern for the community, and co-operation between co-operatives – continue to be relevant today. The Co-operative Party believes the UK's education sectors, from early years to lifelong learning, work best when our values and principles are put into practice.

This means schools, parents, students and communities working together as a crucial part of the decision-making process. This approach is at the heart of co-operative education: schools and youth services supporting children to feel valued and to take responsibility for themselves and their communities; childcare which involves and includes parents and staff; further and higher education which treats students as learners and active participants, not consumers; and a profession in which staff feel valued and rewarded for their contribution.

Today, private, profit-maximising business involvement in education has resulting in a sector too often characterised by competition, rather than collaboration. For example, in England, academisation has resulted in a fragmented school system. While responsible academy chains do promote collaboration and ensure excellent outcomes, others are driven more by profit motive – the role of these unsuitable private organisations has grown at the expense of the involvement of, and accountability to, local communities and elected representatives.

And co-operation in education is not limited to schools. There is rich heritage and leadership shown within local authority and community collaboration, early years' provision and a potential for further development within Further and Higher Education.



Co-operative nurseries

British parents pay more for childcare than almost any other developed country, with couples contributing on average a third of their salary for pre-school care. Conversely, the sector is one of the lowest waged. On average, early years professionals earn less than half the median hourly wage of qualified teachers.

Government policy has commercialised the childcare sector, with the majority of provision in England now from profit-maximising businesses. Larger nursery chains buy up smaller and independent nurseries, and as a result, parents are increasingly seen as consumers rather than active participants, with limited choice of provider and little voice in their children's care.

Co-operative nurseries are showing that there is a better way to deliver high quality, affordable childcare. The government should support co-operative models and help this nascent sector to grow.

The lack of competition in the sector, and further barriers to entry for co-operative childcare models, should form part of a review by the Competition Markets Authority, and further appropriate steps should be taken to rebalance the market. In the meantime, the Government should create a co-operative childcare catalyst fund to provide start-up loans so that co-operative and parent-led nurseries can access premises and employ the staff required to get Ofsted approval to open. Training for Ofsted inspectors should include co-operative approaches to early years provision.



Sure Start

Sure Start and Flying Start children's centres are one of the last Labour Government's finest achievements, and they should remain at the forefront of endeavours to transform the way services are delivered for young children and their families. The reduction in the range and number of services provided by Sure Start in England in some areas, due to cuts to local authority budgets, has been damaging and should be reversed.

More can be done to give communities a sense of ownership and involvement in the remaining Sure Start services to improve services and empower parents who use them. Community ownership can help remove barriers and develop trust, so that the organisation is accessible to people who otherwise would be less likely to use the services.

The UK and devolved governments should recognise the advantages of the 'community mutual' model for Sure Start, and work to ensure the development of the model. In particular, they should encourage local authorities to consider converting existing Sure Start/Flying Start centres to the 'community mutual' model, as well as using it as a model for the provision of new services.

Co-operative alternative to free schools

The co-operative movement has a long heritage in education – in the 1900s, the Rochdale Pioneers set up a school, and today that legacy continues. In the last fifteen years, a growing number of co-operative schools and places of education in England have offered an alternative vision of learning to the increasingly fragmented and commercialised sector that has been created over the last decade.

In England, there are hundreds of co-operative schools, spanning most types of school, and they must be empowered to be at the vanguard of demonstrating the benefits of co-operation to their pupils.

There should be no more Free Schools – instead, new schools should be co-operative trust schools where the asset doesn't leave local authority control, or set up by local authorities where they are able.

The Education and Inspections Act 2006 should be amended to enable co-operative schools to legally form under the Co-operative and Community Benefit Society Act 2014. It should also allow nursery schools to become co-operative trusts and to join co-operative clusters. Existing charity law should be reviewed to ensure that the co-operative trust model is able to develop in as democratic and participative a manner as possible, as well as enabling schools to benefit from international associations.

Co-operation on the curriculum

A failure to educate students and pupils in co-operative action and governance continues throughout the education system, which is holding back a new generation of co-operators.

This must be addressed through co-operative studies where appropriate on business courses and syllabuses, and through inclusion of the co-operative values and principles on the citizenship education national curriculum. Teacher training should include a module on co-operative values and principles to ensure those delivering the classes are well-versed and able to inspire pupils.

Mixed stakeholder models

Communities, parents, students and teachers should be at the heart of our education system and involved in decision-making in all schools. Therefore, parent-teacher associations should become mandatory in all mainstream schools and each should have responsibility for appointing at least one third of school governors. Schools should provide numeracy, literacy and IT for parents, to enable them to better support their children and take part in running their school.

Every school should also be required to have an elected body for students, which will play an important role in setting its ethos and overall direction. Democratic student, parents and teacher organisations, and school governors, should be given the proper support to ensure they are able to articulate and guard the principles of co-operation. This will safeguard the long-term health of the school and increase the number of co-operators in our movement.

School standards

The Co-operative Party believes that when schools work together they are better able to share best practice and support each other to improve. While the reality of the current educational system in England is that the local authority role has been severely restricted, co-operative schools are coming together into co-operative cluster arrangements to provide mutual support; procure back office services and resources; and share expertise.

All schools should also be enabled to work together to procure back office services and resources such as SEN and school improvement support, as happens with successful co-operative cluster arrangements and exam boards should be publicly owned or not-for-profit with a strong public service ethos.

The Government should enable collaboration for school improvement via co-operative models by encouraging more co-operative trust schools to become academy sponsors, enabling them to formally support other co-operative schools. There should also be support for the development of school improvement co-operatives like the ones created in Leeds and Manchester.

School accountability and governance

The accountability deficit in English education is typified by the introduction of Regional Schools Commissioners – created to oversee academies and free schools. Instead of complementing the role of the local authority, these unelected positions have replaced local representatives' roles and gained additional powers. Now, oversight and scrutiny sits with just eight Regional Schools Commissioners rather than the hundreds of local authorities, and no democratic structures for education at a regional level still exist.

The Co-operative Party believes that Regional Schools Commissioners and the Head Teacher Boards that support them are undemocratic and unaccountable education structures. All schools in receipt of public funding should be accountable to publicly elected bodies – the role of local authorities in schools oversight and governance should be restored and directly elected mayors should have strategic oversight of education in their regions.

As exemplified in Scotland and Wales, local authorities should also continue to have a role in planning school places, fair funding, managing admissions, the care of excluded and vulnerable children, and providing additional support to schools. Education should be not-for-profit and not part of a profit-making market system. Children and their education is too important to be left to the market.

Teacher co-operatives

The overwhelming majority of supply teachers deliver their work through agencies and umbrella companies. These organisations can be exploitative for the teachers using them and expensive for the schools employing them.

The government should support supply and peripatetic teachers and other freelance or peripatetic staff in the sector, such as music specialists, educational psychologists and SEN professionals, to organise into co-operatives. For example, Swindon Music Co-operative was set up by music teachers following Swindon Borough Council's decision to close down its instrument teaching service.

The government has a key role to play in removing the barriers to recognition of alternative structures such as these by local authorities and academies, and by reviewing monopolistic behaviour by players in this market.

Reform of Ofsted

Ofsted plays a key role in improving standards in schools, nurseries and other providers of care for young people. However, the watchdog is in need of overhaul to guarantee consistency, ensure better understanding of co-operative approaches to education, and to ensure academy sponsors and chains are subject to greater scrutiny. There should also be a formal role for peer review so that schools can collaborate to help each other to improve and share best practice.

Currently, Ofsted is able to inspect but not judge the chains and trusts running academies. The Co-operative Academies Trust has invited Ofsted to inspect them – and we agree that all trusts should be open to scrutiny. The performance, motivations and governance of the organisations who ultimately own and run our schools should be subject to rigorous monitoring to enable proper accountability. The Co-operative Party proposes reform of the powers of Ofsted so that they can have proper oversight of academy trusts and sponsors.

School support services

The Co-operative Party believes that when services are under threat from cuts to local authority budget cuts, or when the local authority decides to externalise a service, there should be a 'right to try' for employees, service users and the wider community, giving them the option and a timeframe of six months to consider taking over the service by establishing a co-operative or social enterprise.

When services are moved outside the local authority they should be 'asset locked' to ensure that assets of all types (including any surpluses) are locked within the organisation or transferred to another asset locked organisation on winding up.



Further education

The further education and skills sector is under significant financial strain and faces policy instability. The Co-operative Party believes that the further education sector needs to be properly funded if the UK is going to meet the looming skills gaps in many of our industries.



Student voice

As the higher education sector is deregulated, the Higher Education and Research Act 2017 also creates a new Office for Students, designed to regulate, fund, ensure quality, and widen participation of universities. While this new public body seeks to put the student interest at its heart, only one student is appointed to its board and representative student bodies like the NUS are kept at arms-length.

The Co-operative Party is concerned that the office supposed to represent the interests of students fails to have sufficient student representation and proposes reforms to this body which ensure that student representatives have at least a third of places reserved on the board, that representative student bodies be more involved in decision-making and that the hiring panel for the appointment of senior roles like chair and chief executive should involve students.



Co-operative higher education

The UK's university system has undergone significant change, and co-operative values and principles seem very far removed from the increasingly competitive, marketised system created by recent government policy. Universities are under increased funding pressure, putting many degree courses under threat. Meanwhile, fee-paying students are taking on greater financial burdens but are treated increasingly as consumers rather than active participants in their higher education.

There should be a co-operative alternative, to provide an alternative to those universities whose focus is increasingly on profit.

Children's Services and Youth



Education is not confined to the classroom – and services provided outside schools and nurseries also play an important role in the development of young people, such as care, catering, child and adult mental health, and play services. Many of these services are provided by the local authority or NHS, and are facing serious cuts to funding.

This impacts young people's ability to access the services they need and puts additional pressure on schools and teachers to meet the gap left by reductions in services. The Co-operative Party is clear that for our youth services to remain effective, they must be properly financed by central government in a way that ensures funding is linked to need.



Foster care

Foster care is increasingly a market dominated by private agencies who charge councils to be able to place children with their foster carers.

Scotland leads the way in tackling this issue, and have made it illegal for commercial for-profit firms to provide foster care. The Co-operative Party believes this should become the case across the rest of the UK to ensure public spending is focused on the best possible outcomes for young people in care rather than shareholder profits.



Youth services

Young people must be given the ability to participate in the decisions that affect their lives, and we believe that co-operative approaches offer important lessons for the delivery of youth services through applying principles of participation, co-operation and self-help.

These mechanisms for young people to be heard should be expanded and enshrined in law. The Co-operative Party has long aspired to define the Youth Service as a statutory service - an essential public service rather than something that is 'nice to have'.

BUILDING A FAIRER WORLD

The co-operative movement has always stood for an international approach to solving the world's problems. This stems, at its heart, from a belief that we achieve more together than alone and that collectivism, solidarity and the struggle for social justice have always extended beyond our borders.

As our world becomes more and more interconnected, it is increasingly apparent that no nation is insulated from what goes on elsewhere, and no country is able to solve all of its problems on its own.

In a post-Brexit Britain, international co-operation will be more important than ever to deal with global challenges like a precarious world economy, the looming catastrophe of climate change, and the continued emergency of global poverty.

Global Solutions to Global Problems



This election takes place against a troubling global backdrop. As the gap between the world's richest and poorest grows, populist politicians stoke intolerant and reactionary sentiments, borders are closed to refugees fleeing conflict, and our environment suffers increasingly extreme consequences of climate change and pollution, co-operation has never been more important.



Climate change

Britain's continuing reliance on fossil fuels places an unsustainable and dangerous burden on our environment, as well as aggravating international tensions and jeopardising progress toward social justice. The government should continue to advance international action on climate change, playing a leading role in pressing for and delivering international agreement.



Human rights

The Co-operative Party believes that human rights are universal, and that it is the job of strong and mature democracies to support the development of free societies. The government should legislate to provide victims of human rights abuses with access to the British courts for remedy, compensation and criminal prosecution when these are found have been committed by, or in collusion with, UK based multi-national companies.

Britain's Relationship with Europe



The EU is a symbol of international co-operation at its best—countries coming together after a devastating war to agree that working together across borders is the best way to ensure peace; and continuing to co-operate in diverse areas including the economy, the environment, human rights, equalities and tax justice. It has been a friend to the co-operative movement too, enshrining the right for co-operative businesses to exist in the Treaty of Rome, one of the EU's founding documents.

Ahead of the EU Referendum, the Co-operative Party's annual conference voted to support remaining in the European Union. The Party did all it could to encourage members and supporters to vote remain during the referendum campaign.

A close relationship with Europe

As a proudly internationalist party that believes peace and prosperity for all are best achieved via co-operation, the Co-operative Party advocated staying in the European Union during the referendum in 2016. As we go forward, it continues to be in the UK's best interests to have the closest possible relationship with our European neighbours and the institutions of the EU in order to minimise the negative impacts on communities, the economy and our role in the world.

Free movement

The free movement of people, goods, capital and services provides huge benefits to our economy, society and communities. These benefits should be maintained in any Brexit agreement through continued UK membership of, and access to, the Single Market through the European Economic Area Agreement.

A public vote

The terms of any Brexit deal were not known at the time of the referendum in 2016. Once the negotiations are concluded, there should be a public vote on whether or not we should leave the EU on the terms proposed.

Equalities

The EU Withdrawal Act should be amended to include a principle of non-regression of equality rights to ensure no loss of rights and no risk of equality rights being undermined in the future, alongside a commitment to keep pace with developments in equality and human rights law by ensuring UK courts have regard to relevant EU case law after Brexit day.

Workers' rights

All workers' rights that come from the EU should be maintained on the basis of 'EU plus, not EU minus', so that in the future as EU rules develop and improve, rules in the UK at least keep pace ensuring workers in the UK continue get the same or better rights as their European counterparts. In particular, the EU Working Time Directive underpins our rights to reasonable hours, lunchbreaks and holidays. None of these important working time regulations should be weakened.

The European Pillar of Social Rights, proclaimed in November 2017, puts forward principles which underpin a shared commitment to deliver fairer working conditions, equal opportunities and social protection and inclusion. These principles should be adopted in the UK and enshrined in future legislation.

Avoiding a 'no-deal' Brexit

The Government's assertion that no deal is better than a bad deal is dangerous and irresponsible. While the best possible exit deal is negotiated, extensions to Article 50 should continue to be sought in order to prevent the damaging consequences of crashing out of the EU with no transitional arrangements in place.

Customs Union membership

Leaving the Customs Union would be detrimental to the UK – with consumers facing higher prices and less choice, producers facing new barriers to export their goods, supply chains for British manufacturing severely disrupted, the UK's trading clout with the rest of the world diminished, and the Good Friday Agreement put at risk. The UK should seek a customs partnership which ensures no hard border in Ireland, continued access to the European market and frictionless trade.

Human Rights

The omission of the EU's Charter of Fundamental Rights from the EU Withdrawal Act risks stripping away rights and protections after Brexit as well as creating legal confusion and gaps in the law. The Charter and its protections should be fully incorporated into UK law.

Ending human trafficking

Britain must ensure its cross-border partnership with neighbours like France to protect children and tackle human trafficking are maintained after Brexit to help continue the fight against modern slavery, trafficking and exploitation. Europe's policing and judicial agencies like Europol, Eurojust and the European Arrest Warrant are critical to ensuring joint investigation and the sharing of information which tackles human trafficking. EU protections for victims of trafficking should be maintained after Brexit.

Equal pay

EU initiatives monitor and enforce mechanisms on equal pay. On leaving the EU, there is currently nothing in place to ensure the UK maintains its own commitments. There should be proper supervision and enforcement mechanisms in place before the UK can leave the EU so that the gender pay gap does not widen after Brexit.

Immigration



As a proudly internationalist party, the Co-operative Party rejects the notion that the answer to a fear of immigration is to create a hostile environment for those people from other countries already living here, or to damage our economy and public services by reducing the opportunities for people to come from overseas to contribute to our economy and society. Immigration has brought huge benefits to the UK.

However, there are clearly genuine fears which need to be addressed at their root—in households which haven't seen a pay rise for years, or communities where austerity has left public services and infrastructure creaking, the case that immigration helps rather than hinders economic growth for all should be made, along with the structural changes which rebalance the economy and more fairly share its rewards.



A positive case for immigration

Foreign workers ensure the NHS has the skilled doctors and nurses needed, staff care homes, provide seasonal labour to pick farm crops and bring the talent to keep our financial services and technology industries competitive. Without them, as seen this year, food is left to rot in fields and the NHS struggles to recruit the skilled workers it needs to keep people healthy and reduce wait times.

The government should make the positive case for immigration while seeking to understand and address the reasons for the many real concerns from a lack of housing to an overstretched NHS. There should be a Royal Commission on immigration, with a view to developing a new immigration policy based on fact not fear-mongering, and with the principles of transparency, compassion, fairness and prosperity at its heart.



End the hostile environment

The hostile environment should be ended, particularly in relation to areas of Home Office overreach—from immigration controls in GP surgeries, classrooms and housing enforcement to the limits on trade union activity for foreign workers whose visas are sponsored by their workplaces, where 10 consecutive days of industrial action sees them reported to the Home Office.



Protect the rights of EU Citizens

A Britain outside of the EU needs to ensure EU citizens rights are protected—both for citizens working and living here now, and for future workforces.

Their right to bring non-EU family members to be with them in Britain should be protected too, and reciprocal rights should be sought for UK citizens in the EU.

The process for any visa applications should be free, streamlined and straightforward, and developed in consultation with migrant rights organisations.

Seasonal visas should be straightforward and transparent, so that fruit is not left rotting in fields because of labour shortages, under a new seasonal agricultural workers scheme. To ensure workers from abroad, particularly low paid, low skilled or seasonal, are not exploited and that wages and conditions are not undercut, modern slavery legislation should be strengthened and properly enforced.

International Development



With shared values of social justice, fairness and equality, the co-operative movement has long been concerned with international development and tackling global inequality. From choosing fair trade products to being part of the Labour Government that committed the UK to reaching the UN-agreed 0.7% of Gross National Income on aid, co-operators have a proud record on international development.

The next Labour and Co-operative government must be even more ambitious to address the scale of challenge facing communities around the world. The Department for International Development must be tasked with reducing inequality rather than promoting the interests of big business abroad. And any solution must be one which empowers communities – challenging broken economic systems and ending a reliance on trickle-down wealth.

International co-operative development

The co-operative movement is one of the largest organised segments of civil society with over 800 million members, and plays a crucial role across a wide spectrum of human aspiration and need. The government should work with the co-operative Agency for International Development, which will provide support and build international co-operative capacity.

International aid

The Co-operative Party remains committed to spending 0.7% of national income on aid.

However, the current trend towards linking the Department for International Development spend on foreign aid to issues of defence and private business development is damaging. The CDC, the private sector arm of the UK's aid programme, has a record of channelling investment through tax havens and into private sector projects. The recent Commonwealth Development Corporation Act, which saw the cap on funds spent through DFID's private sector arm of the UK's aid significantly increased, only serves to make this problem worse.

The Co-operative Party believes it is vital that the CDC isn't seen as a stimulus for big businesses to profit from the developing world but as a genuine tool for sustainable economic development and good quality job creation in the communities around the world that need it most.

For this to happen, there must be significant transparency on spend and outcomes, with an onus on the CDC and DFID to demonstrate the impact of their investment. The independent Commission for Aid should be given a much greater role in scrutinising the CDC, with a regular independent evaluation of how the CDC operates and the impact it has, measured in terms of poverty reduction rather than private sector growth.

Debt in the developing world

The Co-operative Party supports the work done to date by the UK and the wider international community on debt relief. The government should continue to drive this agenda, as well as building on previous legislation to clamp down further on exploitative vulture funds. The government should support a concerted international effort to develop a fair, independent and transparent way to arbitrate on debts when governments cannot afford to pay, to reduce the likelihood of sovereign defaults.

As the economies across the developing world grow, they will have easier access to the global financial market. Therefore, as well as debt relief and tackling bad investor behaviour, developing countries should be supported to build their capacity to manage future debt better so that their exposure to unfair deals and unscrupulous hedge funds is mitigated.

Trade justice

Following the vote to leave the European Union, the next government is positioned to develop a trade policy that puts fairness and co-operation at its heart.

Post-Brexit trade agreements should continue to champion an end to trade distorting subsidies and tariffs that stop developing countries being able to sell their goods at fair prices in more economically developed markets. There should be no unintended consequences for developing countries and agreements should include low, or no, trade tariffs on fairly traded products.



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