

# Co-operatives

Co-operatives share a common set of values and principles. They stimulate wealth creation and promote active citizenship by developing the skills of members/workers who run the organisation. Co-operatives have always been values-driven enterprises. One of the great achievements of the Pioneers of Co-operation back in 1844 was to translate those values into a practical working model for ethical enterprise. In the 21st century, community co-operatives have rescued pubs, shops and other vital amenities and groups of like-minded people are coming together to form co-operatives in many different areas. As an association of persons that are generally key stakeholders (producers, consumers, users, etc.) the co-operative business model puts people at the centre and is grounded in values such as solidarity, equity, equality and care for the community and the environment, which translate into binding operational principles. Co-operatives are significant economic factors in many different sectors.

**Credit unions** are member-owned financial co-operatives. They differ from banks and other financial institutions in that the members who have accounts in the credit union are its owners and they elect their board of directors in a democratic one-person-one-vote system regardless of the amount of money they have invested. Credit unions offer a range of savings accounts and loan products suited to members' needs and at rates they can afford. Helpful for those struggling to qualify conventional banking or at risk of loan shark lenders, they help keep money circulating locally. Surveys of customers have consistently shown a much higher customer satisfaction rate with the quality of service at credit unions, compared to high street banks. From Jan 2012 legal changes mean credit unions' powers have been increased so they can provide extra services to their communities, including business accounts. [www.abcul.org](http://www.abcul.org)



**Worker co-operatives** are autonomous and independent businesses operating in all sectors of the economy, that are owned and democratically controlled by the people who work in them. They are popular and successful across the globe, think Mondragon, but at present there is no legal form for them in UK - so they usually register as an Industrial Provident Society or a Company. Decisions are made democratically, either through member meetings or in larger co-ops, on a representative basis. Some worker co-ops have a completely flat management structure, with no hierarchy, others agree different policies. People who have experience of working in a worker co-op say it gives them more job satisfaction as they are working to the same goals, on an equal basis with their colleagues. [www.cicopa.coop](http://www.cicopa.coop)

**Supporters' Trusts** are democratic, not-for-profit organisations of fans who have taken over the running of their sports club, often in response to a financial crisis which threatened the future of their team. Put simply, a Supporters' Trust puts control of the club in the hands of the people who have its best interests at heart. Collectively Supporters Trusts have raised over £20 million and saved over 20 clubs, including [at time of print!] League One's Exeter City. One of the most successful football clubs in the world - Barcelona - is and always has been co-operatively owned and managed. [www.supporters-direct.org](http://www.supporters-direct.org)

**Co-operative Trust Schools** bring together a number of partners committed to working with the school in the long term. Their membership structure enables parents, learners, staff and community organisations to be directly involved in the Trust. Stakeholders drawn from these groups are elected to a Forum which holds the Trust to account, helps shape its policies and elects a proportion of trustees. Thus schools can embed co-operative values into the long term ethos of the school. Many schools in the South West are converting to Co-operative Trust status as an ethical and viable alternative to becoming academies. [www.co-operativeschools.coop](http://www.co-operativeschools.coop)



**Renewable energy co-operatives** are the fastest growing part of the UK co-operative sector, having grown by 24% since 2008. In response to the energy crisis, and with concern for the environment, more communities in the South West are looking to initiate local schemes for generating clean energy. The process is not easy as the group needs to formally establish and publish a share prospectus, explaining the business plan, intended return on investment and their plans for community benefit prior to marketing, but the benefits are great for both investors and the local communities. All investors become members of the co-operative on a one member, one vote basis. [www.uk.coop/renewableenergy](http://www.uk.coop/renewableenergy)



**Community-owned stores and pubs** are an increasingly viable option for villages wanting to retain a local shop or pub. According to The Plunkett Foundation, a charity whose purpose is to improve rural livelihoods through co-operation and social enterprise, there are now over 270 community owned shops trading in England, Scotland and Wales, growing at a rate of over 20 a year. Of these, 82 are in the South West - more than any other region in the UK. As part of a network these shops can also benefit from collective purchasing. Communities are also taking action to ensure they do not lose their village pub - and co-operative models can provide a clear alternative to traditional models of running public houses. [www.plunkett.uk.net](http://www.plunkett.uk.net)

**Co-operative retail societies** are owned by their member-consumers. They are tasked with fulfilling their members' needs as well as making profit, and they adhere to the values and principles which have underpinned the Co-operative Movement since it started. Members elect their Board of Directors to represent them and appoint management. The Co-operative Group is the largest consumer co-operative in the world, comprising many businesses including Food, Travel, Financial Services, Funeralcare and Pharmacy. Other co-operative societies operating in the South West are Radstock, Midcounties and Southern. A fundamental difference between a co-operative and most private sector retail enterprises is the annual dividend which members receive. [www.cooperative.coop](http://www.cooperative.coop) [www.radstock-co-op.com](http://www.radstock-co-op.com) [www.midcounties.coop](http://www.midcounties.coop) [www.thesouthernco-operative.co.uk](http://www.thesouthernco-operative.co.uk)



**Agricultural co-operatives** are enterprises where farmers or fishermen pool their resources to buy or sell equipment or services. For farmers, this might mean supplying their members with what's needed for agricultural production, such as seeds, fertilizers and fuel, or where land, machinery, etc are shared and the members farm jointly. Agricultural Marketing co-operatives are established by farmers to jointly package, distribute and market their farm products. Fishermen often combine to pool their catch in order to obtain a better market price. Community Supported Agriculture (CSA) is a partnership between farmers and the local community providing mutual benefits and reconnecting people to the land where their food is grown.



**Housing co-operatives** are a practical solution to housing problems for many people and the sector is growing. There are student housing co-ops and some sheltered housing co-operatives - though not very common in the South West. Members of a housing co-operative collectively own a residential building by purchasing a share in the co-op. Each shareholder then has the right to occupy one housing unit, either through a purchase agreement or a lease. Housing co-operatives give people many of the advantages that homeowners enjoy, such as security of tenure, being able to control spending on repairs and improvements and also they require substantially less upfront capital to join. Other mutual housing opportunities include co-housing schemes, community land trusts and self-build schemes. [www.cch.coop](http://www.cch.coop) [www.radicalroutes.co.uk](http://www.radicalroutes.co.uk)

