Councils’ Cooperative Development Toolkit

# Introduction

## About This Toolkit

Many councils and elected members are keen to see more cooperatives developed in their local areas. Time and again however councillors and officers have recognised that they don’t know where to start in this objective. This toolkit sets out to give councils a framework to better understand what they aim to achieve through this, their starting point and what they can actually do. Most importantly the framework is underpinned by a collection of tools that will enable them to get started.

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| 1  3  2 | The framework is grouped under four areas:   * We start by going **Back to basics** and cover a little on what cooperatives are, their benefits, the evidence supporting them and related national support. * **What can I do?** Headline areas of possible action.  There are a few key areas where councils can take action and we talk through each of these. Having these in your mind as you are following the subsequent steps will help you find the right path for you as you go. * **Doing your homework:** understanding your local context and objectives.  Considering local context will support you in understanding existing cooperatives and cooperative business support, the policy framework, and awareness of cooperatives. Local objectives will support you in considering where cooperatives may align with the needs of your local area drawing on existing strategic plans.  You may want to find a small number of allies and partners to work with during this stage. While identifying stakeholders is dealt with under the second area, if you’re not sure who those people might be you may wish to take a look at this earlier. * **Taking action:** having understood what you want to achieve and where you’re starting from, we can now Prepare for action and Get going.  We look at identifying and involving stakeholders, and developing a theory of change, before moving onto finding funding and developing an action plan.   4 |

Supporting the framework are some considerations around mindset described shortly. For many councils this work will require quite different ways of working implying different ways of measuring success and the need to develop different skillsets.

This toolkit builds on the work of the previous Policy Lab project led by Plymouth City Council which resulted in the report [*Co-operatives Unleashed: from the grassroots*](https://www.councils.coop/project/cooperatives-unleashed/) and its accompanying [toolkit](https://www.councils.coop/publication/coops-unleashed-toolkit-supporting-docs/). Some of the resources from this toolkit are incorporated and added to.

Where resources are provided as PowerPoint decks, as much as possible, these have been put together in such a way that slides should be easy to copy and paste over to your own presentations and take on your own corporate branding. If this doesn’t work you may need to look at your corporate templates to check if you have multiple layouts so that PowerPoint can do this work for you.

This toolkit does not aim to directly help those who are looking to establish a cooperative themselves. There are numerous existing resources for people including toolkits around specific types of cooperative or particular themes such as governance or finance. What is lacking is the capacity or funding to support people as they take on that journey and there are far too many barriers in their way. As a council you may well decide that you need to create a dedicated programme of support to supplement what is available and we would encourage you – where possible – to work with existing organisations in your area (and wider) to draw on, build and release their expertise.

## A Cooperative Development Mindset

As you work through this toolkit and work to see more cooperatives develop in your place we recommend that you try and work from this mindset. The principles here are based on much collective experience and research undertaken with local authorities and individuals within the cooperatives sector in the early stages of this project. These are:

1. **Nurture existing assets – don’t reinvent the wheel.** Engage and support the people, organisations and networks that already exist. This will enable them to go further faster, and accelerate your progress towards your goals at lower cost. Most often coop development is likely to be about empowering and supporting others to act rather than the council doing things directly.
2. **Don’t expect quick results**. Our society, economy and culture generally makes cooperation and cooperative solutions largely-invisible to most people. In this context if we want to see the development of a setting where cooperation is not only visible but also acceptable and achievable it is essential to build a supportive culture. This won’t happen overnight.
3. **Get out of your silo**. Councils are large, complex organisations with many teams and departments that can often operate compartmentalised from other teams. Furthermore they operate within systems of public, private and community sector actors. Cooperatives are often seen as a subset of social enterprise and therefore commonly viewed as part of the third sector and so the domain of communities teams rather than the business sector, while economic development colleagues can appear focussed solely on conventional for-profit investor-owned business. Cooperative solutions cover a very wide spectrum and a coherent approach to supporting cooperatives is best delivered through cross-cutting teams.
4. **Understand the pipeline – and make it simpler where you can.** The journey that results in the establishment of a cooperative can be long and involve multiple stages and inputs from a variety of sources. Councils that want to encourage more people to embark on this journey need to be prepared to understand and work to remove the barriers they face.
5. **Be open to innovation**. Whilst some might take the view that cooperatives are primarily niche life-style businesses, in practice cooperation encompasses a very diverse range of businesses. A cooperative may operate and deliver value in ways you don’t expect – this diversity is of significant benefit. The case study pack within this toolkit illustrates some of the breadth of cooperative business types and models within the UK. You may find similar coops in your own area or nearby while other examples can be found elsewhere in the world. The resources later in the toolkit drawing on the CCIN study visits to Mondragon and Emilia Romagna may be sources of inspiration.
6. **Adopt an entrepreneurial mindset.** Cooperative development is very much a bottom-up process, and generally the key role of a council is to engender and foster conditions where that process can thrive. At the same time councils have a unique vantage point where opportunities can be spotted that might not be visible from other perspectives – this type of approach was central to the ‘Cleveland Model’ of community wealth building, where anchor institutions could identify gaps where a new cooperative business could meet a need. These types of opportunities could then be shared within your local cooperative network.
7. **Co-operate!** Our research suggests that the individuals within councils who are actively working in support of cooperation can sometimes feel like theirs is a lone voice. Mutual support through active networking with counterparts in other councils through organisations like CCIN and other relevant networks can be a valuable source of information, inspiration and opportunities.

## Acknowledgements

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The early stages of this project benefitted from the experience and expertise of Jo White at Co-operative Futures with a team including Graham Mitchell of Innovation Coop and Gareth Nash of CMS. Dr Catherine Brentnall and Dr Owen Powell have done fantastic work in the latter stages conducting the rapid evidence review and building the case studies that can be found in the toolkit. We know many coops, cooperative development professionals and officers and members of councils provided insights throughout and without which the toolkit could not have been as strong as it is.

# Back to Basics

## What is a cooperative?

The International Cooperative Alliance defines a cooperative as: “an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise”.

Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Cooperatives operate on the seven principles defined by the ICA:

* Voluntary and Open Membership
* Democratic Member Control
* Members’ Economic Participation
* Autonomy and Independence
* Education, Training and Information
* Cooperation Among Cooperatives
* Concern for Community.

There are various types of cooperatives, including:

1. **Consumer Cooperatives:** Owned and operated by consumers who use the cooperative's products or services. Examples include retail cooperatives with the Coop Group being the most well known in the UK.
2. **Producer or Consortium Cooperatives:** Formed by independent producers or workers to market products they produce or to purchase supplies collectively. Members may be independent businesses, organisations or individuals. Agricultural cooperatives are a common example, where farmers join together to sell their produce or buy inputs like seeds and fertilisers.
3. **Worker Cooperatives:** Owned and operated by the employees. Each worker has an equal say in the cooperative's decision-making processes, regardless of their level of investment or tenure. Calderdale-based Suma is the UK’s largest worker coop.
4. **Multi-Stakeholder Cooperatives:** Involve more than one stakeholder group as members. For instance, a cooperative might have both consumers and producers as members, with each group having a say in the cooperative's governance.
5. **Community Co-operatives:** a group of people from a local community that own and run the business. The community may be geographical or based on a community of interest. This may be a village shop, pub, community space, or renewable energy coop. A community co-operative will normally operate for the benefit for the whole or most of the community.

Two other types of cooperative deserve a mention here too:

* **Platform cooperatives:** These are a type of coop that uses digital platforms to provide goods or services, such as online marketplaces, social networks, or peer-to-peer platforms. The platform is collectively owned and governed by the users, workers, or other stakeholders who participate in the platform. Platform cooperatives aim to create more democratic, fair, and sustainable alternatives to the dominant platform economy, which is often characterised by exploitation, monopolisation, and surveillance. Examples of platform cooperatives include:
  + Fairbnb, a cooperative alternative to Airbnb;
  + Stocksy, a stock photography platform owned by its photographers;
  + Driver's Seat, a data co-op for ride-hailing drivers.
* **Federation cooperatives** are essentially a cooperative of cooperatives. The federated cooperatives retain their autonomy and identity, but delegate some functions and decision-making power to the federation. The federation can provide services and support to its members, such as marketing, purchasing, advocacy, or education. The federation is also owned and controlled by its member cooperatives, who elect representatives to the federation's board of directors. Some cooperatives that look to grow by replication through what might be described as a ‘strawberry patch model’ will often use a federation coop to maintain connection and create efficiencies. Examples of federation cooperatives include:
  + Federal Retail Trading Services is a buying group for the 18 UK retail coops pooling their £8.5bn buying power. It is owned and controlled by its member societies but managed by the Co-operative Group on their behalf;
  + Mondragon Corporation, a Spanish federation of industrial, financial, and service cooperatives;
  + Cycle.coop is a federation coop for cycle delivery platform coops. Cycle.coop owns, develops and maintains the platform technology used by their member coops removing this cost and responsibility from individual coops.

Cooperatives can take a range of legal structures including but not limited to Community Benefit Society (CBS) or Co-operative Society. Depending on their legal form they may be registered with the Financial Services Authority (FSA) or at Companies House. Some CBSs have exclusively charitable purposes but, in England and Wales, a charitable CBS cannot register as a charity with the Charity Commission. However, they can apply to HMRC to be recognised as an exempt charity for tax purposes.

Many community businesses are cooperatives operating under the CBS structure though others may use a Community Interest Company (CIC) or other legal structure.

Useful resources:

* See the [cooperative case](#_Cooperative_Case_Studies) studies and associated resources below.
* [Co-operatives Unleashed: Doubling the size of the UK’s cooperative sector](https://neweconomics.org/2018/07/co-operatives-unleased), New Economics Foundation (2018).
* [World Cooperative Monitor](https://monitor.coop/en), ICA.
* [A short guide to community business: What they are and how they make places better](https://www.youngfoundation.org/institute-for-community-studies/repository/a-short-guide-to-community-business-what-they-are-and-how-they-make-places-better/), Power to Change (2020).
* [The Good Councillor’s Guide to Community Business](https://plunkett.co.uk/wp-content/uploads/the-good-councillors-guide-to-community-business.pdf), Plunkett (2020)

## Why cooperatives?

There are numerous reasons why cooperatives are pursued. Some of the positive impacts of cooperatives include:

* **Improved access to goods and services:** it may be that these are not available from existing businesses, that the quality is not acceptable or that the cost is prohibitive. This could apply to businesses or producers as much as to household consumers.
* **Coops outlast other businesses: Cooperatives are far more likely to last 5 years than traditional businesses. They therefore contribute to a resilient economy.**
* **Better jobs:** some cooperatives as with Suma in the UK and the Mondragon Corporation in the Basque region of Spain place a focus on the quality of work and professional development they are able to offer their worker members.
* **Improved access to market:** while in the most traditional sense this is most often cited in international development contexts, increasing access to market and the share of value captured by those at earlier stages of the value chain is the primary reason for most cooperatives. This can involve the coop investing in vehicles, weighing scales and warehousing. The multi-billion pound Arla dairy farmer coop in the UK operates in this way. Smart Coops across Western Europe are another example but instead bring together those in creative industries.
* **Improved access to capital goods:** again more commonly seen in international development, if there is equipment that is of benefit but not everyday use, a number of businesses grouping together to purchase an item might make more sense than each purchasing them individually. This is typical with smallholder farmers buying equipment for planting, harvesting, storing, weighing or transport of goods.
* **Increasing social capital:** Cooperatives enable people to cooperate and collaborate for their common benefit, creating bonds of trust, reciprocity, and solidarity. Cooperatives also foster a sense of belonging and identity, as well as a shared vision and values, among their members and with other cooperatives and communities.
* **Better care for society and the environment:** Cooperatives are better for the environment than traditional businesses because they operate according to principles of sustainability, responsibility, and stewardship. Furthermore, as coop members make decisions for themselves and their peers rather than shareholders, cooperatives tend to make decisions that are more in line with their own values and concerns including their community and the environment.
* **Positive community impact:** for some coops, benefitting their community is written into their DNA. For many others it is an outworking of their cooperative values.
* **Strengthening the local economy:** Cooperatives often circulate and reinvest profits within the local economy. They don’t have external shareholders so have no aim to extract profit for them. Cooperatives can also collaborate and network with other cooperatives and organizations, creating synergies and economies of scale.
* **Strengthening local democracy:** Cooperatives can also foster civic engagement and democratic participation among their members and in their communities.

## What’s the evidence for cooperatives?

Cooperatives have been the topic of academic study for a very long time. However, much of this is focused on their role in international development. There is relatively little academic study of the impact of cooperatives in the UK. As part of this project a rapid evidence review of the impact of cooperatives was commissioned.

The rapid evidence review found support for cooperative businesses delivering benefits in job quality, wages, skill development, company longevity, tax contributions and social security reductions, health and well-being outcomes, community pride, local development, and population retention and growth. Different cooperatives will also have specific benefits related to the goods or services they provide.

Useful resources:

There are a number of resources we would recommend drawing from:

* *Cooperative Business Impacts: A Realist Evaluation*, Dr Catherine Brentnall, Manchester Metropolitan University – [full report](https://www.councils.coop/wp-content/uploads/2024/09/Cooperative-Business-Impacts_A-Realist-Perspective_FV2.pdf) and [2-page policy briefing](https://www.councils.coop/wp-content/uploads/2024/09/Coop-Business-Impacts_Two-Page-Briefing_FV.pdf).
* [*The Cooperative and Mutual Economy 2023*](https://www.uk.coop/get-involved/campaigns/co-operative-and-mutual-economy), Cooperatives UK 2023.
* [*EO Knowledge Programme*](https://employeeownership.co.uk/Site/content/News-and-Insights/EO-Knowledge-Programme/EO-Knowledge-Programme.aspx), Employee Ownership Association 2023.
* [*Ending the Monoculture: How Diversity of Business Can Bring Prosperity*](https://www.socialenterprise.org.uk/seuk-report/ending-the-monoculture-how-diversity-of-business-can-bring-prosperity/), Social Enterprise UK.

Beyond these there is a wealth of material available. You can take a browse here:

* Cooperatives UK’s [Resources](https://www.uk.coop/resources) page has lots of material which can be filtered by resource type such as ‘Policy Briefing’ or ‘Research’.
* Social Enterprise UK’s website has a [reports](https://www.socialenterprise.org.uk/reports/) page including some evidence reports.
* Power to Change has a number of reports on community business available on the Institute for Community Studies’ [Repository](https://www.youngfoundation.org/repository/?_sfm_publisher=Power%20to%20Change) page.
* The Plunkett Foundation has a [reports page](https://plunkett.co.uk/reports/) on their website with a range of evidence.
* [UK Society for Co-operative Studies](https://www.ukscs.coop/) produces the Journal of Co-operative Studies, an academic peer-reviewed international journal which aims to promote knowledge, research and innovation within the co-operative sector.
* [International Co-operative Alliance:](https://www.ica.coop/en) produces the [World Cooperative Monitor](https://monitor.coop/en) which collects economic, organisational, and social data about cooperatives worldwide. The ICA also has a helpful [Facts & Figures](https://www.ica.coop/en/cooperatives/facts-and-figures) page.
* The [National Cooperative Business Association CLUSA International](https://ncbaclusa.coop/) (NCBA CLUSA) based in the US have developed [*The ABCs of Co-operative Impact*](https://ncbaclusa.coop/resources/abcs-of-cooperative-impact/), a shared framework that cooperatives and councils can use to systematically understand whether, to what extent, where, and how cooperatives promote social and economic opportunity in a way that leads to improved health and well-being.

## National Support Organisations

It is important to recognise that there is existing national support available. Knowing what has been done elsewhere stops you going through the pain of making the same mistakes while knowing what is available outside your local area stops you unnecessarily duplicating existing services. These organisations will be able to connect you with people doing similar things both around your area and in other corners of the country.

National support organisations for cooperatives include:

* [Cooperatives UK](https://www.uk.coop/): national support organization for cooperatives, providing a range of support services and resources for cooperative businesses in the UK. In particular Cooperatives UK manages [Business Support for Coops](https://www.uk.coop/business-support-co-ops) that offers a range of support services to help cooperative businesses start, grow, and succeed. They have also delivered the [Unfound Accelerator](https://www.uk.coop/start-new-co-op/support/start-platform-co-op/unfound-accelerator) for platform coops.
* [Plunkett Foundation](https://www.plunkett.co.uk): supports the establishment and growth of community-owned businesses across the UK
* [Power to Change](https://www.powertochange.org.uk): dedicated to supporting community businesses to create better places across England.
* [The Centre for Democratic Business](https://www.stirtoaction.com/cdb): Hosted by Stir to Action, provides economic development and support programmes for democratic business in the UK.
* [Workers.coop:](https://www.workers.coop/) a national support organisation for worker cooperatives in the UK.
* [Community Led Homes](https://www.communityledhomes.org.uk/): not strictly an organisation in its own right this was a partnership project between the Confederation of Co-operative Housing, Locality, the National Community Land Trust Network and UK Cohousing that ran from 2018 to 2023. This website is a good starting point if community led housing is of particular interest.

Scotland and Wales have their own support organisations in:

* [Cwmpas](https://www.cwmpas.coop)
* [Cooperative Development Scotland](https://cdsblog.co.uk/about-cds)

Useful resources:

* [Simply Legal](https://www.uk.coop/resources/simply-legal) from Cooperatives UK is a guide with all you need to know about legal forms and organisational types for co‑operatives and community owned enterprises.

## Cooperative Case Studies

The following case studies demonstrate the range of cooperatives across different sectors and models. You can download the case study pack as a [PowerPoint presentation](https://www.councils.coop/wp-content/uploads/2024/09/CCIN-Co-operative-Case-Studies.pptx) to use with local audiences as well as create your own case studies using the template slides in the PowerPoint alongside this interview guide.

Embed PDF

# What can I do?

Now we’re clear about what coops are and what the benefits are, what can we do to support their development in our local areas? We look here at what you might be able to do around:

1. Increasing awareness and understanding
2. Creating a supportive policy environment
3. Business support
4. Access to finance
5. Direct commissioning and externalisation
6. Creating a dedicated support programme.

It is likely that you will need to act across more than one of these areas and may need to act across all of them. Creating a dedicated support programme may be seen as bringing together some or all of the other elements into a unified programme.

## Increasing Awareness and Understanding

Increasing awareness and understanding is essential to seeing cooperative development move forward. Before trying to tackle this you will need to have identified who your stakeholders and partners are and be aware that this group may evolve as your collective understanding of cooperatives and the local needs and opportunities grows and crystalises. As your stakeholders change and you move through phases of work, you will likely need to revisit this topic.

Dealing with finite resources will mean you need to consider where to invest in increasing awareness. This may mean working across a broad group to achieve a relatively shallow understanding or may mean focusing on a more closely defined group to achieve deeper understanding. It may be necessary to combine a bit of both. Firstly, if there is very low understanding of cooperatives by residents there will be no demand for specialist business startup support you provide. Secondly, staff developing services will be significantly aided in developing and implementing services or policy changes if their colleagues have at least some understanding of cooperatives and why the Council is pursuing them.

### Local Authority and Combined Authority

You will almost certainly need to begin by increasing awareness with colleagues within the Council and your combined authority or county council.

Staff in frontline roles within the council and other public services working with residents, community organisations, businesses and start-up enquiries often have little or no knowledge, or may have misconceptions of cooperatives. As an early step those in such public-facing roles should as a minimum be equipped with sufficient knowledge to respond constructively to enquiries, and be able to refer people to a suitable source of further advice or information.

You may wish to build understanding by using:

1. **Lead discussions drawing on** some of the material from the [coop background slide pack](https://www.councils.coop/wp-content/uploads/2022/10/Cooperative-Background-Slides.pptx).
2. **Coop Option Training** provided by Stir to Action for local authority and combined authority officers. There are three sessions: [Introduction](https://www.councils.coop/training/ccin-training/coop-training-intro-sessions/), [Legal Structures Deep Dive](https://www.councils.coop/training/ccin-training/coop-training-legal-structures/) and [Finance Deep Dive](https://www.councils.coop/training/ccin-training/coop-training-finance/).
3. Some or all of the [Coop Case Studies](#_Cooperative_Case_Studies) developed for this project or by developing case studies of local or particularly relevant coops using the blank case study template.
4. Incorporating some of the evidence from the **Realist** **Rapid Evidence Review** conducted for this project from the [full report](https://www.councils.coop/wp-content/uploads/2024/09/Cooperative-Business-Impacts_A-Realist-Perspective_FV2.pdf) or the [2-page policy briefing](https://www.councils.coop/wp-content/uploads/2024/09/Coop-Business-Impacts_Two-Page-Briefing_FV.pdf).
5. Cooperatives UK’s [‘More than a shop’ podcast](https://www.uk.coop/get-involved/awareness-campaigns/more-shop/more-shop-podcast-episodes).
6. Participate in or watch previous webinars by Cooperatives UK and other organisations. Cooperatives UK’s past webinars can be found on the [resources page](https://www.uk.coop/resources?f%5B0%5D=resource_type%3A829) of their website.

### Residents, Activists and Entrepreneurs

Raising awareness with residents, activists on a range of topics where cooperatives may present relevant solutions, and (particularly socially minded) entrepreneurs will often require different resources. While some of those mentioned above may still be relevant for this group there are others that may fit the bill better:

1. The [**Barefoot**](https://www.stirtoaction.com/barefoot) co-operative development programme developed by [Co-op Culture](https://www.culture.coop/) and now delivered by Stir to Action provides knowledge and skills to people who already have experience of managing a co-operative or community business and want to support other people/organisations to start and grow. Councils might wish to fund or subsidise one or more places in order to boost the skills of local cooperative champions or activists as a way of building capacity locally.
2. Organise a **‘Is a co-op right for you’** seminar/workshop for a particular or general audience using the resources from this Cooperatives UK [webinar](https://www.uk.coop/events-and-training/events-calendar/starting-co-op-right-you-9feb22-hive).
3. Cooperatives UK, commonly working in partnership with a local cooperative or network/group of local cooperatives, organise [**Co-op Connections**](https://www.uk.coop/events-and-training/networking) events which can be helpful in bringing people together who are involved in cooperatives in a given locality. These events are generally co-designed and could easily include a wider group of participants as part of an awareness raising programme.
4. [**YOUcoope**](https://youcoope.eu/) is a European project which aims to encourage educational institutions to include the co-operative model in their curricula
5. [**The Synergia Institute**](https://synergiainstitute.org/) run a free and well-regarded [MOOC](https://synergiainstitute.org/mooc-overview/) (Massive Online Open Courses) learning programme each year around the theme of developing co-operative commonwealth.

### Professional services

Accountants and solicitors form an important part of your local business ecosystem. While there are a small number of firms around the country specialised in cooperatives, the majority of professional services firms and professionals will have little or no experience of working with cooperatives. This means that it is highly unlikely that someone wishing to set up a business will be encouraged to establish as a cooperative even if this is most appropriate model.

You may wish to reach out to individual firms or through professional bodies to organise a webinar, participate in a networking event, or similar to present on the theme. Some of the resources listed for LA and CA colleagues above are likely to provide a helpful basis for this.

### Creating a Cooperative Calendar

If you plan to embark on an awareness campaign you may want to use key dates in the calendar. Drawing on the [Awareness Raising](https://www.councils.coop/wp-content/uploads/2023/04/Awareness-Raising.docx) resource created by Plymouth City Council, the most relevant of these are:

* June - [Co-op Fortnight](https://www.uk.coop/get-involved/co-op-fortnight)
  + Every Year, across the UK co-operatives work together to celebrate, show the power of co-operation and promote coops. The fortnight runs from the last week in June to the first week in July and ends with International Day of Co-operatives.
  + Place-based programmes of events can be run with partner organisations across the locality, both on the ground and online, through social media.
  + A programme might include; running a workshop about Employee Ownership, a celebratory breakfast to highlight cooperatives in your area, attending large events for the public and having resources to engage in conversation to raise awareness, partnering with other agencies for events.
* November - [Social Enterprise Day](https://www.socialenterprise.org.uk/?s=Enterprise+Day)
  + Social Enterprise Day is run every year as part of Global Entrepreneurship week in November.
  + In some cities, this is an opportunity to host a week-long Festival to celebrate social enterprises.
* Local Annual Business Awards
  + Across the UK, local business awards increasingly include categories for community support and social responsibility providing a good opportunity to publicise nominations of your local co-ops.

### Coop Study Visits

If there are cooperatives in your area or close by, this can be useful in terms of pointing to something tangible and saying: ‘there is one over here and it works well’. You may be able to organise a visit or series of visits which a mix of stakeholders can participate in whether policy makers, business growth advisors or potential cooperators. Building these visits around a tour of the business and presentations from cooperative members and leaders allows people to see and hear for themselves and learn directly.

A series of coop visits like this was put together as part of Business for Good West Yorkshire. The list of cooperatives visited is available here.

You might wish to fund a study visit further afield in another part of the country or even outside the UK based around a particularly impressive and inspiring coop or collection of coops, or where a coop is particularly relevant to what you want to see develop locally. CCIN has to date funded two such trips, one to Mondragon and another to Emilia Romagna. A number of local cooperatives also featured prominently within the 2023 CCIN Conference programme in Sunderland.

Useful resources:

* **West Yorkshire study visit series:** [programme](https://www.councils.coop/wp-content/uploads/2024/09/BfGWY-Study-Visit-Programme-2024.pdf).
* **Mondragon study visit:** various resources can be found [here](https://www.councils.coop/project/study-visit-to-mondragon/) including the programme for the visit and a presentation of key learning to the CCIN Officers Group.
* **Emilia Romagna study visit:** the programme for the visit, all presentations and other resources can be found [here](https://www.councils.coop/project/study-visit-to-emilia-romagna/). A brief overview of the visit was included in the [April 2024 CCIN Newsletter](https://mailchi.mp/councils.coop/april-2024?e=d31936c87b).

## Creating a Supportive Policy Environment

Irrespective of the challenges you aim to address or the sectors through which you believe you can do this most effectively it is essential that the local policy environment is supportive of cooperatives. While not an exhaustive list some areas you might wish to review include:

* Procurement
* Grant making
* Business support
* Business rates relief
* Assets
* Planning.

### Procurement

Procurement is one of the most direct levers that councils and other anchor organisations have at their disposal. While the toolkit deals elsewhere with the topic of encouraging the formation of cooperatives, it is important to ensure that your procurement policy considers cooperatives and that any supplier screening processes do not present a barrier to cooperatives participating in procurements.

Similarly, councils are required to consider social value as a result of the Social Value Act 2012. Many councils use the National TOMs Framework and tools like the Social Value Portal in order to receive and compare social value commitments as part of the procurement process and subsequent delivery of social value. There is some concern that these processes disadvantage small businesses and VCSE organisations.

Another CCIN Policy Lab project is developing a Social Value Toolkit that will touch on how cooperatives deliver social value and how procurement processes may need to be shaped to maximise these opportunities. The project proposal is [here](https://www.councils.coop/project/social-value-toolkit-oxford/) for background. This is likely to build on previous CCIN funded work by Oxford City Council on *Translating Cooperative Values into ‘Social Values’ for Procurement*.

We would encourage you to consider the best approach to social value particularly in procurement exercises where market engagement suggests cooperatives may bid – or where you have pro-actively encouraged the formation of cooperatives.

Useful resources:

* [Translating Cooperative Values into ‘Social Values’ for Procurement](https://www.councils.coop/project/translating-coop-values-for-procurement/) , Oxford City Council (2023).
* [An alternative is possible: Measuring the impact of cooperatives](https://www.ippr.org/articles/an-alternative-is-possible-impact-cooperatives), IPPR (2024).

### Grant making

Most councils operate a range of grant schemes for different purposes. These may or may not operate under an overall grant making policy. This being the case or not, it is essential that you consider whether cooperatives are eligible to participate in your grant programmes and if not whether this is an appropriate or unnecessary exclusion.

Charities are obliged to have a board of trustees which must be individuals who are not in the employ of the organisation. This presents a barrier to individuals that you would otherwise cite as potential beneficiaries from setting the direction of an organisation they have formed and simultaneously benefitting as employees. This would appear to contradict the cooperative principles of self-help and self-responsibility.

### Business Rates Relief

Any community benefit society registered as an exempt charity will automatically benefit from the mandatory 80% business rates discount. Local authorities can also under the [Localism Act 2011](https://www.legislation.gov.uk/ukpga/2011/20/contents) give Business Rates Relief to individual businesses or groups of businesses.

You may wish to consider giving relief to all cooperatives or particular types of cooperative.

### Assets

The theme of asset transfers has been dealt with in a previous CCIN policy lab with the report [*Beyond Asset Transfer*](https://www.councils.coop/project/beyond-asset-transfer/). If you have an existing Asset Transfer Policy or intend to create one, it is important to ensure that cooperatives – particularly Community Benefit Societies – are eligible for transfers and that organisations that take on assets are able to sublet space to cooperatives as well as other local businesses. You may wish to avoid limiting the kinds of organisation space can be sublet to at all as this may provide the kind of income stream which is essential to keeping community spaces open.

The *Beyond Asset Transfer* report includes reference to good practice asset transfer policy examples.

In addition to transfer of assets, providing pop up opportunities in spaces like markets and supporting meanwhile uses of assets can provide flexible low-cost space to business start ups and can be targeted at cooperatives and social enterprises.

Assets of Community Value (ACV) is another important route through which community groups or businesses may be able to take on locally important assets. The Localism Act created the responsibility for local authorities to maintain a register ACVs.

### Planning

There are two areas of planning policy which particularly relate to cooperatives. The first is recognition of the role of community-led housing (CLH) while the second is provision for community groups to develop and promote renewable energy schemes.

The new Labour government has set out very high house building targets but as yet not discussed the role of CLH. However, their manifesto makes an explicit commitment around the role of communities in energy generation.

To see either of these opportunities materialised it will be essential to have considered these within the Local Plan framework.

## Business support

Cooperatives like any kind of business need support when they are starting up and growing. Some of the advice and support required is the same as for any business for example marketing, business planning and accounting. Other aspects are different and are likely to require additional specialist support due to legal structures and accessing finance in addition to mainstream support.

### Generic Business Support Offer

There are some key issues to work through here:

* Does business support provided or commissioned by the council consider cooperatives and include them within eligibility criteria? There may be funding reasons why some coops cannot be covered (e.g. they exceed 250 employees) but most coops should be able to access start up and growth support.
* Do your business startup and growth advisors have a good base level of understanding of cooperatives? They should be able to explain what a cooperative is and what the benefits might be and be able to understand where a cooperative model might be appropriate.

### Specialist Cooperative Business Support

The key elements of cooperative business support include:

* Advice on what cooperative business model is right for a given business.
* Support in navigating the process of incorporating as a cooperative.
* Support in accessing appropriate finance.
* Support in the governance of a co-operative.

If you’ve identified a particular sector in which you want to see cooperatives develop, you may wish to create dedicated support for that sector. In Melbourne, Australia this has been done for childcare cooperatives though this could equally be done for community energy coops, community pubs, or worker coops.

Equally, coops – particularly at the start up stage – are likely to benefit from peer-to-peer support from those who have established similar types of cooperative. Someone who has created a similar business will be able to reflect on what challenges they faced at different stages and what they may need to think about ahead of time.

It is likely that you will want to commission specialist advice capacity. You may find there are local cooperative development consultants or local third sector organisations with relevant expertise. If you’re starting from a low number of cooperatives you may be able to procure this support quite simply as it may not reach procurement thresholds.

If you don’t have local organisations you may wish to approach Community Development Bodies (CDBs) and consultants in other places. Cooperatives UK maintain a [Practitioners Directory](https://www.uk.coop/start-new-co-op/find-adviser) and if in doubt speak to Cooperatives UK for some guidance.

## Access to Finance

Many businesses require finance to start up or at later stages to grow. Mainstream banks have traditionally been reluctant to loan to cooperatives while the minimum level of business loans from most banks is also now around £100,000. Similarly, because cooperatives are unable to offer equity stakes in the manner of standard companies which can later be sold to extract profit, they are not of interest to venture capital.

One form of finance only available to Community Benefit Societies is community shares. You may wish to promote this within wider awareness raising work as well as within any municipal crowdfunding programmes.

To address the barriers to finance described, as well as ensuring that any wider business grant or loan fund is accessible to cooperatives, you may wish to consider creation of a grant programme or rolling investment fund specifically for cooperatives. Some councils have also been known to commit to match fund eligible community share offers.

Useful resources:

Possible sources of funding include:

* **Power to Change:** numerous funding programmes that are listed [here](https://www.powertochange.org.uk/what-we-do/projects/).
* **Cooperatives UK:** operate the [Community Share Booster Programme](https://www.uk.coop/support-your-co-op/community-shares/support/booster-fund).
* [**Reach Fund**](https://www.bing.com/ck/a?!&&p=2fe264929d547b46JmltdHM9MTcyNDI4NDgwMCZpZ3VpZD0yOWE0NzdiNC01NmY0LTZjNTktMDc4NS02M2Y2NTc0ZTZkMzEmaW5zaWQ9NTE5OQ&ptn=3&ver=2&hsh=3&fclid=29a477b4-56f4-6c59-0785-63f6574e6d31&psq=Reach+Fund&u=a1aHR0cHM6Ly93d3cucmVhY2hmdW5kLm9yZy51ay8&ntb=1)**:** helps charities and social enterprises (including community benefit societies and, in some cases, co-operative societies) raise investment, the programme offers grants on average between £5000 and £15000. The grant is aimed at helping these organisations provide the final information that investors need before they can invest. [Co-operatives UK is an Access Point](https://www.uk.coop/news/co-operatives-uk-becomes-reach-fund-access-point-cs) for the Reach Fund.
* [**The Architectural Heritage Fund**](https://ahfund.org.uk/): provides advice, information, and financial assistance to charities and not-for-profit organisations working to save historic sites in the UK.
* [**Community Ownership Fund**](https://www.gov.uk/government/publications/community-ownership-fund-prospectus): a government initiative designed to help communities take ownership of local assets and amenities at risk of being lost. At the time of writing it is unclear whether this will continue. You can read more on the website.
* [**Loans for Enlightenment Agriculture Programme**](https://realfarming.org/programmes/leap/what-is-leap/): offers financial support to projects that seek to create sustainable and enlightened agricultural practices.

Other relevant resources include:

* [Good Finance](https://www.goodfinance.org.uk/): a collaborative project to help improve access to information on social investment for charities and social enterprises.
* [Platform co-operatives - solving the capital conundrum](https://www.nesta.org.uk/report/platform-co-operatives/) (Nesta, 2019).

## Direct Commissioning and Externalisation

In some cases it may be appropriate for the council or another anchor organisation to encourage local individuals or businesses to form a cooperative for the purposes of delivering a service commissioned by them. Evergreen Cooperatives in Cleveland, Ohio formed in order to provide cleaning services to a local hospital and in the process create good jobs for marginalised people. You may also consider the creation of cooperatives as an approach to spinning out services from the council.

Plymouth’s [CATERed](https://www.plymouth.gov.uk/catered) is a co-operative trading company which is jointly owned by 67 local schools and Plymouth City Council.

[Leading Lives](https://leadinglives.org.uk/) is a worker coop that provides a range of adult social care services. It resulted from the externalisation of services from Suffolk County Council.

## Create a Dedicated Support Programme

While existing business support services will meet some needs of cooperatives in other areas they will have quite different needs and will find that additional or different support is required. These include advice around membership models, legal structures and raising finance. For this reason, you may see the need for a dedicated support programme.

It is likely that such a programme would include elements of what has been discussed under each of the headings of awareness raising, business support, and access to finance. A very broad programme may incorporate work to address issues within the policy environment or to promote direct commissioning and externalisation. However, it is important to understand the difference between a programme of work that is required and the extent of a programme that might fit within funding criteria. You may wish to consider a programme within a programme.

Another important consideration is what business models you wish to include within your programme. While there is value in bringing together consideration of different business models it is important not to spread the jam too thinly or to attempt to engage too many audiences simultaneously with limited resource. For this reason, Business for Good West Yorkshire (covering Kirklees) supports cooperatives and social enterprises. However, it avoids addressing employee ownership where the audience is primarily owners of existing businesses using traditional legal structures.

Similarly, if you have identified particular areas of need or specific opportunities you may wish to address these through the criteria applied to all or some elements of the programme or incorporate additional targeted elements. For example, you may wish particularly to target communities in areas of deprivation, female entrepreneurs, those from underrepresented ethnicities, or those with a disability.

At the time of writing, both Sunderland and Kirklees have dedicated programmes that have been funded through the UK Shared Prosperity Fund.

### Business for Good West Yorkshire

Business for Good West Yorkshire (BfGWY) is a pilot programme supporting start up and growth of cooperatives and social enterprises. Funded through £500k of UK Shared Prosperity Fund monies it is an 18-month partnership-delivered programme delivered by Third Sector Leaders Kirklees (TSL). It aims to create 25 new businesses, provide non-financial support to 90 businesses and see a total of 26 jobs created or safeguarded. It is the result of a successful bid to the West Yorkshire Combined Authority’s (WYCA) open call for pilot proposals to support ‘alternative business models’.

When the open call was released, the Council were clear that the proposal should – if at all possible - address both cooperatives and social enterprises, but also that in line with Priority 2 of the Kirklees VCSE Investment Strategy “Invest in whoever is best placed to provide the service or support” that TSL should take the lead. The Council’s role was to support and enable the development of the development sessions with VCSE partners from across West Yorkshire and the School for Social Entrepreneurs while Kirklees Council liaised with the other West Yorkshire councils to understand their priorities and build support for a West Yorkshire-wide proposal. This approach was possible due to the existing relationship of trust between the organisations and key individuals involved. The resulting partnership led by TSL Kirklees, includes local specialist organisations Participate and Voluntary Action Leeds, See Ahead and Co-op Culture and two national organisations Co-operatives UK, School for Social Entrepreneurs, as well as CCIN affiliate member Stir to Action.

The programme consists of four strands:

1. Free enterprise coaching and start up workshops for individuals or groups with a new idea;
2. Free enterprise coaching and Growth & Resilience grants of up to £2,499 for existing alternative businesses;
3. Support to grow or safeguard existing jobs through a Growth & Resilience Learning and Development programme delivered jointly by Co-operatives UK and the School for Social Entrepreneurs; and
4. Free business options training for business advisors and other business support professionals.

Underspend in one area of the programme allowed the later incorporation of a series of study visits as detailed elsewhere in the toolkit.

Useful resources:

* [Business for Good West Yorkshire case study](https://www.councils.coop/case-study/partnership-approach-kirklees/) including the programme structure, outcomes and targets.

### Wear Together Initiative (Sunderland)

### Wear Together, delivered by the North East Business & Innovation Centre provides social entrepreneurs in Sunderland with access to business support and grants assisting them with start, development, and growth of social businesses. The programme helps individuals to explore their social enterprise ideas through the development of business plans / Business Model Canvas and financial forecasting as well as exploring legal structures and funding opportunities. The programme supports established/post start social businesses to increase their sustainability, develop new products and services, create jobs, and grow their businesses and inevitably their social impact in Sunderland. To do this, social businesses are supported with a wide range of advice including business planning, financial forecasting, marketing planning, legal and governance reviews and investment readiness. Support will be offered 1:1, small groups or through workshop programmes.

### Wear Together brings the sector together through the Connect for Good network and encourages peer to per support mentoring and ideas exchange helping to develop sector resilience and collaboration.

The project also offers small grants. This pot supports startups (under 12 months old) with grants of £1500 to help them to create jobs, take their products/services to market and grow their market presence. This pot also supports established social enterprises (aged 12 months plus) with funding up to £5000 to create jobs or develop a new product/service. The first round of grants will launch on the 6th February.

Useful resources:

* Sunderland Community Led Local Development [page](https://www.sunderland.gov.uk/clld) including project summaries and programme evaluation executive summary.

# Doing Your Homework

## Local Context

### Introduction

Seeing more cooperatives developed in your local area needs to start from an understanding of what is already in your area and in neighbouring areas. This is something which it should be possible to do quite rapidly. We can break this down into four broad areas:

* Existing cooperatives
* Existing cooperative development support
* Understanding of and appetite for cooperatives
* Your policy context

Know your patch – understanding what is already in place in your locality. Mapping what’s on the ground in terms of cooperative organisations, networks and people will not in itself enable action and isn’t something that should take significant time. However it will serve to highlight the organisations, and local cooperative champions/activists who are actually making change happen on the ground, albeit that this likely to be at a small scale.

If you don’t have capacity to do this in house, you may wish to commission a consultant or consultancy to do this for you or establish a Cooperative Commission. More is said about both approaches towards the bottom of this section.

### Existing Cooperatives

Do you have a clear understanding of what coops exist in your area? A number of organisations in the UK provide support to cooperatives and hold data on them which can help you understand your local cooperative business scene. Conversations with key individuals from these existing organisations may identify others locally who are passionate or knowledgeable about cooperatives. Some places even have existing cooperative networks as is the case with [Calderdale Cooperative Association](https://www.calderdale.coop).

If you find there are not many cooperatives in your area or particular types are lacking, you may wish to look at neighbouring areas. Where cooperatives have come about in neighbouring areas these might reflect an as yet unanswered need in your own and provide inspiration on your doorstep.

Useful resources:

Our favourite resources to understand your existing cooperatives are:

* [Cooperatives UK open data:](https://www.uk.coop/resources/open-data) this data source consists of two databases. The first is organisations updated monthly drawing on Companies House and Financial Conduct Authority data, the second is Financial Data covering what turnover data has been submitted. Both databases are supported by explanatory notes. Start with the organisations data and working with the main table or by creating a pivot table filter by ‘Registered State/Province’ or ‘Registered City’.  
    
  *N.B. You may wish to discount organisations that fall within the categories: Social Clubs, Sports Clubs and Supporters Clubs. While there may be opportunities around these the nature of these organisations is quite different to what is more typically considered when thinking of cooperatives.*
* [Plunkett Community Business Map](https://plunkett.co.uk/community-business-map/): while you should find all the businesses on this map within the Cooperatives UK open data, this will help you if you’re particularly interested in community businesses. The businesses mapped are broken down into a range of helpful categories.
* [Community Led Homes data](https://www.communityledhomes.org.uk/community-led-housing-data): CLH host a range of data on their site including a map of projects allowing you to identify any local community housing projects.

### Existing Co-operative Development Support

Within your region you may have cooperative development consultants or a cooperative development body. These can be found on the Cooperatives UK [Practitioners Directory](https://www.uk.coop/start-new-co-op/find-adviser).

### Understanding of and Appetite for Cooperatives

The participation of cooperatives in the UK economy is significantly lower than in peer nations including France, Italy, Germany, Netherlands and Spain in Europe or the US. For this reason, understanding of and familiarity with cooperatives is low in almost any group of people you might consider. There are misconceptions as to the range of sectors coops might operate in or the types of benefit they might support.

As well as understanding, it is important to understand what people’s views (well-informed or not) are of cooperatives and whether they would like to see more locally and whether they would support them. If you find there is low appetite but also low understanding, it is likely that the two are related: there isn’t a desire for more cooperatives because there is little understanding of them and their benefits.

You might wish to undertake surveys on a one off or periodic basis to measure this and understand changes in views. South Ribble have used:

* [Employee ownership survey:](https://www.councils.coop/wp-content/uploads/2022/10/EO-Survey.pdf) assessing business owners’ views of employee ownership as a succession option.
* [Community ownership survey:](https://www.councils.coop/wp-content/uploads/2022/10/Community-Ownership-Survey.pdf) assessing residents’ views of community ownership.

### Your Policy Context

Your local policy context will impact on how easy or not it is for people to create a cooperative and see it thrive. While the majority of content on this topic is focused in the action section of the toolkit you may at this stage wish to consider to what extent coops are considered or actively promoted within policy in each of the following areas:

* Procurement (including social value)
* Grant making
* Business support
* Business rates relief
* Assets (including both asset transfer and assets of community value).
* Planning.

## Local Objectives

If you intend to invest in cooperative development in your area it is important to get beyond a broad aim to “grow the coop economy” or to “have more coops” and instead be able to articulate in what places and/or sectors you want to see coops develop and what issues you want to see them address. Gaining this clarity will help you to identify who the key stakeholders are in your council, other local anchor organisations, your VCSE sector, other partner organisations and your communities.

The intention at this point is not to create a detailed action plan – that’s for later – the goal at this point is to pull together the relevant information. This will form the basis of the discussions you will need to have with stakeholders in that process.

### Identifying Priority Objectives

As a council you will have a number of key strategies for your place, some of which you have a statutory obligation to have in place. You may also have partnership strategies that identify the priorities and actions that have been agreed. This is likely the best place to start.

As cooperatives are economic entities that trade for the benefit of their members a lot of the considerations will be economic but their benefits are likely to span the objectives of other strategies.

Strategic documents you may want to consider include:

* Any high-level local partnership strategy
* Economic Strategy or Community Wealth Building Strategy
* Joint Strategic Needs Assessment
* Health & Wellbeing Plan
* Environmental Strategy
* Housing Strategy
* Transport Strategy
* Community Safety Strategy
* Council Plan

Useful resources:

* [Nomis local authority area profiles](https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx).

### Identifying Priority Sectors

There are numerous ways to identify key sectors. No one way is the correct approach and it is likely you will need to consider some or all of these to build up a picture of the right areas in which to act.

* What is the structure of your economy? You can look at this through GVA (gross value added) and GDP (gross domestic product), or through employment. If your largest sectors are those dominated by the public sector you may wish to look at a procurement-led approach. If manufacturing is your largest sector a focus on worker coops may be more appropriate, etc.
* How many businesses do you have and are they SMEs (small and medium enterprises) or do you have quite a lot of larger businesses? You can find this in your Nomis local authority area profile.
* What cooperative business models most closely align with the priorities identified in your strategic documents?

This diagram shows some of the cooperative business models that may be of interest across different sectors or themes.

Useful resources:

* [Regional economic activity by GDP](https://www.ons.gov.uk/economy/grossdomesticproductgdp/bulletins/regionaleconomicactivitybygrossdomesticproductuk/1998to2022) (ONS).
* [Nomis local authority area profiles](https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx).

### Market Failures and Crises

The first cooperative formed by the Rochdale Pioneers was established in response to a market failure. This was specifically the inability of local workers to be able to afford quality food. Many cooperatives are still set up in response to market failure. What market failures are present in your area? Some may include lack of access to quality food, unaffordable childcare, poor quality employment opportunities, these are just some examples.

Similarly to market failures, crises can often be the catalyst behind creation of a cooperative – particularly a community business. The likely closure or a valued community asset such as a pub, village shop or post office or the likely sale of a community space to a developer could all spur action.

Another potential crisis is the planned closure of a local employer. While forming a cooperative isn’t going to turn around a flawed business model, this could present the opportunity for a worker buyout using either an employee ownership trust or worker coop model. In Italy the Marcora Law gives workers the right to buy a failing company. This legislative provision is supported by capital funding and is demonstrated to present a low cost to the state than workers being made unemployed.

While there may not be obvious crises currently, keep an eye out for such opportunities.

## Commissioning a Study

If you don’t have internal capacity to conduct this work, you may wish to commission a consultant or consultancy. Sunderland City Council took this approach commissioning the North East Business Innovation Centre (BIC) to conduct a baseline study and give recommendations on “Reimagining Sunderland as a Cooperative City”.

Useful resources:

* Presentation from [North East BIC](https://www.councils.coop/publication/north-east-bic-ccin-conf-2023/) at CCIN Annual Conference 2023
* [Template specification](https://www.councils.coop/wp-content/uploads/2023/04/Council-Action-Plans-Consultant-Specification-Template.docx) for commissioning a local cooperative study.

## Cooperative Commissions

Taking understanding context to another level, some places have pursued cooperative commissions. The purpose of such commissions is to understand the local operating context for cooperatives, the barriers to the development, particularly important opportunities and recommendations to move things forward. They can be thought of as a particularly robust way of working through *Doing Your Homework*.

### Greater Manchester Cooperative Commission

Greater Manchester is recognised as the birthplace of the international cooperative movement. In 1844, the Rochdale Society of Equitable Pioneers was founded by 28 local individuals who opened a store to sell food and household items at fair prices during a time when the Industrial Revolution was pushing many working people into poverty. They developed a set of principles that laid the foundation for today's global cooperative principles. Presently, Greater Manchester boasts nearly 300 cooperative organizations across various industries, including the UK's largest consumer cooperative, the Co-operative Group.

The Commission's work aimed to build on this heritage. It focused on supporting and developing cooperative organisations within the region, based on the understanding that cooperatives play a significant role in creating a more equitable and democratic economy. The Commission's efforts form part of a broader movement to foster cooperative development and to address the challenges faced by cooperatives in the UK.

The commission whose report was published early in 2020 had nine commissioners. Their work was informed by a formal call for evidence, a desktop review of data and research and evidence presented by nine experts. One expert presented at the inaugural meeting with two each speaking at meetings themed around the identified opportunity areas of housing, transport, digital and business support. The report contains a total of 42 recommendations.

[GM Cooperative Commission website and report](https://gmcommission.coop/)

### Greenwich Cooperative Commission

The Royal Borough of Greenwich launched its Co-operative Commission early in 2024 with the aim of shaping the future of co-operative collaboration within the borough. The commission is formed of 13 commissioners and has identified three areas of focus: community energy, cooperative development, and social care.

The borough has a rich history of co-operation, dating back to the mid-19th century with the Royal Arsenal Co-operative Society.

The Commission aims to foster more community-driven solutions to address challenges faced by both residents and businesses. The Council will explore how the cooperative sector can respond to key challenges, encouraging the sector to grow. As part of this work, the Council will ask people across the borough to reflect on best practices and help build a long-term strategy for working together to achieve more.

By working cooperatively, the Council aims to give ownership and control back to residents, inviting them to suggest new initiatives that can empower them and create environmentally friendly and sustainable projects. In the realm of social care, the Council is working to tackle health inequalities and improve outcomes for care recipients, families, and care workers alike.

# Taking Action

## Introduction

After working through the *Doing Your Homework* section of the toolkit you hopefully now have a clear understanding of what your existing coop context looks like and what you want to achieve through seeing more cooperatives developed. Now it’s time to assemble a team, define areas of action, articulate this within a theory of change, and bring funding together.

## Who are my stakeholders and partners?

There are a range of stakeholder types in work to develop cooperatives. Which of these are most important to work in your place will vary according to other aspects of the context you have identified but particularly the local objectives you may go on to define. As this implies, the stakeholders and partners you need to work with may evolve as you progress this work.

Broad areas for consideration are:

* Local elected members (particularly the Leader of the council and Cabinet members) and MPs. You may wish to consider how supportive of the agenda you expect each of these to be and what groups they fall into (on party, geographic or other basis). If you’re a member of CCIN your lead member is a good place to start.
* Colleagues in other areas of the council.
* Existing cooperatives, cooperative development bodies / consultants, and co-operative activists.
* Local residents – particularly those who are subject to market failures such as poor quality employment or lack of access to affordable, high quality goods and services.
* Anchor organisations as described by [CLES](https://cles.org.uk/what-is-community-wealth-building/what-is-an-anchor-institution/) including “NHS trusts, universities, trade unions, large local businesses, the combined activities of the community and voluntary sector and housing associations” as well as local authorities themselves.
* Voluntary Community and Social Enterprise organisations not already picked up with a particular interest in cooperatives and the solidarity economy. This is likely to include your local voluntary sector infrastructure body.
* Local schools, colleges, universities and their students.
* Local professional services providers and business network organisations.

You may wish to start by downloading and completing this [stakeholder table](https://www.councils.coop/wp-content/uploads/2024/09/Coop-Devt-Stakeholder-Mapping-Template.xlsx).



## Areas for Action

Hopefully you can see that as we’ve taken you through understanding cooperatives better, understanding what you can do to promote them, assessing your local context, and collating your local priorities that defining what you need to do is responding to the picture you’ve built up. If you were able to take that journey with a small group of allies, this is the time to sketch out your view of what a programme of work looks like and take this to a broader audience.

You may wish to start by downloading and completing this [Action Plan matrix](https://www.councils.coop/wp-content/uploads/2024/09/Coop-Devt-Action-Plan-Template.docx) describing the actions you will take to support coop development in the sector as a whole or in relation to each of the local objectives you’ve identified. In addition to the headings form ‘What can I do?’ there is also a row for programme funding as you may be able to identify funding that corresponds to local objectives (e.g. if community businesses are seen as contributing to tackling loneliness there may be correlated funding that can be mobilised).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Area** | **Overall coop sector** | **Local Objective 1** | **Local Objective 2** | **Local Objective 3** |
| Increasing awareness and understanding |  |  |  |  |
| Creating a supportive policy environment |  |  |  |  |
| Business support |  |  |  |  |
| Access to finance |  |  |  |  |
| Direct commissioning and externalisation |  |  |  |  |
| Creating a dedicated support programme. |  |  |  |  |
| Programme funding |  |  |  |  |

Having done this, use this as a basis for discussions with stakeholders identified in the previous exercise.

## Theory of Change

Having identified priority objectives and priority sectors, you may well be in a good position to develop a Theory of Change (ToC). A ToC identifies within a topic a number of problems that have been identified, actions that will be taken to address these, the outputs from these actions and the impacts or outcomes expected as a result. It should also identify assumptions that underpin the ToC. This framework will also allow you to develop sensible metrics that support evaluate of the programme of activity.

A ToC should be developed collaboratively with a range of stakeholders involved in the topic including ideally representatives of those impacted by the problems. Doing so will ensure consensus on the long-term goals, help to describe any assumptions so that they can be tested, and explain any changes needed to achieve the long-term goals.

Useful resources:

* The Civil Service Analysis Function has a relatively [simple guide to theory of change](https://analysisfunction.civilservice.gov.uk/policy-store/the-analysis-function-theory-of-change-toolkit/#section-21) that can be helpful for people new to the methodology
* The popular online diagramming and planning tool Miro offers a [ToC template](https://miro.com/templates/theory-of-change/).

## Finance

Putting together any programme of work requires funding. This may be to create capacity, commission delivery partners or create grant and loan pots.

Currently the most appropriate sources of funding for this are mayoral combined authorities’ gainshare funds or the UK Shared Prosperity Fund (UKSPF). The current round of UKSPF runs to 31 March 2025 so it may be too late to use this source but there may be opportunity to use underspends in existing programmes. We don’t yet know what will come after this funding.

The [UKSPF programme prospectus](https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus) identified a series of intervention areas under three pillars: 1. Communities and place, 2. Supporting local business, and 3. People and skills. Under Pillar 2 one intervention (E26) specifically targeted “Support for growing the local social economy, including community businesses, cooperatives and social enterprises” (E26). That said there is no reason why cooperatives should not attract funding committed under other interventions including under the communities and skills pillars.

Where local objectives relate to service priorities within the council or another anchor organisation there should be a business case to invest in a cooperative programme or part of one. This may form match funding that supports a bid for other funds.

Keir Starmer’s government won their mandate based on a manifesto that included a commitment to double the size of the UK’s cooperative sector. This could see specific funding but may also see funding of pilot projects across a number of thematic programmes and separate government departments.

## Measuring Impact

Evaluating the impact of programmes is always challenging but is possible and a little effort can go a long way. You may wish to start by looking at some of the metrics provided in the Business for Good West Yorkshire case study above but may also find NCBA CLUSA’s The ABCs of Co-operative Impact a valuable resource.

Useful resources:

* [The ABCs of Co-operative Impact](https://ncbaclusa.coop/resources/abcs-of-cooperative-impact/), NCBA CLUSA.