

Date: 25th January 2019

Subject: Greater Manchester Co-operative Commission

Report of: Cllr Allen Brett, Portfolio Lead Leader for Co-operatives, Communities and Inclusion and Geoff Little, Portfolio Lead Chief Executive for Co-operatives, Communities and Inclusion

PURPOSE OF REPORT

In July 2018, GMCA Members approved a proposal for a Co-operative Commission for Greater Manchester. This report presents the detailed arrangements and Terms of Reference for the Co-operative Commission for approval.

RECOMMENDATIONS:

GMCA Members are asked to approve the Terms of Reference for Greater Manchester Co-operative Commission.

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Comments and/or recommendation from the relevant Overview & Scrutiny Committee – N/A

Risk Management – N/A

Legal Considerations – N/A

Financial Consequences – N/A

Financial Consequences – N/A

BACKGROUND PAPERS:

None

TRACKING/PROCESS	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution (paragraph 14.2) or in the process (paragraph 13.1 AGMA Constitution) agreed by the AGMA Executive Board:	No
EXEMPTION FROM CALL IN	
Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?	None

1. INTRODUCTION

- 1.1 In July 2018, GMCA Members approved a proposal for a Co-operative Commission for Greater Manchester. This report presents the detailed arrangements and Terms of Reference for the Co-operative Commission for approval.
- 1.2 Greater Manchester is the home of the co-operative movement. The Rochdale Society of Equitable Pioneers was established in 1844 and Greater Manchester remains the home of the Co-operative Group, the world's largest consumer owned business.
- 1.3 The building blocks of co-operation in GM are strong, with over 160,000 people in GM already members of a co-operative. Co-operatives collectively contribute £73 million to the local economy; and include credit unions providing financial services to communities, ten housing co-operatives, and retail, which is the largest sector and includes a number of organisations that are reporting significant increases in turnover. Co-operatives are also starting to emerge in key growth areas such as digital and green technology.
- 1.4 Greater Manchester should be the most co-operative region of the country and be the most natural place for new co-operatives and mutuals to establish and thrive.

2. TERMS OF REFERENCE

- 2.1 The Greater Manchester Co-operative Commission will sit as an independent panel, making policy recommendations to support the continued development of the co-operative sector in Greater Manchester and to ensure that Greater Manchester Combined Authority (GMCA) is drawing on the benefits that co-operatives can bring to our local economy.
- 2.2 The Commission will be a driver for the development of co-operative activity across the city-region, encouraging greater collaboration within the sector and contributing to the achievement of the ambitions of the Greater Manchester Strategy and Local Industrial Strategy. It will support on-going work as well as providing practical policy recommendations for future consideration.
- 2.3 The draft Terms of Reference document is provided at **Appendix 1**, and the remit of the Commission will include:
 - Consideration of the evidence which exists to support the role of the co-operative and mutual sector generally and the benefits which it could generate for Greater Manchester
 - How Greater Manchester can build from best practice in the sector, the business advice and support available to grow this sector
 - How Greater Manchester can overcome the challenges that the sector faces.

- 2.4 The Commission will examine how the sector can support the delivery of the Greater Manchester Strategy, exploring 4 opportunities for co-operative business and working:
- Community-Led Housing
 - Digital Self Employed
 - Transport
 - Co-operative Business Development
- 2.5 The Commission will be chaired by Cllr Allen Brett, Leader of Rochdale Council and Greater Manchester Portfolio Lead for Co-operatives, Communities and Inclusion. It is proposed that there are nine appointed Commissioners who will provide a breadth of expertise to the discussion.
- 2.6 The Commission will be convened specifically for the duration of this piece of work and there are no plans for it to meet beyond the publication of the final report. There will be no cost to GMCA associated with the Commission.

3. METHODOLOGY

- 3.1 At its inception, the Commission will issue a call for evidence and ask for reports and presentations from internal services, member councils, external agencies, as well as expert witnesses. This will be divided into the four Opportunity areas of the Commission and used to brief Commissioners for each meeting.

The call for evidence will be followed up by evidence sessions on each of the four Opportunities of the Commission.

Following the four evidence sessions there will be a concluding 'wrap up' meeting which will formulate recommendations to the Greater Manchester Mayor, GMCA and partners.

- 3.2 The Commission will produce a report which will provide practical policy recommendations for future consideration. These recommendations would include actions which could be taken forward in the short to medium term in Greater Manchester; as well as issues which could be escalated at a national level with central government. Furthermore, the Commission may identify areas where further devolution powers could facilitate an expansion of the co-operative movement and its benefits.
- 3.3 The formal call for evidence will be carried out in three ways:
- Through an open call for evidence using the GMCA online portal (GM Consult¹), which will allow structured responses and document upload

¹ <https://www.gmconsult.org>

around the four Opportunity areas, plus co-operative working more generally. The online survey will be built around the key lines of enquiry listed below.

- Through a review of academic publications commissioned by GMCA through the Co-operative College to see what evidence can be added from a review of existing research.
- Through the policy input of Co-operatives UK

3.4 The calls for evidence and opportunity meetings will be structured around the key lines of enquiry described in section 9 of Appendix 1.

4. PROGRAMME

Following approval by GMCA at its meeting in January 2019 of the arrangements for the Commission, the call for evidence and inception meeting will be held in early February. Four evidence sessions will be held through spring and early summer, with the final report and recommendations being presented back to the Mayor and GMCA in the autumn of 2019.

5. RECOMMENDATIONS

Recommendations appear at the front of this report.

APPENDIX 1 - Greater Manchester Co-operative Commission **DRAFT Terms of Reference**

1.0 Purpose

1.1 The Greater Manchester Co-operative Commission will sit as an independent panel, making policy recommendations to support the continued development of the co-operative sector in Greater Manchester and to ensure that Greater Manchester Combined Authority (GMCA) is drawing on the benefits that co-operatives can bring to our local economy.

1.2 The approach that the Co-operative Commission will take is set in the context of enabling a more inclusive economy, in which the concept of social value creation will be an integral part.

1.3 The Commission will be a driver for the development of co-operative activity across the city-region, encouraging greater collaboration within the co-operative sector and contributing to the achievement of the ambitions of the Greater Manchester Strategy and Local Industrial Strategy. It will support on-going work as well as providing practical policy recommendations for future consideration.

2.0 Scope

2.1 Co-operatives are businesses that meet the needs and aspirations of their members, who work in, trade with, or otherwise share in the social value created by the business. Co-operatives are owned and controlled by their members. This includes worker co-operatives and consumer mutuals, as well as many community businesses and social enterprises.

2.2 The Commission will explore how to support co-operatives and other similar organisations using co-operative approaches.

2.3 The Commission will build on Greater Manchester's thriving co-operative sector. 160,000 people in Greater Manchester are already members of a co-operative, collectively providing a turnover to the local economy of over £73million². This activity covers the full range of business and include credit unions providing financial services to communities, ten housing co-operatives, leisure companies, and retail; including the modern home of the Co-operative Group, the world's largest consumer owned business.

2.4 As the co-operative and mutual business model is already well established, the Commission will look how co-operative business and values can be applied to areas where the benefits are not yet fully realised, as well as exploring how they can be applied to emerging issues and sectors.

2.5 The remit of the Commission will include:

² <http://reports.uk.coop/economy2018/>

- Consideration of the evidence which exists to support the role of the co-operative and mutual sector generally
- How Greater Manchester can build from best practice in the sector, the business advice and support available to grow this sector
- How Greater Manchester can overcome the challenges that the sector faces.

2.6 There is a strong history of co-operative business in Greater Manchester, and it will be important to involve local partners and local experiences in the Commission, hearing the voices of those involved in co-ops and their support.

3.0 An ‘Opportunities’ approach

The Commission will explore the following 4 opportunities:

3.1 Opportunity 1 – Community-Led Housing

3.1.1 Greater Manchester has prioritised tackling homelessness and rough sleeping. As GMCA recognises there are many issues involved in tackling this issue, from mental health, employment and addiction support, a key strand is finding and keeping a home. However, in Manchester alone the waiting list for social housing is over 120,000 names long, and the average mortgage in the city requires an annual salary of over £34,000³; these are not conducive to support people who are, or are at risk of becoming, homeless.

3.1.2 The Commission will explore the opportunities for expanding community led and co-operative housing. Giving communities more control over development and housing. The Commission will be aligned with the evolving proposal around the Greater Manchester Community Housing Initiative Project. It will also look at what actions in the private rented sector will improve the standard of rented homes and ensure landlords are appropriately monitored and put tenants at the heart of their business.

3.2 Opportunity 2 – Digital Self Employed

3.2.1 GMCA has set out its digital ambitions, with almost 8,000 digital and digital-intense creative businesses in Greater Manchester already employing more than 82,300 people⁴. There many are exciting opportunities in this area to create a different way of doing business, and worker co-ops (in a very broad sense) are emerging as a really good fit for lots of digital and creative workers. However, increased awareness is needed of the range and benefits of the co-operative model for digital business. Good practice seen in the intersection of entrepreneurs, co-ops and trade unions will be reviewed and shared to allow other businesses to develop and learn from previous trail blazers.

3.3 Opportunity 3 – Transport

³ https://www.generationrent.org/housing_greater_manchester

⁴ https://www.greatermanchester-ca.gov.uk/info/20153/digital_city_region

3.3.1 Transport is a key priority for Greater Manchester and there is an opportunity to explore emerging markets in the transport sector in which co-operatives may thrive. These include:

- Taxi and private hire provision using new technology to compete with international providers
- Car-pooling, sharing, and cycle hire – which will have a positive impact on road congestion and air pollution by reducing the number of private cars on Greater Manchester’s roads
- ‘integrated social needs transport’ – transport to doctors’ and hospital appointments, school transport, ‘ring and ride’ etc – where an improvement in connectivity and effectiveness will reduce missed appointments and allow timely hospital discharge

3.4 Opportunity 4 – Co-operative Business Development

3.4.1 Co-operatives and mutuals have a role to play in achieving Greater Manchester’s aspirations of developing good jobs and growth. The Commission will explore how current programmes, strategies and charters support the sector and the opportunities for further business growth. The Commission will explore the opportunities and the pathways for start-ups and entrepreneurs, including awareness and understanding of the co-operative model, advice and access to finance.

4.0 The Commission

4.1 The Commission will be chaired by Cllr Allen Brett, Leader of Rochdale Council and Greater Manchester Portfolio Lead for Co-operatives, Communities and Inclusion.

4.2 It is proposed that there are nine appointed Commissioners who will provide a breadth of expertise and represent the following stakeholder perspectives:

- Major co-operative business - Co-op Group
- Co-operative network and policy – Co-ops UK
- Worker Co-operative (to be proposed by Co-ops UK)
- Co-operative Party nomination – (awaited)
- Credit Union Representative – Greater Manchester Credit Union Consortium
- Academic representative – Co-op College
- Business representative – LEP Chair
- Co-operative social enterprise nomination (to be proposed by GMSEN)
- Co-operative legal expert – Anthony Collins solicitors

5.0 Role of Commissioners

5.1 All Commissioners will be expected to be mindful of the following co-operative values in their participation in the Commission.

- **Self-help** - In co-operatives, people help each other whilst helping themselves by working together for mutual benefit.
- **Self-responsibility** - Individuals within co-operatives act responsibly and play a full part in the organisation.
- **Democracy** - A co-operative will be structured so that members have control over the organisation – one member, one vote.
- **Equality** - Each member will have equal rights and benefits (according to their contribution).
- **Equity** - Members will be treated justly and fairly.
- **Solidarity** - Members will support each other and other co-operatives.

5.2 The **Chair** will ensure that:

- Meetings of the Commission are conducted in a fair and transparent business-like fashion;
- Agreed conclusions and recommendations are clear;
- That a shared culture and language, common purpose and trust are endorsed through a collaborative leadership style.

5.3 **Members of the Commission** will ensure that:

- They make every effort to attend meetings. Substitutes will not be allowed;
- They are prepared for the meetings, and have read papers circulated in advance;
- They act in an independent, personal capacity, thereby bringing to the Commission's deliberations their particular knowledge, skills and experience;
- They are not appointed to represent the interests of any organisations by whom they are employed or with whom they may be associated, but rather, to consider all views and evaluate them in an objective manner, contributing to the Commission's work;
- They are expected to commit a minimum of six half days to the work of the Commission over a period of nine months;
- They will take forward any actions that they have agreed to develop, and report back any progress to the Commission in the timescales agreed;
- They endorse the collaborative and co-operative model and work to ensure its achievement;
- They must not use, or attempt to use, the opportunity presented by the Commission to promote personal interests or those of any connected person, firm, business or other organisation.
- Commissioners must ensure that no conflict arises, or could reasonably be perceived to arise, between the work of the Commission and their private interests – financial or otherwise. They must declare publicly any private interests which may, or may be perceived to, conflict with the Commission.

5.4 Reasonable travel and other out of pocket expenses incurred through the work of the Commission will be reimbursed.

6.0 Information Governance

6.1 It should be noted that appointment as a Commissioner carries with it a duty of confidentiality in relation to the information received. Commissioners must not misuse information gained in the course of their duty as a Commissioner for personal or commercial gain or for political purpose.

6.2 Commissioners must not disclose or share with any organisation or individual outside of the Commission any information which is confidential in nature or which is provided in confidence, including Commission discussions and Commission papers. This duty continues to apply after they have left the Commission.

6.3 All Commission issued papers will be considered by Commissioners as confidential unless advised otherwise.

6.4 The papers and minutes issued by the Commission will be subject to the Freedom of Information Act 2000 and the relevant regulations regarding disclosure.

7.0 Accountability

7.1 The Commission will be convened by and is ultimately accountable to GMCA. The Commission will be convened specifically for the duration of this piece of work and there are no plans for it to meet beyond the publication of the final report.

8.0 Methodology

8.1 At its inception, the Commission will issue a call for evidence and ask for reports and presentations from internal services, member councils, external agencies and expert witnesses. This will be divided into the four Opportunity areas of the Commission and used to brief Commissioners for each meeting.

8.2 The call for evidence will be followed up by evidence sessions on each of the four opportunities of the Commission.

8.3 It may also be possible to conduct site visits, hear from case study examples and the sessions will be hosted by local co-operative organisations. Other Greater Manchester co-operatives will be invited to attend in order to extend engagement of the Commission with the wider co-operative movement.

8.4 Following the four evidence sessions there will be a concluding 'wrap up' meeting which will formulate recommendations to the Greater Manchester Mayor, GMCA and partners.

8.5 The Commission will produce a report which will provide practical policy recommendations for future consideration. These recommendations would address the following objectives:

- Actions which could be taken forward in the short to medium term in Greater Manchester;
- Policy recommendations for GM; and
- Issues which could be escalated at a national level with central government, including areas where further devolution powers could facilitate an expansion of the co-operative movement and its benefits.

8.6 If agreed by the Commission, it may be possible to agree some 'key messages' for future campaigning around co-operation and the co-operative movement in GM.

9.0 Key lines of Enquiry and Call for Evidence

9.1 The formal call for evidence will be carried out in three ways:

- Through an open call for evidence using the GMCA online portal (GM Consult⁵), which will allow structured responses and document upload around the four Opportunity areas, plus co-operative working more generally. The online survey will be built around the key lines of enquiry listed below.
- Through a review of academic publications commissioned by GMCA through the Co-operative College to see what evidence can be added from a review of existing research.
- Through the policy input of Co-operatives UK

9.2 The calls for evidence and opportunity meetings will be structured around the following key lines of enquiry:

- What does the evidence tell us is the current picture of co-operative and mutual activity in Greater Manchester, including the evidence of success?
- What drives the co-operative model in each of the Opportunity areas (locally and further afield) and what are the benefits of a co-operative approach in each case?
- Where does good practice exist in each Opportunity area? How could Greater Manchester share and build from the good practice existing locally and elsewhere?
- What does the evidence tell us are the barriers and pitfalls which co-operatives and mutuals could face? How might Greater Manchester overcome these barriers?
- Are there any general enablers, such as mechanisms for sharing best practice, which will further develop the co-operative way of working in Greater Manchester? Specifically, how can Greater Manchester **increase the diversity** of people involved in the co-operative movement, encouraging businesses led by young people, those with disabilities, as well as increasing diversity in race, and religion or belief?

⁵ <https://www.gmconsult.org>

9.3 Each meeting would explore a summary of the evidence provided, seeking to draw conclusions from the information received and make recommendations on the products or actions which Greater Manchester should take.

10.0 Strategic Linkages

10.1 The Co-operative Commission will be aligned to the Greater Manchester Strategy⁶ and have strong links to the vision for social enterprise in Greater Manchester launched by the Mayor in November 2018. It will also inform the development of the forthcoming Greater Manchester Social Enterprise Strategy and closely align with the relevant thematic strategies around housing, digital and transport, as well as the Greater Manchester Local Industrial Strategy. The Industrial Strategy will recognise the potential for co-operatives and mutuals in new markets that complement those in scope for the Commission, including creating scale, co-operation and collaboration for people in insecure employment and the gig economy.

10.2 However, the greater prize is in the numerous social, environmental and economic outcomes which can be achieved through co-operative ways of working. Evidence shows us that co-operatives can have improved morale, better working conditions and an improved sense of worth or purpose for staff. Sharing ownership gives people a stake, creating greater engagement, interest and concern for the long term interests of the business. It boosts productivity by making employees and suppliers more likely to work harder to support the business, and can be used to harness innovation, by giving those who understand the business best a reason to contribute to its development.⁷

11.0 Role of partners in the Commission

- GMCA – convenor, author to final report, programme management, some administration, policy / data analysis
- Co-operatives UK – expert policy support, ensuring participation of member co-ops
- Co-operative Party – guidance, expert policy support, nomination of Commissioner
- GMSEN – ensuring participation of members and networks, nomination of Commissioner
- Host organisations – provide a venue for the meetings and present the evidence

⁶ <https://www.greatermanchester-ca.gov.uk/ourpeopleourplace>

⁷ <https://www.uk.coop/about/benefits-co-operatives>

12.0 Timetable

Activity	Date	Notes
GMCA approves arrangements for the Commission	January 25 th 2019	Report required – draft TOR for approval
Briefing for Commissioners	Mid-January 2019	Briefing pack and phone call
<p>Inception meeting and call for evidence – held in Rochdale and attended by GM Mayor</p> <ul style="list-style-type: none"> • Speeches and case studies to inspire • Opportunity for Commissioners to network • Purpose, scope, definitions, role of Commission, sign off to key lines of enquiry 	13 th February 2019 2.30 – 4.30pm Venue – Rochdale Borough-wide Housing	Draft TOR / Proposal paper Press release and photo after the meeting, social media during meeting
Commission research via Co-ops UK and Co-operative College, formal call for evidence using GM Consult	Early February 2019	Return date Mid-March 2019
<p>Opportunity 1 – Community-led Housing Chaired by Cllr Allen Brett</p>	Early April 2019	
<p>Opportunity 2 – Digital self-employed Chaired by Cllr Allen Brett</p>	End May 2019	
<p>Opportunity 3 – Transport Chaired by Cllr Allen Brett</p>	End June 2019	
<p>Opportunity 4 – Co-operative Business development Chaired by Cllr Allen Brett</p>	End July 2019	
<p>Final meeting – agreeing the recommendations Chaired by Cllr Allen Brett and attended by GM Mayor</p>	September 2019	
Publication of final report and recommendations to GM Mayor	End November 2019	Press opportunity at this stage, possible public event / celebration?

