

# **Business & Administration Cabinet Advisory Committee**

**10<sup>th</sup> December 2015**

## **A DISCUSSION PAPER ON CO-OPERATIVE COUNCILS**

### **THE PURPOSE OF THIS PAPER**

The main purpose of this paper is explore whether Swansea wants to become a Co-operative Council and to identify the implications of implementing a Co-operative Council model in Swansea. One of the key Policy Commitments adopted by Council relates to the implementation of the Co-operative Council model;

*“to follow the Co-operative Council model and ensure that the whole council – elected Members and Staff – work together to empower local communities, enabling their voices to be heard and allowing them to ‘own’ local issues.”*

This paper aims to outline the reasons for becoming a Co-operative Council and to assess the potential of approach in terms of tackling the significant challenges that Swansea and other Welsh Local Authorities face. The paper also describes some the key characteristics of the Co-operative Council Innovation Network (CCIN), the opportunities that membership of the network can present, examples of best practice in other Local Authorities and identifies existing co-operative practice within Swansea. Finally, the paper concludes by identifying some questions for discussion in terms of informing the development of the next steps.

### **WHY DO WE WANT TO BECOME A CO-OPERATIVE COUNCIL ?**

Local Authorities in Wales are facing unprecedented cuts in funding. In addition to diminishing resources, Local Authorities are also facing an increasing pressure in the level of demand for services. Demographic pressures – such as an aging population - and an increase in the demand for acute health and social services, unmet needs and systemic failures within the system, are all adding to the current crisis. Therefore, no change is not an option.

The Co-operative Council approach advocates for a new type of relationship between citizens, communities and the state, which engages all stakeholders in the sharing the responsibility. The re-design of public services can foster a new spirit of social citizenship, characterized by social responsibility, reciprocity and resilience. The implementation of a Co-operative Council model can also develop collective responsibility and foster community action. It can also help manage the demand for services and/or prevent the need for more acute and costly services. Overall, the implementation of Co-operative Council model can lead to better and more cost effective services.

## WHAT ARE CO-OPERATIVE COUNCILS ?

Co-operative Councils have been described as a new type of Local Authority modelled on the ethos and values of the wider Co-operative movement. The idea was pioneered by Steve Reed the Leader of Lambeth's Council Leader and has spread to an informal network of 20 Councils in England and Wales. Although the practical application of co-operative working varies across Councils, they are all based on a fundamental re-definition of the relationship between Councils and their communities - providing services *with* local people rather than *for* them. Co-operative Councils are based on the founding traditions of the Co-operative Movement - collective action and co-operation, empowerment and enterprise. Although Co-operative Councils are about piloting new ways of working, including co-operatives and mutuals, they are also about a fundamental re-balance of power between public services and local people.

## WHAT IS THE CO-OPERATIVE COUNCIL INNOVATION NETWORK (CCIN) ?

The Co-operative Council Network (CCIN) is a non-party political hub for co-operative policy development, innovation and advocacy. Membership of the network is open to all UK Councils with members who want to work co-operatively with communities in order to tackle the challenges that Councils face. Membership of the CCIN provides a national voice for Co-operative Councils, aiming to influence and frame national policy about the future of public services and local democracy. It also provides an opportunity for Councils to work with other Councils in order to learn and share information about new ideas and practices. The Chair of the network is elected annually by member councils (the current position is held by the Leader of Oldham)

Currently there are 20 member Councils, including;

Bassetlaw	Cardiff
Edinburgh	Glasgow
Knowsley	Lambeth
Liverpool	Newcastle
Newcastle-under-Lyme	Norwich
Oldham	Plymouth
Rochdale	Salford
Sandwell	Southampton
Stevenage	Sunderland
York	Telford and Wrekin

## **WHAT ARE THE POTENTIAL BENEFITS OF CCIN MEMBERSHIP FOR SWANSEA ?**

There are a number of potential benefits for Swansea in becoming a member of the CCIN. These are summarised below;

- Networking opportunities including 4 network forums a year, with a specific focus on themes of common interest,
- Monthly update meetings for Member Councils and Members only access to CCIN website information and key contacts,
- Sharing best practice – access to case studies and ‘how to’ guides on co-operative working, as well as bespoke research on key areas of co-operative working,
- Peer challenge sessions – opportunities for members to share, examine and strengthen their co-operative work and best practice,
- Policy debates – engaging in national policy debates through think pieces, discussion papers, liveblogs, and working with key stake holders such as think tanks, invitation-only policy round table discussions,
- Training and development opportunities to facilitate learning and knowledge-exchange, including mentoring and job shadowing,
- Contribution to lobbying and responses to UK Government consultations, inquiries and parliamentary committees.
- Information from the CCIN could be used to discuss alternative models of service provision as part of the 2015/16 Budget Saving process

## **WHAT IS THE COST OF JOINING THE CCIN ?**

It has been estimated that the cost of Swansea joining the CCIN would be £7,900 (similar to Cardiff). Membership of the network would also require time from Cabinet Members and Officers - up to 4 forums per year and additional time commitments in order to participate in learning and the exchange of best practice.

## **WHAT ARE OTHER COUNCILS IN THE CCIN DOING ?**

A review of co-operative working amongst those Councils who are already members of the CCIN shows that a wide range of approaches have been adopted from a whole system change model in Oldham, to individual pilot project within the community aiming to foster a co-operative spirit. The examples shown below are indicative of the breadth of activities, but by no means exhaustive;

### **Oldham**

- Created a Co-operative Commission to oversee the transformation whole-system approach to becoming a co-operative Council,
- Developed the largest local authority led energy switching scheme with over 8,500 people signing up,
- Secured a deal with First Bus to give Oldham residents a 28% discount on daily / weekly bus travel,
- Established a Social Value Procurement Framework to ensure that Council suppliers support the ethos of co-operative working by paying fair wages, caring for the local environment,
- Implemented an Employer supported Volunteering scheme – giving employees up to 3 days paid time to volunteer with local groups (10% of employees –  $n = 390$  become involved).

## **Lambeth**

- Produced a Co-operative Toolkit – a web-based hub of co-operative activity and comment across Lambeth,
- Developed a Living Well Collaborative – which included GPs, Service Users, Commissioners and Providers to redesign a mental health pathway,
- Established Design Council Pilots – groups of local residents who came together to highlight local issues and potential solutions to issues which mattered most to local people,

## **Sunderland**

- Developed a Community Leadership approach – ie decentralised public services into 5 areas within the city ( piloted with environmental services)
- Established Area Committees as local hubs of community leadership, introduced 'Area Boards' for 'Place' and 'People', developed clear relationships between Cabinet, Area Committees and Area Board to aid the embedding of these arrangements

## **Plymouth**

- Formed a Co-operative schools and Education Trust – which offers an alternative way of offering parents, pupils and communities a stronger collective voice in their community,
- Lipson Community Council is offering a co-operative model of education and supporting primary schools within the area,
- Established a Plymouth Fairness Commission (an independently chaired body with 20 or more representatives, aiming to produce a report with a number of recommendations about how to make Plymouth a Fairer Place).
- Transferred Community Assets (e.g Oaks Rugby Club),

## **York**

- Developed GeniUS – an open innovation platform which allows residents to come together and discuss challenges the city faces,
- Facilitated the development of a mutual for Adult Social Care Community Equipment Store and Telecare (majority staff owned and part owned by the Local Authority),
- Edible York – a citywide community food growing project where people grow vegetables on their own, or Council land (activity has now been replicated at the University and within schools),
- Introduced the concept of a Living Wage city..

## **Telford and Wrekin**

- Developed the Telford Loyalty Card (TLC) which encourages and incentivises people to spend their money locally by giving card holders reduced rates for council leisure facilities and discounts at local businesses,
- Working to extend the TLC card to give residents fairer prices for fairer priced insurance, energy and phones for local people.

## **Newcastle**

- Established a community co-operative to improve the local environment in Wingrove (one of Newcastle's most deprived areas), by working in partnership and using locally-devolved ward budgets to reduce litter, improve local green spaces, bee conservation, community gardens, garden festivals.

## **IS SWANSEA ALREADY A CO-OPERATIVE COUNCIL ?**

It can be suggested that Swansea has already embarked upon the journey of becoming a Co-operative Council to some extent.

As part of this are working towards:

- Members/Officers/Residents/Partners all working together
- Defining a new relationship between the Council and residents
- Empowering and supporting people to shape their own lives and the places they live
- Championing the role of Councillors as community connectors,
- Adopting new and different approaches to commissioning, with an emphasis on co-production and local people,
- Embedding social value in commissioning and procurement,
- Working with new forms of service delivery which give greater influence and voice to staff and users, for examples mutuals,
- Making the most of the strengths that lie in communities – the people, organisations, networks and physical assets that make communities vibrant.

## Existing Co-operative Activity in Swansea

The five main aims of a Co-operative Council can be used to identify existing co-operative practices with Swansea. The five main aims of a Co-operative Council are;

- to develop and sustain a co-operative culture, system and processes with citizens, partners and staff working together - so that everybody does their bit.
- to empower local residents to take greater control of their own lives and their services, by devolving more decision making and power to the local level.
- to enable and support the development of community action – including capacity and resilience.
- to embed social value in commissioning and procurement processes.
- to maintain a strong public sector ethic, but with a willingness to examine other delivery mechanisms that are not for profit and reflect a co-operative basis.

The table below maps existing activity in relation to the five aims of a Co-operative Council;

<b>Aim of a Co-operative Council</b>	<b>Examples of Co-operative Activity in Swansea</b>
(i) To develop and sustain a co-operative culture, system and processes	(i) Sustainable Swansea identifies <i>new models of delivery</i> as a dedicated work stream, which includes commissioning, collaboration and community action. The <i>stopping services</i> works stream which includes - the future look and feel of the Council and new operating models - presents an opportunity to embed a co-operative model in the future shape of the Council.
To empower local residents to take greater control over their own lives and devolve more decision making to a local level	(i) The Big Conversation - now Swansea's Youth Forum, empowers young people to set the agenda, discussion and explore issues which are important to them.

	<p>(ii) The Community Connectors scheme (Social Services) works to link people into activities within their local communities.</p> <p>(iii) Town and Community Council charter</p> <p>(iv) Friends of the Parks groups</p>
<p>To develop community capacity and action</p>	<p>(i) Sustainable Swansea identifies community action as a new model of deliver, which is supported by a community development fund.</p> <p>(ii) Other examples of community action include Grow Local and Vetch Veg, and various projects on Learning, Prosperity and Health within the Community First cluster area (there is a Community Involvement plan within the Communities First programme).</p> <p>(iii) Community cohesion delivery plan</p>
<p>Embedding social value in commissioning and procurement</p>	<p>(i) Western Bay Regional Programme Transforming Adult Social Services (TASS) have been developed commissioning plans based on shared service models.</p> <p>(ii) Beyond Bricks and Mortar – 17 appropriate contracts now include social benefits clauses</p> <p>(iv) Adopted the Wales Procurement Policy to deliver positive outcomes from all contracts where benefits are realised and the Value Wales Measurement Tool to all contracts over £2. Swansea has lowered the threshold to £1m.</p>
<p>To maintain a strong public sector ethic and a willingness to consider other models of deliver that are not for profit</p>	<p>(i) Sustainable Swansea – exploring new Models of Delivery, including the Workstream/Commissioning strand and evaluating staff mutuals and social enterprises.</p> <p>(ii) The establishment of Development Trusts.</p>

## CONCLUSIONS

Early results suggest that some of the work undertaken in Co-operative Councils has resulted in an increase in public satisfaction, despite cuts in services. Some evidence suggests that both the overall level of residents' satisfaction and user satisfaction with specific services has increased. For example, the level of user satisfaction of the Essex Cares services (the first social care Local Authority trading company in the UK), reported that user satisfaction has increased to 99%. However, many of the initiatives are relatively new and a longer period of time is needed to measure whether the increase in satisfaction can be sustained and/or is a true reflection of an increase in levels of satisfaction. Moreover, a high profile focus on introduction of co-operative working within a context of budget and service cuts, can also carry a risk in terms of negative publicity and public perceptions (e.g Lambeth).

It is proposed that Cabinet Members and Officers will attend a meeting of the Co-operative Council Innovation network meeting in Plymouth in June and with Lambeth Council in order to conduct additional research into the Co-operative Council model and practices, potential benefits and implications.

The City and County of Swansea's commitment to co-operative working has been identified as a specific policy commitment and there are many examples of co-operative working which has already been undertaken and/or is planned. The next stage of Swansea's journey is to consider;

(i) What does being a Co-operative Council in Swansea look like ?

- what is missing ?
- what should we build on ?

(ii) Do we need a more coherent framework/plan/programme to become a Co-operative Council ? Or should we encourage organic developments ?

(iii) Do we join the Co-operative Council Innovation Network (CCIN) ?

(iv) How does being a Co-operative Council, relate to Sustainable Swansea, community action and new delivery models such as social enterprise ?

(v) Do we use the term 'Co-operative Council' locally as part of our planning and engagement ?

(vi) How and when do we engage Members, staff, partners and residents on this ?

Following a discussion about these questions and other issues, we will develop and outline action plan and timeline.