

<b>Report to :</b>	<b>EXECUTIVE CABINET</b>
<b>Date :</b>	26 June 2019
<b>Reporting Officers:</b>	Cllr Brenda Warrington – Executive Leader Sarah Dobson – Assistant Director (Policy, Performance and Communications)
<b>Subject :</b>	<b>CO-OPERATIVE COUNCILS</b>
<b>Report Summary :</b>	The report provides the Executive Cabinet with a summary of the Cooperative Councils initiative. It examines the benefits of membership and the application process in which local authorities must follow to join the network.
<b>Recommendations :</b>	To note the content of the report and consider further areas in which Tameside can take forward the Co-operative Councils approach.
<b>Links to Corporate Plan:</b>	The Co-operative Councils model proposes ways of working which may have an impact on the delivery of services in the borough. As a result the report has links to all of the priorities within the Corporate Plan.
<b>Policy Implications :</b>	The Co-operative Councils initiative proposes a shift in the way in which public services are delivered. Adoption of the Co-operative Councils model of service delivery will have an impact on policy development across the borough. In parallel with the GM PSR principles, the Tameside PACT and the Council's ongoing work incorporating social value, this will increase public engagement in the design and delivery of our services across the borough.
<b>Financial Implications :</b> <b>(Authorised by the Borough Treasurer)</b>	There is an annual membership fee to join the network that would be a maximum of £6,900, which is not currently factored into the budget. On-going funding for this would need to be found.  Changing practices as a result of adopting the Co-operative model may result in additional costs or cost savings, which cannot be quantified at this stage.
<b>Legal Implications :</b> <b>(Authorised by the Borough Solicitor)</b>	In order to ensure legal compliance there should be no conflict with current Council standing orders, policies and procedures, which may need to be reviewed in the light of the same. Public procurement rules and the duty to ensure best value and protection of the public purse are amongst key components of delivery of services in accordance with equality obligations and the duty to act reasonably and give reasons at all times.
<b>Risk Management :</b>	Peer learning and benchmarking best practice (which can be accessed through the CCIN) is key to improvement and reducing the risk of service failure and poor outcomes for local residents.

**Access to Information :**

The background papers relating to this report can be inspected by contacting Sarah Dobson.



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## 1.0 OVERVIEW

- 1.1 The Cooperative Councils Network has been set up to promote the delivery of local services in a co-operative or co-productive manner. The Network is action focused and membership based, and non-Party political.
- 1.2 The Network believes that *“co-operative approaches can be applied to almost every aspect of local government, including community regeneration and economic development, youth services, housing leisure, social services and education. The precise model is different from service to service, but the approach is the same – working together, building self-reliance, encouraging innovation”*. The Network will act as a forum where councils and councillors supporting this approach can share new thinking and work together to drive change in their local areas.
- 1.3 As the Council moves to develop new models of delivery and engagement within our communities, we continue to explore ways of maximising opportunities for Tameside. As a result of the new methods of community engagement we are developing in Tameside, together with the lobbying of government and lottery funding providers, a number of new opportunities for funding and support are emerging. The authority has been informed that we will be awarded grants for 7 wards to support local groups in improving their areas (Community First Funding). This follows on from grants for two neighbourhoods last year through the Community Development Foundation. Discussions are also underway with the Big Lottery Fund regarding an additional grant for a deprived neighbourhood in Tameside to support a 10 year programme to improve outcomes and increase social capital. The decision about where this funding will be targeted will be taken by the Big Lottery Fund but we as an authority will be given an opportunity to inform this decision.
- 1.4 In STAR Procurements Strategy 2017-2020 core values of the decision making process include a focus on communities and collaboration<sup>1</sup>. The strategy states that *“strengthening local and SME spend, facilitating simplified interaction through the procurement process and embracing Social Value where relevant and proportionate to add value into the local communities we serve”*. The Council will need to continue to monitor this relationship to ensure such values remain at the heart of the procurement decision making process.

## 2.0 COOPERATIVE COUNCILS NETWORK

- 2.1 The Cooperative Councils Innovation Network is a network of local authorities that are implementing co-operative policies and ways of providing services, which give communities power and a real say over the ways they are run.
- 2.2 The current membership of the network includes:-

• Oldham	• Rochdale	• Salford
• Liverpool	• Newcastle	• Sunderland
• Telford and Wrekin	• Stevenage	• Lambeth
• Bassetlaw	• Bristol	• Cardiff
• Croydon	• Glasgow	• Hull
• Knowsley	• Milton Keynes	• Norwich
• Plymouth	• Preston	• Greenwich
• Sandwell	• Southampton	• South Tyneside

More councils are expected to join as the Network develops.

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<sup>1</sup> The Star Procurement Strategy 2017-2020 (<https://www.star-procurement.gov.uk/About-us/about-us.aspx>)

- 2.3 Membership is open to all local authorities that are implementing cooperative policies and service delivery models; groups in opposition that are advocating or campaigning for cooperative policies and models in their local authority area; and other organisations working toward these aims and objectives.
- 2.4 Each participating council will bring at least one significant service that is being transformed along cooperative or co-productive lines, with other councils acting as a reference group providing feedback and comment, so that new service delivery models can be developed and learning shared.
- 2.5 The benefits of membership of the Cooperative Councils Network are attached at **Appendix 1**.
- 2.6 An example of a draft Cooperative charter can be found attached at **Appendix 2**.
- 2.7 An example of a draft Statement of ethics can be found attached at **Appendix 3**.

### **3.0 PRINCIPLES AND APPROACHES**

- 3.1 In a time of funding cuts to local government, new approaches to service delivery are inevitable to meet the challenges and to continue to support local communities. Harnessing the potential of co-operatives, mutuals and of local residents could provide positive new ways to deliver services that are flexible, personalised and more effective.
- 3.2 Cooperative Councils aim to drive forward new cooperative approaches to transform the way local public services are delivered in their areas and support local communities in the face of funding cuts. Collective action, co-operation, empowerment and enterprise will be used to help transform local services and local communities. The vision is to end the era of top-down services where people are expected to put up with whatever's on offer. In future, residents, rather than public sector organisations, will be in the driving seat.
- 3.3 It is believed that cooperative approaches can be applied to almost every aspect of local government, including community regeneration and economic development, youth services, housing leisure, social services and education. The precise model is different from service to service, but the approach is the same – working together, building self-reliance, encouraging innovation.
- 3.4 This approach is not about turning all services into cooperatives, and it is not intended to replace skilled professionals with volunteers. It is about giving local people choice and control over the public services they use. The way different services work will vary, but the objective of finding new ways to hand more power, choice and control to local people remains constant.
- 3.5 Cooperative and mutual models are thought to help councils to retain jobs and investment locally, are ethical, are more flexible around citizen and workers' needs, and can contribute to all aspects of the local economy. Cooperative values can also shape the way local economies are rebuilt, putting long term social benefit ahead of short-term private gain.

### **4.0 CO-OPERATIVE COUNCILS IN ACTION**

- 4.1 Lambeth Council; Britain's first cooperative council<sup>2</sup> - Lambeth's cooperative council offers a way forward for delivering public services through citizen engagement and sharing power,

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<sup>2</sup> For the full briefing – follow this link: [http://www.policy-network.net/pno\\_detail.aspx?ID=4190&title=Britain%E2%80%99s+first+co-operative+council](http://www.policy-network.net/pno_detail.aspx?ID=4190&title=Britain%E2%80%99s+first+co-operative+council)

resources and decision-making, which embodies the tradition of civic participation, community ownership and self-organisation. The model has generated considerable interest across local government and it will be interesting to see how the model translates from theory into practice, and from inner city London to former industrial heartlands.

- 4.2 GM Co-operative councils - Oldham Council<sup>3</sup>, Rochdale Council, Salford City Council; have all become members of the CCIN and each have reviewed their previous practises embarking on the route to full accreditation.
- 4.3 The Cooperative Councils programme offers significant opportunities for growth in the co-operative economy to be supported by government at a local level, which is potentially where economic policy levers can have the greatest impact. Meanwhile facilitating the creation of quality public service co-operatives that meet people's needs will not only boost the UK co-operative statistics, but more importantly will bring more people into contact with co-operative enterprise.
- 4.4 Both Wigan Council and Manchester City Council have adopted different approaches to the Co-operative model. These are still ethos driven models, but with varying amounts of social interaction. Both LA's base their visions on working documents and incorporate their visions in varying ways within their council's structure.
- 4.5 Wigan Council: The 'Wigan Deal' was the first model of its type in Greater Manchester. Co-ordinated by CEO Donna Hall, it has had a marked impact on the way in which Wigan provides its basic services. They have committed to a series of pledges which require residents and business involvement. So far Wigan Council have saved over £115m. They believe they can continue to keep Council Tax bills down and still balance their books if residents help by doing things such as recycling, volunteering in communities and using online services. By 2020 Wigan asserts that it will no longer be in receipt of any funding from central government. For the full Deal brochure – follow this link: <https://www.wigan.gov.uk/Docs/PDF/Council/The-Deal/The-Deal-Brochure.pdf>
- 4.6 Manchester City Council: The 'Our Manchester' project was initiated after Manchester's then CEO, Sir Howard Bernstein started to exchange ideas with Wigan Council as to how basic services could be provided across the centre of the conurbation. Drawn from the working document of The Manchester Strategy<sup>4</sup> the City Council has fundamentally sought to re-evaluate its working ethos, incorporating social value into its procurement policies while asking what sort of city Manchester wants to be by 2025.

## **5.0 FORMAL ACCREDITATION PROCESS**

- 5.1 This is a Local Authority led process, which would require a review of several existing Council practises, including the way in which Tameside Council provides most of its basic and statutory services. The Cooperative Councils Innovation Network has a formal application in which new co-operative Councils' standards are assessed before accreditation<sup>5</sup>.
- 5.2 The necessary requirements for Local Authorities to join the CCIN are outlined in the application as follows:

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<sup>3</sup> Oldham Council Co-operative Strategy: [https://www.oldham.gov.uk/info/200572/co-operative\\_oldham/1192/co-operative\\_council/1](https://www.oldham.gov.uk/info/200572/co-operative_oldham/1192/co-operative_council/1)

<sup>4</sup> For the full strategy document – follow this link: [file:///C:/Users/tfrob/Downloads/Our\\_Manchester\\_The\\_Manchester\\_Strategy\\_2016.pdf](file:///C:/Users/tfrob/Downloads/Our_Manchester_The_Manchester_Strategy_2016.pdf)

<sup>5</sup> CCIN application to become a member Council (<http://www.councils.coop/wp-content/uploads/2014/10/Application-process-for-councils-wishing-to-join-CCIN.pdf>)

They each must have:-

- Discussed the cooperative council approach with other parties (informally);
- Discussed the cooperative council approach at full council;
- Discussed the cooperative approach with strategic partners and/or community partners;
- Endorsed the values and principles of the Network at a corporate level;
- Established a code of ethics;
- Adopted cooperative values in your approach to commissioning;
- Carried out any corporate communication of cooperative values;
- Taken a Cabinet decision to endorse cooperative values;
- Undertaken any public campaigns that demonstrate cooperative principles;
- Changed or have plans to change the council constitution to reflect cooperative values.

## **6.0 NEXT STEPS**

6.1 The necessary requirements for Local Authorities to join the CCIN are outlined in the application are as follows, along with proposed timescales should Tameside Council wish to take forward a cooperative approach:

- Endorse the values and principles of the Network and the ambition to become a cooperative council at Board/ Cabinet.
- Establish a code of ethics. Example for discussion and development in appendix 4.
- Discuss the cooperative approach with strategic partners and/or community partners through the Health and Wellbeing Board/Public Service Reform Board.
- Hold an elected members' development session led by a representative of the CCIN. This will ensure that all Parties are properly consulted.
- Adopt cooperative values in our approach to commissioning. (Commission STAR to undertake a review)
- Carry out any corporate communication of cooperative values.
- Take a Cabinet decision to endorse cooperative values.
- Undertake any public campaigns that demonstrate cooperative principles.
- Discuss holding a Cooperative conference in the autumn, bringing local community projects together for a morning/afternoon event.
- Discuss plans to change the Council constitution to reflect cooperative values at Full Council.

6.2 The aim is to present our application at the next CCIN Committee in October 2019 to be held in Rochdale.

# APPENDIX 1

## MEMBERSHIP BENEFITS

Join the CCIN to be part of a growing and influential network of councils committed to developing a new relationship with citizens.

There is a growing interest, across the political spectrum, in how to share power and responsibility with citizens, support the development of community and civic life and find more cost effective ways to create successful and resilient communities.

By becoming part of the network you will:

- access the **latest ideas** and thinking about putting Cooperative principles into practice
- position your council as an **innovator**
- help to **influence** policy thinking at national level
- share examples of projects and initiatives and **learn from others** about what works
- co-produce **tools and techniques** to support the development of cooperative approaches
- be invited to **Cooperative Conferences** around the country where you can meet and work with peers
- join an **officer network** who are leading the development of new approaches
- have access to a cadre of ambitious **political leaders** who are trying to bring change to their communities
- access a growing body of **resources** on the CCIN website
- be part of **regional and national networks** in England, Scotland and Wales
- join the **debate** on our active social media platforms
- profile your council's **achievements** nationally.

# APPENDIX 2

## DRAFT - CO-OPERATIVE CHARTER

### Our ambition

Tameside is committed to developing a Co-operative future; one where citizens, partners and staff work together to improve the borough. We want all members of the community to play an active part in building our co-operative borough. This means everybody doing their bit.

### Our values

To help make this ambition a reality we have developed Co-operative Values. We will encourage our staff, citizens and partners to adopt these values in everything they do:

#### 1.0 Fairness

We will champion fairness and equality of opportunity, and ensure working together brings mutual benefits and the greatest possible added value. We will enable everyone to be involved.

#### 2.0 Openness

We will be open and honest in our actions and communications. We will take decisions in a transparent way and at the most local level possible.

#### 3.0 Responsibility

We take responsibility for, and answer to our actions. We will encourage people to take responsibility for themselves and their actions. Mutual benefits go hand-in-hand with mutual obligations.

#### 4.0 Working together

We will work together and support each other in achieving common goals, making sure the environment is in place for self-help.

#### 5.0 Accountability

We recognise and act upon the impact of our actions on others, and hold ourselves accountable to our stakeholders.

#### 6.0 Respect

We recognise and welcome different views and treat each other with dignity and respect.

#### 7.0 Democracy

We believe and act within the principles of democracy, and promote these across the borough.

#### 8.0 Engagement

We believe that public consultation should be central to the Council's decision making processes.



# APPENDIX 3

## DRAFT - STATEMENT OF ETHICS

As a co-operative council we are committed to living our co-operative values and behaviours. By promoting how the organisation is embedding these values, this ethical framework helps both inform and guide our actions to create a co-operative borough in Tameside.

### **Why do we need an Ethical Framework?**

The framework highlights our responsibilities and showcases some of what we are doing as an organisation to meet these, as well as demonstrating our accountability to our co-operative principles.

### **How are we making a difference?**

Our Ethical Framework is summarised below. It is focussed around the seven co-operative values and shows how we are both living and leading these across the organisation.

#### **Fairness**

We will champion fairness and equality of opportunity, and ensure working together brings mutual benefits and the greatest possible added value. We will enable everyone to be involved.

**Example:** Equality Objectives – these ensure that equality is integral to our co-operative approach and is owned across our organisation

**Example:** Fair Employment Charter – as well as being an employer of choice the charter actively encourages fair employment practices to partners and businesses across Tameside

#### **Openness**

We will be open and honest in our actions and communications. We will take decisions in a transparent way and at the most local level possible.

**Example** Budget Consultation – we actively involve residents in shaping our financial priorities

**Example:** Broadcasting Full Council – we are open about how decisions are taken, providing greater access to council meetings

#### **Responsibility**

We take responsibility for, and answer to our actions. We will encourage people to take responsibility for themselves and their actions. Mutual benefits go hand in hand with mutual obligations.

#### **Working Together**

We will work together and support each other in achieving common goals, making sure the environment is in place for self-help.

**Example:** Tameside Partnership – brings together public, private, voluntary and community organisations to create a place with healthy, aspirational and sustainable communities

#### **Accountability**

We recognise and act upon the impact of our actions on others, and hold ourselves accountable to our stakeholders.

**Example:** Paying our suppliers on time – we are committed to paying all our suppliers in a timely manner

**Example:** Social Value Procurement Framework – we have reshaped our procurement practices to better promote social value outcomes

#### **Respect**

We recognise and welcome different views and treat each other with dignity and respect.

**Example:** Aligning our workforce profile to local communities – we are committed to ensuring that our workforce more closely reflects the demographic profile of the borough

**Democracy**

We believe and act within the principles of democracy, and promote these across the borough.

**Example:** Councillors' Annual Reports – the annual reports showcase the work that councillors undertake on behalf of local people and the borough.