

CO-OPERATIVES UK



# A new co-operative approach in Scotland



# About Co-operatives UK

**Co-operatives UK is the network for Britain's thousands of independent co-operatives.**

From high street retailers to community owned pubs, fan owned football clubs to farmer controlled businesses, co-ops are everywhere and together they are worth £38.2 billion to the UK economy. In Scotland 564 co-ops have a combined turnover of over £1.5 billion.

Co-operatives UK is owned and controlled by its members, who are member-owned organisations. Alongside our members, we work consistently and proactively to grow the co-operative economy by promoting, developing and uniting co-operatives.

Co-operatives UK helps support the Cross Party Group on Co-operatives at the Scottish Parliament. This group provides a platform for MSPs and others with an interest in co-operation and mutuality to increase awareness of the co-operative model and its contribution to Scotland's social and economic development.

# What next for co-operatives in Scotland?

**During this session of Parliament, the group has focused on key areas of Scotland's economy such as housing and what more could be done to encourage a more co-operative economy.**

Two reports have been published setting out clear recommendations to transform the Scottish economy:

1. [Shared Space: How Scottish housing co-ops build communities.](#)
2. [Revive and thrive: Why co-ops are pivotal to a fairer, stronger Scotland.](#)

The coronavirus (Covid-19) pandemic has demonstrated that co-operation within communities is key to resilience and being able to build back better in future. Co-operatives UK has led the sector in securing support from the Government to be able to continue and contribute towards that renewal once the threat from coronavirus recedes.

Co-operatives UK wants to work with the Scottish Government to identify how best to sustain existing co-operative and mutual groups and to encourage an increase in co-operative working in Scotland.

Drawing on the work that has already been done over the last five years, Co-operatives UK has created a four point plan aiming to provide and promote co-operation as a vital component of Scotland's future. Co-operative Development Scotland should have a key role to play in delivery of this plan and other priorities once agreed by the incoming Scottish Government.

**The key elements to support and develop further the co-operative movement in Scotland are four proposed new national programmes:**

1. Co-op Entrepreneurs Scheme
2. Co-op Job Recovery Scheme
3. Co-op and Community Housing Programme
4. Scottish Community Finance Booster

# 1. Co-op Entrepreneurs Scheme

## Aim

**Helping groups of entrepreneurial workers to build new livelihoods through worker co-ops, delivered through local/regional partnerships engaged in community wealth building.**

## A blended package of:

- Awareness raising of worker ownership and outreach, working with unions, professional associations, community organisations and Job Centres.
- Exploration, feasibility and pre-start facilitation to help new worker co-ops get started.
- Specialised co-operative business support.
- Access to 'co-op friendly' finance, including via the Scottish Community Finance Booster (programme 4).

## For analysis and evidence see:

- [Revive and thrive: Why co-ops are pivotal to a fairer, stronger Scotland.](#)

## 2. Co-op Job Recovery Scheme

### Aim

**Helping workers protect their livelihoods when these are threatened by business sale, relocation, restructuring or closure, by creating 'newco' worker co-ops to acquire productive assets.**

To be delivered with local/regional partnerships engaged in community wealth building.

### A blended package of:

- Exploration and feasibility assessment of proposed conversions to worker ownership.
- Facilitated negotiation to help worker-owners get a fair deal when acquiring assets.
- Specialised co-operative business support.
- Access to 'co-op friendly' finance, including via the Scottish Community Finance Booster (programme 4).

### For analysis and evidence see

- [Employee and worker ownership recovery strategy paper.](#)

# 3. Co-op and Community Housing Programme

## Aim

**Helping local communities explore and develop co-operative options for affordable, secure and green housing. With a focus on supporting private rental co-ops, mutual home ownership societies, co-operative new builds and community land trusts.**

To be delivered with local/regional partnerships engaged in community wealth building.

## A blended package of:

- Awareness raising and outreach via community organisations.
- Early stage support to explore and understand opportunities, and what is required to progress them.
- Specialised advice and support.
- Access to specialised finance, including loan stock and co-op-friendly mortgages.

## For analysis and evidence see:

- [Housing to 2040: consultation on outline policy options.](#)
- [Shared Space: How Scottish housing co-ops build communities.](#)

# 4. Scottish Community Finance Booster

## Aim

**To deliver match investments alongside co-op members raising equity through community shares, covering community co-ops, worker-community hybrid co-ops and land and housing co-ops.**

Institutions, funders and governments play a key role in growing the community shares market, which is an increasingly popular way to raise money for a range of values-based enterprises.

Experience shows that community shares work best when part of a 'blended' approach for raising finance. For every £1 invested by an individual in a community share offer, at least £1.18 of additional funding has been leveraged through grants, loans and institutional investment.

The next Scottish Government should facilitate greater institutional investment in community shares. Consideration should be given to funders and impact investors being able to channel more money into institutional investment in the community shares market.

## For analysis and evidence see:

- [Understanding a maturing community shares market – new report.](#)
- [Revive and thrive: Why co-ops are pivotal to a fairer, stronger Scotland.](#)

# Next steps

**Co-operatives UK will pull together and work with relevant partners to cost and create a delivery model for each national programme.**

If you would like to discuss this ambition for co-operative development in Scotland, please get in touch.

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# Thousands of businesses, one network

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