

Prime Minister
10 Downing Street
London
SW1A 2AA

5 September 2022

Dear Prime Minister,

Action for co-operative businesses

I am writing to urge that your government acts immediately to help households and businesses through this energy price shock and economic crisis. Our latest data adds to evidence that to do otherwise risks a negative spiral of destitution, corporate insolvency, high unemployment and wasted potential.

As the politically independent association of co-operative businesses, we make two urgent requests of your government:

- 1. Ensure co-operatives are fully included and effectively supported in any action for businesses, along with all other social enterprise, community businesses and charities affected by the energy price shock**
- 2. Within this, the priority should be limiting energy prices for non-domestic customers**

Co-operatives are businesses that trade for mutual and social purpose. As non-domestic energy customers, they are heavily exposed to the energy price shock. As businesses they are also exposed to wider inflationary pressures, as their input costs rise and discretionary consumer spending falls.

According to our latest survey data (25 August – 5 September):

- Half of responding co-operatives, which together employ over 85,000 people, say they are severely impacted**
- Of these, 25% say they are concerned about their survival in the next 12 months, with 5% concerned about their survival in the next three months**
- Another 28% of co-operatives say their ability to create value for members/customers/communities in a financially sustainable way is severely undermined**

The ability and potential of these businesses to create and sustain decent livelihoods, expand opportunity and benefit communities across the UK, is jeopardized.

Crucially, co-operatives are an essential part of the social economy our communities rely on in hard times. Of the co-operatives who tell us they are severely affected, 60% are currently active in the mutual aid response to the social emergency and are looking to ramp up such activities over the winter, subject to their own survival. What is more, co-operatives offer excellent prospects for growing a stronger, fairer, greener UK economy. We cannot afford to lose these co-operatives now.

Please, take immediate and effective action to prevent permanent damage to UK businesses, including co-operatives.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rose Marley', with a horizontal line underneath it.

Rose Marley, Chief Executive
Co-operatives UK

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