

CO-OPERATIVES UK

CALL FOR A CO-OPERATIVE SCOTLAND

August 2025



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We are Scotland's co-operatives.

We are democratic organisations with purpose beyond profit.

We share power and wealth across the economy – from farming to retail and renewable energy to housing.

We are collaborative ventures, proving that people achieve more together than they do alone.

We call on all political parties in Scotland to commit to co-operative growth at the 2026 election. If you unleash our potential, we will deliver.

**KEEP
CO-OPERATING**



OUR SUPERPOWERS

Co-operatives already deliver the following benefits for society, and with the right conditions could do even more:

- **Securing the essentials of life**

Co-operatives secure the essentials of life, like housing, food and energy.

- **Building a good life**

Co-operatives enable people to live a good life, providing decent employment, tackling poverty and building financial resilience.

- **Empowering communities**

Co-operatives build community wealth and empower people through ownership of local assets and enterprise.

- **People powered service delivery**

Co-operatives deliver more effective public services for communities without exploiting and extracting wealth from the system, while offering solutions in areas such as childcare and social care.

- **Generating inclusive growth**

Co-operatives make a disproportionately large contribution to GVA (Gross Value Added) and already add over £1.9 billion in turnover to the Scottish economy, while simultaneously being fairer, more resilient and more productive businesses, able to distribute wealth and power to workers, customers and communities.

OUR POLICY PRIORITIES

To unleash the co-operative potential of Scotland's people, the next Scottish Government can work with us on the following priorities:

- **Education:** For our sector to reach its full potential, Scottish Government needs to support awareness raising of co-operatives and their benefits. This includes educating officials and putting Scotland's rich co-operative and mutual traditions on the curriculum.

- **Implement the recommendations of the Inclusive and Democratic Business Models Review:** The review makes key recommendations that would strengthen the role of co-operatives and democratic businesses within Scotland's economy. Its recommendations were informed by, and have the support of, co-operatives across Scotland. We stand ready to partner with government to deliver on this agenda.

- **Kick-start our ability to invest in ourselves:**

Co-operatives are successful self-reliant organisations that can work together to achieve scale quickly. Government can harness this, by providing seed funding for the sector to create its own co-operative development institutions, to provide investment, expert advice and peer support.

- **Unlocking investment into co-operatives:**

Scottish government can help 'crowd' investment into co-operatives, including by ensuring the Scottish National Investment Bank bolsters the sector's access to finance, with a long term strategy.



CO-OPERATIVES ALREADY SUPPORTING THIS CAMPAIGN



A handwritten signature in black ink that reads "Karen Scott".

Karen Scott, Scotmid Co-operative



A handwritten signature in black ink that reads "Tim Bailey".

Tim Bailey, SAOS



Our tenants are paramount in everything we do

A handwritten signature in black ink that reads "Larke Adger".

Larke Adger, West Granton Housing Co-operative



A handwritten signature in black ink that reads "Scott Erwin".

Scott Erwin, Greencity Wholefoods



A handwritten signature in black ink that reads "Louise Scott".

Louise Scott, Media Co-op

CASE STUDY: CONSUMER CO-OPERATIVES

SCOTMID CO-OPERATIVE

Scottish Midland Co-operative Society (“Scotmid”) traces its roots to the founding of St Cuthbert’s Co-operative Association in Edinburgh in 1859. Established by 12 workers seeking fairer access to goods and services, the society quickly grew from a single shop to a major force in Scottish retail.

By the early 20th century, it had become the largest co-operative in Scotland and a pioneer in areas such as women’s membership, self-service retailing, and food production. In 1981, it merged with the Dalziel Society of Motherwell, adopting the name Scotmid to reflect its broader geographic reach.

Today, Scotmid operates across multiple sectors, including food retail, funeral services, property and health and beauty through its Semichem brand. It runs over 300 retail outlets across Scotland, Northern Ireland, and northern England, and employs over 3,500 people. Despite economic headwinds such as inflation and energy costs, Scotmid reported a turnover of £430 million and a trading profit of £4.3 million in 2024, demonstrating the resilience of the co-operative model.

Scotmid is owned by over 175,000 members, who each have a say in how the society is run.

Members can stand for – and vote in – elections, attend regional meetings, and influence decisions on community funding and business strategy. This democratic structure ensures that profits are reinvested into the business or returned to members and their communities, rather than extracted by external shareholders. Membership costs just £1, making it accessible and inclusive.



Scotmid’s commitment to community is central to its mission. In 2024 alone, it supported over 1,100 good cause groups, including donating £168,000 through its Community Connect scheme, which allows members to vote on funding for local good causes. It also supported food banks, community pantries and local initiatives through its Winter Giving campaign. These efforts exemplify how co-operatives can deliver tangible social value alongside commercial success.

Scotmid continues to innovate in response to environmental and social challenges. It has invested in solar panels, energy-efficient refrigeration and digital shelf-edge labels to reduce its carbon footprint and operating costs. In 2025, Scotmid collaborated with other retail co-operatives on renewable energy procurement, demonstrating the power of co-operation among co-operatives to drive systemic change.

Scotmid exemplifies the strengths of the co-operative model: long-term thinking, community investment, democratic governance and economic resilience.

As policymakers consider strategies for inclusive growth, community wealth building and sustainable business, co-operatives like Scotmid offer a proven alternative to shareholder-driven enterprises. Supporting the co-operative sector through policy, funding and education can help build a fairer, more resilient economy.

CASE STUDY: HOUSING CO-OPERATIVES

WEST GRANTON HOUSING CO-OPERATIVE

David Quinn has an acute medical condition and requires care and attention on a weekly – and often daily – basis. For the 31-year-old, social housing needs go beyond bricks and mortar, and that is where West Granton Housing Co-operative (WGHC) in Edinburgh comes in.

David has been a member tenant since November 2021. This means he is a part-owner of the co-operative, with a say in how the business operates. He said: “They’ve done nothing but help me. Everybody is really helpful, absolutely amazing – I can’t fault them. It’s a community working together.”

For David it is often the little things that have the biggest impact, like knowing an eye is being kept on his home when attending appointments. Maintaining the local area and community engagement are also important. He said: “I don’t get any trouble. It’s a great community. The co-operative looks after the place and the parks.”

WGHC has a social housing stock of 372 ‘general needs’ properties. It is a not-for-profit, fully mutual registered social landlord, with all surpluses used to benefit its member tenants.

The biggest surprise is that Scotland does not have more co-operative housing stock. There were just 45 housing co-operatives at the start of 2025. And that list is not limited to social housing, for which the picture is even bleaker with only seven social housing co-operatives remaining.

Larke Adger, Chief Executive Officer of WGHC, said: “I’d love for co-operatives to have a much bigger impact in the social housing sector. We demonstrate that tenant-led solutions work. We need to find a way to increase the amount of co-operatively owned social housing stock.”



CASE STUDY: COMMUNITY CO-OPERATIVES

PAPAY COMMUNITY CO-OPERATIVE

Papay Community Co-operative (Papay Co-op) is a multi-purpose business on Papa Westray, one of the most northerly of the Orkney Islands. The co-operative, whose members are all 'Papay folk', serves the island's 90-strong population, as well as Papa Westray's tourists and other visitors.

Run entirely by local people, the co-operative operates the island's only shop, selling a wide range of produce, including fresh, locally-grown and preserved food, fairly traded goods, fuel and basic utilities.

The co-operative also runs a 20-bed four-star hostel – which is also a key community venue for local events – as well as the island's school bus service.

In 2018, the Papay Co-op won the SURF Award for Community-led Regeneration, based partly on a climate-conscious renovation of its buildings and a wider insulation improvement scheme. The Papay Co-op's bus is electric and the shop and hostel are powered partly by solar panels. Papay Co-op Secretary

Tim Dodman said: "It's absolutely vital for us to have a community shop – a reliable shop that's competitively priced. It has played a key role in preventing population decline. The co-op ethos is very important. It's a sharing model. This is a small island and pretty remote. It's much better to work co-operatively to control a lifeline service."

TRANSFORMATIVE



CASE STUDY: AGRICULTURAL CO-OPERATIVES

FIRST MILK

First Milk is a B2B co-operative that produces a range of cheeses, whey protein, fresh dairy products and liquid milk to customers across the UK and overseas. Its members are farmers who supply their milk to the co-operative.

David Struthers – owner of Auchmeddan Farm in Lesmahagow, Scotland – is one of those members. He joined forces with his father in 2010 – and between them they have two farms, two miles apart, which they run as one business. Their 450 cows produce just under four million litres of milk a year.

For David, being a co-op member is good for business. “As a farmer, it makes you feel more secure,” he said. “It’s nice to know you’re not selling your product to another company. You have a concern in running the business and you know where your milk is going. You have much more control.”

With hundreds of members, First Milk ensures their voices are heard through their Member Council. This consists of seven farmer members and an independent chair. The Member Council’s role is to oversee the co-operative’s board and ensure the business acts in the best interest of its members, whilst maintaining its co-operative principles. First Milk also has two elected farmer directors on its board.

As a member, David is also an investor in First Milk, which uses member investment to benefit the business. For example, it made an acquisition to broaden its product portfolio and customer base and upgrade its creameries. “We can really help the business work for us,” David explained.

For David, being part of a co-operative gives him strength in numbers. “It’s good having a co-operative community – the more co-operative the better. Most of the dairy farms in Europe are part of co-ops. It gives a lot more power back to the farmer.

“They are run for you, to benefit you personally. And having the community is nice. It can be hard to get people to work together but you have a lot more power in a joined-up industry like farming when you’re up against the big supermarkets.”



CASE STUDY: CREDIT UNIONS

SCOTWEST CREDIT UNION

Scotwest Credit Union is a credit union open to anyone who lives or works in the West of Scotland offering savings accounts, loans and mortgages.

It has partnered with North Lanarkshire Council to provide a workplace savings scheme to the council's employees.

Ian Stanger, responsible for People & Organisation Development at the council, said: "At North Lanarkshire Council we appreciate the importance of the financial wellbeing of all of our colleagues and we understand the impact that money worries can have on their personal lives as well as their working lives."

"Payroll deduction through Scotwest Credit Union has been a simple and straightforward way of providing our employees access to a safe and easy way of saving directly from their salaries.

"With their finances being understandably a personal and private subject, it has been beneficial for our employees to engage directly with Scotwest Credit Union on any queries or changes to their savings and lending rather than speak to us as their employer."

**OWNERSHIP
MATTERS**

"The service is free and is simple and easy for our personnel team to manage with a minimal impact on their time. Working alongside Scotwest Credit Union to promote the service across the council has been just as easy with the option of visits as well as online and printed marketing materials."



CASE STUDY: WORKER CO-OPERATIVES

GREENCITY WHOLEFOODS

From humble beginnings – splitting sacks of lentils to supply wholefoods to shops – Greencity has grown into a thriving wholesale business with more than £6 million in turnover and the co-operative values have remained at the heart of the 49-member-strong worker co-op.

During its 47 years of operation, a lot has changed – and thanks to the recent surge in veganism, Greencity's business has changed too. Traditionally a supplier to independent health food retailers, the wholesaler increasingly counts restaurants, cafes, delis, schools and farm shops amongst its customers, as more plant-based menus appear in eateries everywhere.

"In most businesses, workers feel they have little control. They're at the mercy of rich shareholders, so no matter how hard they work, they don't see the benefits. In a worker co-op, it's the opposite – if you work hard and the business is successful, the benefits come back to you," said Greencity worker-owner Babs Nicgriogair.

Despite the growing demand for organic food, there's still work to do to promote healthy eating in Glasgow. And that's why Greencity is behind numerous initiatives to help people learn about food. "We support community gardens and allotments and we've sponsored food festivals," said Babs.

"There's a disconnect between people and food, and you see people here living on ready meals. So we work at grass roots level, giving talks and cookery demonstrations to reconnect people with food. And it's really satisfying seeing people getting excited about food and ways of feeding themselves that are healthy and nourishing."

With a flat structure at Greencity, everyone has a say in the way the business is run.

"It's a level playing field," said worker-owner Craig McCormack. "Because it's your own business, you think about long-term plans and about developing the business. And if you want to do something, you have to get buy-in from the majority of the members."

"But being part of a co-operative means there's a greater sense of facing challenges together. There's a social glue in a co-op – the quality of working life is higher. People are very satisfied knowing their contribution is valued. It's something mainstream companies try to simulate in a forced way, but in a worker co-op, every day is a team building day."



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