



CO-OPERATIVES UK

Policy Briefing

August 2014

Beyond the Coalition's reforms

About Co-operatives UK

Co-operatives UK is the national trade body that campaigns for co-operation and works to promote develop and unite co-operatives. We have a unique role as a trade association for co-operative and mutual businesses. We work to promote co-operatives across all sectors of the economy – from retail and finance where co-ops are most recognised to key growth areas such as renewable energy, agriculture and education. Together the co-operative economy is worth some £37 billion, is owned by 15.1 million adult members in the UK, and has grown by 13.5 percent since 2009.

1 Coalition has made UK a better place to start and grow co-operatives

- 1.1 The landmark Co-operative and Community Benefit Societies Act (2014) brings together long dated overly complex legislation into one unified statute. It also wraps up a programme of legislative reform delivered by the Coalition making UK a better place to start up and grow a co-operative business.
- 1.2 This shows what can be achieved when broad political support is backed up by firm government action.
- 1.3 One new co-operative starts every working day of the week and the turnover of the sector has outpaced the UK economy in recent years.
- 1.4 There's still more to be done though and we have an ambitious agenda for how the next government can harness the co-operative momentum.

2 A level playing field for co-operative business

- 2.1 Policymakers have a clear responsibility to ensure no business form is disadvantaged in government. All parties should commit to building on the work the Coalition has begun in supporting a diversity of business forms, including co-operatives, so as to secure a more economically environmentally and socially sustainable recovery.
- 2.2 The following steps will be crucial in maintaining a level playing field for co-operative business in the coming years:
 - Introduce a new **business impact test** to systematically ensure all legal forms are considered in legislation and regulation affecting business. This will reduce the number of unintended consequences in regulation that are so burdensome for co-operative businesses.

- Ensure official data on co-operatives and companies is **equally accessible** to the public.
- Give the Department for Business Innovation and Skills (BIS) adequate responsibility and resource to **serve all business forms** including co-operatives and community benefit societies.
- Include the **Co-operative Option** in employment support, business advice and educational curricula.

3 A world class social economy

3.1 Looking forward, as manifestos are being developed, we believe that there are ways to make the UK a world-class environment for the social economy, including co-operative business, with actions such as:

- Unlocking the economic and social capital contained in **mutuality and co-production** so public services enable people to help each other as well as themselves.
- Supporting engaged **long term investment** in co-operatives.
- Opening up existing business investment **tax reliefs** to co-operative models.
- Appointing a **cabinet level minister** in BIS to champion the social economy.
- Giving **communities** greater opportunities to own and control local services and infrastructure.

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