

## **Sheffield Co-operative Development Group (SCDG)**

Sheffield City Council played a major part in the establishment of the Sheffield Co-operative Development Group in late 1980. This was a time of growing unemployment in the City. The strong labour and co-operative movement in the City was resolved to find ways of saving jobs and creating employment opportunities through co-operatives. The SCDG was founded as a Co-operative Development Agency by;

- Sheffield City Council
- The Co-operative Party
- Sheffield Trades Council
- The Co-operative Bank (Sheffield Branch)
- The two city co-operative societies (now amalgamated into the Co-operative Group).

### **Extracts from SCDG Mission Statement.**

**“Sheffield Co-operative Development Group's purpose is to promote the development of co-operatives and other enterprises which offer people opportunities to increase their control over their working lives”.**

**“SCDG aims to promote knowledge of and interest in co-operation and co-operative principles in worker co-operatives, employee led businesses and social and community enterprises”**

The Labour Government in the 1970s set up the National Co-operative Development Agency with the purpose of promoting the interests of the co-operative sector with government, local government and others. The SCDG was born out of the national movement.

Sheffield Today reported in 1981; “Group services include: general information on forming a co-operative; detailed information on sources of finance to form a co-operative; mutual assistance in negotiating loans; provision of information and access to co-operative education; specialist commercial and industrial advice; close liaison with with the City Industrial Development Unit.

Membership is open to co-operatives and other organisations, such as trade union branches and individuals desirous of furthering the principles of co-operation. Subscriptions are: co-operatives £5.00. Other organisations and individuals £2.00 per year.

Between 30<sup>th</sup> January 1981 and 29<sup>th</sup> May 1981 SCDG organised five public meetings where the following matters were discussed: Financing a New Co-operative; Starting an Industrial Co-operative; Co-operative and Municipal Housing; Inventors and Innovators' Co-operatives; Community Co-operatives. Details and venues and speakers will be made known through the local press and radio stations”.

The SCDG was based in council offices at Palatine Chambers, Pinstone Street. In the early days they had three paid workers, one of whom was Mike Bower, an experienced council leader. The main focus at that time was to rescue closing factories by supporting the employees to form workers co-ops and to encourage the development of new workers co-ops. Examples of new co-operatives at that time are Procon in Darnall with 12 worker members and later, Traffic Systems Co-operative. Some of the attempts to transform failing industries into co-operatives failed. Trades union membership was a central requirement in the new co-operatives.

In the 1980s the political climate was becoming very challenging with job losses as labour intensive industry was closing down. It was at this point that Aizlewood's Mill came to the attention of SCDG employee Mike Bower, when passing the building on his way to work. He formulated the idea of

developing Aizlewood's Mill into managed workspace as a central hub for the development and support of worker co-operatives in the local area.

Built over 150 years ago on the site of the former nursery gardens of Sheffield Castle, it was one of the few buildings to survive the first Sheffield Flood of 1864 and became an iconic landmark of the Sheffield skyline. It milled grain from the Lincolnshire cornfields for over 100 years before eventually being sold twice in the 1960s and unfortunately reaching a state of dereliction in the 1980s. An offer of £1 was made for the property which, after a short period of concern when another potential buyer surfaced with a substantially higher offer, was accepted. Just over £2 million pounds was raised to pay for the renovations, from a variety of sources including grants and loans, and work began in 1988.

Aizlewood's Mill was officially opened in 1990 by the then opposition spokesman for Trade and Industry, Gordon Brown MP.

The first tenants, Traffic Systems Co-operative, joined Sheffield Co-operative Development Group and the management company, Accountability Northern Limited (another worker co-operative), who moved into Aizlewood's Mill at the beginning of 1990. This was shortly followed by a host of other organisations, some co-operatives and others traditionally structured, who recognised the benefits of sharing workspace. Whilst co-operatives had preferential terms, the occupants were increasingly non co-operative businesses.

"In 1985 SCDG itself became a co-operative, owned by the co-operatives that it helped to set up. It is run by a management committee, the majority of which consists of representatives of Sheffield's co-operatives who are therefore able to control the work done on their behalf by SCDG workers. Other places are reserved for representatives of Sheffield City Council, which also helps to fund the group, Sheffield Trades Union Council, The Co-operative Bank PLC, and the Co-operative Party – all of which were involved in setting up the group". From SCDG leaflet.

### The Co-operative Sector in Sheffield Today

2017 is a year in which Principle 5, and the Co-operative Party are taking seriously the task of pulling together a sense of community amongst co-operatives in Sheffield. We all know that the success of co-operatives is to a large extent built upon them being part of a living movement which is co-operatively aware. (Principle 5 Education, Training and information, Principle 6 Co-operation amongst co-operatives, and principle 7 Concern for Community).

There will be three projects in Sheffield this year which will progress this objective;

Co-opsMap (Principle 5), the Sheffield Co-operator, Centenary special (The Co-operative Party) and Proud to be a Sheffield Co-operative (Principle 5).

The organisation for co-operatives in Sheffield is Sheffield Co-operative Development Group. Every co-op in Sheffield is encouraged to join SCDG. Membership is by share and one share costs £1. Membership gives all the benefits of being a member of a co-operative and also gives that co-operative priority support from SCDG.

SCDG is governed by its Board. There are 15 places on the Board, only a few of these places are filled. There has not been a full board for at least 15 years. Currently 9 seats are occupied. There are 4 reserved seats, these are for the Founders of SCDG. The Co-operative Bank, The Sheffield

Trades Council, Sheffield Co-operative Party, and Sheffield City Council, out of these, only the Sheffield City Council takes a seat. Until recently, none of the founder members occupied a seat. In 1990 when Aizlewood's Mill opened, there were 35 co-operatives in membership. There are now 12\* two of which are not co-operatives (Sheffield City Council and the Co-operative Bank). There are more seats on the Board than there are members. This poses questions about the effectiveness of SCDG, and about the robustness of its governance. Now is the time for co-operatives to join SCDG and to take an active part in ensuring that it continues to support the co-operative sector into the future.

\*Membership register subject to review

Steve Thompson  
28<sup>th</sup> March 2017