No. 171

THE SHEFFIELD CO-OPERATIVE PARTY NEWSPAPER

# THE CO-OPERATIVE PARTY CELEBRATES ITS CENTENARY

# 100 YEARS OF CO-OPERATION

# A WARM WELCOME TO THE SHEFFIELD CO-OPERATOR

Sheffield Co-operative Party published the Sheffield Co-operator every month from May 1922 to July 1939. There were 170 editions in all, with a circulation of 30,000. This edition, the 171st, has been published to celebrate the centenary of the Co-operative Party 1917 - 2017.

During the 1920s and 1930s the Co-operator not only criticised the powers that be, but put forward constructive suggestions to the end that "the Co-operative system should be substituted for the Competitive one in local and national affairs."

#### **COMMON OWNERSHIP**

The need to encourage community initiatives as an alternative to private interests is as vital today as ever. In 1652 at the time of the English Revolution, Gerrard Winstanley wrote a pamphlet entitled 'The Law of Freedom'. In his view, true human dignity would be possible only when communal ownership was established. Land was in the hands of the inheritors of the Norman invasion. This gave them complete power to control people, increase their personal wealth and in turn further increase their power. The victims of this were the people, the 99%. Land has the capacity to produce food, but ownership gave the landowners the power to withhold production, and the people were starving. Winstanley's view, novel at the time, was that people should lay claim to land, cultivate it, and eat.

Ownership gives political control. It can be in the hands of private interests to increase personal wealth at the expense of the 99%. Or it can be in communal ownership where work carries integrity because the outcome of that work supplies genuine needs, and surplus is not needed to pay idle speculators.

Keir Hardie, first Chair of the Independent Labour Party (founded in 1893) and also the first Chair of the Labour Party made clear in his book 'From Serfdom to Socialism'; "The economic object of Socialism, therefore is to make land and industrial capital common property, and to cease to produce for the profit of the landlord and the capitalist and to begin to produce for the use of community."

But how can communal or common ownership be organised when there is so much resistance from private interests? The Labour Party got its chance in 1945 and introduced nationalisation which served a valuable purpose, but it had its flaws. In the circumstances, and within the time scale available (Labour

was only in power for 6 years) it could be considered that the Labour Government made a good start. But that has now all been overturned, even the most baconsidered that the Labour Government made a good start. But that has now all been overturned, even the most basic services have been privatised, run for the purpose of generating private wealth, undermining the integrity and quality of the services. The public are paying company shareholders, middlemen; a dream come true for the rich and idle.

Perhaps the most successful example of common ownership, although something which has now been lost is Municipal Ownership. In the 1890s Sheffield tramways (later buses), markets, electricity, water, education, parks, and council housing and services were all in municipal ownership. They were owned and controlled by the people of Sheffield through their elected council. It is important to note that until recently, people working in these services were directly employed by Sheffield Council. This promoted integrity, quality, proper working conditions, and none of the shoddiness of profit driven enterprises. The ratepayers did not have to pay middlemen (profiteers). Municipal ownership was helped by certain well meaning individuals who made gifts to the people of Sheffield, people like J.G. Graves.

In the years between the wars, the Conservatives and Liberals joined forces to campaign for the city to get rid of the council employees and instead to contract private businesses to deliver services. The electorate resolutely voted Labour and kept the affairs of the city in public control.

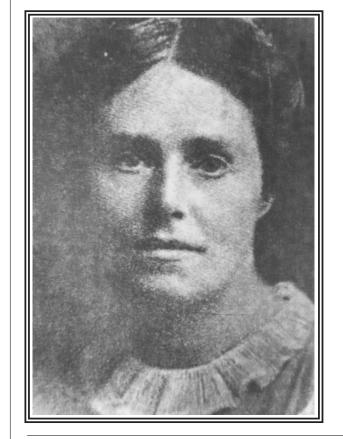
Common ownership has not endured. Political resistance by private interests campaigning through the Conservative Party have proved too great. But this should not signal defeat for 'collectivism'. Centralised public ownership is not the only way (although it has an important role to play).

#### THE CO-OPERATIVE PARTY

There is a valuable role for the co-operative model of collective ownership. It has proved successful in challenging the monopoly of private enterprise in the 19th and 20th centuries.

There was an urgent and immediate need for co-operatives when private commerce and industry were abusing their monopoly power. The Movement's strength has been built upon group solidarity and support for other co-operatives, promoting social wellbeing, deliv-

# BEST WISHES: A MESSAGE TO THE CO-OPERATOR



The first edition of the Sheffield Co-operator carried this message;

"All good wishes to the "Sheffield Co-operator" for a useful and prosperous career in carrying the message of co-operation to the electors of Sheffield. The voters of this country have listened long enough to the voice of the capitalist preaching through press and Parliament the false doctrine of self-interest and profit-making, which is destroying the world. It is time for co-operation to speak in the home and the house. May it have a strong voice in the "Sheffield Co-operator."

- A. Honora Enfield. (National Secretary, Women's Co-operative Guild).

Though twritten almost 100 years ago, Honora Enfield's words are just as relevent today as they were then.

# CO-OPERATORS ELECTED IN RECORD NUMBERS

Following a strong 2017 General Election campaign, a record number of MPs from the Co-operative Party have been elected to Parliament. Not only did the party retain all of its existing MPs on increased majorities, it was able to add nine further co-operative voices to parliament, making the Co-operative Party the third largest party in Westminster with 38 MPs.

Among those elected were Shadow International Development Minister Kate Osamor, who held Edmonton with 71.5% of the vote, and Jon Ashworth, the Shadow Health Minister who held Leicester South with 73.5%.

The Party was able to welcome back David Drew, who returned to Parliament as the Member for Stroud, having previously held the seat from 1997-2010. New MPs included Ged Killen (Rutherglen and Hamilton West) and Paul Sweeney (Glasgow North East), who together form a firm base for a progressive revival in Scotland. Joining them are Anneliese Dodds (Oxford East), Alex Norris (Nottingham North), Luke Pollard (Plymouth Sutton and Devonport), Jo Platt (Leigh), Lloyd Russell-Moyle (Brighton Kemptown), and Alex Sobel (Leeds North West)

All of of the successful candidates should be applauded for their fine efforts throughout the election campaign, and should be further encouraged to spread

co-operative values at Westminster.

#### NOT WAITING FOR WHITEHALL

It is important to remember however, that Labour did not win a majority, and the Conservatives are still in governmnt, albeit propped up by the Democratic Unionist Party of Northern Ireland, with a slim majority.

That is why the Co-operative Party have decided that it is no longer appropriate to "Wait For Whitehall" to make the necessary reforms to local government. At its June conference in Birmingham, the Party launched its "6 Steps to Building Community Wealth," a policy document which outlines the ways that local authorities can adopt to co-operative approaches to working. This includes adopting Co-operative Polical Leadership at Council level, creating new Co-operative Development Groups and Anchor Institutions, and using progressive procurement.

At the recent Labour Party Conference, Shadow Chancellor John McDonnell promised that if Labour were to win an election, he would oversee a huge expansion of the co-operative sector.

The Co-operator encourages all of its readers to read this document, and for Sheffield Council to consider ways in which it can adopt some of its sensible and level headed proposals.

#### LETTERS TO THE EDITOR

A JOINED UP HERITAGE STRATEGY FOR SHEFFIELD

I was trying to visualise in my mind what it must have been like at the start of the Co-operative Party. As a historian I know that in 1917 times were hard. The war was obviously not going to end quickly and for many the constitutionally illegal conscription the year before had caused uneasiness in many areas. Women were pushing for the vote. Very volatile times and many must have thought not the most appropriate time to make changes to the political system, but from the poor's point of view there was no stability. I am old enough to remember the signs of poverty in the 1950s. My parents had the marks of TB and my teacher clear signs of childhood rickets. And in the late 60s as a nurse I saw the fear in people's eyes of being in hospital. It brought images of the Workhouse to them when hospitals were the last resort and it was unlikely they would leave

The "hipster" generation with co-working spaces, shared ownership, and community shares are well aware of the technicalities of setting up co-op-eratives even if they don't always call them that. That is because the system of co-operatives was a good idea and still is. It is not only in developing countries that we need more co-ops, it is in this city. The Co-op Party and the co-operative movement is as relevant to creating a fairer society today as it was 100 years ago. There are major inequalities within the city and for many the chance of lifting themselves out of poverty seems mere fantasy. Even if they do find a job, the low wages and the high cost of travel means their situation changes very little. Yet city planners continue to focus on work being in the centre and housing on the outskirts.

Within Sheffield there is a shortage of skills in the building and catering trades. Working in areas of high deprivation in Wales and Glasgow, Oxfam has found that many of the poor lack the self confidence to change things. So for many the first step has to be raising self esteem, then training in necessary skills to find employment, or to create their own employment. With small amounts of seed capital, Oxfam has managed to encourage people to creating their own businesses.

Sheffield is rich in heritage, though if you looked at the promotional films you'd be hard put to find it mentioned. That is not because we have no venues that visitors find attractive. The National Emergency Services Museum (NESM) for example, has seen paying visitor numbers almost double from 38,000 to 80,000 in the past year, and NESM is

not alone. There are over 2,000 events a year. Many cities across the globe have used heritage and the reuse of the buildings to spark regeneration. Across Sheffield there are good examples of this such as Portland Works and Regather. Others wait in the wings such as Save Mount Pleasant, Friends of Meersbrook Hall and Friends of Abbeyfield Park.

Hall and Friends of Abbeyfield Park.

Joined up Heritage grew from discussions after Le Tour about how poorly

together? Joined up Heritage is working to develop a strategic plan for heritage across the city and raise funding for training groups in the skills needed for running their local groups. Heritage Lottery funding to provide apprenticeships in building restoration and retro-fitting (making a building greener). Arts funding to help create local festivals. Using heritage to boost neighbourhood morale and encourage tourism as Manor Lodge has. Refitting buildings with professional kitchens that can be used both for private enterprise and social enterprise,



MOUNT PLEASANT: A COMMUNITY GROUP HAS BEEN FORMED TO TRY AND SAVE AND RENOVATE THIS LOCAL LANDMARK.

Sheffield's venues were marketed and how we as heritage groups could improve on that. It became obvious that we had several problems in Sheffield. Heritage organisations had been relying on Lottery funding in the main, but funding was often refused due to lack of infrastructure and strategic thinking. Even if funding was achieved the amount was often too small to make a long lasting impact and help create the infrastructure that would make it self sustainable.

We have in Sheffield a wide range of heritage buildings owned by the Council such as libraries and buildings within local parks. For many reasons they are in a poor state, but the Council hasn't enough available finance to repair and refurbish them. Many of these buildings are in areas of high deprivation. Research by the Heritage Lottery Fund and Historic England amongst others has found that historic buildings are important to local communities and give them a strong sense of community identity. What is a financial liability for the Council could be a major asset to the community.

What if we combined several threads

raising skills level, and encouraging local enterprise. The refurbishment skills that apprentices learn could be applied elsewhere to bring old houses up to modern standards. They could also work in co-operative housing schemes to supply housing to those on low income who do not qualify for social housing, possibly small units centrally, so placing housing where the work is, not several miles out.

By using a variety of funding schemes and volunteers and apprenticeship schemes to kick start these hubs we would take the cost of running and refurbishing the buildings away from the Council and give local people the control of their own neighbourhood. To change inequality in the city we have to help strengthen people's collective identity, encourage them to be involved in planning decisions, help them gain confidence and create the kind of community they want. We need to work co-operatively as a city to build a resilient economy. A difficult target I know, but it worked 100 years ago so why not now? - JOY BÜLLIVANT



"Co-operation is a theory of society and therefore a legitimate basis for a political party."

This quote was made at the Swansea Congress of the Co-operative Movement in 1917, by Mr W T Allen, Chair of the meeting, where the Co-operative Party was created. The Co-operative Party is the political wing of the British Co-operative Movement. It believes in the Co-operative Values and Principles and how they can be used for the benefit of all communities.

The opening of the Rochdale Pioneers Shop in 1844 was a political statement, they wanted to provide pure and unadulterated produce, at honest weights and measures, for their members. The Pioneers eschewed party politics in their Societies at first, preferring to do it themselves. After all they could not vote, and were barred from holding political meetings.

But the argument in the Movement went on, 1890's Scottish CWS Chair and Congress President William Maxwell stating that he did not seek "to introduce politics into co-operation, but I am most anxious to see co-operation introduced more into politics"

The Party was created because of the gross unfairness and attacks on the Co-operative movement. Local traders and politicians set up anti co-operative groups, these later became Chambers of Commerce

Things came to a head in the First World War, local draft boards called up men from Co-operatives and spared their own staff in private business. Government refused to use the vast experience of the Co-operative Movement on bodies such as Food Supply ignoring calls for rationing and fair distribution of food. The Excess Profits tax was threatened, "a bill to tax the members dividend."



A.V.ALEXANDER

So in 1917 members from the whole of the movement agreed, "that, in view of persistent attacks and misrepresentations made by the opponents of the Co-operative Movement in Parliament and on local administrative bodies this Congress is of the opinion that the time has arrived when co-operators should secure direct representation in Parliament and on all local administrative bodies." The Co-operative Party was born.

Sheffield can lay claim to one of the greatest Co-operative Party Politicians. Albert Victor Alexander, 1st Earl Alexander of Hillsborough, KG, CH, PC (1 May 1885 – 11 January 1965) was a British Co-operative politician. He was elected for Hillsborough in November 1922, one of only four Co-op MPs. He was re-elected in 1923, 1924 and 1929. He would continue to represent Sheffield, with one break, until 1950. He was three times First Lord of the Admiralty, including during the Second World War, and then Minister of Defence under Clement Attlee.

His work is being carried on today by the 38 MP's and over 500 Co-op Party Councillors around the country.

To find out more about what we do today visit www.party.coop we can put you in touch with your local party.

- JOHN BOYLE

- JOHN BOYLE CO-OP PARTY SUPPORT AND PRINCIPLE SIX OFFICER



# FREEDOM OF THE CITY FOR EDWARD CARPENTER

This year marks the 50th anniversary of the partial decriminalisation of homosexuality in Britain. In Sheffield, the occasion was commemorated with a series of events in the last week of February, to coincide with LGBT+ History Month. Hosting academics and writers, film showings, and activity sessions, the weekend culminated with a Full Moon "Tea Dance" hosted by DJ Wendy and the Out Aloud! LGBT choir.

One of the highlights of the weekend was Sally Goldsmith's lecture – supported by the Friends of Edward Carpenter - on the relationship between famed Victorian writer and political activist Edward Carpenter and locally born razor grinder George Hukin. Carpenter is known to the LGBT+ community as an early advocate for sexual equality: his writings on "homogenic" love and his open espousal of a homosexual identity often put him at odds with the more conventional radical Labour community of the time, but they have helped him achieve lasting fame.

A native of Brighton, and Fellow of Trinity College, Cambridge, Carpenter travelled the north for many years as a lecturer, making Sheffield his base. Receiving an inheritance from his late father, he moved to Millthorpe, a farming hamlet not far from Dronfield, in 1883. It was there that he wrote his most famous books, including Towards Democracy, a narrative poem inspired by Walt Whitman's Leaves of Grass. Carpenter twice travelled to the United States to visit Whitman, and later published an

account of the days they spent together.

Making a career as a market gardener, selling his produce at Chesterfield, Carpenter consciously attempted a "simplification of life" which challenged the industrial triumpholism of the 1870s and dustrial triumphalism of the 1870s and 1880s. A vegetarian, he was an advocate

for many of the social crusades of the day, from land nationalisation to female suffrage, and was an active member of the Sheffield Socialist Society and the Independent Labour Party.

#### A POLITICAL RADICAL

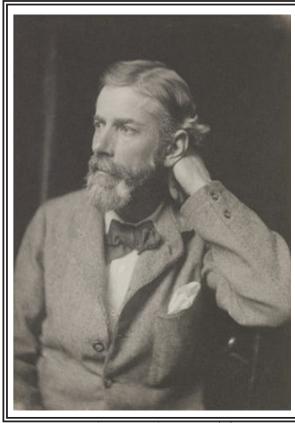
Appalled by the grinding poverty and sickness of Sheffield residents, in 1887, he and other members of the Socialist Society took over the old debtors' jail on Scotland Street, opening the downstairs floor as the "Commonwealth Café", which gave assistance to the local poor and hosted lectures by notable radicals, such as Annie Besant, and the anarchist Peter Kropotkin.

Though never directly involved with the Sheffield Co-operative Party, Carpenter had been inspired by the experimental co-operative agricultural associations he'd encountered on his trips to Europe. He later lectured on the idea of an economic transformation, fuelled by co-operative banks, unions and societies that could generate social forms of wealth. On the liberation wing of the socialist movement, he disliked state intervention, believed that change could only grow out of existing roots, and "vol-untary collectivism," and like Kropotkin, believed that small-holdings encouraged enterprise, attention to detail and allround skills.

Such was Carpenter's repute inside and outside the Labour movement that on the eve of his seventieth birthday and again on his eightieth – he received a letter of congratulations signed by over 200 notable figures, including Ramsey MacDonald, Rabindranath Tagore, and Bernard Shaw, expressing the "feelings of admiration and gratitude" with which they regarded his body of work. Carpenter frequently corresponded with MacDonald, who opened up to him about the stresses of national leadership.

#### FREEDOM OF THE CITY

In June 1928, the year before his death at the age of 84, Labour councillors moved to award Carpenter the Freedom of the City of Sheffield, along with the Labour MP Cecil Wilson MP, Alderman J.G. Graves, and Alderman Henry Stephen-



EDWARD CARPENTER

So often a formality, the application was rejected after councillors from the Citizens' Party – a Conservative/Liberal coalition - refused to vote on the matter. Though all the Labour councillors voted in favour, a decision was made that the vote had not been quorate. The Citizens' Party refused to comment on their reasoning for refusing to vote.

Reporting on the matter, the Sheffield Co-operator chastised the Citizens' Party, stating the likelihood that long after many of the "public" men who had previously received the honour were utterly formatten. "in park and 100 many' time." forgotten, "in perhaps 100 years' time," Edward Carpenter would be honoured by a sculptured monument in a prominent Sheffield location. Particular ire was directed at Councillor Irwin Mitchell, who confessed after the vote that he had never heard of Edward Carpenter. "These be thy gods, 0 Ecclesall!" the Co-operator exclaimed.

The elitist attitude of some Councillors of the day in regards to titles was confirmed two years later, when Richard Bennett, the Prime Minister of Canada, and James Scullin, the Prime Minister of Australia were awarded the Freedom of the City for services to the Empire. Both were accomplished men, but it is certain that neither contributed anything of note to the cultural life of Sheffield, as

Edward Carpenter had.

Carpenter has been repeatedly rediscovered in the years since his death. In 1972, Rony Robinson, the Radio Sheffield presenter, staged Edward Carpenter Lives! the first new play staged at the Crucible. In 1979, Noel Greig introduced Carpenter to the Gay Liberation Movement in his play "The Dear Love of Comrades," produced for the Gay Sweatshop. And in 2009, the first full length biography of Carpenter, Sheila Rowbotham's A Life of Liberty and Love was published by Verse

Love, was published by Verso. In this celebratory year, almost ninety years since his death, it is time to heed the call of the Sheffield Co-operator and erect a statue worthy of Edward Carpenter in the city centre, and correct a historic injustice by rewarding him post-humously with the Freedom of the City. This is the task that Friends of Edward

Carpenter have chosen to undertake. They can often be found at the Mugen Tea House, located on Scotland Street, just a stone's throw away from the site of the old Commonwealth Café. Why not join them in singing Edward Carpenter's well known hymn "England Arise!"

- CHRISTOPHEŘ OLEWICZ



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-CONTINUED FROM PAGE 1

ering goods and services which the com munity has a need for, the commitment of members, education and social recreation and the equitable distribution of any surplus. Vitally, co-operatives and their property are owned by the members and that gives democratic control provided that there is good governance and member participation. Unfortunately, some co-operatives got very big and distant from the members and co-operative culture became eroded with the result that the Movement became marginalised.

As stand-alone businesses, co-operatives are neither secure nor part of a Movement towards a democratic and collective economy. In a highly competitive world there are always private concerns which are ready to defeat collectivist efforts, history has proved this. That is why the Co-operative Union was established; to co-ordinate and defend the Co-operative Movement.

At an early stage in the development of the Co-operative Movement, it was agreed that there should be political neutrality. This avoided fragmentation between Owenite co-operators, and various other socialist groups and Chartists. But there came a time during the First World War when the need for political representation became urgent. The Conservatives and Liberals were using their political power to discriminate against co-operatives in favour of private enterprises. This had the potential to destroy the efforts of the Movement. In 1917, The Co-operative Congress (the sovereign body of the Co-operative Movement, organised by the Co-operative Union) agreed to establish a Co-operative Party. The first Co-operative Member of Parliament was Alfred Waterson, elected MP for Kettering in 1918. The Co-operative Party entered an electoral alliance with the Labour Party in 1927, enabling the two parties to work together more closely and for Co-operative Party Party candidates to stand for election as

Labour and Co-operative candidates.

The purpose of the Co-operative Party is to defend and promote co-operatives. The co-operative style of common own ership is very different from the nationalisation of the 1945 Labour Government or Municipal Socialism. It is rooted in collective self-help and social enterprise and governed by the members through their agreed constitution. All co-operatives are guided by the same values and principles which apply throughout the world.

Co-operative awareness, education, activity and culture form the foundation stones for building an alternative economy to capitalism. If you think that the commitment to this aim is worthwhile, join a co-operative and join the Co-operative Party.

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# SHEFFIELD SHOULD PURSUE CO-OPERATIVE SOLUTIONS TO AUSTERITY BRITAN

In 2011, Labour Group Leader Julie Dore addressed a meeting of the Sheffield Co-operative Party. She spoke of the need for Sheffield to explore co-operative solutions to the austerity policies of the Coalition Government. Extracts from that speech are posted here, along with a critique by the Sheffield Co-operator

There is increasing evidence across a range of disciplines that people are co-operative as much as they are competitive. Over recent years, policy and politicians have neglected this truth.

Britain has therefore lost out by missing some of the advantages of co-operation: opportunities for innovation, business success and social responsibility that have not been taken.

There is a spectrum of co-operation. It is not that every business or service provider should be a co-operative or mutual. But every business can share the benefit of co-operation if they work more co-operatively.

One benefit of cooperation is an engaged workforce. We know that the UK has a very high degree of workers - 23% - that are not engaged in their workplace and that this comes at a cost. The estimate of the minimum annual economic cost of this failure for the UK is around £36 billion

Co-operatives give more opportunity for their employees, their customers and their stakeholders to engage in the running of the business because they control the capital of the business. and they have an equal say in how it is used.

Other advantages of cooperatives include:

• Allowing communities and groups to take responsibility for their own needs. Communities can make a success of services threatened with closure. Football supporters can own their own clubs and communities can re-open pubs that are closed if they work together as co-opera-

tives. Advantages are created by allowing groups with a common interest or aspiration to work together.

- Trusted values and principles. Every co-operative benefits from our commitment to international Co-operative Values and Principles, the blueprint for a successful co-operative that has existed for over 150 years. A commitment to ethics, community and governance means that co-operatives are trusted to provide sensitive services to vulnerable people.
- Creating value for business and members. Co-operatives create value for their members. When cooperation is the priority, it enables provision for the best possible services for members and allows the advantages of co-operation to shine through.

Co-operatives and/or co-operation deliver a clear mission, better services and products, giving consumers power, nicer places to work, engaged staff and less social and environmental harm.

There is good practice on some or other of these elements in plenty of workplaces, but taken together they are what many would describe as the advantages of co-operation. To safeguard services and jobs we need to find other creative ways to provide services and protect jobs. Because of this we can consider the opportunities to deliver traditional council services through co-operatives or mutuals.

We have needed the support and partnership of organisations and citizens

for decades to run services. Schools have governing bodies, who help to make the key decisions about how they are run. Similarly, most parks are supported by bodies of local people called "Friends of" groups who will organise clean ups, improve services and inform the council about any issues. We also have many examples of community groups and citizens working with us to run schools, children's centres, sports clubs, housing estates, and environmental projects.

The fact is, without the help of "the community," we could not be as effective as we are. A co-operative council endorses the approaches described and encourages residents to take a bigger role in running and shaping local services.

#### Why should we do this?

Local government faces huge challenges in the next decade caused by the international recession and councils across the country are investigating ways they can meet these financial challenges, while still delivering the good-quality services citizens and businesses expect.

#### How can we do this?

We need lots of ideas and we need to find out what other people think about them first and whether they will work. We need to set out our guiding principles around co-operatives and mutuals. But we need people to give us their feedback about how we turn them into reality

We should start this consultation by reviewing current Co-operatives in Sheffield (and elsewhere) and finding out why they work, where they can work, and who we can work with. We need to talk to all "community groups" and other interested parties which includes staff who are currently employed by the council. There may be services that are more appropriate than others for Co-operatives to provide and there may be staff teams that are more ready to create co-operatives.

Another untapped source may be academics such as the Universities and other local authorities who have established Co-operatives who would be will to help

One of the major questions to be asked is: if non-elected residents/staff become responsible forrunning services, how do you make them accountable?

#### How is it going to save money?

While delivering public services is at the heart of the co-operative approach, we also know that a key issue will be the extent to which we can make significant financial savings. We need to ensure that any changes to services are cost effective, as well as meeting local needs.

Any implementation of this new approach to services will be explored by the Labour Group, and decisions to change what we do will be agreed through the process of budgeting. We need to develop our understanding of whether this way of delivering services is effective and how it will save money but just as important if it delivers the local services that local people need and want.

- JULIE DORE

# THE CO-OPERATOR RESPONDS

In January 2011 Julie Dore addressed a meeting of Sheffield Co-operative Party and spoke of the benefits of applying co-operative principles to the way local authorities work. Later that year when Labour took control of the City Council, Sheffield became a signatory to the Co-operative Council Charter. However, it did not follow up on this early involvement, and is not currently a member of the Co-operative Councils Innovation Network (CCIN).

Co-operative action to defend people from the consequences of recession is nothing new to the Sheffield Labour Group. In the 1980s the Sheffield Co-operative Development Group was supported by the Council and this helped to create employment and bring some buoyancy to the local economy. SCDG is still supporting the co-operative sector in the city.

The Council faces difficult financial circumstances, forced upon it by national government policy and has limited choices about how to respond. By being a Co-operative Council, Sheffield was choosing a way forward which was consistent with Labour and Co-operative Principles. Twenty-two Councils came together to form the CCIN. There are some Councils which are not members of the CCIN but have chosen co-operative alternatives for the provision of services. York, for example now has a co-operative which runs its city libraries

and archives. It is owned by two thirds library members and one third staff and is called Explore York Libraries and Archives.

At the time of Julie's speech, it waspointed out that councillors needed to understand and commit to the co-operative strategy, but not only this, in order for the council officers to implement it a thorough training and change management programme would have to be implemented. The importance of councillors and officers working to the same policy cannot be overestimated.

#### **OUTSOURCING SERVICES**

In the past decade, Sheffield City Council has engaged in an extensive outsourcing programme for the delivery of services. This process started under the auspices of Chief Executive Bob Kerslake. Construction went to Kier, with its work coming out of the closure of the old council Direct Works Department. The contract to Kier is long term. Had Sheffield been a Co-operative Council at the time, perhaps co-operative organisations could have been chosen to deliver this work.

Finance and administration has been outsourced to Capita. Roads and traffic is covered by the Highway PFI dating back to 20th August 2012. That is when Traffic Systems Co-operative Ltd (TSC) lost its contract to maintain Sheffield's

traffic lights. It had held the contract since the days of South Yorkshire Metropolitan Council. Amey Construction was successful in the Highway PFI bid, which is worth something like £2.5 Billion over 25 years.

TSC entered into a bid with Carillion, with whom they have had a better relationship than with Amey. Amey decided to self deliver. They took three traffic engineers from TSC into direct employment. There were eleven redundancies at TSC including some compulsory, and the company has not survived, a sad loss to the co-operative movement in Sheffield. Amey uses the services of Peek Traffic (Dutch) and Siemens (German) for upgrading and renewal of traffic lights.

Environmental services are outsourced to Veolia, which also controls the award of subcontracts. Green Estate, (a not-for-profit social enterprise in which the Manor and Castle Development Trust has an interest) lost a contract for the re-cycling of green waste under a tendering process run by Veolia. Originally, Green Estate and other groups were part of Amey's submission for the PFI but once they were successful Amey dropped all community groups.

A co-operative strategy would support the Sheffield economy and would strengthen control and accountability on behalf of the people of Sheffield. The essence of a co-operative Council is that

services are delivered in co-operation with communities, as close as possible to their needs and aspirations, and with the maximum degree of community ownership. At a time when councils are under financial pressure, the concept of a Co-operative Council helps to inform choices about priorities, how services can be delivered into the future, and how to achieve a balance between universal and targeted services.

The City Council has been working in partnership with local 'Friends Groups' and other community groups for a long time. The co-operative model is a development of this idea. It requires more community commitment than residents have been used to. This is a challenge to the Council, its staff, and local residents. But if Sheffield is to take back control from the stranglehold which private contractors have and become community led, this challenge must be met.

Other local authorities have made some real progress in this direction and their achievements can be an inspiration to Sheffield. Co-operation is all about mutual learning and teaching. Councils and all the co-operatives and community groups make up a co-operative commonwealth which has a collective wealth of experience. This is something which, if shared, can benefit all.

## **BANKING ON CO-OPERATION**

The Co-operative Bank, established in 1872, is among Britain's oldest banks. This year it could be completely sold to the private sector. How did this happen?

Under the ownership of the co-operative movement, The Co-operative Bank weathered the recent economic crash while some banks only survived with massive government intervention. Then came a disastrous merger with Britannia Building Society, new tighter regulations revealing a series of failings, and a drug scandal. By 2013 it was in meltdown, and a majority of the bank was bought out by hedge funds. Many customers lost trust, leaving in large numbers.

Making matters worse, protests erupted in 2015 when it began closing the accounts of Cuban, Palestinian and Nicaraguan-linked solidarity groups, citing regulations on money laundering and 'high risk' countries. But supporters saw a pattern behind the closures; anti-socialist influences from US financiers. Small volunteer-run groups were given short notice to rearrange their banking (often involving many standing orders), resulting in lost revenue, time and trust. Organisations affected included severally locally, such as Sheffield Palestine Women's Scholarship Fund, a registered charity supporting 43 women in their studies in Gaza. Sir Stephen Bubb, of the Association of Chief Executives of Voluntary Organisations, called it a 'ludicrous way to treat charities."

The move had followed the hiring of David Bagley, former senior compliance officer at HSBC. He had resigned following revelations that HSBC had laundered money for Mexican drug cartels. He arrived in post with a 'risk-averse' approach. In a letter to the Cuba Solidarity Campaign (CSC) the bank's Chief Executive, Niall Booker admitted their account closure was due to 'risk' arising from trade sanctions by the US Treasury Department's Office of Foreign Assets Control (OFAC). Bowing to US extraterritorial legislation is arguably illegal under British and EU trade protection laws. The CSC and the All Party Parliamentary Group on Cuba appealed to the UK government, but the accounts remained closed.

Assessments to ensure account-holers don't fund terrorism aren't based on numbers; ultimately someone makes a judgment. An independent report commissioned later by Amnesty International described how the bank failed to meet its own Ethical Policy commitments (not least development and supporting reduction of poverty in developing countries), concluding that the process followed was 'chaotic', with 'risk appetite' and 'global regulations' cited as key factors in the decision-making. Protest group Save Our Bank believes that there was no political intent behind the closures, and that the bank is still worth fighting for, thanks to the remaining tiny Co-operative Group stake and its ethical commitments. CEO Niall Booker has promised to retain previous ethical commitments, and they have been strengthened, not diluted, in recent years.

Following a survey that showed major customer support for the bank's ethical approach, it also cut investment in irresponsible gambling, payday loans, and companies that don't pay tax responsibly. But it is notable that there are now more ethical providers around. Current accounts are now offered by Triodos Bank and some credit unions. Move Your Money gave The Co-operative Bank an ethical score of just 51 out of 100, critical of the majority ownership in the hands of hedge funds.

Even if The Co-operative Bank is ethical, is it still allowed to keep the name, being 99% privately owned? Under UK law, the answer is yes, but it's complicated. The Government's 2013 Red Tape Challenge included a consultation on permitted words in business names, and avoiding misrepresentation. The Depart-



FOR OVER A HUNDRED YEARS, THE CO-OPERATIVE BANK HAS SERVED THE CO-OPERATIVE MOVEMENT. BUT WHAT HAPPENS NEXT?

ment for Business, Innovation and Skills (BIS) had been proposing to cut back on protections, but thankfully the names 'co-operative' and 'mutual' were retained on the list of protected terms, after a strong response by vigilant co-operators. (Incidentally the word 'Sheffield' also stays on the list, quite rightly!) However, co-operative is only a restricted word at the point of company registration, or if used misleadingly to harm the public. Buying out a co-operative and keeping the name is a loophole in the law.

To make it worse, Britain has no precise legal definition of co-operatives, unlike elsewhere. Instead there are multiple legal formats, with new variations often developed. There's global agreement that all must conform to the co-operative principles of the International Co-operative Alliance (ICA). This definition includes joint ownership and democratic control. Neither of these apply to The Co-operative Bank. Co-operatives UK and the ICA had to draft special guidelines to

argue that non-co-ops can legitimately use the c-word, providing they satisfy certain criteria. These include requirements to 'exist in order to to discredit the co-operative business model' nor 'mislead others as to whether the organisation promote co-operative activity, 'operate in line with co-operative values, and not discredit the co-operative business model' nor 'mislead others as to whether the organisation organisation itself is in fact a co-operative'.

However, giving the name 'co-operative' to a certain kind of group-working, started in the 19th century. For nearly two centuries, in good times and bad. The Co-operative Bank's majority shareholders however, are trading on heritage; dropping the good-sounding name would have lost them customers. But to keep it, they must also support the movement. Hence they are doing so; Booker announced a £1m fund for Co-operatives UK to support co-op development in the UK over three years. This is a signif icant amount, and it would be cynical to point out that he has spoken of creating 'trustworthy, inclusive capitalism' rather

than, say, co-operative commonwealth.

The Customer Union for Ethical
Banking has invited the Co-operative Group to help with the creation of a new, customer owned, democratic stake in The Co-operative Bank. This is a long shot. Indeed it may have been better for the co-op movement if the bank been completely sold originally because since the hedge funds entered, disastrous bank results have turned the Co-operative Group's profits to losses; it has written off the value of its 20% stake. Here in Sheffield we've seen Sunwin House close, the Pinstone Street store sold to Budgens, and their huge Angel Street department store is largely unused, awaiting redevelopment. As a whole, the UK co-operative economy is in good health; its turnover is around £34bn per annum, and membership of co-ops last year rose 15% to 17.5 million people. The problem under discussion is The Co-operative Bank and the finance industry.

As commentator Ian Snaith points out, the UK has a very London-centric finance sector. The wealthy south-east seems like a different economy, almost a different country, compared with places like Sheffield. Like a sponge it sucks in profits. It loves mergers and acquisitions, particular specialties of the Anglo-American approach to capitalism, valuing bigger as always better and placing the financial bottom line above social, cultural or environmental needs. As a result we're mostly customers of 'national' banks which are part of multinationals. This is not the same in many countries, where small, local banks are common, to the benefit of regional economies. Co-operative banks feature strongly among these, Europe's alone having 159 million customers.

There are voices calling for 'real' regional co-operative banks. They would exist alongside other mutual financial organisations, the credit unions and those building societies which resisted the Thatcherite temptation to convert to banks. There are interesting times ahead. Perhaps soon we will lose The Co-operative Bank, but instead Sheffield might have a co-operative bank?

## CO-OPERATIVES AND THE INTERNET

The internet is so much part of life that many people are 'digital natives' in a world that didn't exist for the previous generation. It influences the way we think, learn, earn, spend, organise and

Fantastic technologies expected since the early days of sci-fi are now arriving; holograms, videophones, talking com-puters, robotic surgery and much more. But the early optimistic visions of the internet bringing a democratic utopia were shattered – from the first computer virus, through the 'Millenium Bug' years. Then came the mixed blessings of social media and mobile apps, and the shocking revelations from Edward Snowden and others about US/UK spy technologies inserted deeply into the internet from its inception.

The disturbing reality of mass surveillance has arrived, and Microsoft, Google and Facebook are involved. They are so massively powerful that it's hard not to use their services, but there are alternatives. The free/libre open source software (FLOSS) movement continues to grow. It does so in a different way from

for-profit (capitalist) methods.

It's more co-operative. Instead of copy righting their creations, software developers deliberately make their computer code transparent and free for others to use, adapt or improve. This overcomes



various vulnerabilities, such as hidden viruses, 'backdoors', or the collapse of the company supporting it. Many open source programs work fine for millions of satisfied users.

Examples include WordPress website

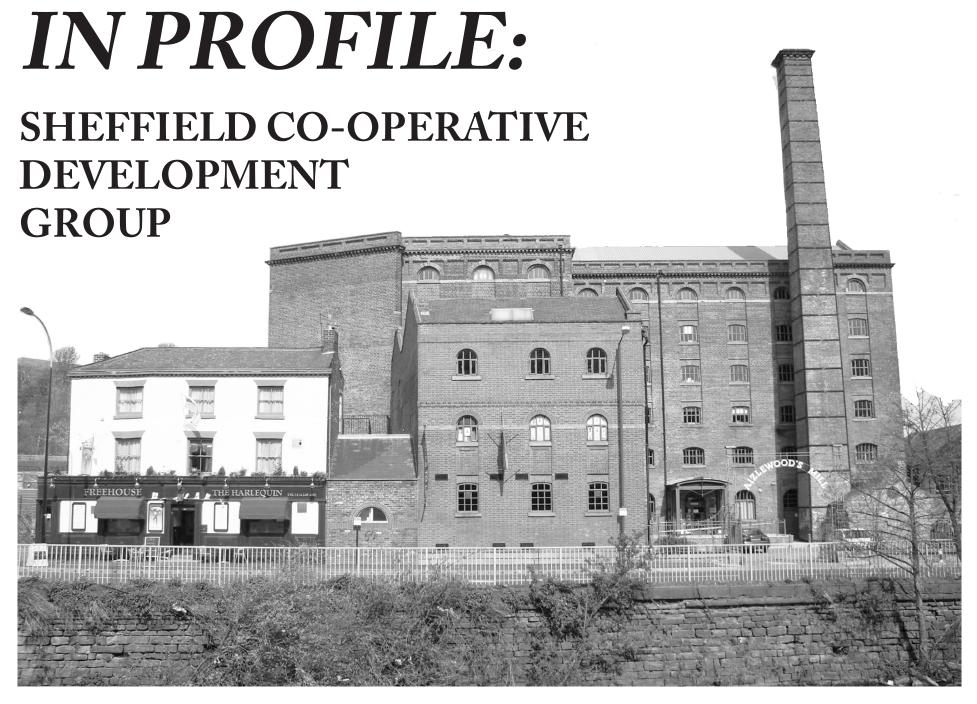
software, and Linux operating systems as an alternative to Windows.

Everyone would like perfect software and social media which doesn't operate by spying on them, but perhaps we need a re-think. High tech inventions cannot solve all problems, but people co-operating together often can. For example, co-operatively produced software called Loomio is helping groups to work more effectively together, and it's gaining ground by recommendation. It's been around since 2012, and grew out of the decision-making processes of the Occu-py movement. A free-to-start Loomio group offers secure space to have discussions away from the craziness of social media. It archives discussions, and allows for online voting. It's simple to use, and it simply works. What's more it's open source software, made by a worker-owned cooperative social enterprise in New Zealand.

Closer to home, Co-operative Technologists (coops.tech) is a new networks of dozens of UK tech worker co-ops. This came together in late 2016 at Wortley Hall, 'the workers' stately home' and includes Sheffield-based Webarchitects. Creating a fairer world includes the technical side, and they say that worker co-operatives make 'better workplaces, better suppliers and better digital products'. What's more, there are no private shareholders extracting profit or directing operations. It's a great example of co-operation between co-operatives, and it welcomes new members and customer enquiries. Hopefully there will be many co-operatively produced developments in computing and the internet over future years. Perhaps the future of technology is open source and co-operative?. - JONATHAN COOK

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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
- The two city co-operative societies (now amalgamated into the Co-operative Group).

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. SCDG was born out of the national movement.

The SCDG Mission Statement declared that the purpose of the organisation was to promote the development of co-operatives and other enterprises which offer people opportunities to increase their control over their working lives. It aimed 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.

Sheffield Today reported in 1981 that its services would provide "general information on forming a cooperative; 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 30th January 1981 and 29th May 1981 SCDG organised five public meetings where the following matters were discussed: Financing a New Co-operative; Starting an Industrial Cooperative; Co-operative and Municipal Housing; Inventors and Innovators' Co-operatives; Community Co-operatives

The SCDG was originally 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 worker co-ops

and to encourage the development of new worker 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 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.

man 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-op-

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.

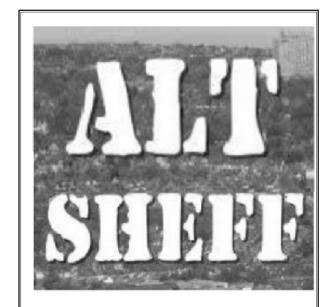
In 1990 when Aizlewood's Mill opened, there were 35 co-operatives in membership. There are now 10, two of which are not co-operatives (Sheffield City Council and the Co-operative Bank), and currently more seats on the Board than there are members. Now is the time for cooperatives to join SCDG and to take an active part in ensuring that it continues to support the cooperative sector into the future. Membership is now available upon completion of an application form and the payment of a £1 registration fee.

# SHEFFIELD GOPERATOR

This edition of the Sheffield Co-operator was created by Principle5 - The Yorkshire Co-operative Resource Centre on behalf of the Sheffield Co-operative Party.

For inquiries, letters and other correspondence please email: sheffieldcooperator@gmail.com

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#### **BOOK REVIEWS**



The year 2012 was the United Nations International Year of the Co-operative, and in celebration the Manchester based political cartoonist and activist Polyp released The Co-operative Revolution, a four-chapter volume which charts the history of the co-operative movement from its founding in Rochdale to the present day.

Though Polyp begins with the story of the Rochdale Pioneers, the Co-operative Revolution tells a much broader celebration of co-operatives and co-operation. The story of the industrial workers who overcame much obstruction to start their own shop is told sympathetically and highlights just how radical their undertaking was.

The rest of the volume focuses on contemporary co-operatives from around the world – from Co-op City in New York, home to 60,000 residents and its own police force, to FC Barcelona, one of the most successful football clubs in the world that is owned by 180,000 members, and even the co-operative re-

ationships between organisms in nature. The latter section is particularly persuasive – altruism is apparent in nature, yet so much of our contemporary politics focuses on individualism.

Discussing this point in a 2013 interview, Polyp explained:

"One of the issues we try to tackle in the book is how profoundly mistood and underestimated co-operation within nature is. In the second edition of 'The Selfish Gene' Dawkins himself talks about how the concept of genetic 'selfishness' has been distorted and misinterpreted. His book openly acknowledges that co-operation is a common, ubiquitous and successful evolutionary strategy, and simply seeks to explain how that's possible, given that nature is amoral. It doesn't anywhere say selfish behaviour is therefore fixed or inevitable in people- quite the opposite...And of course the historical section narrates the story of the human co-operative movement itself, also underestimated for its influence and ubiquitousness."

The last of the four sections returns to Rochdale, at some point in the future, as the employees of Rochdale Aerotech, a parachute co-operative who have been contracted by NASA to provide parachutes for a manned mission to Mars gather at the Weavers' Arms - where the original Rochdale Co-op meetings were held - to watch the landing.

The Co-operative Revolution is not a wholly cohesive project, yet it provides an engaging argument for the co-operative movement and its benefits, and is increasingly relevant considering that more and more people are attempting to create more sustainable business models. It is highly recommended.

-CHRĬSTOPHER OLEWICZ





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