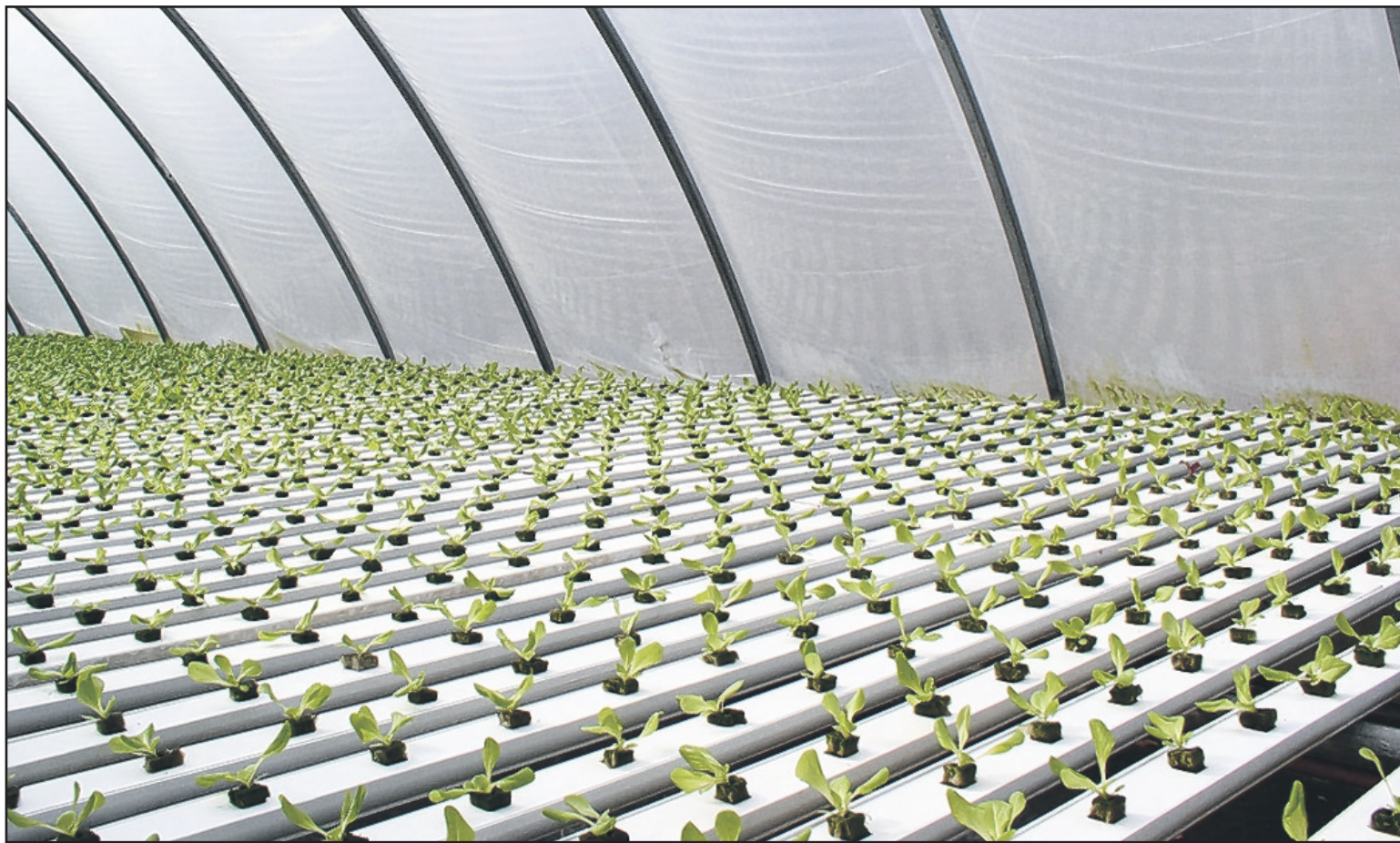


focus co-operatives



SEEDS OF CHANGE: Lettuces in a giant greenhouse run by the Green City Growers, a co-operative set up in the US city of Cleveland

Working together

As Britain prepares to celebrate the success of its co-operative businesses next week, **DAVID COATES** looks to Lancashire.

BUSINESSES where shareholders, workers and bosses genuinely share in the benefits of success are few and far between.

Indeed, it is difficult to believe it is possible for more than a handful of such co-operative businesses to survive in a single place.

Not so, says Matthew Brown, the cabinet member of Preston Council who believes the city can become one of Britain's first co-operative cities.

He is pulling together a meeting of the city council alongside other public sector heavyweights including Lancashire County Council, the University of Central Lancashire (UCLan) and health trusts to try and find a way forward.

He says: "We have seen it in places like Mondragon, in the Basque region of Spain, where co-operatives and worker-owned businesses have a big part to play in the local economy.

"It is our mission to make Preston a co-operative city and there has probably never been a better time to do it than during a recession where people are seeking a different way to do business."

Next week, Ted Howard, a pioneer of co-operatives in the United States, is heading to Lancashire to spread his message.

He successfully brought together institutions like councils, universi-

ties, hospitals and used their collective purchasing power to help set up a string of co-operatives in Cleveland, Ohio.

The Evergreen Co-operative body this move set up has created a solar panel installation business, a laundry firm and a massive urban food-growing project featuring a 230,000 sq ft greenhouse in the city, and estimates it will create 10 co-operatives employing 500 people.

Coun Brown says: "It is about positive procurement, using the things these 'anchor institutions' buy to support the co-operatives which are tailored to supporting them.

"In Mondragon they have a network of these co-operatives which all work together to support each other."

Yet, can co-operatives in the UK genuinely employ large numbers of people in Britain and yet remain true to the principles upon which their business model is founded.

The North West-based Co-operative Group, which employs in excess of 120,000 people in its businesses ranging from funerals to food shops, and department store giant, John Lewis, are examples of where it works.

Simon Plunkett, the regional secretary for the Co-operative, believes it is no coincidence it has 60,000 members in Lancashire, a heartland of support for the movement dating back generations.



DIRECTOR: Simon Plunkett

“People are crying out for something different and there has never been a better time to change

The group's Enterprise Hub, set up to support the creation of co-operatives nationwide, has also helped 955 businesses get started in its first two years, including one at Bamber Bridge FC and energy firm, Whalley Community Renewables in east Lancashire, providing generous funding arrangements, training and support.

Mr Plunkett says: "There has defi-

nately been more demand in recent years; I think people are looking for something different and see co-operatives as a way which works.

"For us, the way a co-operative works has been in our DNA, but now a lot more people are seeing what we have seen for a long time.

"The Government is talking about them, the United Nations has designated 2012 the International Year of Co-operatives, everyone is recognising the potential."

Matthew Brown hopes Ted Howard's visit to Preston this week can be just the start of something for the city.

The Labour councillor, who recently put forward the notion of creating the city's own currency to bring a boost to his high street, believes it needs to think more radically about change.

He says: "I think it is as much about bring democracy into every part of how we live our lives as it is about creating jobs and investment.

"We get to vote every five years, but I believe democracy needs to be more radical, people need to take ownership of where they live and where they work.

"People are crying out for something different and there has never been a better time to change.

"Ted Howard's visit can show us the road we can go on if we choose to, but it is up to other people to make sure we take that particular route."

The lecture with Ted Howard will be speaking at the Greenbank lecture theatre at the UCLan next Tuesday, October 30 from 4pm.

For further details or to book a place at the lecture, email alee@preston.gov.uk.

opinion Gordon Marsden



Time to get a grip of funds - and of reality

LAST Friday saw the announcement of successful bidders to the third round of the Regional Growth Fund. Yet the coverage was not entirely positive with the highly critical reports from the Commons Public Accounts Committee and the National Audit Office being highlighted.

Indeed, the Deputy Prime Minister, Nick Clegg, continues to trumpet jobs figures despite these reports finding them highly questionable. In Lancashire, despite the welcome support for Kilgour Metal Treatments Limited, we have seen major shortcomings of a scheme that is called 'regional', yet is micro-managed by Whitehall.

Not a penny has been given directly to my constituency of Blackpool with Lancashire also faring badly in comparison to other parts.

Businesses don't just desperately need this Government funding, they need it to come through quickly.

The Department for Business, Innovation and Skills (BIS) was clearly unprepared for running the fund, leading to 'winners' from the first round waiting more than a year-and-a-half for their money.

Even now, the Government is still unable to say when all bidders from previous rounds will receive their money, they even admitted they may not finish the process until 2014.

These delays are totally unacceptable for hard pressed businesses – it could explain why some of the 24 bidders from the first two rounds have since withdrawn from the fund.

I have been pressing Ministers on whether their delays had caused these projects to fall through but they refused to answer my questions so far and intend to continue doing so.

As the Deputy Prime Minister well knows, the influential Commons Public Accounts Committee and the NAO have both criticised his much vaunted job creation figures.

It remains the case that despite us repeatedly asking them to change it, SMEs are still restricted by the £1million minimum threshold for direct bids.

It is clear ministers need to get a grip of the growth fund urgently to address these major issues.

But given the lack of support offered to Lancashire from the fund, Ministers must do support growth across Lancashire given the pressure our region is facing as a result of the recession their policies helped bring about.

Gordon Marsden is MP for Blackpool South and Shadow Regional Growth minister.