

ROCHDALE STRONGER TOGETHER TRANSFORMING ROCHDALE

*A co-operative Anchor Institution based approach
to Community Wealth Building
in Rochdale Borough*



*“Doing the right thing for people”
“Creating local wealth in the economy”
“Making people feel good”
“Using the skills that we have in Rochdale”*

***Submission to the Greater Manchester
Co-operative Commission***

- July 2019 -

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Rochdale Stronger Together
Submission to the Greater Manchester Co-operative Commission

Rochdale Stronger Together is an ambitious whole community approach to transform Rochdale Borough by bringing residents, local institutions and communities businesses together to forge a good local economy and spread community wealth. That means creating local business development through driving investment in jobs that people want, communities where people want to live and opportunities for young people to aspire and achieve.

It's all about business development – incubating the grassroots of one's local economy to develop an inclusive ecosystem.....

BACKGROUND

1. The Problem

- a) Rochdale has struggled to recover from deindustrialisation and so is amongst the districts in Greater Manchester (GM) with the most to gain from a flourishing co-operative sector. However to understand the enablers and barriers for co-operative growth it is first worth considering the challenging environment in which they must operate.
- b) In the Borough of Rochdale¹:
 - 12% of 16 – 64 year olds have no qualifications,
 - an employee makes on average £114 less a week than the national average,
 - there are 6 jobs for every 10 people, compared to 9 for every 10 nationwide,
 - over one in five children live in low income households,
 - over half the 31 health indicators measured by [Public Health England in 2018](#) performed significantly worse than the England average.
- c) A further constraint is the substantial budget cuts faced by the local authority and other public service providers in recent years, leading to reduced services and funding gaps.
- d) An important step in understanding the barriers to co-operative growth is recognising that as businesses, co-operatives face many of the challenges also facing companies.
- e) Communities are highly complex interconnected social systems; ecosystems. This reality is clearly reflected in the GM Prosperity Review which links skills, economic growth and health as well as the GM Population Health Plan which identifies good work as beneficial for health. Additional factors are the complexities of supply and demand, value-chains, social influence and many more. So when looking to remove barriers to economic and co-operative growth, no one factor can be taken in isolation.
- f) Complicating matters further is the legacy of flawed economic models based on the theory of the trickle-down effect (or Neo-Classical Growth Theory). A 2010 UK Government paper entitled *Understanding Local Growth* recognised that even with fully functioning markets,

¹ First four statistics taken from the [NOMIS Official Labour Market Statistics - May 2019](#)

there can be an uneven distribution of economic performance, and persistent differences. Too much focus was given to costs and insufficient to people. New improved economic theories which put a much stronger focus on locally managed economic development are still being inconsistently applied and legacy policies, programmes and performance measures continue to dominate prevailing narratives. Many of the economic tools necessary to apply the new emergent theories are in their infancy or non-existent. Without such tools, the book *People Powered Prosperity* suggests the money flowing around a local economy remains hidden, economic opportunity goes unseen and local growth is curtailed.

- g) Taken together, it is easy to see how these issues have stymied economic recovery. At the grassroots, the visible symptoms of this ecosystem failure include:
- Local people who lack self-confidence,
 - A predominating sense of failure,
 - A lack of role models for young people to aspire to,
 - Individuals with insufficient or unsuitable skills,
 - A lack of clear vision or pathways to achieve fulfilling lives.
- h) Whilst companies and co-operatives are equally affected by these issues, a further barrier for co-operatives is their smaller number. This means there is a lack of public awareness about how co-operatives work and how they differ to other types of business. Furthermore it is an easier process to set up a company as a legal structure than a co-operative.
- i) In searching a way out, all of the above issues must be addressed. Furthermore since economic theory now advises greater local level input to drive local economic recovery, local issues have a more prominent role to play and so must be examined in greater detail.

A WAY FORWARD

2. Why Co-operatives?

- a) Since the Rochdale Pioneers opened shop on Toad Lane in 1844, co-operatives have been highly successful in creating shared wealth and well-being. Rather than profit, products or property, co-operatives champion people. Their values and principles are suited to bringing people of all kinds together, to harnessing the human spirit and to overcoming social and economic hardship. Member ownership drives ingenuity, resilience and solidarity.
- b) Rochdale Stronger Together is a *community wealth building* initiative. Community wealth building leverages assets in a community and harnesses them for greater local benefit. Key to doing this are *anchor institutions - large-scale employers, large purchasers of goods and services in the locality and controllers of large areas of land or fixed assets*. Anchors, modelled on secondary co-operatives, have the influence and resources to support social enterprise, grassroots co-operatives and community businesses to grow and residents to become more economically active. By harnessing the collective impact of anchor organisations, Rochdale Stronger Together can deliver step change.

- c) Founding Rochdale Stronger Together on *co-operative community wealth building principles* therefore has well equipped it to take on the challenge of overcoming some of the social and economic problems facing the Borough.

3. The Co-operative Approach

- a) The new narrative is one of local leadership, local information, local vision and local endeavour. Also sometimes referred to as *place-based development*, it requires understanding the strengths and weaknesses within the local economy; a greater emphasis on social capital; engaging with local people and unlocking trapped potential.
- b) New relationships are needed to bring together the people, skills, knowledge, data and impetus – [Network Weaving](#). The goal is to generate an aspirational ecosystem, driven by co-operative relationships, which enable grassroots co-operatives to set up, collaborate and thrive.
- c) Two dimensions need considering to mobilise communities to embrace diversity and behave more cooperatively:
- i. **Community Dimension** - defined by the meso-level activity required to create the conditions for both an inclusive economy and economic growth.
 - Institutional leadership is required to role model and resource co-operative behaviour; extending their influence beyond the currently perceived bounds of core business,
 - Evidence must be gathered and analysed to identify opportunities, establish baselines, build accurate narratives and measure progress,
 - The community must be engaged to identify, educate and enthuse willing participants.
 - ii. **Individual Dimension** - defined by the experiences and pathways that individual people and organisations will follow if they are to increase their community wealth and economic activity.
 - Clearly identifiable pathways must exist for people to follow,
 - Positive examples “precedents” must be created and promoted to raise aspiration,
 - Practical barriers to social-mobility must be identified and removed.
- For change on a meaningful scale, activity must be systematic rather than piecemeal. This is achieved by communities working together towards a common vision. This is the raison d'être of Rochdale Stronger Together.*
- d) **Successful Co-operative Precedents** - Rochdale Stronger Together has based its approach on three successive and successful examples of co-operative community wealth building: The Mondragon Corporation, the Greater University Circle Initiative and the Preston Model.

Comparison of these three precedents exposes that each one:

- i. Operated within clearly defined geographic areas and developed a business ecosystem;
- ii. Instituted new or relied on existing support organisations for smaller businesses. These provided education, training, finance and business support;
- iii. Had similar stakeholder groups: community based organisations, anchor institutions and relatively deprived communities with cash strapped local authorities;
- iv. Had internally driven (locally owned) development models which relied on import replacement and diversification;
- v. Leveraged internal assets and macro-trends to achieve their objectives.

See Appendix A for greater detail on these precedents and the aspects that are relevant to Rochdale Stronger Together.

A full study of the governance models of the above three initiative and Rochdale's Local Care Organisation was undertaken in a [report presented to the Rochdale Stronger Together anchors in July 2017](#).

e) **Other important considerations** - regarding Co-operative approaches:

- i. **Harnessing Local Knowledge** –Access to information in business allows opportunities to be secured and threats to be avoided. This includes: demand for a product or service, local market prices, sources of suppliers and suitably skilled employees, availability of finance and business support services. Such information defines ones ecosystem, enables one to “see” where opportunities lie and helps establish a “vision”. Without it a start-up or business looking to grow faces greater risk and barriers to progress. This drains aspiration.

Large national and international businesses invest in systems to either prise information out of their operating environments or to compensate for its absence. It often however lacks detail or relies on assumptions when it comes to understanding the grassroots of local economies. This can lead to local economies being starved of the products or information they need to succeed; ultimately leading to the stalling of local economic growth.

For communities and co-operatives shared information naturally lies at their heart. Shared information defines a community. Whilst for co-operatives sharing information is explicitly and implicitly at the centre of its principles: democracy, co-operation among cooperatives and education, training and information.

Within communities and co-operatives there are fewer barriers to acquiring information and its granularity, quality and breadth at local level is often far better than that acquired by big business. Access to information has a defining role to play in co-operative ventures.

- ii. **Delivering Social Value** – The Social Value Act 2012 beckoned in a period of discovery to understand: precisely what constitutes social value, how to measure it and how to encapsulate it within contractual agreements. Commercially available tools help with measuring social value, however fundamentally social value is determined by the needs

of a particular place. To ascertain what constitutes social value therefore, one needs local information. Furthermore as discussed earlier, socio-economic challenges are interconnected. Therefore, uncoordinated attempts to deliver social value will have less impact than if delivered as part of a co-ordinated movement towards a healthy local economic ecosystem. Rochdale Stronger Together seeks to provide both the tools to understand and measure Social Value and the organisation by which to deliver it.

- iii. **Building a Network** - One of Mondragon's strengths has been developing an economically integrated network of cooperatives rather than a single cooperative. In a market based economy the cooperative business form suffers from several strategic challenges when operating independently. One worker cooperative on its own is most likely doomed to fail in a highly competitive global economy. However, an ecosystem of several cooperatives and support organisations can create an infrastructure that leads to sustained growth and expansion. In Mondragon the network is composed of: worker cooperatives, support organisations (organised as secondary cooperatives), and a central leadership institution. Support organisations, or secondary cooperatives, cover finance, business development, education and training, and research and development.

As a network, a local economy is better placed to form agglomerations and clusters with higher complexity, relatedness and diversification. This improves chances for higher earnings and economic growth potential (page 56 - [GM Prosperity Review 2019](#)). In reality, building a network gives multiple co-operatives the competitive/economic advantage equivalent to a large regional or national company.

- f) **Six steps to build community wealth** - All of the above is coherently set out in the Co-operative Party's guide "[Six Steps to Build Community Wealth](#)" published in June 2017. Briefly these are:
- i. **Co-operative political leadership** – Local representatives, councils and devolved authorities playing a leading role in locating decision-making and economic regeneration as close as possible to those affected; being at the forefront of turning ideas into action,
 - ii. **Anchor Institutions** - place-based institutions playing a key role in building and benefiting from, thriving local economies. Includes hospitals, universities, religious institutions and sports clubs,
 - iii. **Progressive procurement** - Harnessing the power of the public pound, local authorities (and public service institutions) can keep money circulating locally to regenerate their region,
 - iv. **Co-operative Development** – The local authority, working with anchor institutions, should play a significant role in developing new worker co-operatives to deliver goods and services to the anchor institutions. This includes employee-owned business, local co-operatives, and other community based businesses.
 - v. **Local Investment** – Investment to provide start-up capital and loans needed to grow the local co-operative and social economy. This includes community banks, credit unions and other social investment,

- vi. **Assets and Services working for the community** – Tackling unfair practices so that everyone benefits from the community wealth building approach. Local assets such as energy and housing are owned by, and delivered in the interests of the community.

4. Rochdale Stronger Together

- a) Rochdale Stronger Together looks to fulfil *all* of the above. Addressing the Community and Individual dimensions, its vision aligns with the *Six Steps to Build Community Wealth* guide. It works to build social capital, create more locally produced goods and services, and share community wealth.
- b) **Achievements** – Rochdale Stronger Together, since its launch in 2016 by the Rochdale Borough Social Enterprise and Co-operative Group, has:
- i. Brought together eight key public service organisations - operating within Rochdale Borough. They fulfil the role of secondary co-operatives:
- Link4Life
 - Rochdale Sixth Form College
 - Hopwood Hall
 - Heywood Middleton & Rochdale CCG
 - Northern Care Alliance
 - RBH
 - Rochdale Borough Council
 - STAR Procurement

Representing community groups and members are:

- Action Together
 - Rochdale Borough Social Enterprise & Co-operative Forum
- ii. **Established a Leadership Group of Senior Partner Representatives** – with formal governance arrangements. This ensures Rochdale Stronger Together is sustainable, effective and remains true to its values. It ensures partners are accountable to each other as well as the community.
- Not only are large institutions typically risk averse, but in Rochdale presently are facing extremely challenging financial conditions. So this achievement should not be underestimated. *It has provided a unique opportunity for co-operative working across Rochdale Borough.*
- Anchor leaders report having gained insight into local economic development, social value, good work and local procurement which would not have been possible without involvement in Rochdale Stronger Together. The heightened awareness is then radiated back into and across their organisations, enabling a powerful multiplier effect.
- iii. **Adopting the International Co-operative Alliance values & principles, & the signing of a pledge** - to act as anchors by seeking and enabling economic opportunities for economically disadvantaged residents and communities. This grounds the initiative in co-operative values and principles.
- iv. **Established the first two of four Operational Workstreams** - with representation from anchor partners and community representatives. These are Buy Local and Learn and Hire Local with Connect Local and Live Local to follow. As well as directing focussed operational work, the groups provide a means to start weaving together the networks

necessary for co-ordinated and collaborative working across the Borough. Community members can join anchor members on workstreams whilst ad hoc groups and committees can be formed as necessary as new opportunities emerge.

- **Buy Local** - focusses on: increasing spend with local suppliers, sharing local market information, developing an informed and joined up approach to delivering social value, supporting local suppliers to be more competitive and productive. Where gaps in the local market are identified there is scope for gap co-operatives to be established.
 - **Learn & Hire Local** - focusses on: increasing the number of local people employed by anchors, looking for ways to ensure local people have the skills they need to gain purposeful employment, working towards being real Living Wage accredited, supporting GM programmes such as Bridge GM, developing and spreading practices that are regarded as part of “Good Work”.
- v. **Completed the Understanding Rochdale’s Local Economy project** - with MBA students from Alliance Manchester Business School to understand the flows of goods and services into and out of the Borough. The project identified £373M of construction related goods and services being imported into the Borough annually. This represents a huge opportunity for local suppliers. Evidence from Preston indicates for every £1M repatriated, 21 new jobs are created or secured. That suggests the potential for creating up to 7,000 new jobs in Rochdale in the construction industry alone. It is hoped the methodology can now be applied to the other sectors within the economy.
- vi. **High Level Audit of spend of Anchors** – helps anchor organisations to understand how much of their spending is with local suppliers, and how much of it is leaking out of the local economy. So far RST anchors (excluding the health sector) have a combined spend of £203M. Only a quarter of that is currently being spent within the Borough. That means a possible additional £152M could be redirected and spent with local suppliers. Again opening the potential to create up to another 3,000 jobs in local businesses. Shared principals have been developed to help drive local spending where possible.
- vii. **Audit of Anchor Employees** – established the number of local residents employed by anchors. With a baseline in place, the aim is to increase the percentage for each partner year on year. Shared practices are also in development to increase the number of local residents employed by anchors.
- c) **Aligned Strategies, Policies and Think Tanks** - Rochdale Stronger Together’s approach, creating a co-operative ecosystem which incubates the Borough’s social and economic grassroots, is closely in alignment with national, regional and local strategies and policies. Further detail of alignment is at Appendix B.
- d) **Stakeholder Endorsements** – Accompanying this written submission is a [9 minute video](#) where key local, regional, national and international partners have shared why Rochdale Stronger Together is important to them. Like Rochdale Stronger Together, they want to see communities benefit from good local economies where residents have access to good opportunities and shared community wealth. See Appendix C for a list of contributors who endorse Rochdale Stronger Together.

VISION

5. Next Steps

Below are some of the key goals Rochdale Stronger Together is looking to deliver in the next two years:

- a) **Researching, designing and agreeing the Pioneers' Business Pathway and People Pathway** - For businesses a comprehensive, seamless pathway bringing together the support, knowledge & experience local community businesses / entrepreneurs need to set up and scale. For the People's Pathway, this means to help residents go from being economically excluded all the way to employed in high skills jobs or a co-operative entrepreneur – the goal is a tailored approach for every step of the way.
- b) **Continuing to build a detailed understanding of the Borough's local economy** - This means understanding the strengths, weaknesses, opportunities and threats to the local economy and will include acting on the recommendations identified in the Understanding Rochdale's Local Economy final report
- c) **Completing the Audit of Spend for all Anchors** - To establish a detailed understanding of how much money is staying in and how much is leaking out of the local economy. Action can then be taken to reduce money leaking out of the Borough.
- d) **Establishing the number of local residents employed by anchors and then adopting practices to increase the number** - This will include assessing the number at each pay grade and the combined salaries. Alongside this, work will continue to encourage local employers to become real [Living Wage Accredited](#) and to support the [GMCA Bridge GM](#) programme to connect industry and the world of work with the education of young people.
- e) **Produce a communications strategy and stakeholder engagement plan** - To ensure Rochdale Stronger Together is connected with the views, needs and strengths of the Borough's residents as well as ensuring key individuals are in the know so that maximum support is generated for the initiative.
- f) **Creating Gap Co-operatives** – These will be established to fill gaps in the local market for goods and services but only where a clear demand for the product has been identified or can be created through the redirection of anchor spend or other flows of goods, services and money into and out of the Borough. Gap co-operatives will benefit from the support available through the Pioneer Pathways as well as the overall supportive ecosystem created by anchors. Early opportunities have been identified in the solar community energy sector, food growing sector and adult social care sector (along [Buurtzorg principles](#)).
- g) **Explore options to help Rochdale Borough make a bigger contribution to the Northern Powerhouse** - This exciting agenda to raise productivity in the North of England and to put it on par with London and the South East offers fantastic opportunities for northern communities to draw on their industrial heritage, re-invent and create more prosperous futures for themselves. Rochdale Borough is no exception. Rochdale Stronger Together wants to explore what the Borough could look like in 2050 and understand what it can do now to help that positive, confident and successful future become a reality.

- h) **Organic Growth** – Community wealth building is about identifying potential within the community and then aligning the necessary support for it to grow and succeed. As environmental conditions continually evolve opportunities emerge at short notice whilst others become unviable or are set on the back burner. So Rochdale Stronger Together maintains a flexible approach to its programme plan. When compared with more typical detailed and costed business plans, this can appear unconventional. For Rochdale Stronger Together it means remaining agile and ready to pounce on a new opportunity as it arises.
- i) **Adopt a Sustainable Business Model** – Advice from the Business Growth Hub is for Rochdale Stronger Together to become incorporated. This would likely be as a Community Benefit Society with anchor partners contributing membership fees to sustainably fund the programme running costs. The model is comparable to that of a secondary co-operative with organisational members. Incorporation will also help with attracting external funding.

Individual projects costs will continue to be funded through pivoting existing funding streams, existing community assets, community shares/crowdfunding and funding/resources secured from external organisations. The latter includes charitable institutions, national/regional government and universities.

6. Challenges

Rochdale Stronger Together has achieved all the above as an advisory partnership. To continue to achieve its goals and address the challenges set out below it needs to transform in to a full-time place-based programme. Challenges include:

- Bringing multiple senior leaders together,
- High Quality reporting that builds confidence,
- Public relations,
- Harnessing other motivated resources,
- Communications,
- Building Trust – getting partners to commit,
- Limited programme capacity,
- Securing contributions for more time.

7. Rochdale Borough: Interests and Risk Management

Whatever activity organisations get up to within a Borough, it is the Local Authority that retains the democratic and statutory duties to safeguard the interests of local people. It is vital that a community wealth building initiative aligns with the aims and objectives of the local authority without jeopardising other work. Appendix D – shows a strong alignment between Rochdale Stronger Together and Rochdale Borough Council's (RBC's) interests. It also shows how possible risks are avoided and in many cases turned on their head to become opportunities.

8. Support from the Greater Manchester Co-operative Commission

Transitioning to the new economic way and supporting place-based community wealth building is difficult and requires a leap of faith; particularly given the pressure on organisations caused by levels of austerity in the region. The GM Co-operative Commission can play a vital role in supporting co-operative business development by:

- Supporting locally identified leaders so they have the time to champion and drive community wealth building activity in their community,
- Advocating for programmes such as Rochdale Stronger Together to encourage partners to engage,
- Offering senior level mentoring to help local programmes on their mission of trust building,
- Providing a menu of Greater Manchester resources and institutions available to offer support,
- Offering invitations to relevant networking events.

The Commission can give these supportive messages of transformation:

- *“Doing the right thing for people,”*
- *“Creating local wealth in the economy,”*
- *“Making people feel good,”*
- *“Using the skills that we have in Rochdale.”*

Most of all the Commission is asked to recommend a focus on funding place-based initiatives such as Rochdale Stronger Together so that they can become full-time programmes that incubate ecosystems that enable local cooperative business development to succeed.

Appendices:

A – Rochdale Stronger Together’s Co-operative Precedents

B - National, Regional & Local Policies & Think Tanks aligned with Rochdale Stronger Together

C – List of Partners included in Rochdale Stronger Together video submission to GM Co-operative Submission

D – Rochdale Borough: Interests and Risk Management

E – Bibliography

Appendix A - Rochdale Stronger Together's Co-operative Precedents

Rochdale Stronger Together has based its approach on three successive and successful examples of co-operative community wealth building. These are briefly set out below:

Mondragon - is a corporation and federation of worker cooperatives based in the Basque region of Spain. Founded in the town of Mondragon in 1956 by graduates of a local technical college, it first produced basic paraffin heaters.

From there new co-ops started up and purposely diversified into a variety of sectors. Secondary co-operatives which supported the primary producing co-ops were then established until there was an economically integrated eco-system of co-operatives.

Now Mondragon has £33.3 million euros of assets; employs over 85,000 people; has a network of 256 industrial, retail, finance, educational and R&D firms; owns a bank which in 2011 handled 18.6 billion euros and operates in eighteen countries across the World.

That area of Spain now has the lowest rates of inequality and unemployment and the highest level of investment in research and design. Employees have a stake in their workplace and the maximum pay ratio is 6 to 1.

Greater University Circle Initiative (GUCI) - In 2004 – 2006 the Cleveland Foundation convened with leaders of Anchor Institutions from within the Greater University Circle. Under guidance from *the Democracy Collaborative* and inspired by Mondragon, they forged a vision to transform the local economy of 6 deprived neighbourhoods in the vicinity by creating good jobs, sustainable work and increasing local prosperity. The aim was the development of a diverse network of firms that can share services and abide by mutual governance and operational agreements. It will likely take many years to build the network infrastructure of secondary cooperatives, spinoff firms, and cooperative groups as in Mondragon. In the meantime, the **Evergreen network** of Co-operatives relies on support from non-profits (public institutions) to deal with coordination, governance, finance, business development, and workforce training.

The GUCI and Evergreen Co-operatives have become a global innovation model for creating more sustainable regional economies.

The Preston Model – In 2011 the Preston City Council had a long list of pressing issues to address, but in the wake of austerity with an ever-reducing resource base they were faced with the need to think and act creatively. With support from the think tank **CLES**, six anchor organisations were engaged to get them thinking about stimulating the local economy through procurement and co-op creation. The anchors agreed to audit their combined procurement spend of over £1bn. This identified that only 5% was being spent in Preston and 39% in Lancashire. Within the following two years, the City Council alone was able to double its local procurement spend from 14% to 28%.

Additionally a co-operative network has been set up to transform existing social networks into co-operatives, but also to identify the scope for 'gap' co-operatives which could be purposely set up to supply goods and services where there are discernible gaps in local provision.

The benefits of these changes are already being felt and in 2016 Preston was named best city to live and work in North-West England and in 2018 was named top of the **Good Growth for Cities index**.

A full study of the governance models of the above three initiative and Rochdale's Local Care Organisation was undertaken in a **report presented to the Rochdale Stronger Together anchors in July 2017**.

Appendix B - National, Regional & Local Policies & Think Tanks aligned with Rochdale Stronger Together

Rochdale Stronger Together's (RST) approach is closely in alignment with the following national, regional and local strategies and policies:

- i. **Six Steps to Community Wealth Building (Co-operative Party)** - RST fully aligns with this very helpful community wealth building guide,
- ii. **GM Prosperity Review (GMCA)** – Most of the reviews recommendations turn on improved governance and co-ordination, making the economy function more effectively as a system, and more effective use of existing resources,
- iii. **GM Model for Reforming Public Services (GMCA)** – RST shares the vision of local anchors working together as one and providing a wrap around, people-centred support – capable of reach right into the heart of communities,
- iv. **GM Population Health Plan (GM Health & Social Care Partnership)** – The strategy identifies the strategic connection that good work is beneficial for health and therefore that targeting good work is a means of reducing demand for health care services,
- v. **NHS Long Term Plan (NHS England)** - Sets out a vision for NHS organisations to act as anchors within their local community. RST provides the perfect vehicle for its health partners, HMR CCG and Northern Care Alliance, to further build on their anchor credentials,
- vi. **Re-inventing Co-operation Review (RBC)** – Numerous findings and recommendations align with the Rochdale Stronger Together approach. These include – unifying and building on existing strengths within the Borough; developing, communicating and delivering a co-operative future with residents and partners; increasing the number of local contracts, local spend and local investment; support behaviour change towards self-responsibility and self-empowerment, working with all Borough leaders and residents to develop as individuals.
- vii. **Good Work: The Taylor Review of Modern Working Practices (HMG)** – RST aligns in that it encourages organisations to adopt the “real” Living Wage and provide employees with a stake in their workplace and continual professional development.
- viii. **Benchmarks of Good Career Guidance (Gatsby Foundation)** – RST supports GM wide programmes such as Bridge GM as well as collaborating to provide high quality volunteering, apprenticeship and traineeship opportunities.
- ix. **UK Industrial Strategy (HMG)** – aligns with RST in that it is centred on successful partnerships and in particular supports locally-driven partnerships with the aim of ensuring decisions are taken as close as possible to the people they affect.

Additionally, the Rochdale Stronger Together approach also aligns with approaches advocated by the following think tanks:

- i. **The Democracy Collaborative** – The organisation behind the Evergreen Co-operatives in Cleveland, USA and the term Community Wealth Building.
- ii. **New Economics Foundation (NEF) & Centre for Local Economic Strategies (CLES)** – both support the democratising and re-empowerment of local economies. CLES in particular specialises in enabling anchors within a community to utilise their influence to deliver local economic development.
- iii. **Living Wage Foundation** – supports good work and good pay.
- iv. **Northern Powerhouse Partnership** – recognises that the North of England has a lot to give but is currently punching below its weight. It supports strong investment in skills and education across the North as well as an ambitious strategy to build on the North's existing strengths.

Appendix C – List of Partners included in Rochdale Stronger Together video submission to GM Co-operative Submission

Accompanying this submission is a [9 minute video](#) where key Rochdale Stronger Together partners have shared why Rochdale Stronger Together is important to them. They all have a common desire for communities to benefit from good local economies where residents have access to good opportunities and shared community wealth.

Contributors include:

- **Ander Etxeberria, Cooperative Dissemination** – Mondragon Corporation
- **Sarah McKinley, Director of European Projects** – The Democracy Collaborative
- **Dr Julian Manley, Chair** - Preston Co-operative Development Network
- **Prof Fiona Devine, Head of School** - Alliance Manchester Business School
- **Neil McInroy, Chief Executive** – Centre for Local Economic Strategies (CLES)
- **Steve Taylor, Chief Officer for Bury & Rochdale** – Northern Care Alliance
- **Deborah Lyon, Director for LCO Development** – Rochdale & Bury Care Organisation
- **Aine Graven, Social Value Co-ordinator** – Rochdale Boroughwide Housing
- **Sharon Drysdale, Graphic Design Tutor** - Hopwood Hall
- **Dr Cilla Ross, Vice Principal** – Co-operative College
- **Gemma Obeng, UK Programmes Manager** - Co-operative College
- **Anna Russell, Graphic Design Student & Brand Design Competition Winner** - Hopwood Hall
- **Richard Tang, Chair** – Zen Internet
- **Jan O’Hara, Associate Consultant** – Centre for Mutual & Employee-owned Business, University of Oxford

Appendix D – Rochdale Borough: Interests and Risk Management

PART A: Alignment with Rochdale Borough Council (RBC) Interests

➤ **Social Economic Recovery**

- RST is a coherent system level model with three successful, high-profile, precedents,
- RST's co-operative approach focusses on supporting and empowering people. This is where Rochdale Borough needs most support,
- RST's anchor partner approach harnesses a much larger section of the population and resources in order to effect change,
- RST Dovetails with the other work being undertaken by RBC:
 - Voluntary & Charitable Sector Alliance (VCSA)
 - Rochdale Ambassadors
 - The Heritage Action Zone
 - Co-operative Council
- A low cost approach for RBC and sustainable over the long-term,
- Focusses on community strengths not needs.

➤ **Co-operative Council**

- RST is through and through a co-operative model,
- RST has support from key co-operative institutions: Co-operative College & Co-operative Party,
- RST requires anchors to act as secondary co-operatives, that support and enable the development of primary co-operatives at grassroots level,
- Key to co-operation is solidarity and co-operating among co-operatives – this aligns with the coming together of anchors and community group representatives in the RST Leadership Group,
- Multiple primary co-operative projects ready to start working on e.g. community energy project, allotment/food growing co-operatives,
- Start-up co-operatives have greater chance of success with the support of anchors.

➤ **Need for strong Political Narrative**

- Opportunity for positive and structured community leadership: enablers rather than fixers,
- Opportunity to facilitate anchors coming together – taking away the barriers to enable meaningful contribution,
- Opportunity to create a much larger and longer lasting change/legacy,
- Pioneering at the forefront of the growing Community Wealth Building movement - based on truly co-operative principles – act as pilot for other boroughs to follow,
- Buy-in already in place locally whilst an excellent way to demonstrate fulfilling the recommendations of: GM Prosperity review, GM Population Health Plan, GM Model for Reforming Public Services.

➤ **Increase Income / Make Savings**

- RST's focus on producing goods & services, enables import replacement, increased exports locally, local economic diversification – this is what fuels the consumer sector,
- Reduce benefits, sickness & crime,
- Increase tax returns/business rates,
- A deeper, longer lasting economic development which grows enriching local supply chains,
- Directly under the control of Rochdale people, not at the mercy of people or organisations choosing to move to Rochdale – better able to co-ordinate resources and reduce risks,
- RST avoids competing with other Boroughs.

PART B: Addressing Possible Risks

➤ Why programme cost isn't a problem

- RST will actually have a positive multiplier effect:
 - RST anchors' human resources all working to common goals
 - Impact of anchors aligning policies – e.g. procurement, recruitment, skills
 - RST is attracting external funding & resources
- The value of the output of the full time Programme Director alone:
 - Audits of spend
 - Public Relations
 - Network and opportunity building
 - Community wealth building expertise
- Other options more expensive:
 - Do it alone
 - Don't do it
 - Consultants

➤ Why Losing Control doesn't present a risk

- Working with Senior Executives with shared interests.
- Guided by co-operative principals,
- Bound together by common vision and goals,
- RBC agencies and stakeholders form the biggest stake in the Leadership Group and have substantial influence in decision making,
- Benefit from the ideas, experience and strengths of others,
- Frees up bandwidth for RBC employees (whilst keeping problems solving local),
- RBC shouldn't be expected to do everything,
- Underpinned by good governance – collective agreements,
- Encourages and role models self-responsibility.

➤ Rather than repeat or replace existing work, RST complements it and enables collaboration

- Brings local public sector leaders on board to help tackle shared social & economic challenges,
- STAR Procurement is using the RST Buy Local workstream to broaden Borough engagement,
- Rochdale VCSA can benefit from working with RST to bridge sectors,
- RST partnership offers a scale opportunity for RBC to substantially increase its influence and impact,
- Enables RBC to improve connections with the broader community.

➤ Others plans in place

- Have the other plans succeeded in delivering large scale change?
- Does their vision align with RST's and if so would collaboration not make all parties stronger?
- Is there anything stopping all parties working more closely & effectively together?
- Are other plans open to the whole community and as strongly underpinned by co-operative and community wealth building principals as Rochdale Stronger Together?

Appendix E – Bibliography

[Sustainable Economic Democracy: Worker Co-ops for 21st Century](#)

[Cleveland’s Greater University Circle Initiative: An Anchor Based Strategy for Change](#)

[How a Local Economy Works – Polycom \(video\)](#)

[The Cleveland Model: How the Evergreen Coops Build Community Wealth \(video\)](#)

[Understanding Local Growth – Department for Business Innovation & Skills](#)

[People Powered Prosperity: Ultra Local Approached to Making Poorer Places Wealthier](#)

[6 Steps to Build Community Wealth – Cooperative Party, UK](#)

[Cities & the Wealth of Nations – Jane Jacobs](#)

[Rochdale Stronger Together Website – Rochdale Stronger Together](#)

[Building Smart Communities through Network Weaving](#)

[Proposals for Governance Arrangements – Rochdale Stronger Together](#)

[What if we ran it ourselves? – Social Finance](#)

See also Appendix B - National, Regional & Local Policies & Think Tanks aligned with Rochdale Stronger Together.