

Review of the Co-operative Union

by D.L. Wilkinson

The Annual Co-operative Congress held in Brighton in 1988 brought about a review of the Union's operations and services, which in turn led to a lively and passionate debate at the 1989 Congress in Torquay.

But in reality, it all began much earlier, some would claim in 1970 when the Union's trade advisory services were transferred to the CWS. There can be little doubt, however, that the Review Committee of 1984, under the chairmanship of George Bromley began to move events in the direction in which they have since travelled.

1984 - The Review Committee

The introduction in 1985 of 'chargeable services' changed the basis of funding of the Union which had been fundamental since its inception. Rather than an all-embracing subscription, providing access to all the Union's activities at no extra cost, fees were introduced in areas where the organisation was providing a service specific to individual societies' needs. The Review Committee suggested a three-year period during which this alternative approach could be tried and adapted to needs and would lead to adjustment in the Union's provisions based on the take-up of services being charged for.

Between 1985 and the end of 1987 income from chargeable provisions built up to around £250,000, somewhat lower than forecast, but not an inconsiderable sum. The main benefit internally was that it did bring about a new approach, a recognition of the need to 'promote' and 'sell' the services and introduced a competitive edge to departmental operations.

1987-8: Central Executive and Congress

However, in late 1987 the Central Executive when considering the budgets for the following year decided that a longer-term strategy for the financing and operation of the Union needed to be considered, having in mind the changing shape of the Movement, and more importantly the changing needs. A decision was taken to embark upon such a review during the course of the year. However, the pressure from societies built up quickly and was reflected in the proposals put down for the 1988 Congress, and which ultimately led to a Congress resolution "supporting the initiative of the Central Executive in undertaking a strategic review which will provide a basis for adapting the Union's role and structure to the changing shape and size of its membership".

Undertakings were given at Congress that the review would be progressed rapidly, and immediately afterwards member societies were informed of its objectives which were to provide a basis for-

- revising the organisational structure.
- revising the committee structure.
- reducing the basic level of subscription.
- adapting the range and level of services to the changing size and requirements of member societies.

Over the succeeding months, an extensive exercise of consultation took place. All member societies were asked to give their views, by way of a questionnaire, on the manner in which the Union was funded; the range of services provided and the level of satisfaction or otherwise with those services; the services which should be provided as a core activity financed from a basic subscription; those which could be financed by an additional optional fee; the role and usefulness of various committees; and the constitutional structure. This was supplemented by information gained from visits to a majority of societies and by comments and observations made both formally and informally during this period. The Central Executive itself devoted the whole of a weekend seminar to the issues, including consultation with the Chairmen of the Union's other principal committees.

Decisions by the Central Executive

The Central Executive took the view that it had a mandate to act, and in various areas, the authority to act, and that societies expected it to act. Consequently it finalised its proposals around the end of the year, and these were made known to societies early in January of 1989. In outline they were -

- The basic rate of subscription to be reduced by 20% in the current year.
- Subsequently the amount payable to be a year-on-year percentage increment.
- The basic subscription would finance a range of 'core' activities - see below.
- Additional subscriptions would be raised to cover other activities - see below.

- To effect savings, the full taxation service for societies to be discontinued, the role of the Economic & Research Department to be restricted to the collection and compilation of basic statistics, and expenses would be paid only to elected members of committees.
- The role of Sectional Boards would be changed, with the emphasis on liaison, communication and understanding between societies. Every society would be able to nominate a representative, and the frequency of meetings would be reduced from four to three.
- The Union's national committee structure would comprise a series of consultative and advisory committees, with representation from other bodies being limited to one each.
- Sectional Education Councils would cease to be a formal part of the Union structure.
- Savings in administrative time and costs would accrue from changes to committees.

Core and Other Activities

A central feature of the Review was to establish the 'core' and other activities of the Union, and these were determined in the light of the views expressed by societies, as:

- funded from basic subscription

- Parliamentary and other representations to Government.
- Information services.
- Limited taxation consultancy on general matters.
- Statistics.
- General Co-operative education.
- Legal and constitutional advice.
- Secretariat and general administration.

- *funded from additional subscription*

- industrial relations (Co-operative Employers Association).
- member education (National Co-operative Educational Association)
- political activity (Co-operative Party).

The basic subscription would also be used to support international representation; subscriptions to other relevant organisations, e.g. Retail Consortium; and grants to the Co-operative Party and Co-operative College Trust.

Any other activities which were undertaken to meet societies' specific needs, e.g. Staff Training, would be required to be fully self-financing.

The Union's Committee Structure

The Co-operative Union has always had a complex and complicated committee structure, and the approach taken was to endeavour to unravel this, make it simpler and less costly, but ensure that it 'enabled the views of the constituents to be articulated, and to be supportive of the role of the Central Executive'. Hence the proposals for Advisory (policy) and Consultative (technical) Committees at national level, and an extension of the Sectional Boards to include all societies, at Sectional level. The role of the latter would be adjusted to make them more relevant to today's needs, and recognising that they can and indeed do, no longer play the role they did when there were very many more societies in membership.

The Executive also took the view that Sectional Education Councils should no longer be considered to be a part of the formal Co-operative Union committee structure. As committees of the NCEA, they should be directly linked to its operations and be funded by those societies in membership of the Association, should they wish to see them continue. This proposal was related to the financing of member educational activity in support of societies needs via the NCEA fund.

1989 Congress Decisions

The lower subscription level, down from .035% per £ sales to .028%, was introduced from the beginning of the current financial year and confirmed at the recent Congress. The new basis of membership of Sectional Boards was introduced from the

beginning of the new Congress Year i.e. from June 1989, and as Congress approved the necessary changes to rule, the new role of Sectional Boards will begin to operate from the first meetings in July of this year.

However, Congress was unhappy with the Executive's proposals regarding the future funding of member education, and expressed its desire to see education services continue to form part of the core funding from general subscriptions. Consequently, the Central Executive will have to give further consideration to this aspect of its proposals, having in mind the views expressed by member societies regarding the level of subscription.

The Author

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