

Worker Co-operative Solidarity Fund: the first year

Introduction

This paper reviews the origin, character, appeal, operations, current status and potential of the Worker Co-operative Solidarity Fund (SolidFund), about one year on from its launch.

SolidFund is a 'grassroots' project to create and manage a permanent commonwealth fund, paid for by voluntary subscriptions of worker co-op members, supportive organisations and other individuals. It has been in operation since November 2015 and in its first year collected approximately £20,000 through small, regular individual donations.

Background

In 2014 there two significant worker co-operative initiatives in the UK: a programme of co-operative skills workshops, and the proposal for a worker co-op specific two day event – the first since the founding of Co-operatives UK in 2001. Both of these ideas originated in discussions of the Worker Co-op Council (WCC). Both were largely designed and organised by the WCC's elected and co-opted members, on a voluntary basis. A limited amount of Co-operatives UK membership team input and time were crucial in facilitating working group communication, planning, promotion and delivery.

It was agreed early on that the trainings and events should be low cost and self-funding. They have now run for two successful years on this basis, making them accessible and affordable to 'rank and file' activists, supporters and grass roots co-op members.

A 'trade union subscription' type fund to underwrite future worker co-op education and events was proposed and prioritised at the final plenary session of the May 2014 Worker Co-operative Weekend. The following month a 'pitch' for Co-operatives UK to support the fund was backed by Co-operative Congress. A short mission statement, membership policy and methodology were drafted and approved over the following weeks. The Fund soft launched in November 2014.

Objectives

The main motivation among founder members of the Fund was the desire to financially and organisationally 'de-risk' worker co-op events and education initiatives, and to facilitate similar co-education and solidarity initiatives in the future. Much of the early discussion revolved around striking the right balance in the Fund's stated aims, between 'underwriting' and 'directly supporting' worker co-op education and culture. The mission statement balances these aspirations.

Subsequent debate among Fund members reveals a range of views about its practical ambition. Some favour a simple mechanism to channel money to pay for worker exchanges and visits. Others want the Fund to accumulate to a point where it could initiate a large scale programme of mutual self-help, including equity investments in worker co-ops. In practice, the Fund is evolving to meet both aims.

Governance and management

There has been strong agreement among members that the Fund should be low-cost, voluntaristic in character and 'maximalist' in terms of participation.

The Fund is a mutual self-help project, rather than a trading entity or a charity. It is therefore not legally incorporated. This also reflects its members' desire for simplicity and autonomy. Its rules are guided by co-operative values and principles and by the CICOPA World Declaration on Worker Co-operatives.

The Fund's membership and contributions are registered on an individual basis (or nominated individual, in the case of corporate contributions). Every member, whether an individual or organisation, has one vote. As well as subscribing, members agree to support the aims of the Fund and participate in a co-operative spirit. Members are invited to actively participate by joining the 'Worker Co-operative Solidarity Fund' group on Loomio, where proposals and decisions about the Fund's design and deployment are made using a consensus-based voting system. This has proven to be a reasonably effective way of engaging a disparate and geographically dispersed membership. 16% of the Fund's 470 current members engage in this way.

In addition to Loomio, the Fund has occasional face-to-face forums to develop thinking and action. These forums do not decide, but develop proposals for decision by the Loomio group. Forums have centred on governance and management, and a 'hack day' to develop the design of a website.

Day-to-day management of the Fund and its communications has been undertaken on a voluntary basis by members, with some staff time support from Co-operatives UK. The Fund is currently developing the idea of task groups to lead on areas including communications and governance. These groups would 'meet' and discuss/propose using Loomio discussion threads which will be visible to all members.

It has been established that proposals for financial support should come from Fund members, even if the ultimate beneficiaries are not members themselves. There is no mechanism for individuals or groups to 'apply' to the Fund for support. In line with the Fund's 'mutual aid' principle, beneficiaries are expected to join the Fund.

Operations

Although advertised as '£1 per member per week', The Fund collects subscriptions on a monthly, quarterly or annual basis via direct debit, using GoCardless. Community and

Co-operative Finance (CCF) has agreed to receive, hold and remit money on the Fund's behalf, which it holds in a comingled account. This makes collection almost frictionless, as membership is coterminous with contributions, and the Fund does not need to ask members to 'renew' (anecdotally, major charities which receive money via direct debit retain contributors for an average of 12 years).

In future, if the Fund decides to incorporate, it may set up its own bank account, but for the time being the relationship with CCF seems positive, logical and unconflicted.

The Fund is open to substantial single donations, legacies and contributions in non-Sterling currencies, but does not presently have simple mechanisms for collecting them. In January 2016, the Fund received a one-off grant of £2,700 from the Institute for solidarity Economics (ICE). This shows that there is potential for 'amplified' contributions.

It is likely to be agreed that in any one calendar year, the Fund will not 'spend' more than 50% of the previous calendar year's contributions, including a maximum of 5% towards running costs. This is to make sure the Fund remains efficient and grows continually.

To date, the Fund has approved one proposal for direct funding, to enable a co-mentoring visit by Belfast Cleaning Society to Custom House Workers' Co-op in East London. It voted down an application to subsidise a conference of 'general interest' to worker co-operators. This suggests that, at least in the immediate future, members will choose to concentrate direct financial support on quite specific and practical worker co-op education, training and solidarity initiatives.

Current status, growth and critical path

The Fund started in November 2014 and rapidly increased to nearly 400 members. This initial growth was due to a number of worker co-operatives deciding early on to ‘mass enrol’ their own members, which enabled the Fund to reach its current membership and contribution level without difficulty. Most of these co-ops are engaged members of Co-operatives UK, and see their participation in the Fund as complementing their engagement with and support for Co-operatives UK.

The Fund has also attracted support from supportive and interested individuals and worker co-ops which are less engaged with Co-operatives UK. This is significant, because the Fund has so far remained ‘under the radar’ in terms of advertising to public and intersectional audiences. This growth is entirely based on word of mouth and suggests that with commensurate marketing and PR activity towards audiences such as trade unionists, young activists and retired co-operators, a much larger constituency of potential donors could be reached. This is our intention.

Members of the fund are conscious that rapid growth both in member numbers and finances could place stress on the Fund’s communication culture and decision making practices.

	Total funds	Regular contributions per month	Members
Oct 2014	£70	£70	2
Dec 2014	£1,210	£650	142
Feb 2015	£3,565	£1,660	375
April 2015	£7,632	£2,002	441
June 2015	£11,631	£2,062	457
Jan 2016	£23,788	£2,200	472

Possible scenarios for the future of the Fund range from relatively gentle growth, with the Fund accumulating gradually and ‘organically’, to rapid growth on the back of a concerted and agile fundraising effort. The first would allow the Fund to continue to micro finance projects, while offering a level of basic assurance to individuals and groups who take on financial risk by organising education initiatives and events. The second could enable larger-scale development, up to and including equity financing. A recent Fund Forum ‘visioning’ exercise conceived of the Fund operating at the level of millions, rather than tens of thousands.

With a minimum contribution per member set at £52 per year, an increase in membership to 2,000 individuals - not impossible - would put the fund above £100,000 per year in contributions.

The fund is developing member sub-groups to focus on specific areas of work, such as communications. A governance group is monitoring risks and potential triggers for incorporation. A culture and education sub-group is forming to help develop a positive culture and educate new members in the practice of the Fund. It is intended that the work of these groups, and their discussions, will be transparent to all actively-engaged Fund members, on Loomio.

Learnings

Anecdotally, key success factors for the Fund to date have been:

- Original, simple, clear, sector-specific proposition

- Enthusiastic support from a core group of 'early adopters' from the worker co-operative community, on the back of a successful event and existing initiatives
- Individual rather than corporate contributions – an untapped market
- Simple, clear subscription formula
- Support from the wider movement and Co-operatives UK - while remaining 'arms length'
- Volunteer effort and low running costs
- Emphasis on self-help, mutual aid and 'givers gain'
- Maximum transparency and participation, consensus decision making
- Good use of technology (Loomio, GoCardless)

Perceived challenges for the present and future may be the 'reverse of the coin':

- Reliance on voluntary effort
- Potential for greater complexity in the way people contribute
- Co-ordinating and maintaining mutually beneficial relationships with other co-operative projects and organisations, while remaining 'autonomous'
- Risks around competition and duplicated effort
- Over reliance on third-party technologies
- Maintaining and managing mass participation
- Members' unfamiliarity with discussion protocols and consensus culture
- Rapid growth leading to organisational stress

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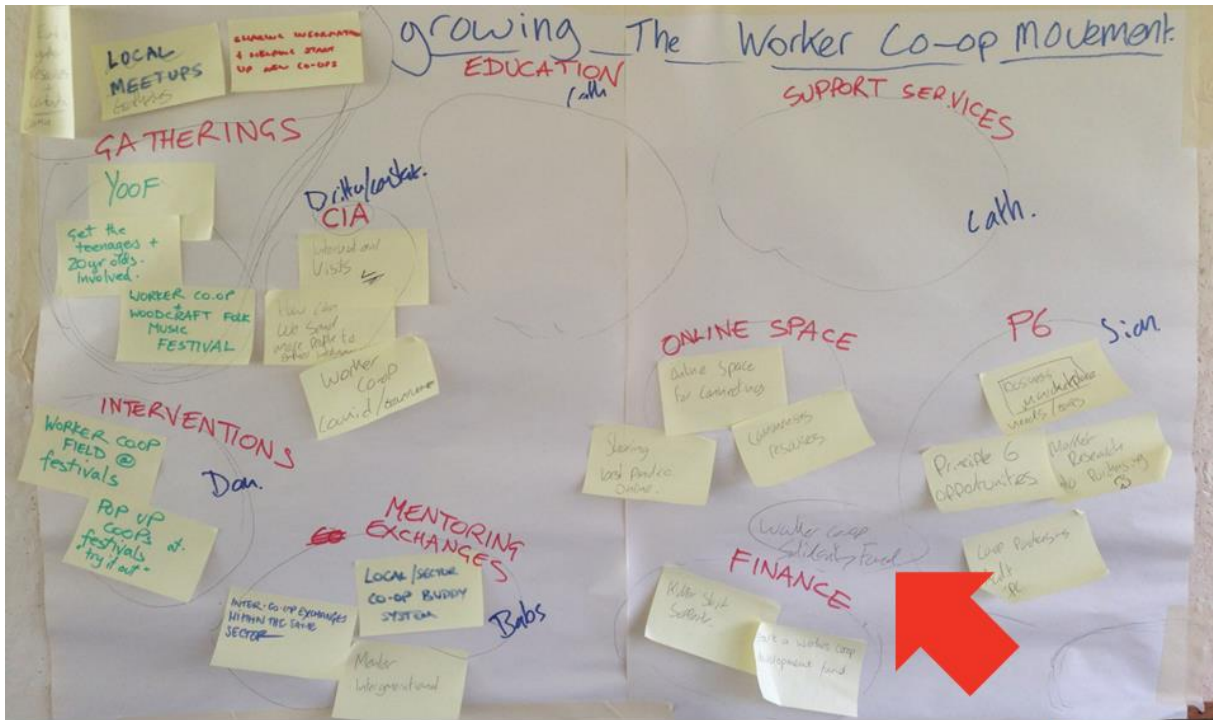
Appendix

Related documents:

<http://s.coop/solidfundmanual>

<http://s.coop/solidfundrules>

<http://s.coop/solidfundjoin>



Worker co-op weekend 2015 8-10th May

www.uk.coop

Vision: A strong, growing + self-reliant network of successful workers' co-operatives

Mission: To create + manage a permanent common fund, paid for by the voluntary subscriptions of worker co-op members, workers' co-ops, individuals + organisations that support industrial democracy + collective ownership.

Purpose: To support activity that:

- Provides relevant education + training.
- Brings worker co-ops together
- Identifies + spreads best practice
- Strengthens the self-reliance + autonomy of worker co-ops
- Guarantees the continuity of worker co-op culture + organisation