

# OUR COMMUNITIES: A FRAMEWORK POLICY FOR LOCAL AND COMMUNITY DEVELOPMENT

Submission to Department Environment, Community and Local Government from ICOS

# Table of Contents

| 2    |
|------|
| 2    |
| 2    |
| 2    |
| 3    |
| 3    |
| 4    |
| 4    |
| 5    |
| 5    |
| 5    |
| 6    |
| 6    |
| 8    |
| 9    |
| . 11 |
|      |

The Irish Co-operative Organisation Society (ICOS) is a co-operative umbrella organisation that serves and promotes commercial co-operative businesses and enterprise, across multiple sections of the Irish economy.

# Who We Represent

ICOS member co-operatives and their associated companies collectively have over 150,000 individual members, employ >12,000 people in Ireland (a further 24,000 abroad) and have a combined turnover of over €14 billion. Starting from agriculture co-operative roots, and the vision of our founding President Sir Horace Plunkett in 1894, ICOS today has evolved to serve the co-operative sector in seven core categories, namely:

- Multipurpose dairy co-ops
- Livestock sector co-ops
- Store, trade and wholesale co-ops
- Service-related co-ops
- Community-oriented, culture and leisure co-ops
- Food, fishing and beverage co-ops
- Advisory and education-related co-ops

### Our Mission

Generating leadership, competitiveness and value through stronger co-operation and world class service.

### Purpose & Vision

As a representative umbrella organisation for the co-operative movement in Ireland, ICOS is focused on driving the evolution of the Irish co-operative sector through the promotion of best practice, change and helping to enhance the sustainability of our member co-ops. We endeavour to:

- Advocate greater engagement with our member co-ops and foster greater interaction between ICOS and our member co-ops.
- Effectively use our collective voice and lobbying capabilities.
- Challenge our members to promote continuous improvement and competitive change, and be open for challenge ourselves within ICOS.
- Promote the principles of the co-operative movement to ensure stronger governance, education, and cooperation.
- Develop our membership base through the training and education of our grass-roots membership.
- Promote greater member participation within co-operatives, particularly with younger generations of members. Deliver tangible value to our members in the services we provide, the initiatives we lead and the programs we promote

# Governance and people

ICOS is governed by an elected Board, presided over by an elected president. This board is assisted in three expert committees in the areas of Dairy, Livestock and Rural Business Development.

ICOS currently has a staff of 14 operating from offices in Dublin, Cork and Brussels.

This submission is made on behalf of the ICOS Rural Business Development Expert Committee which is comprised of the following nationally elected co-operative business representatives:

| Chairperson      |  |  |
|------------------|--|--|
| Seamus O' Brien  | IFAC Ltd ( Agri Accountants)                           |  |
| Members          |  |  |
| Jimmy Roche      | Castleisland Co-operative Marts Ltd.                   |  |
| Liam Williams    | Clare Marts Ltd  |  |
| Gerry Reilly     | Commercial Mushroom Producers (CMP)                    |  |
| James Kane       | IFAC Ltd ( Agri Accountants)                           |  |
| James O' Donnell | NCFRS Ltd (National Co-operative Farm Relief Services) |  |
| Joe Harte        | NFGWS Ltd (National Federation Group Water Schemes)    |  |
| Paddy Ward       | NFGWS Ltd (National Federation Group Water Schemes)    |  |
| John Ahern       | North Cork Co-operative Creameries Ltd                 |  |
| Michael Spelman  | Roscommon Co-operative Livestock Mart Ltd.             |  |

# Relevant ICOS Staff:

CEO of ICOS: Seamus O'Donohoe

Secretary of Rural Business Committee: Siobhán Mehigan

# Introduction:

ICOS welcomes the opportunity to make submission to the Department of Environment, Community and Local Government on developing a framework policy for local and community development.

The co-operative movement has a long, proud history in Ireland and is seen as many still as being the backbone of Irish rural communities. Agricultural co-operatives and the credit union movement are the largest and most well-known co-operatives in Ireland but as we see from other co-operatives in Ireland and international research the model has the potential to bring together communities and businesses to own, drive and develop projects and initiatives. ICOS is focused on identifying economic and social opportunities in the rural space that have potential to compete more effectively and efficiently if organised as a co-operative. Our affiliate membership ranges from multibillion euro dairy food processing co-operative businesses to emerging artisan and community driven co-operatives.

Due to the recognition of the co-operative model in many rural communities, the entity is one that communities and its people are familiar and comfortable with. It is a successful vehicle for sustainable, community owned development in many different shapes and sizes.

There are successful examples of community co-operatives, new and old, working in Ireland today (see Appendix 1) and internationally the model is widely used for the provision of services to communities where private provision of those services either has pulled out or has never established (See Appendix 2). These examples are helpful case studies for communities in Ireland wishing to look inward at promoting sustainable community based rural development.

It is however underutilised in many different community sectors and ICOS, in this document will outline the benefits to communities through the adoption of the co-operative model under the measures outlined in the policy document.

While the sector of local and community development is broad and encompasses many types of work, this submission will focus on the potential for the co-operative model as a vehicle for rural community development under the headings outlined in the discussion document.

# 1. Engaging with Communities

The co-operative legal entity is governed from a document called co-operative rules. This document, written with the founding members of the co-operative, ensures that the structures of the co-operative are designed with the interests of those members in mind.

The co-operative principles adopted by the International Co-operative Alliance in 1995 set out how each co-operative should run its operations. These principles are:

- 1. Voluntary and Open Membership
- 2. Democratic Member Control
- 3. Member Economic Participation
- 4. Autonomy and Independence
- 5. Education, Training and Information
- 6. Co-operation among Co-operatives
- 7. Concern for Community

The workings of these principles are enshrined in each co-operative rule book so that each co-operative is open, transparent and actively engaging with its community.

The required need for an AGM, ensuring all members are properly informed of meetings and approval needed by the membership for major developments within a co-operative certify that a co-operative is an ideal structure to ensure effective engagement with its members.

Social Enterprises and community based provision of services are becoming increasingly popular in rural areas. As services ranging from retail shops to broadband infrastructure, rural transport to energy production are not being provided by the private sector and the public services are not meeting current requirements so communities are looking to provide the services collectively for the wider public.

The co-operative entity is one that many rural communities recognise due to the prominence the agricultural co-operatives and credit unions have played in those communities, and as such, the co-operative model should be further promoted as a vehicle for communities as a 'self-help' model that can assist them to meet the needs of their population.

# 2. Working with Partners

Co-operation among co-operatives is a fundamental guiding principle of co-operatives and this extends outside of just working with other co-operatives. Also the open membership design allows for different types of membership from individual to corporate so the structure of the co-operative can allow stakeholders such as the local authority, local development company or specific agency to become an active member of a community based structure. This can ensure that while the membership of the co-operative is fundamentally community based, the expertise of support and developmental agencies is also engaged in the structure.

It also ensures that when the local authority for example does engage with a community cooperative, a democratically elected and representative board is already in existence to ensure efficient advancement of projects and this board has the mandate from its members to pursue projects that comply with the objectives of the co-operative.

### 3. Planning for Local and Community Development

Co-operatives in rural areas are a proven vehicle for development – both through empowering its members to make collective decisions for the benefit of the community and also to drive infrastructural development that is required by the membership.

As previously mentioned, co-operative members empower a board of directors or committee to direct works as per the objectives of the society. Co-operative Boards have a long history of working with local authorities on the development of their communities. Co-operatives can also engage with official structures in taking county or regional based authorities and implement programmes and plans from the bottom up as well as feeding information as to the needs and requirements of communities back to those structures.

The option for all members to own a share in a co-operative and open advertising of shareholding to a community ensures that the community is literally signed up to the objectives and plans of the co-operative making it easier for local authorities to certify works and projects being planned with community development co-operatives are in the interests of the wider community.

# 4. Delivering

While there is no silver bullet for the delivery of local and community development in Ireland, experience has taught us that structures that support development from a bottom-up, community basis leads to more sustainable, long term, inclusive development.

Therefore, structures that promote an open membership and that are inclusive of all diverse members of a community will lead to development that can benefit the whole community. The benefits of a co-operative in examples of these are the democratic structures that elect a Board that can drive the implementation and delivery of projects to benefit the wider membership.

Co-operatives in the agricultural sector have a long history of delivering on behalf of their members and in community and local development, this is no different.

Ownership of community projects by a member-driven co-operative ensures long term commitment to the delivery and success of projects and initiatives also.

# 5. Evaluating, Monitoring and Reviewing

The development of community based projects require ongoing evaluation, monitoring and reviewing. This is not just to ensure that public funds are being spent properly but also to see that successful projects can be analysed and adapted to other communities easily.

ICOS takes new co-operatives through a process of establishing structures which assists them in running meetings correctly, holding elections properly and accurately documenting decisions being made. These governance systems in place in every co-operative ensure that evaluation, monitoring and reviewing procedures can simply dovetail into many of their existing procedures.

# Recommendations

In light of the above comments on the benefits and potential for the co-operative model in Local and Community Development in Ireland and the role ICOS can play in developing this, the following recommendations are being made to promote the best 'self-help' model for communities to identify and deliver local solutions to local needs.

### 1) Education on the Co-operative Model For Communities

As ICOS is funded through the affiliation fees from its membership, our work is primarily focused to serving those member's needs. A key motivating tenet of ICOS and in particular the Rural Business Development Committee is the 'educate to cooperate' philosophy & support is required by ICOS to promote the model to communities, agencies and local authorities and to provide support and advice for communities looking to co-operate to deliver for their members.

# 2) Back a Proven Enterprise Model that Works for Communities

ICOS whole heartedly maintains that the co-operative model is a perfect tool to help members of the rural community to combat economic, environmental and other disadvantages of fragmentation. These actions can happen at a community level and not just by individual entrepreneurs and can create sustainable employment opportunities and functional long term commercial businesses and services fundamental to the survival of rural communities

# 3) Perfect fit with 'bottom up' Approach

Clear, open and approachable local and community development services are necessary for any community looking to implement solutions to its own needs and problems. The 'bottom-up' approach, typical in LEADER and LCDP programmes, must remain and be encouraged in

the changes that are underway in the sector with the formation of the Local Community Development Committees (LCDCs)

# 4) Simplification

While we recognise the requirement of evaluation and monitoring of projects that receive public funding, the over cautious approach by many funders to grant assistance is stifling community innovation. While risk we understand has to be assessed, if funders do not allow for any risk in funding community based projects then any imaginative solutions to local problems could be stifled and prevented from progressing before they have a chance to develop

# 5) Emphasis on Partnership and Self Responsibility

An equal partnership approach to development that is locally controlled is fundamental to encouraging community action. 'Top-down' blanket policies by government in terms of community development policy rarely have equal success across local areas and counties. Community and Local Development supports should be flexible enough for local traditions and customs to be included in development programmes.

# **Contact Details**

# ICOS

The Plunkett House

84 Merrion Square

Dublin 2

# www.icos.ie

Tel: + 353 (0)1 6764783

Fax: +353 (0)1 6624502

Email: info@icos.ie

Twitter: @icos\_bxl

Rural Business Committee Secretariat:

Siobhán Mehigan

Email: <a href="mailto:s.mehigan@icos.ie">s.mehigan@icos.ie</a>

Tel: + 353 (0)1 6131310

# Appendix 1

# Examples of community co-operatives driving development in Ireland

# 1) Loughmore Co-operative Community Shop & Tea Rooms

The Loughmore Co-operative Community Shop and Tea Rooms was established in 2012 in the small, rural Tipperary village and driven by two local ladies, Maeve O' Heir and Mary Fogarty. After working with the community and local agencies, ICOS supported the co-operative in drafting their model rules and established them as a legal co-operative. The community co-operative shop has gone from strength to strength since winning awards and gaining a strong national profile in recognition of their hard work.

### 2) Comharchumann Chléire Teoranta

Cape Clear Island off the coast of West Cork established a community co-operative in 1969 to administer a new electrical system on the island and to drive the development of the fishing industry on the island also. The co-op has evolved with the needs of the residents of the island since and provides many basic services such as fuel sales, including coal, gas, petrol and diesel. They work with state and local agencies to deliver development programmes on the island and run the Island Tourist Office and Craft Shop, Club Chléire, The Island Heritage Museum and the Island Bus Service. Colaiste Phobal Chléire is one of the Co-op's main business activities. The Irish college is very important to the economic and social life of the island bringing 400 students to the island every summer.

# 3) Sheep's Head & Bantry Tourism Co-operative

Trading as 'Living the Sheep's Head Way', the Sheep's Head & Bantry Tourism Co-operative is a community tourism co-operative, established in 2013 to promote the region and also allow businesses on the peninsula to work together to collaboratively develop their tourism product. As a well-known area for walking and other activities, the co-operative is working to support businesses in accommodation, activity provision, food & hospitality to equally work to promote and benefit from an increase in tourism to the area.

# 4) Templecrone Co-operative Agricultural Society (The Cope)

The Cope was founded in the year 1906, in a Small Rural Community on the outskirts of Dungloe by Paddy (Pat Bán) Gallagher, who later became known worldwide as: Paddy The Cope. Having spent time hired on farms in the Lagan valley and in Scotland, Paddy saw that there were alternative ways of living and subsidising a family's income. The local people were at the mercy of the landlords and shop keepers. Paddy used his knowledge to obtain firstly fertilizers. Paddy then moved into other varieties of goods and services, which necessitated a premises to operate from.

The Cope now have a Builders Providers, Hardware and Agricultural Supplies. Supermarkets, Convenience Stores, Household, Menswear, Sports, Ladieswear, Furniture & Flooring and more recently, Office & Stationery Supplies. The Cope is a community business, employing in excess of 100 locally based employees. Our commitment to the Cope Community Trust embraces our ethos of supporting the community in which we operate.

### 5) Dublin Inner City Community Co-operative Society

The Dublin Inner City Community Co-operative Society is a co-operative of local action groups who were delivering the old Local Community Development Programme. With changes in structures in

local and community development, 14 LAGS with similar objectives came together to form a cooperative in order to apply for the new Social Inclusion Community Activation Programme (SICAP). The strength of the experience of the membership and the structures of the co-operative led to the society being successful in their application under this programme. They are due to begin delivery of their local development plan in April 2015

# 6) National Federation of Group Water Schemes

The National Federation of Group Water Schemes (NFGWS) is the co-operative representative and negotiating organisation for community-owned rural water services in Ireland. From the outset, the objective of the NFGWS has been to secure equality of treatment, ensuring that those it represents receive their full entitlement with regard to the financial supports already conceded to their fellow citizens in urban areas. The primary 'external' role of the National Federation of Group Water Schemes (NFGWS) is to assist schemes in meeting the challenges of water quality legislation. The federation was established in 1998 after the abolition of public water rates and representation was required for the 50,000 homes depending on private water schemes.

# Appendix 2

# International Models of Community Co-operatives

# 1) American Broadband Co-operatives - NTCA-The Rural Broadband Association

NTCA—The Rural Broadband Association is the premier association representing nearly 900 independent, community-based telecommunications companies that are leading innovation in rural and small-town America. Co-operation in rural telecommunications dates back to 1980's when farmers in America established co-operatives to develop their own telephone systems. This tradition has evolved to the establishment of rural broadband co-operatives and the NTCA advocates on behalf of its members in the legislative and regulatory arenas, and it provides training and development; publications and industry events; and an array of employee benefit programs. In an era of exploding technology, deregulation and marketplace competition, NTCA's members are leading the IP evolution for rural consumers, delivering technologies that make rural communities vibrant places in which to live and do business. Because of their efforts, rural America is fertile ground for innovation in economic development and commerce, education, health care, government services, security and smart energy use. Visit us at <a href="https://www.ntca.org">www.ntca.org</a>

# 2) English Community Shops – Plunkett Foundation

Through support from the Plunkett Foundation, there are now 300 community co-operative shops and pubs operating in rural UK. Community shops offer a vital source of retail provision within rural communities and are recognised as helping to reduce rural social isolation and loneliness. They are sustainable, co-operative businesses that respond directly to local needs and help residents take control over the future of their communities and secure the provision of essential services.

Although communities initially come together to save a vital service like the shop closing, once they have saved one thing through community ownership they quickly begin to see the potential it has for changing their lives in other areas. Many community shops go on to offer additional services like Post Office Ltd., laundry services, local produce, broadband provision, library services, healthcare, prescription services – the list really is endless. And although the initial reason for setting up is to offer a service, the real secret to community shops' success is that the far-reaching benefits they offer to everyone above and beyond provision of goods and services – like reducing isolation, giving volunteer and employment opportunities, engaging older and younger people and giving people a sense of belonging and ownership – means the enterprise, in most cases, is a resounding success.

# 3) Danish Community Wind projects

Denmark is a world leader in community ownership of wind farms. Up to 20% of Denmark's energy needs are currently met by wind, of which 80% is generated by 2,100 community-owned farms.

The Middelgrunden Offshore Wind Farm project is the first co-operatively owned off-shore wind project in Denmark and the largest wind co-operative in the world. The wind farm, consisting of 20 turbines, is located approximately 2km off-shore from Copenhagen.

Samsøe Island is situated off the Danish coast and has achieved an international reputation in its efforts to become a self-sustaining 100% 'Renewable Energy Island'. It has been to the fore in developing integrated energy solutions for island communities. Samsøe has 11 land based wind turbines of 1MW capacity each. Two of the turbines are owned by Samsøe Vindenergie, a community co-operative with 450 shareholders, while local farmers privately own the other nine.