

CO-OPERATIVES UK

# CO-OPERATIVE AND MUTUAL EC🎯NOMY 2024

A report on the UK's democratic economy  
#CoopEconomy



## ACKNOWLEDGEMENTS

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# FOREWORD

We stand at a pivotal moment in time, both in the history of the co-operative movement and in the future of our economy. It is 180 years since the Rochdale Pioneers laid the foundations, creating the values and principles, for what has grown into a thriving global co-operative movement. Their vision of a fairer, more democratic economy has never been more relevant or achievable.

Last year we created the first Co-operative and Mutual Economy report. With a new Labour government pledging to double the size of the co-operative and mutual economy, it is now even more significant. There is an unprecedented opportunity to expand our impact, build on our legacy, and continue to shape a more equitable and resilient society. As the apex body for co-operatives in the UK, we are uniquely placed to track and monitor the government's progress against its 'doubling the size' ambitions.

This commitment from government is not just a political promise; it is a recognition of the vital role that co-operatives and mutuals play in addressing some of the most pressing challenges of our time. That recognition is not just confined to these shores. The United Nations has designated 2025 as the International Year of Co-operatives, to highlight the role our impactful movement has in contributing to the UN's Sustainable Development Goals worldwide.

Co-operatives and mutuals have long been characterised by their resilience, effectiveness, and ability to create sustainable jobs. In times of economic uncertainty, they have consistently demonstrated their capacity to weather storms and emerge stronger.

This is not by chance but by design. Our democratic, member-owned structures prioritise people over profit, ensuring that the benefits of success are shared more equitably across communities.

As we navigate the ongoing challenges of inequality, climate change, and economic instability, co-operatives and mutuals offer a unique potential to address these broken systems. They are models of inclusive, responsible, and well-being-enhancing growth – exactly the kind of inclusive growth we need to see more of. They provide economic security and stability and also foster a sense of belonging, purpose, and empowerment among their members.

Last year's report put a marker in the sand. This year we have expanded our scope and evidence base. It is an unparalleled examination of the democratic economy, with all the facts and figures.

We can see growth, trends, opportunities and potential of the democratic economy, as well as identifying barriers and challenges. Crucially, it gives government a baseline for its ambitions to double the size of the co-operative and mutual economy.

Enabling government policies that work with and alongside the co-operative and mutual sector are critical to unleashing the full potential of the democratic economy. By placing co-operatives and mutuals at the core of our economic strategy, we can create a more inclusive and resilient economy; one that works for everyone.

As we look to the future, I am confident that with the right support and a shared commitment to our values, the co-operative and mutual sector will continue to grow and flourish. Together, we can build a better world; one that reflects the principles of democracy, equality, and solidarity that have always been at the heart of our movement. Enjoy.

**Rose Marley**  
**CEO**  
**Co-operatives UK**



# EXECUTIVE SUMMARY

## A record-breaking year for the Democratic Economy

The Co-operative and Mutual Economy has reached record new heights, with the sector's combined annual income soaring to £165.7 billion, more than double the amount recorded in last year's ground-breaking report into the democratic economy.

The increase is driven by the inclusion of NHS Foundation Trusts for the first time, which add £85.3 billion. NHS Foundation Trusts have been integrated into this year's report to reflect their unique public body model of democratic ownership and governance. Their inclusion as mutuals, alongside private enterprise, highlights the growing relevance and applicability of democratic models – across all sectors including public service – where member ownership can drive social and economic impact.

This 'democratic economy' boasts 9,342 independent businesses, spanning co-operatives, building societies, mutual insurers, employee-owned enterprises, and NHS Foundation Trusts. While only a marginal increase, from 9,313, it demonstrates growth and resilience – and is especially relevant in the context of a 0.9% decline in the number of UK businesses at large. It is one of several important metrics to witness growth.

**£165.7bn**

Record-breaking  
income of  
co-operatives  
and mutuals

**9,342**

Number of co-operatives  
and mutuals

**1,324,845**

People working in the  
democratic economy

**15.0m**

Memberships  
of co-operatives

**68.8m**

Memberships  
of co-operatives  
and mutuals

**7,370**

Number co-operatives



Businesses in the democratic economy are all member owned. Total memberships have climbed to 68.8 million, a 2.9% increase from the baseline set in 2023. It highlights the deepening connection between people and democratic businesses. Membership is not just about loyalty. It represents joint ownership and control, giving people a real stake in the success of democratic enterprise.

**Resilience, growth and potential**

Building societies continue to deliver significant value to their 26.2 million members, with income rising by 22.6% to £9.1 billion. Their strong financial foundations, exemplified by a CET1 capital ratio of 20.5%, far surpass that of traditional banks. Mutual insurers, despite a slight drop in income, increased memberships by 3.2% to 25.5 million, and their community impact remains substantial.

The potential of democratic businesses is exemplified in several areas. The number of employee-owned businesses has surged by 16.4%, fuelled by the impact of Employee Ownership Trusts (EOTs), introduced by government in 2014. These businesses, which give employees a say in how they are run, have seen a 250% increase in just five years. They generate over £16 billion in income and provide 125,000 people with a meaningful stake in their workplace.

In contrast, the number of worker co-ops continues to decline, down 6.9% from 2023. The tax incentives afforded businesses converting to EOTs are not open to the worker co-op model, despite government lobbying. It is an important area to continue monitoring.

Community-owned enterprises, particularly pubs, have seen impressive growth, with a 49.5% increase over five years. This trend illustrates the strength of collective and meaningful ownership in preserving vital community assets, driven by innovative financing models like community shares.

Co-operatives remain a cornerstone of the democratic economy, with 7,370 co-operatives operating across the UK. Despite a reduction in numbers (3.6%) due to data cleansing by the Financial Conduct Authority (FCA), co-operatives continue to thrive, with annual income up to £42.7 billion. Co-operatives are also more than twice as likely to survive the early years of trading compared to other businesses, with 81.2% still flourishing after five years, compared to just 39.6% for traditional start-ups.<sup>2</sup>

There remains huge co-operative potential in areas including housing, energy and finance. Credit unions continue to flourish, as people seek fairer, more inclusive, financial services. Income is up by 27.6%, and the sector boasts an additional 100,000 members.

Housing is one of the most prevalent sectors for new co-operative formation over the past five years, but is underused in terms of housing provision.



### A bright future?

The untapped potential of democratic businesses is immense. Although they represent only a fraction of the UK's businesses, their impact is profound. With a focus on people over profits, long-term sustainability, and community-driven values, co-operatives and mutuals are well-positioned to lead in a rapidly changing economic landscape. Yet fewer than 1% of UK businesses operate in the democratic economy.

With such a low percentage of UK co-operatives and mutuals in the UK business landscape, it is unsurprising that knowledge and understanding of co-operatives and mutuals is low. And that is despite high street prominence and a spread across all industries – here in the UK and as a global force.

### Scaling up

Doubling the size of the co-operative and mutual economy – as set out in the Labour Party's manifesto – will require significantly higher start-up rates than those revealed in this report. It is achievable, if the right conditions are in place.

These include:

- Unlocking new options for co-operatives and mutuals to raise capital from investors, communities and members
- Ensuring co-operative development is enabled and resourced locally and nationally
- Reforming and modernising co-operative and mutual legislation

**This report** evidences that co-operatives and mutuals should play a more substantial role in the UK economy. They are characterised by resilience, effectiveness, job creation, and a unique potential to address broken systems. A thriving democratic economy is crucial to achieving inclusive and responsible growth.

The 2024 Co-operative and Mutual Economy report sets the baseline for the democratic economy as we continue to explore the diverse ways in which democratic ownership models can transform industries and communities.

## WHAT IS THE DEMOCRATIC ECONOMY

The democratic economy focuses on businesses that give people a stake and a say. It consists of organisations that are democratically owned and equitably controlled by their members. These businesses have a mutual purpose to meet common need with all activities in the interest of current and future members. They are co-operatives and they are mutuals. While all co-operatives are mutuals, not all mutuals are co-operatives. Both are member owned, but while mutuals focus primarily on pooling resources for mutual benefit, co-operatives also emphasise member control and participation and adhere to a common set of values and principles.

The Co-operative and Mutual Economy report is the only examination of a combined, comprehensive dataset on the democratic economy. It tracks growth and key metrics that provide a compelling case for unleashing the full potential of co-operatives and mutuals in the UK. That potential can enable a type of economic growth that is good for people, communities and society.

# THE DEMOCRATIC ECONOMY

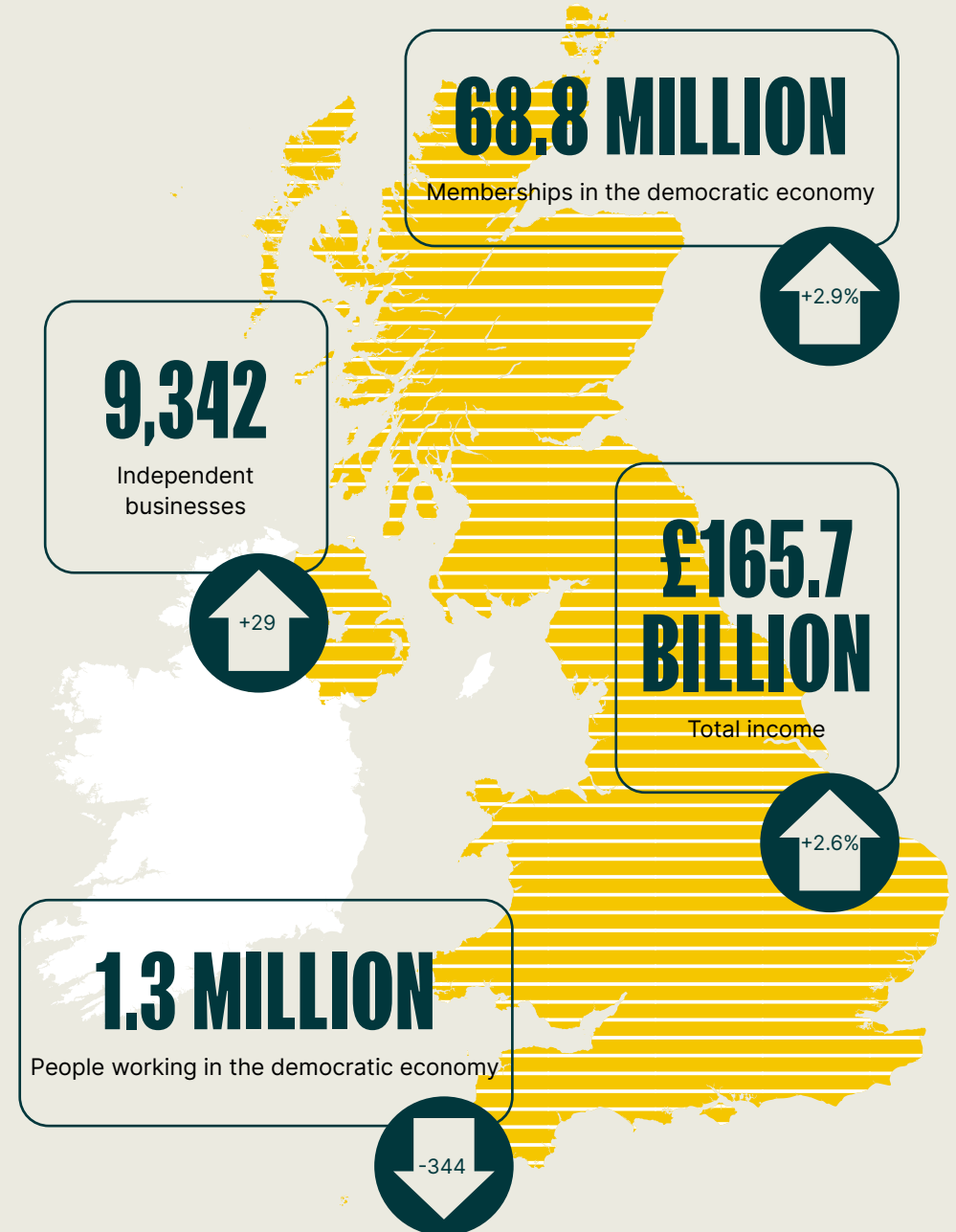
There are 9,342 – up from 9,313 – independent businesses operating across the UK’s democratic economy. They are co-operatives. They are building societies. They are mutual insurers. They are NHS Foundation Trusts. They can also be employee-owned.

The combined annual income of democratic businesses is £165.7 billion, up from £161.5 billion in 2023.<sup>1</sup> The democratic economy employs more than 1.3 million. Because of how they operate, democratic businesses aim to provide better work; work that is more rewarding, empowering, wellbeing-enhancing livelihoods.

There are more than 68.8 million memberships within the democratic economy, up 2.9% on 2023 figures (66.8 million). It is a number that is only just short of the number of people living in the UK. Membership is more than a loyalty card. It gives joint ownership and control to the people most invested in a business’ long-term success.

In this year’s Co-operative and Mutual Economy report, we have included NHS Foundation Trusts for the first time, recognising their unique model of member ownership and democratic governance.

1. To ensure accuracy and relevance in tracking growth historical income figures rebased to include NHS Foundation Trusts.





As organisations accountable to both their members and communities they serve, NHS Foundation Trusts embody key co-operative principles. However, while they operate with a degree of autonomy, their reliance on public funding introduces certain limitations that distinguish them from 'traditional' mutuals.

Despite these constraints, the inclusion of NHS Foundation Trusts highlights the growing relevance of member-owned models across different sectors, underscoring the diverse ways in which member-ownership drives positive social impact.

The untapped potential of co-operatives and mutuals is huge. They are a fraction of the millions of UK businesses and remain little known or understood, despite boasting household names like Co-op Group and Nationwide within their ranks.

## DEFINING DEMOCRATIC BUSINESSES

**Co-operatives:** A business or organisation that is owned and controlled by its members, to meet their shared needs. Every co-operative shares and adheres to the same Co-operative Values and Principles. Co-operatives can take any legal form, providing it can satisfactorily evidence adherence to the International Co-operative Alliance-ratified values and principles.

**Building societies:** A building society, or mutual, is owned by its members and run for their collective benefit. Its members are those who bank, save or have a mortgage with the society. A building society is not run for the benefit of shareholders in the same way banks are.

**Mutual insurers:** A mutual insurer is an insurance company owned by its policyholders rather than external shareholders. In a mutual insurer, the policyholders are both the customers and the owners, meaning they have the right to vote on important company decisions and share in profits or surplus, often in the form of reduced premiums or dividends

**Employee owned:** In an employee owned business employees are the majority (or only) shareholders. Employee ownership can take three forms. Through direct employee ownership, employees are registered individual shareholders. Indirect employee ownership is when shares are held collectively on behalf of employees. Employee ownership can also be through a combination of individual and collective share ownership.

**NHS Foundation Trusts:** Semi-autonomous health organisations in the UK, designed to provide healthcare services under the National Health Service (NHS), while being accountable to local communities through a democratic model of ownership. This model allows local staff, patients, and members of the public to become members and governors, giving them a voice in decision-making and strategic direction of the trust.

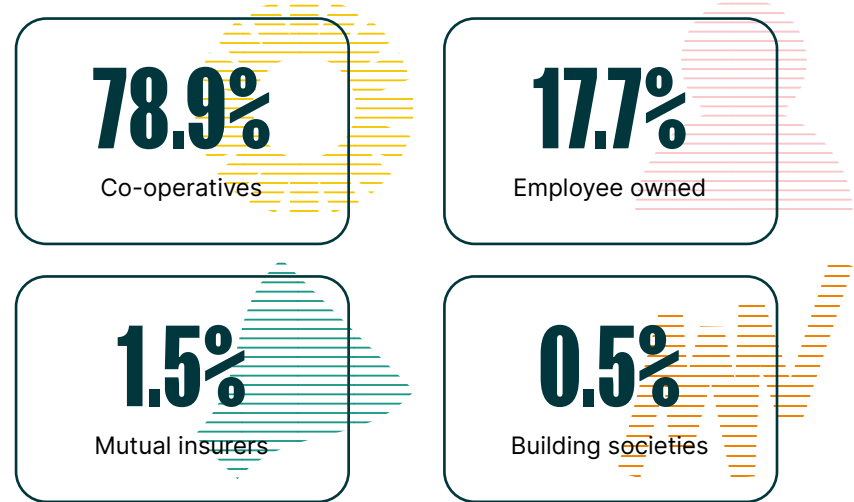
# DEMOCRATIC MIX

The vast majority of business operating in the democratic economy are **co-operatives**, with more than three quarters (78.9%) falling under the co-operative banner.

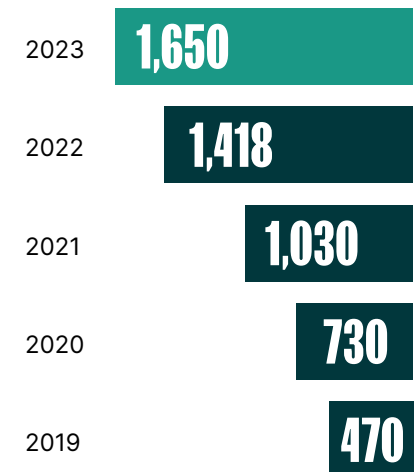
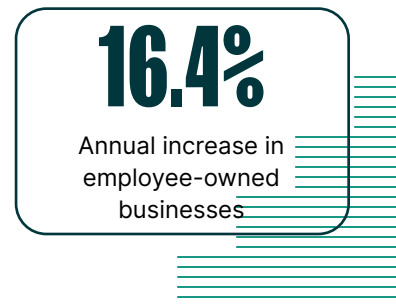
The number of **employee owned businesses** continues to increase at a rapid rate, with a 16.4% uplift over the last 12 months (1,418 to 1,650). The impact of Employee Ownership Trusts (EOTs), brought in by the UK government in 2014, is stark. EOTs, which can give employees a say in how the business is run, have sparked a 250% increase in the number of employee owned businesses in just five years.

Benefits of converting a business to an EOT can go beyond tax incentives (though still substantial), including increased productivity and employee engagement. The employee-owned sector produces a combined income of over £16 billion, giving more than 125,000 people a stake and potentially a say in how they work.

## BUSINESSES IN THE DEMOCRATIC ECONOMY



## GROWTH IN EMPLOYEE OWNED



**Mutual insurers** recorded income of £23.5 billion, a marginal drop (0.4%) from 2023 levels. The number of memberships is on the up, however, from 24.7 million to 25.5 million, a 3.2% increase.

Mutual insurers work in the best interests of all these members. Evidence suggests mutual insurers, due to their ownership structure, often deliver better value and service to their policyholders, maintain greater financial stability, and contribute more positively to their communities compared to PLC insurers.

Benefit to communities is quantifiable. Cost savings to the NHS, welfare state and employers, arising from the provision of health protection policies by mutual insurers, amounted to almost £1bn in 2022.<sup>2</sup>

**NHS Foundation Trusts** add £85.3 billion, up from £78.6 billion in 2023. The 143 Trusts employ more than 950,000 people – 72.2% of the total number of employees in the co-operative and mutual economy. In addition, there are over two million memberships of foundation trusts.

2. [Broadstone Regulatory Risk & Advisory Limited; September 2023](#)

"Time and time again member owned businesses show they can deliver productivity growth, better conditions for workers and better outcomes for consumers – all with a lower environmental impact.

"For all these reasons, we fully back the Labour manifesto's ambition to double the size of the co-operative movement in this parliament."

**Andy Burnham**  
Mayor of Greater Manchester

**Building societies** deliver the greatest number of member owners at over 26.2 million, an increase of more than 400,000 (1.6%). It represents over a third of total memberships in the democratic economy.

Income has swelled significantly, up from £7.4 billion to £9.1 billion – an increase for the UK's 43 building societies of more than £1.6 billion (22.6%). As businesses owned by their customers, from savers to mortgage owners, building societies work harder for their members. In 2023 savers benefited through an additional £2.1 billion in interest versus the market average.<sup>3</sup>

Building societies also look after the members in the long-term. The Common Equity Tier 1 (CET1) capital ratio is a key indicator of a bank's robustness and ability to cover losses in assets or a sudden increase in withdrawals. The CET1 capital ratio for building societies was 20.5% versus 14.4% for the 'big five banks' (2022 year end).

When banks, hit by mis-selling scandals and role in the sub-prime mortgage crisis, went missing, building societies came to the fore, accounting for 75% of the mortgage market growth (net lending) following the financial crisis, from 2010 to 2014.<sup>4</sup>

3. [Building societies continue to provide all the growth in mortgage market; Building Societies Association \(BSA\)](#)
4. [Data and research; Building Societies Association \(BSA\)](#)

## BRANCHING OUT

Since 2015, more than 5,000 banking branches have closed across the UK. [Newcastle Building Society's consumer branch survey](#) suggests 1.4 million people in the UK now must travel over an hour to reach their nearest branch.

Mutuals are bucking the trend. Newcastle Building Society's pilot to restore access to cash on high streets and in town centres is a prime example. Collaborating with shared bank branch innovator OneBanx, it provides access to multi-bank kiosks and is one of the latest steps in the building society's commitment to a high street presence and making people think differently about branches.

According to a [Which? survey](#), more people are turning to cash to combat the cost of living crisis. And the kiosks allow people and small businesses – of any bank in the Open Banking network – to withdraw and deposit cash.

## WHEN BANKS BAILED

Building societies accounted for

**75%**

of mortgage market growth post-financial crisis

## MEMBERS' INTEREST

Members benefited from an extra

**£2.1 bn**

in interest in 2023



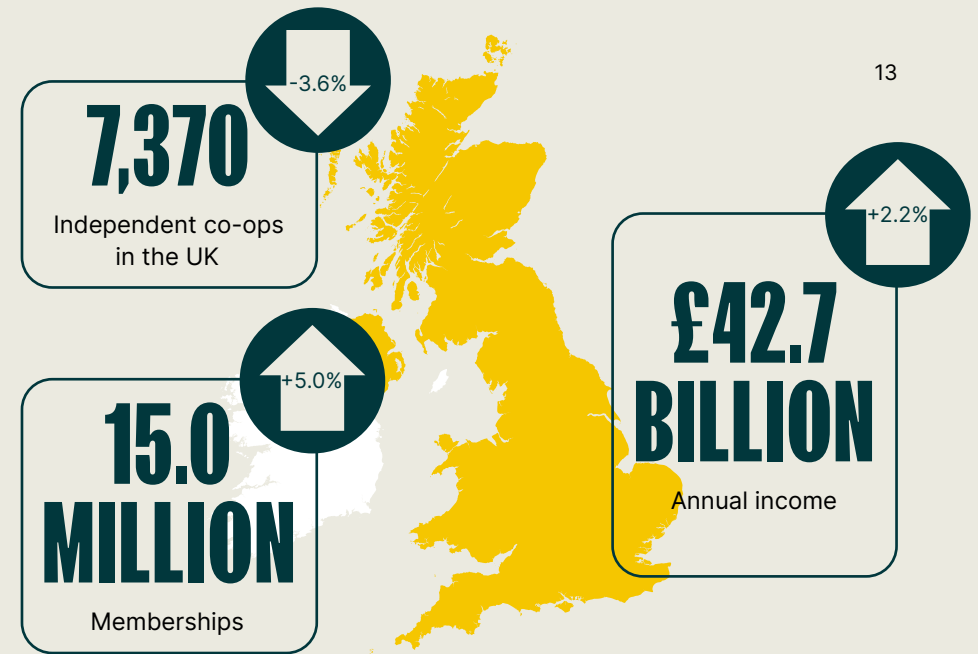
# CO-OPERATIVES

There are 7,370 independent co-operatives operating across the UK, a decrease of 3.6% from 2023 (7,642). The reduction follows the Financial Conduct Authority's (FCA's) data tidying initiative and reflects the removal of inactive or redundant entries. The adjustment ensures our data represents a true and current picture.

The core of the co-operative sector remains robust and continues to thrive, with annual income up almost £1 billion, to £42.7 billion (2.2%). Co-operatives are resilient, adaptable, and vital to our economy. However, just 0.25% of businesses operating in the UK are co-operatives.

Co-operatives boast almost 15 million memberships – equivalent to more than a fifth of the total UK population. That's millions of owners invested in long-term success, as opposed to shareholders focused on profit. Co-op Group remains the largest co-operative by income and has five million members.

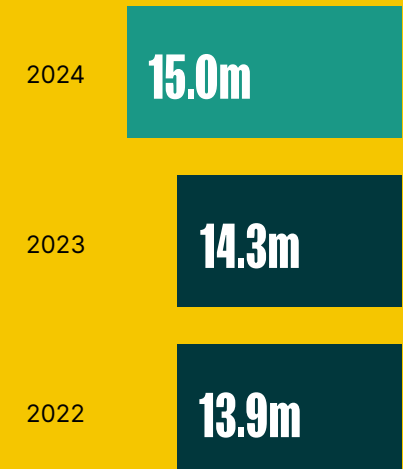
However, millions of memberships does not – yet – equate to strong awareness. This poor awareness holds back flexible businesses whose members can be consumers, workers, residents, suppliers or even have a combination of different types of owners.



## ANNUAL INCOME



## MEMBERSHIPS OF CO-OPS



## **BIG BRANDS, HIDDEN ROOTS**

The world of consumer goods is filled with brands that are household names, their products ubiquitous in kitchens, bars, and high-street stores. Less well known is that co-operatives play a crucial role in bringing to market many iconic products.

Lurpak is supplied by Arla, one of the world's largest dairy businesses and owned by thousands of farmers from Denmark, Sweden, the UK and other European countries.

When consumers buy a carton of Ocean Spray, the well-known cranberry juice brand, they are supporting a collective of small-scale farmers across North America.

Green & Black's is famed for its high-quality organic chocolate. Its reliance on cocoa from small-scale farmers in Belize and Dominican Republic co-operatives – with producers receiving a fair price for their crops – is less well known.

Co-operatives are an innovative way to help solve many of today's problems. Yet that ability to fix broken systems and economies is diminished while awareness remains low.



## BEYOND ECONOMIC IMPACT

"Co-operatives put people first. Built on shared values and principles, they exist to meet the needs of their members.

"Every day they make decisions based on their members' needs, beyond a pure profit motive. They're more equitable and sustainable in the long term and generate a considerable amount, £42.7 billion, to the economy. Most importantly, that money stays in the UK economy."

**Rose Marley**  
CEO, Co-operatives UK

Co-operatives stand as a beacon of resilience, sustainability, and democratic engagement, with benefits that extend beyond traditional economic measures according to a report from the Institute for Public Policy Research (IPPR).

While co-operatives inherently offer substantial social value, their impact is often overlooked by conventional evaluation frameworks says *An alternative is possible: Measuring the impact of cooperatives*.

The report highlights that "co-operatives represent a different way of operating businesses and engaging in economic activity," emphasising democratic and sustainable nature. Through extensive research, including interviews and action research with the co-operative SPACE4, the report identifies five key themes that encapsulate the holistic impact of co-operatives: economic resilience and sustainability, economic democracy and member participation, innovation and inclusivity, education, skills and training, and solidarity.

To effectively capture this broad spectrum of value, the report introduces a new value framework that measures the performance and impact of co-operatives against these themes. This framework assesses benefits to co-operative members and also considers the wider impact on local communities and the co-operative movement as a whole.

"A better framework for capturing wider value is required to ensure that co-operatives receive the attention and investment needed to shape more productive, resilient, inclusive, and pluralistic local economies" states the report.

SPACE4 is a co-working, training and events space in Islington, north London. It is dedicated to supporting digital activists and social innovators, and set up by a 'tech-for-good' worker co-op Outlandish. In a worker co-op, it is the workers themselves that collectively own and control the business. At Outlandish, the workers choose for profits to be invested in prototyping and developing new projects for social change, just like SPACE4.

The IPPR studied SPACE4 and its findings informed the value and need for alternative metrics in evaluating the success of businesses, advocating for a shift in policy thinking that recognises the full spectrum of benefits co-operatives bring to local economies.

The report concludes that "democratic, sustainable, community-minded organisations like co-operatives can help create more resilient and pluralistic local economies," making the case for expanding the role of the democratic economy in future strategies.

[Read the full report >>](#)





## CO-OP RESILIENCE

Co-operatives are over twice as likely to survive the early years of trading when compared to other start-up businesses. More than three quarters of co-operative start-ups 81.2% are still flourishing after the difficult first five years.

Other businesses are far less likely to survive, with just 39.6% of new companies making it beyond the end of year five.<sup>5</sup>

This statistic stands the test of time, with co-operative resilience evidenced over many years in successive Co-op Economy and Co-operative and Mutual Economy reports.

It is 180 years since the Rochdale Pioneers laid the foundations for the modern-day co-operative movement. Co-operatives remain resilient because they prioritise people over profits, focus on long-term sustainability, and operate through collective decision-making and mutual support.

Strong ties to communities, ethical practices, and sensible approaches to risk ensure co-operatives are well-equipped to endure economic challenges and thrive over the long term.

5. [Office for National Statistics \(ONS\); November 2023; Business demography, UK: 2022](#)
6. [Office for National Statistics \(ONS\); July 2023; Business demography, quarterly experimental statistics, UK](#)

## START-UP SUCCESS AFTER FIVE YEARS

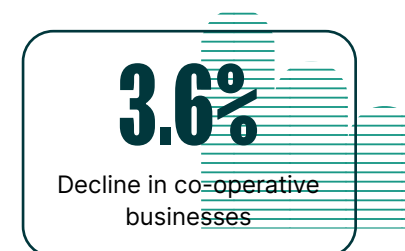


**CO-OPS STILL  
TRADING**



**COMPANIES  
TRADING**

## DECLINE IN BUSINESS NUMBERS



# REGIONAL BREAKDOWN

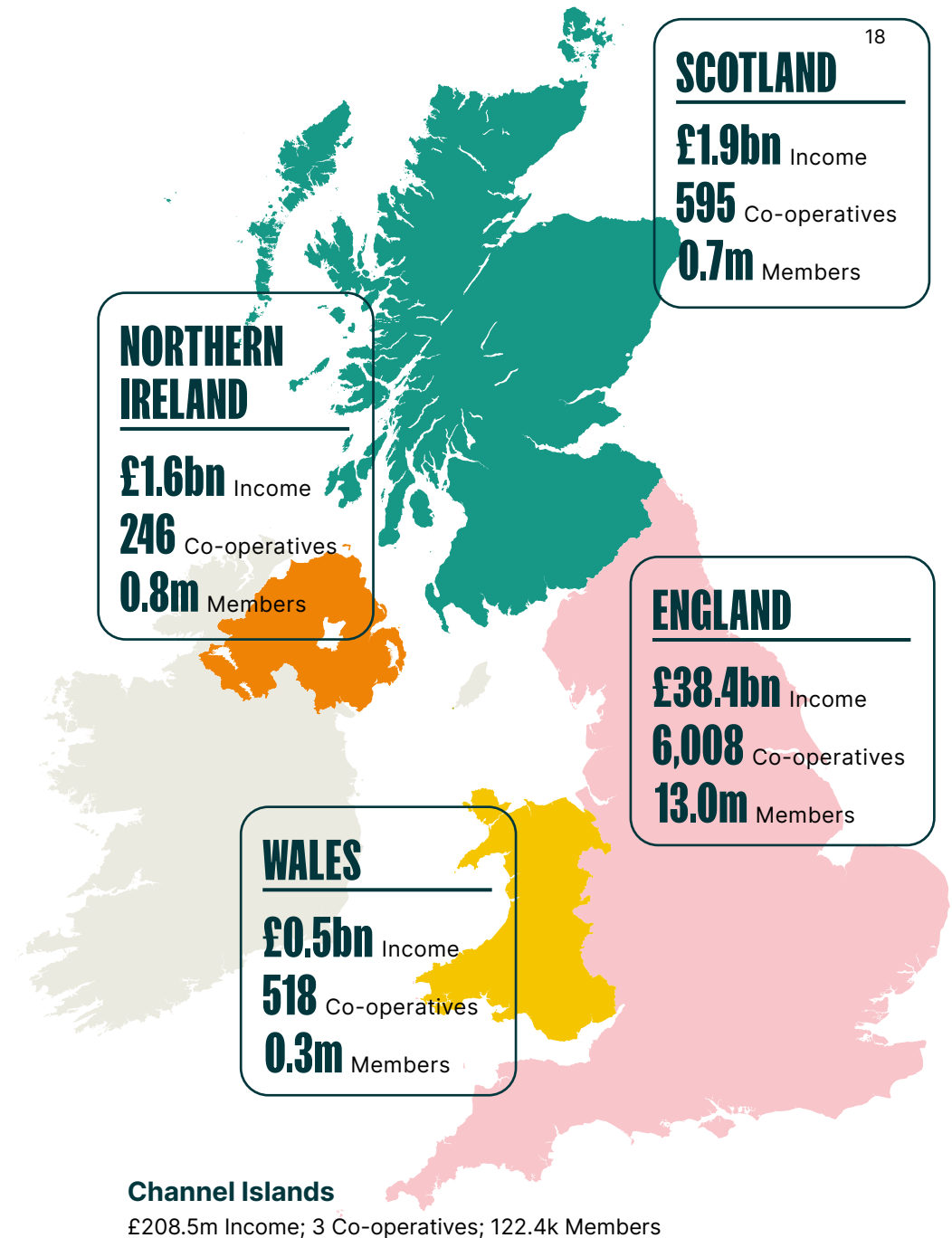
The vast majority of the UK's co-operatives are based in England. Those 6,008 businesses, down from 6,236, contribute almost 90% of total income.

The FCA data purge has affected every region and devolved nation, with the number of co-operatives down across the board. However, annual income has increased in England, Scotland, Wales and Northern Ireland. Memberships have also increased, with only Wales showing a marginal decrease (0.9%).

Overall figures mask an alternative narrative. While starting from a lower baseline, co-operative development in Scotland and Wales remains enhanced by more enabling government policy. Both nations are enjoying quicker growth in terms of co-operative new-starts per population headcount.

Wales heads the table at 3.0 births over five years per 100,000 people, followed by Scotland (1.9) and England (1.6). Northern Ireland lags behind at 1.2.

The bulk of consumer retail co-operatives, including Co-op Group, are based in England. The retailers spearhead the year-on-year increase in memberships, driving numbers up by over 700,000.



Almost a quarter of the UK's co-operatives are found in the south west (13.2%) and south east (11.6%) of England. The south west also enjoys one of the most rapid areas of growth, with an increase of 3.4% over the past five years. Just 7% of independent co-operatives are registered in Wales, but the principality tops the growth chart, with an increase in co-operative numbers of 3.6% over the last five years.

## NEW-STARTS PER 100,000 POPULATION OVER 5 YEARS



## NUMBER OF CO-OPERATIVES BY REGION

Rank	Region/Nation	Number of co-operative	Percentage share
1	South West	976	13.2%
2	South East	855	11.6%
3	London	803	10.9%
4	North West	715	9.7%
5	Yorkshire and Humber	618	8.4%
6	Scotland	595	8.1%
7	West Midlands	567	7.7%
8	East of England	523	7.1%
9	Wales	518	7.0%
10	East Midlands	482	6.5%
11	North East	468	6.4%
12	Northern Ireland	246	3.3%

# NUMBER OF CO-OPERATIVES AND INCOME BY SECTOR

Agriculture	Arts and culture	Digital	Education	Energy and environment	Finance	Food service and pubs	Health and social care
<p><b>482</b> Co-ops</p> <p><b>£9.7bn</b> Income</p>	<p><b>189</b> Co-ops</p> <p><b>£11.9m</b> Income</p>	<p><b>143</b> Co-ops</p> <p><b>£10.5m</b> Income</p>	<p><b>238</b> Co-ops</p> <p><b>£621.3m</b> Income</p>	<p><b>303</b> Co-ops</p> <p><b>£45.2m</b> Income</p>	<p><b>428</b> Co-ops</p> <p><b>£337.1m</b> Income</p>	<p><b>314</b> Co-ops</p> <p><b>£51.0m</b> Income</p>	<p><b>116</b> Co-ops</p> <p><b>£184.8m</b> Income</p>
Housing	Manufacturing	Social clubs and trade unions	Professional and legal services	Retail	Sports and recreation	Transport	Other
<p><b>762</b> Co-ops</p> <p><b>£690.9m</b> Income</p>	<p><b>76</b> Co-ops</p> <p><b>£472.6m</b> Income</p>	<p><b>2,445</b> Co-ops</p> <p><b>£520.1m</b> Income</p>	<p><b>143</b> Co-ops</p> <p><b>£93.7m</b> Income</p>	<p><b>765</b> Co-ops</p> <p><b>£28.8bn</b> Income</p>	<p><b>563</b> Co-ops</p> <p><b>£894.7m</b> Income</p>	<p><b>34</b> Co-ops</p> <p><b>£8.8m</b> Income</p>	<p><b>351</b> Co-ops</p> <p><b>£193.6m</b> Income</p>

## BREAKDOWN BY SECTOR

Community-owned pubs are becoming an increasingly popular and vital model for preserving local institutions that serve as social hubs. Over the past five years, the number of community-owned pubs in the UK has surged by 49.5%, with 9.0% growth from 2023 to 2024.

This trend demonstrates the power of collective ownership in safeguarding the future of cherished local pubs, which might otherwise face closure due to economic pressures or changing ownership priorities.

Community shares, a unique form of financing available to co-operatives and community benefit societies, is a key driver. Community shares allow local people to invest in their pub, raising funds to purchase and operate the business while ensuring that ownership remains in the hands of the community. By giving residents a direct stake in the success of their pub, community shares help create a resilient and sustainable business that truly reflects local need.

It is not only pubs. More than £220 million has been invested by 166,000 people in community businesses and organisations to date, through a total of 769 share offers.

## COMMUNITY-OWNED PUBS

**49.5%**

increase in food service, accommodation and pubs sector over 5 years

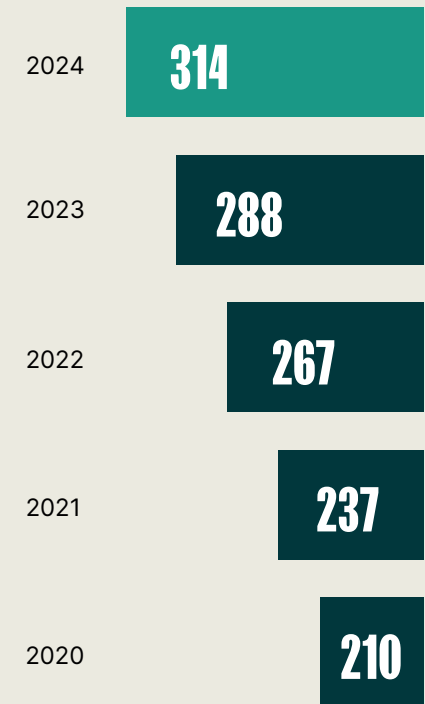
With

**42,112**

members and

**£51.0m**

in income



While pubs lead the way, housing is one of the most prevalent sectors for new co-operative formation over the past five years. However, growth remains modest at 5.4% over that same five-year period. The untapped potential is huge in terms of utilising co-operative and community housing models to unlock affordable, locally-supported developments that meet communities' needs.

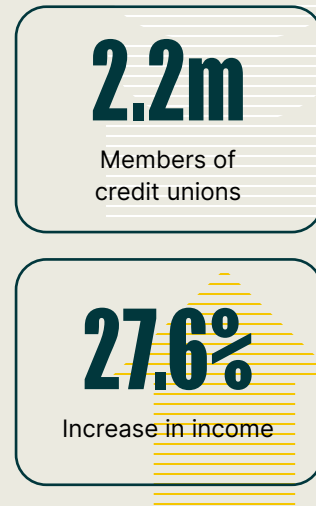
Community co-operation has been, and will continue to be, a major engine for co-operative formation. From pubs to renewable energy to housing, the use and proliferation of the co-operative model comes to the fore when traditional state or market action falls down.

Co-operatives remain most prevalent in the membership associations, social clubs and trade unions sector. However, these associations and clubs have declined by 7.1% in just 12 months (2,632 to 2,445).

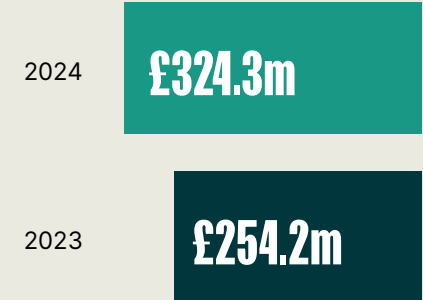
The FCA data cleanse has particularly impacted this sector. The annual movement in total co-operative business numbers are close to static with the removal of membership associations, social clubs and trade unions.

Credit unions are enjoying a significant boom, as an increasing number of people seek fairer, more inclusive financial services. Memberships are up by more than 100,000, to 2.2 million.

Income has surged by an impressive 27.6%, to £324.3 million (from £254.2 million). The sector has continued to consolidate through mergers and acquisitions, with total business numbers down from 411 to 394.



## CREDIT UNION INCOME



"As membership numbers continue to increase, the sector is supporting even more people with the exemplary care and services always offered.

"Credit unions will continue to serve communities and employers in these testing times through the provision of ethical and responsible products and services. The sector's mantra of people helping people will continue to be the bedrock of everything we do."

**Robert Kelly**  
CEO, ABCUL

# COMBATING THE CLIMATE CRISIS

Community energy is one of the most promising areas for growth within the co-operative sector. However, the surge in new community-owned green energy co-operatives seen during the 2010s has slowed significantly.

There are now 303 energy and environment co-operatives trading – an increase of just one since 2023. It is a concerning trend and not only because of reduced green energy generation according to Anne Wheldon, Co-Chair of Reading Hydro.

She said: "Community energy engages people to take local action on climate change, fuel poverty, behaviour change. It allows people to directly invest their money locally for climate benefit, and keeps income within the community.

"It helps tackle the despair and helplessness that many people feel about climate change, by giving positive ways to contribute to change."

Reading Hydro was set up as a community benefit society in 2016. Five years and three community share offers later, having raised a total of £1.2 million, it began generating electricity in September 2021.

The co-operative currently has 750 members who receive interest on their investment. Another 100 have paid a £1 membership fee to have the right to vote at its AGM and have a say in operations.

It is the community that owns and controls Reading Hydro, which generates low-carbon electricity through the power of the River Thames, as it drops over a 1.4 metre weir. Clean energy is supplied to Thames Lido, an open air swimming pool with a restaurant on the opposite side of the river.

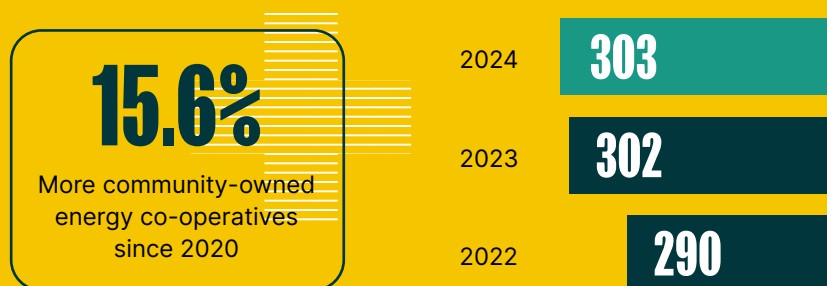
Labour's manifesto included a pledge to create Great British Energy (GBE) and Anne sees community energy as core to its success. She said: "The Local Power Plan (LPP) is one of the five roles of GBE. The LPP states specifically that community energy groups will be involved in the roll-out of eight gigawatt of small and medium scale renewables, and that the LPP will provide commercial, technical and project planning assistance.

"This could transform the impact of community energy and build on the knowledge, expertise, innovation and enthusiasm that has been built up in the sector."

The boost in community energy in the 2010s owed much to new technologies, tax relief and the launch of the government's Feed-In Tariff Scheme (FITS). And government is key to unlocking community energy potential according to the Reading Hydro Co-Chair.

Anne said: "Regulatory hurdles need ironing out, such as the time it takes to get a grid connection approved. Long-term support for energy efficiency, demand reduction and retrofit – support that gives local businesses the incentive to invest in skills – is needed."

## GENERATING COMMUNITY ENERGY BUSINESSES



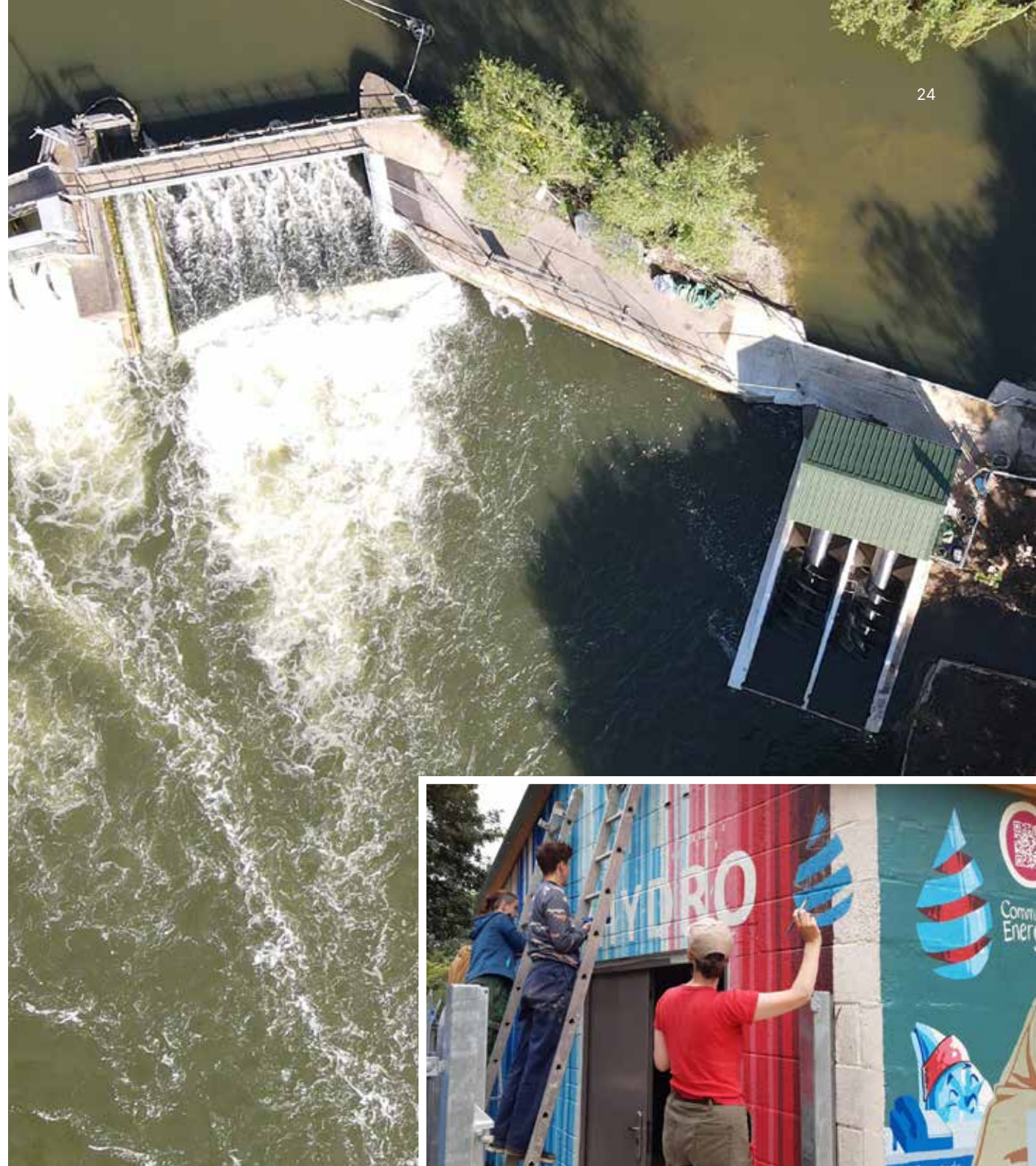
While the use of community shares – a unique form of financing available to co-operatives and community benefit societies – continues to grow, it remains outside the mainstream.

Reading Hydro's own share offer was bolstered by Co-operatives UK's Booster Fund, which offered equity matched investment of up to £100,000.

Anne said: "The Booster Fund investment was a significant contribution to our capital and it gave us confidence in our business plan and share offers. It also encouraged local people to invest knowing that we had Booster Fund backing. They knew we had an external organisation supporting us."

The people of Reading are not content to stop now. In June (2024) the organisation co-organised an event called 'Shaping the future for community energy in Reading' as part of the annual Reading Climate Festival.

The event brought together several successful community energy enterprises to learn from one another – and explore further green energy opportunities. Reading Hydro has now appointed a new Innovation Director to take forward the best ideas from the event.





# CONSUMER-OWNED

The UK's consumer-owned co-operative retailers include some of the most well known and recognised businesses on the high street, such as Co-op Group, Midcounties Co-operative and Central Co-op.

Membership of a co-operative retailer is fundamentally different from a store card as it turns customers into owners, who have a stake in the business and their community. More than 13.7 million consumers benefit from having a stake and say in co-operative retailers – an increase of over 700,000 since 2023 (5.4%).

Consumer-owned retailers contribute £16.3 billion to the UK economy, a marginal decline since 2023, though 5.1% up over the past five years.

Co-operative retailers' commitment to 'doing business better' is evident in their ethical product sourcing, with Fairtrade a significant part of product ranges. Co-operatives have led the promotion of Fairtrade goods, from bananas to chocolate and coffee to wine.

The commitment to Fairtrade extends beyond product offering. Consumer-owned retailers have also been instrumental in raising awareness about Fairtrade principles and ensuring that farmers and workers in developing countries receive fair prices and improved working conditions.

# OWNED BY CONSUMERS



"As the UK's largest co-operative, we are proud to be part of a movement that remains resilient and robust. We are owned by and run for our members and our commitment to sharing power and wealth more equitably remains crucial.

"We have seen the highest influx of new member-owners in seven years at Co-op Group – and the growth in total turnover and membership across the wider sector highlights the increasing recognition of the value that co-operatives bring to communities."

**Shirine Khoury-Haq**  
CEO, Co-op Group

# WORKER-OWNED

The huge success of Employee Ownership Trusts (EOTs) highlights the huge potential of worker co-ops to become a bigger player in the UK's business mix.

There are just 365 worker co-ops operating across the UK, a reduction from 392 in 2023 (-6.9%). Worker co-ops are those co-operatives owned and run by the workers themselves.

The benefits of worker co-ops are significant. Their democratic structure empowers workers and promotes a fairer, more inclusive workplace. Profits are distributed among the worker-owners, generating to greater equity and motivation. Because workers have a stake in the business, they are typically more motivated, engaged, and innovative. Worker co-ops also have a greater propensity to create jobs than UK businesses generally.

The success of the EOT model and buyout tax relief could be replicated, if incentives were extended to worker co-ops. It is a win-win, with business owners and workers/employees enjoying greater flexibility over succession planning and the transition to different, more inclusive and democratic, ownership models.

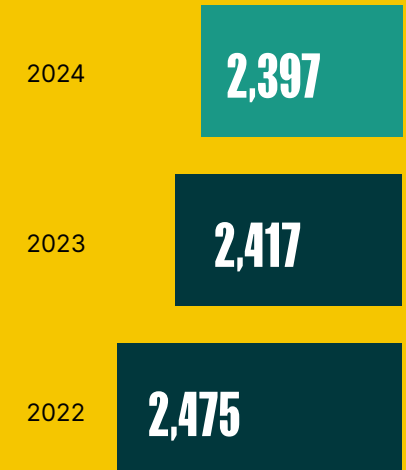
While business numbers are falling, total annual income is on an upward trajectory. Worker co-op income has increased by 22.4% over five years and 4.3% since 2023. There are marginally less worker owners overall, with numbers falling for the second successive year.



## ANNUAL INCOME



## NUMBER OF WORKER OWNERS



## FARMER-OWNED

Farmer co-operatives have experienced notable growth in the UK, with income rising from £9.1 billion to £9.7 billion since 2023 and number of farmer-owners rising by 11.2% since 2020.

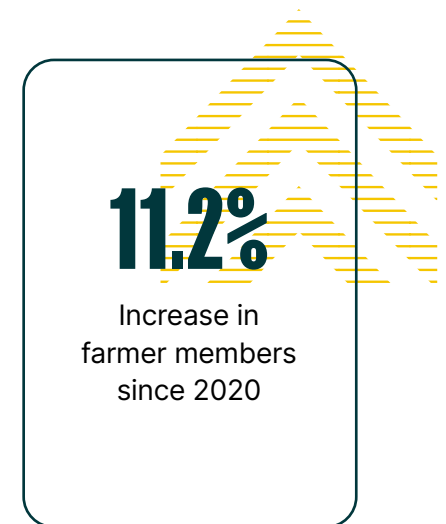
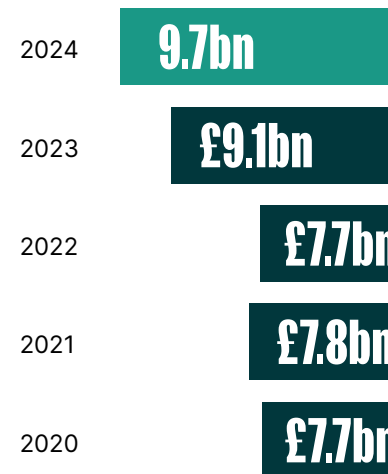
Farmer co-operatives allow individual farmers to pool resources, share risks, and collectively negotiate better prices for their products. The collaborative approach strengthens market position and improves profitability. By working together, farmers can reduce costs through bulk purchasing, share expensive machinery, and access shared services like marketing and research. These efficiencies lead to higher productivity and competitiveness.

Farmer co-operatives also help mitigate risks, such as fluctuating commodity prices and unpredictable weather, by providing a safety net that individual farmers might not be able to achieve on their own.

Despite recent growth, the UK still lags behind many EU nations. In countries like France, Germany, and the Netherlands, co-operatives are a more dominant force on the agricultural landscape. Collaboration is seen as a vital tool for achieving scale and ensuring long-term sustainability.

For the UK to further develop its farmer co-operative sector and realise the full economic benefits, there needs to be greater awareness and support, including a more favourable policy environment.

## A GROWING BUSINESS



## WORKING WITH THE GRAIN

Camgrain Stores is the UK's largest grain storage co-operative. It was set up in 1983 by farmers in Cambridgeshire who wanted to extract additional value for their crops by pooling resources, expertise, and benefit from economies of scale.

Camgrain farmers also worked together to build cutting edge grain storage facilities far too costly for individual farmers to finance and operate.

Today, Camgrain has more than 500 farmer members supplying thousands of tonnes of crops into four Camgrain sites – supporting farmers all the way from the East Coast of England to the Welsh Borders.

Simon Willis, Group CEO of Camgrain Stores, said: "We operate purely for the benefit of our farmer members, who make up the majority of our Board of Directors.

"All decisions are made in the best interest of farmers – and long-term viability of the co-operative. As a co-operative we also offer additional benefits not generally offered in the grain storage marketplace, with some unique to Camgrain."

Those benefits include a 'Dry Grain Credit' for members sending in cereal crops under 14% moisture; additional payments to members supplying wheat with protein levels over 13%; drying charges cheaper than standard industry rates; and access to preferential market contracts.



Camgrain is working for its farmers in today's markets and investing in the co-operative's future, to ensure its members continue to benefit year after year. This year (2024) Camgrain will invest £500,000 in additional colour sorting facilities which will be essential to remove the high levels of ergot found across the UK in this year's harvest.

In recent years Camgrain invested in a joint venture with Frontier Agriculture to build UK's largest and most efficient oat processing plant, co-located alongside the co-operatives storage facility on the outskirts of Kettering.

The Camgrain CEO added: "By investing in this plant, we are enabling our members to benefit from shortened supply chains and to extract further value by converting their arable crop into a food ingredient."

There are more than 20,000 more farmers who own and control agricultural co-operatives now, compared to five years ago. Farmer co-operative revenues also appear to be booming – up more than £600 million in 2024. But the industry is continuing to be squeezed.

Farmers face price volatility, supply chain disruption, increased raw material costs, inflationary pressures and suffocating regulatory demands – to name just a few modern-day issues.

Simon said: "At the moment the agricultural sector is driven by retailer demands and the capability of large – often multinational – commercial agricultural businesses. Only collectively will the voice of the UK farmer be heard.

"Farming Co-operatives have a potentially massive role to play in the future of the UK food supply chain and also in governmental strategy to reduce the UK's carbon footprint and produce food in a healthier more long-term sustainable way."

The UK's food and environment strategy must start on farms, at the very start of the supply chain, according to the Camgrain CEO. He added: "Farming co-operatives could potentially play a crucial non-political part in the consultation process needed to affect real change.

"The measures we need in order to thrive all start with appropriate consultation, suitable regulation and financial support from government. This will enable us, on behalf of our farmer members, to compete both nationally and globally."



# FLEXIBLE BENEFITS

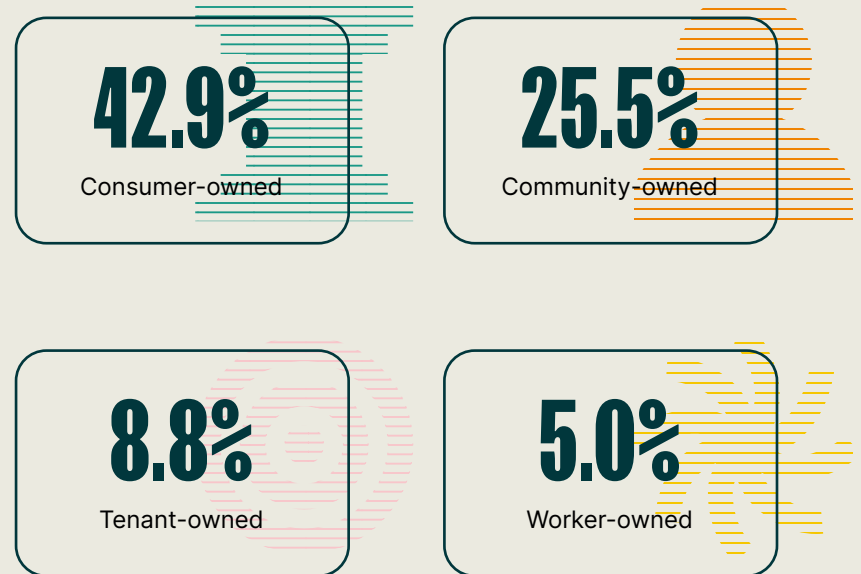
The flexibility of co-operative models allows them to be uniquely shaped to fit the needs of their members and the wider community. This adaptability, coupled with democratic control, resilience, and a focus on social impact, makes co-operatives an attractive option for those looking to create businesses that reflect their values and contribute positively to society.

Co-operatives can be set up in many different ways, using a variety of legal forms, with different types of member-owners.<sup>7</sup> Community co-operatives are increasingly popular, with growth in business numbers from 1,598 to 1,879 since 2020. It is the only legal form to register an increase in numbers following the Financial Conduct Authority's data cleanse.

Multi-stakeholder co-operatives, particularly in areas like housing and community energy, provide an opportunity for ownership to be spread between public, private and community stakeholders. Yet the number of multi-stakeholder co-operatives is falling, down 4.2% since 2023 (421 to 404).

7. Other co-operative ownership models can include employee trusts, enterprises, self-employed and tenant-owned.

# BUSINESSES IN THE CO-OPERATIVE ECONOMY



# CONCLUSION

The 2024 Co-operative and Mutual Economy report highlights the resilience, growth, and untapped potential of the democratic business sector in the UK.

Despite a challenging economic environment, co-operatives and mutuals continue to expand their reach and impact, with record-breaking income and rising memberships.

The inclusion of NHS Foundation Trusts underscores the growing relevance of democratic ownership models in both private and public sectors. As we look to the future, this report makes clear that co-operatives offer a powerful model for addressing social, economic, and environmental challenges.

By prioritising long-term sustainability, inclusivity, and democratic control, the sector is well-positioned to play a central role in shaping a fairer, more resilient economy. Achieving the government's ambitious goal of doubling the sector's size will require targeted policy support, capital access, and public awareness, but the potential benefits – for communities, workers, and the economy – are profound.

# CO-OPERATIVES – TOP 10

Top 10 2024	Organisation name	Industry sector	Income	Members
1	Co-op Group	Retail	£11,176,000,000	5,000,000
2	The John Lewis Partnership	Retail	£10,781,000,000	70,500
3	Arla Foods	Agriculture	£3,020,190,000	2,053
4	National Merchant Buying Society (NMBS)	Retail	£2,251,210,000	1,230
5	Central Co-op	Retail	£960,860,000	2,151,984
6	The Midcounties Co-operative	Retail	£837,025,000	645,048
7	Openfield Group	Agriculture	£806,317,000	4,020
8	Dale Farm Co-operative	Agriculture	£727,818,000	1,472
9	Mole Valley Farmers	Agriculture	£615,460,000	107,000
10	The Southern Co-operative	Retail	£545,750,000	204,577



# CO-OPERATIVES BY NATION – TOP 5

England	Organisation name	Industry sector	Income	Members
2024				
1	Co-op Group	Retail	£11,176,000,000	5,000,000
2	The John Lewis Partnership	Retail	£10,781,000,000	70,500
3	Arla Foods	Agriculture	£3,020,190,000	2,053
4	National Merchant Buying Society (NMBS)	Retail	£2,251,210,000	1,230
5	Central Co-op	Retail	£960,860,000	2,151,984

Scotland	Organisation name	Industry sector	Income	Members
2024				
1	First Milk	Agriculture	£456,243,000	708
2	Scotmid Co-operative	Retail	£424,938,000	159,989
3	ANM Group	Agriculture	£142,949,000	4,982
4	Tarff Valley	Agriculture	£99,387,852	1,245
5	Scottish Pig Producers	Agriculture	£87,460,995	88

<b>Wales</b>	<b>Organisation name</b>	<b>Industry sector</b>	<b>Income</b>	<b>Members</b>
<b>2024</b>				
1	South Caernarvon Creameries	Agriculture	£91,982,927	144
2	Clynderwen and Cardiganshire Farmers (CCF)	Agriculture	£70,889,361	7,336
3	Trivallis	Housing	£60,490,000	386
4	Bron Afon Community Housing	Housing	£51,104,000	2,509
5	Cartrefi Cymru	Health and Social Care	£35,601,862	Undisclosed

<b>Northern Ireland</b>	<b>Organisation name</b>	<b>Industry sector</b>	<b>Income</b>	<b>Members</b>
<b>2024</b>				
1	Dale Farm Co-operative	Agriculture	£727,818,000	1,472
2	LacPatrick	Agriculture	£434,781,133	Undisclosed
3	Fane Valley	Agriculture	£301,352,680	1,045
4	South Armagh Farming Enterprises (SAFE)	Agriculture	£30,341,914	3,015
5	Hilltown Mart (Hilltown Farmers Attested Sales)	Agriculture	£10,457,866	168

# CO-OPERATIVES BY SECTOR – TOP 5

Agriculture		Organisation name	Income	Members
2024				
1	Arla Foods	£3,020,190,000	2,053	
2	Openfield Group	£806,317,000	4,020	
3	Dale Farm Co-operative	£727,818,000	1,472	
4	Mole Valley Farmers	£615,460,000	107,000	
5	First Milk	£456,243,000	708	

Digital, Media and Communications		Organisation name	Income	Members
2024				
1	Together TV	£1,291,645	124	
2	Developer Society	£1,194,847	33	
3	Calverts	£1,109,128	11	
4	Outlandish Co-operative	£974,424	8	
5	Independent Networks Co-operative Association (INCA)	£919,442	179	

Energy and Environment	Organisation name	Income	Members
2024			
1	Bath and West Community Energy	£2,400,962	961
2	The Low Carbon Hub	£1,999,488	1,808
3	Heart of England Community Energy	£1,987,029	74
4	Westmill Solar Co-operative	£1,960,134	1,660
5	Bristol Energy Co-op	£1,465,966	1,487

Health and Social Care	Organisation name	Income	Members
2024			
1	Local Care Direct	£35,871,745	658
2	Cartrefi Cymru	£35,601,862	Undisclosed
3	Community Dental Services	£30,592,000	433
4	Bury And Rochdale Doctors On Call (BARDOC)	£13,093,632	389
5	The Shropshire Doctors' Co-operative (ShropDoc)	£12,033,587	Undisclosed

Housing	Organisation name	Income	Members
2024			
1	Eastlight Community Homes	£86,949,000	4,775
2	Trivallis	£60,490,000	386
3	Rochdale Boroughwide Housing	£57,288,000	5,195
4	Bron Afon Community Housing	£51,104,000	2,509
5	Phoenix Community Housing	£42,967,000	3,375

Retail	Organisation name	Income	Members
2024			
1	Co-op Group	£11,176,000,000	5,000,000
2	The John Lewis Partnership	£10,781,000,000	70,500
3	National Merchant Buying Society (NMBS)	£2,251,210,000	1,230
4	Central Co-op	£960,860,000	2,151,984
5	The Midcounties Co-operative	£837,025,000	645,048

## CO-OPERATIVES – TOP 50

Top 50	Organisation name	Industry sector	Income	Members
2024				
1	Co-op Group	Retail	£11,176,000,000	5,000,000
2	The John Lewis Partnership	Retail	£10,781,000,000	70,500
3	Arla Foods	Agriculture	£3,020,190,000	2,053
4	National Merchant Buying Society (NMBS)	Retail	£2,251,210,000	1,230
5	Central Co-op	Retail	£960,860,000	2,151,984
6	The Midcounties Co-operative	Retail	£837,025,000	645,048
7	Openfield Group	Agriculture	£806,317,000	4,020
8	Dale Farm Co-operative	Agriculture	£727,818,000	1,472
9	Mole Valley Farmers	Agriculture	£615,460,000	107,000
10	The Southern Co-operative	Retail	£545,750,000	204,577

Top 50	Organisation name	Industry sector	Income	Members
2024				
11	First Milk	Agriculture	£456,243,000	708
12	LacPatrick	Agriculture	£434,781,133	Undisclosed
13	Scotmid Co-operative	Retail	£424,938,000	159,989
14	East of England Co-op	Retail	£395,632,000	300,000
15	The AF Group	Agriculture	£381,588,415	3,516
16	Fram Farmers	Agriculture	£319,494,294	1,246
17	Greenwich Leisure	Sports and Recreation	£310,773,196	2,021
18	Scott Bader Company	Manufacturing	£305,825,000	Undisclosed
19	Fane Valley	Agriculture	£301,352,680	1,045
20	Lincolnshire Co-op	Retail	£283,498,000	292,108

Top 50	Organisation name	Industry sector	Income	Members
2024				
21	GrainCo	Agriculture	£257,984,695	Undisclosed
22	The Channel Islands Co-operative Society	Retail	£208,492,000	122,394
23	The Co-operative Academies Trust	Education	£202,594,000	Undisclosed
24	United Oilseed Producers	Agriculture	£175,889,083	3,580
25	Kite Packaging	Other	£162,047,000	Undisclosed
26	Woldmarsh Producers	Agriculture	£160,107,220	1,087
27	Agricultural Central Trading	Agriculture	£153,801,188	3,167
28	Richer Sounds	Retail	£150,836,000	Undisclosed
29	ANM Group	Agriculture	£142,949,000	4,982
30	Brandsby Agricultural Trading Association (BATA)	Agriculture	£133,784,129	2,934



Top 50	Organisation name	Industry sector	Income	Members
2024				
31	The Wine Society	Retail	£124,551,000	488,766
32	Freedom Leisure	Sports and Recreation	£111,666,897	8
33	Meadow Quality	Retail	£101,535,901	Undisclosed
34	Tarff Valley	Agriculture	£99,387,852	1,245
35	Yorkshire Farmers Livestock Marketing	Agriculture	£99,190,825	249
36	G's Growers	Agriculture	£96,640,000	Undisclosed
37	Heart of England Co-operative	Retail	£95,814,000	178,570
38	South Caernarvon Creameries	Agriculture	£91,982,927	144
39	Osborne Co-operative Academy Trust	Education	£89,228,000	Undisclosed
40	Scottish Pig Producers	Agriculture	£87,460,995	88

Top 50	Organisation name	Industry sector	Income	Members
2024				
41	Eastlight Community Homes	Housing	£86,949,000	4,775
42	Long Clawson Dairy	Agriculture	£83,854,000	121
43	Chelmsford Star Co-operative	Retail	£83,320,184	98,239
44	Speciality Produce	Agriculture	£78,970,907	16
45	Scotlean Pigs	Agriculture	£76,060,359	87
46	Clynderwen and Cardiganshire Farmers (CCF)	Agriculture	£70,889,361	7,336
47	Organic Herd	Agriculture	£67,042,000	Undisclosed
48	Surrey County Cricket Club	Sports and Recreation	£65,390,000	19,387
49	Suma Wholefoods	Retail	£63,633,429	210
50	Aquascot	Manufacturing	£62,660,519	Undisclosed

# METHODOLOGY

## Periods

The co-op economy year runs from February 1 to January 31. Where a year is referenced, it is the year that the final day of the period falls. For example, the economic year that runs from 01/02/2023 to 31/01/2024 is called 2024.

## Geographic Data

Geographic data is based on the organisation's registered address.

## Sources

Financial mutuals courtesy of the Association of Financial Mutuals and the International Cooperative and Mutual Insurance Federation.

Credit union data from the Prudential Regulation Authority's 'Annual Credit Union Statistics' and Co-operative UK's own list of credit unions.

Building society data from the Building Societies Association's 'BSA Yearbook' augmented with data from building society annual reports.

Numbers of employee owned businesses from 'WREOC Employee Owned Sector Profile' produced by the Employee Ownership Association and White Rose Employee Ownership Centre.

Financial information on employee owned businesses from 'The Employee Ownership Top 50' produced by the Employee Ownership Association and The RM2 Partnership.

Neither employee ownership report includes financial/employee/ownership data outside of the top 50 (by employees). Some employee owned businesses in the employee owned top 50 are also co-operatives. These are only counted once in democratic economy figures.

NHS Foundation Trust identifiers and data from Care Quality Commission register and published annual reports/accounts.

## Resilience Data 2017-2022

Data on companies comes from the Office for National Statistics' "Business Demography, UK: 2022" report. <https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/businessdemography/2022>

## Replacement Rate Figures

2022 information from the Office for National Statistics' "Business demography, quarterly experimental statistics, UK" Quarter 2, 2023 edition. <https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/datasets/businessdemographyquarterlyexperimentalstatisticsuk>

Earlier data from the ONS's "Business Demography, UK: 2021" report: [www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/businessdemography/2021](http://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/businessdemography/2021)

## Inclusion of Co-operatives In Given Year

Typically a co-operative will be included in data using its Registration Date/Deregistration Date on their registrar's page. In some circumstances we may use different dates if, for example, we become aware that a co-operative has ceased trading but has not officially shut down.

## Income/Employees/Number of Members

Financial Data is included in the year that the 'year end' reported in the accounts falls. Where there is missing data for a given year we use previously reported figures.

Financial Data for societies is taken from their AR30. For larger co-operatives, and where potential discrepancies are identified, figures are checked against the organisation's accounts.

Companies have different reporting requirements to societies. There is no requirement to report number of members. Smaller companies are not required to report income.

# GLOSSARY OF TERMS

## **Association of British Credit Unions (ABCUL)**

The main trade association for credit unions in the UK.

## **Association of Financial Mutuals (AFM)**

The trade body that represents mutual and not-for-profit insurers, friendly societies and other financial mutuals across the UK.

## **Building Society**

A building society, or mutual, is owned by its members and run for their collective benefit. Its members are those who bank, save or have a mortgage with the society. A building society is not run for the benefit of shareholders in the same way that banks are.

## **Building Societies Association**

The trade body for all 42 UK building societies as well as seven credit unions.

## **Charitable Community Benefit Society**

When the activities of a community benefit society fall under one of the 13 charitable purposes, and the governing document is wholly charitable, then the society can apply to HMRC for exempt charity status.

## **Community Benefit Society (CBS/Bencom)**

A legal form, registered under The Co-operative and Community Benefit Societies Act 2014, that serves the broader interests of a community, in contrast to a co-operative society that serve the interests of its members. A CBS can also be a co-operative, with thousands taking this legal form.

## **Community Energy**

Community energy is the delivery of community-led renewable energy, energy demand reduction and energy supply projects, whether wholly owned and/or controlled by communities or through a partnership with commercial or public sector partners. Community ownership and control is often delivered through community shares.

## **Community Owned**

Ownership and control lies with members of the community which the organisation operates.

## **Community Shares**

A user-friendly name for withdrawable, non-transferable share capital; a form of equity uniquely available to co-operative and community benefit societies. Community shares is a flexible and effective way to raise finance and provide co-operative ownership to people and communities. It is an interest-bearing, patient, form of equity investment.

## **Community Shares Unit**

Co-operatives UK is at the heart of the Community Shares Unit (CSU), a long-standing partnership with Locality and Plunkett Foundation, and funding partners Power to Change and Access – the foundation for social investment. The CSU works to develop the community shares market through innovative programmes. It promotes best practice, embedded through its Community Shares Standard Mark.

## **Community Shares Standard Mark**

The Community Shares Standard Mark is awarded to community share offers that meet national standards of good practice.

## **Consumer Retail Society**

A type of retail co-operative owned by its customers. Co-op Group is one of the world's largest consumer co-operatives, owned by millions of members.

## **Co-operative**

A business or organisation that is owned and controlled by its members, to meet their shared needs. Every co-operative shares and adheres to the same Co-operative Values and Principles. Co-operatives can take any legal form (e.g. a PLC, community benefit society, community interest company, partnership, company) providing it can satisfactorily evidence adherence to the International Co-operative Alliance-ratified values and principles.

## **Co-op Economy Report**

The nation's only comprehensive report on the UK's co-operative sector and forerunner to The Co-op and Mutual Economy.

## **Co-op Group**

Co-op Group is one of the world's largest consumer co-operatives, owned by millions of members.

**Co-operative Movement**

Co-operatives operate across the globe and collectively form the Co-operative Movement. The Co-operative Principles are the foundations upon which all co-operatives operate and underpin ways of doing business. While revised and updated, the Principles remain essentially the same as those practiced by the Rochdale Pioneers in 1844.

**Co-operatives UK**

As the voice of the UK's Co-operative Movement, Co-operatives UK empowers and supports co-operative enterprise with specialised knowledge and expertise, to grow the co-operative economy and create a fairer society.

**Co-operative Values and Principles**

There are seven co-operative principles that define how a co-operative operates as ratified by the International Co-operative Alliance. Co-operatives are also based on 10 values. See [uk.coop/ValuesPrinciples](#)

**Credit Union**

A credit union is a financial co-operative which provides savings, loans and a range of services to its members. It is owned and controlled by its members.

**Employee Owned**

In an employee owned business employees are the majority (or only) shareholders. Employee ownership can take three forms. Through direct employee ownership, employees are registered individual shareholders. Indirect employee ownership is when shares are held collectively on behalf of employees, normally through an employee trust. Employee ownership can also take place through a combination of individual and collective share ownership.

**Employee Ownership Trust**

A trust that enables a company to become employee owned. It can be set up by a company's existing owners, perhaps as part of their succession strategy, or founders starting a new employee owned business. It was created by the Finance Act 2014 with significant tax breaks.

**Employee Ownership Association (EOA)**

The EOA represents the UK's employee owned sector.

**Federals**

Federal organisations are usually themselves a member organisation that represent a certain sector of the Co-operative Movement. Federals concentrate their support and activities to one particular type of co-operative. Examples include [workers.coop](#) (worker co-ops) and [ABCUL](#) (credit unions). For a full list see end of glossary.

**Financial Conduct Authority (FCA)**

The FCA is an independent, financial regulatory body. Any organisation carrying out regulated business (including co-operative societies and community benefit societies) must be registered with the FCA. Co-operatives and community benefit societies registered under The Co-operative and Community Benefit Societies Act 2014, must register with the FCA.

**Freelancer Co-operative**

A freelancer co-operative is usually made up of self-employed or sole trader businesses that come together and form a single entity in order to enjoy collective benefits such as shared costs, resources, knowledge and expertise.

**Friendly Society**

A friendly society is a mutual association for the purposes of insurance, pensions, savings or co-operative banking.

**Housing Co-operative**

There are several different types of structures for a housing co-operative. All models revolve around the owning, renting or management of residential properties. Housing co-operatives can be either fully mutual, where all tenants are members (and vice-versa) or non-fully mutual, which can have a wider membership base.

**International Co-operative Alliance (ICA)**

The apex body representing co-operatives, which are estimated to be around three million worldwide, at a global level. It provides a global voice and is a forum for knowledge, expertise and co-ordinated action for and about co-operatives.

**Member**

A member is a person or organisation (see secondary co-operative) that trades with or benefits from the activity of a co-operative or mutual. Examples include customers, workers, suppliers and tenants.

**Membership Shares**

Shares can be issued that are neither withdrawable nor transferable but are forfeited when the member leaves the organisation. These are the typical form of the shares in most common ownership co-operatives.

**Multi-Stakeholder Co-operative**

Co-operatives that are owned and controlled by more than one type of membership class such as consumers, producers, workers, volunteers, community supporters, and public bodies.

**Mutual**

As defined by the Mutuals Manifesto, mutuals are organisations that are owned by, and run for the benefit of, their current and future members. Unlike most financial services organisations, mutuals have no shareholders to pay.

**NHS Foundation Trust**

Semi-autonomous health organisations in the UK, designed to provide healthcare services under the National Health Service (NHS), while being accountable to local communities through a democratic model of ownership.

**Unincorporated Co-operative**

A co-operative not registered as a corporate body (legal entity). As such, the law does not recognise any distinction between the organisation and the members, so members have unlimited, personal liability.

**Retail Consumer Co-operative**

A type of retail co-operative owned by its customers. Co-op Group is one of the world's largest consumer co-operatives, owned by millions of members.

**Secondary Co-operative**

An organisation whose members are organisations (usually co-operatives) as opposed to 'natural persons'. Co-operatives UK is an example of a secondary co-operative. It is owned and controlled by its members, who are all co-operatives or organisations that support co-operative values and principles.

**Share Offer/Community Share Offer**

The name for an individual equity-raising offer by a co-operative or community benefit society using community shares.

**Transferable Share**

Transferable shares can be sold to any company or individual, and so can increase or decrease in value.

**Values and Principles**

See Co-operative Values and Principles

**Withdrawable Share Capital**

Withdrawable shares are largely linked to co-operative and community benefit societies and can normally be withdrawn on request at the same value bought (traditionally £1). If the organisation is wound up, the shares are worth no more than the price paid.

**Worker Co-op**

A worker co-operative is an organisation democratically controlled and collectively owned by its workers. Suma is the largest worker co-op in the UK.

**Federal Bodies – full list**

ACE Credit Union Services; Association Of British Credit Unions (ABCUL); Association of Conservative Clubs; Association of Financial Mutuals; Club and Institute Union; Community Energy Association (England); Community Leisure UK; Community Owned Asset Management; Confederation of Co-operative Housing (CCH); Co-operative Councils Innovation Network (CCIN); Co-operative Housing in Scotland; Co-operative Personal Management Association; Country Markets; Energy Local; Energy4All; National Farmers' Retail and Markets Association; National Society of Allotment and Leisure Gardeners; National Market Traders Federation; Plunkett Foundation; Radical Routes; Scottish Agricultural Organisation Society; Scottish League of Credit Unions; Student Co-operative Homes; Supporters Direct Scotland; The Building Societies Association; The Football Supporters' Association; The National Federation of Tenant Management Organisations; The Schools Co-operative Society; UKCreditUnions; Workers.coop.

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