

Certificate in Co-operative Studies

History and Development of the Co-operative Movement

Higher Assessment - Teacher's Notes

Learning Outcome 4: Analyse co-operative enterprise in Scotland.

Performance Criteria 4.1:

Identify at least five economic sectors where co-operatives exist in Scotland today.

Performance Criteria 4.2:

Identify an existing example of a Scottish co-operative in each of the five economic sectors identified in PC 4.1.

Performance Criteria 4.3:

Demonstrate an understanding of the differences between 'consumer', 'producer', 'worker' and 'community' co-operatives by classifying each of the examples in PC4.2 as 'consumer', 'producer', 'worker' or 'community'.

Performance Criteria 4.4:

Consider not-for-profit organisations such as a Development Trust or Football Supporters' Trust and Community Co-operatives in your analysis.

Performance Criteria 4.5:

Use relevant statistical information to draw conclusions about the scale and diversity of co-operative enterprise in Scotland today.

Performance Criteria 4.6:

Explain how the Scottish Government are supporting the development of co-operatives in Scotland today.

Performance Criteria 4.7:

Explain the role of 'Co-operative Development Scotland'.

Performance Criteria 4.8:

Discuss the relevance of co-operatives in the current social and economic climate.

Performance Criteria 4.9:

Identify at least three business sectors in which there are opportunities to grow and strengthen the co-operative sector in Scotland.

Performance Criteria 4.10:

Give a reasoned justification for the conclusions reached in your analysis.

Assessment Strategy

In order to achieve learning outcome 4 the student must be able to give written evidence of various points including:

- Different economic sectors where co-operative enterprises exist.
- Examples of co-operatives within each sector.
- An understanding of 'not-for profit' organisations.
- The differences between 'consumer', 'worker', 'producer' and 'community' co-operatives, with examples of each.
- Why the Scottish Government is supporting co-operatives.
- The role of 'Co-operative Development Scotland'.

Students will be given no more than one hour and 30 mins. to do this assessment under exam conditions. Higher students should be able to complete this assessment in an hour, but extra time is given if necessary.

A pass in this outcome can only be achieved if the student has answered, correctly, at least half of every question.

Should the student fail to pass any part of the paper they should be given up to two opportunities to re-sit.

A useful website for teaching, learning and revision purposes is:

<http://www.abdn.ac.uk/cets/current-students>

The website lists all the different types of co-operatives and gives links to specific examples.

The 'Co-operative Development Scotland' website

<http://www.scottish-enterprise.com/microsites/co-operative-development-scotland.aspx>

is also a useful source of information.

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Higher Assessment - Student Guide

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Consider not-for-profit organisations such as a Development Trust or Football Supporters' Trust and Community Co-operatives in your analysis.

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Assessment Strategy

In order to achieve learning outcome 4 you must be able to give written evidence of various points including:

- Different economic sectors where co-operative enterprises exist.
- Examples of co-operatives within each sector.
- An understanding of 'not-for profit' organisations.
- The differences between 'consumer', 'worker', 'producer' and 'community' co-operatives, with examples of each.
- Why the Scottish Government is supporting co-operatives.
- The role of 'Co-operative Development Scotland'.

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Higher Assessment

Learning Outcome 4

Read the questions carefully and answer in the spaces provided.

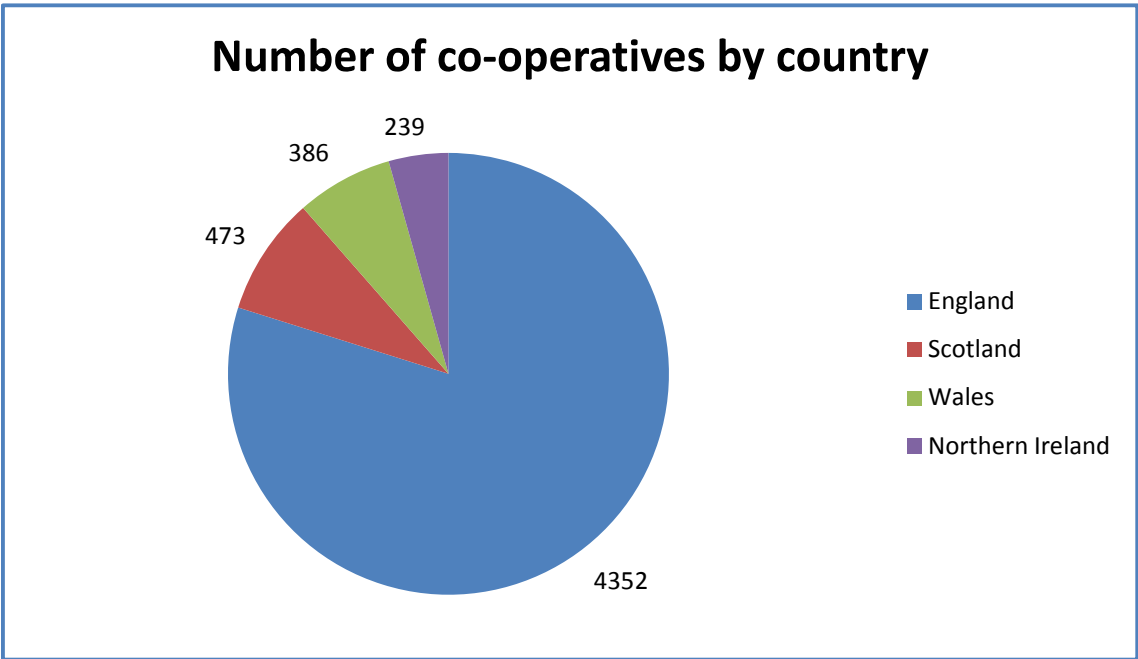
1. **Consider the following questions and use them to fill in the table that follows.**
 - a) Write down 5 different economic sectors in which co-operative enterprises exist in Scotland today.
 - b) Give an example of an existing co-operative in each of the sectors you have identified in a) - you should include one of each of the types named in c).
 - c) Classify each example as 'consumer', 'producer', 'worker' or 'community.'

15 marks

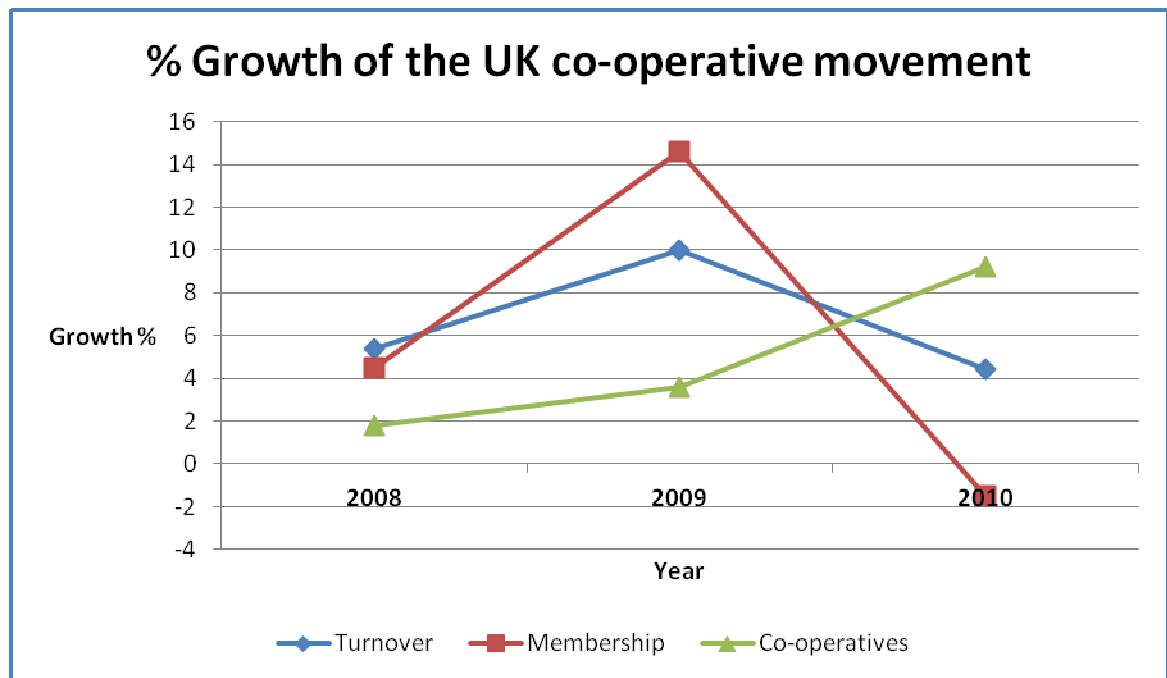
Economic Sector	Example of existing co-operative	Type of co-operative

2. Describe two types of co-operative which are not-for-profit organisations and give an existing example of each. **6 marks**

Source A - Number of co-operatives by country (UK)



Source B - Percentage growth of the UK co-operative movement



3. Using Sources **A** and **B**, describe the growth and scale of co-operative enterprise in Scotland today. **4 marks**

4. Explain how the Scottish Government is supporting the development of co-operatives in Scotland today. **2 marks**

5. Explain the role of 'Co-operative Development Scotland'. **2 marks**

6. Discuss the relevance of co-operatives in the current social and economic climate. **3 marks**

7. Identify at least 3 business sectors in which there are opportunities to grow and strengthen the co-operative sector in Scotland. You must justify your answer. **4 marks**

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Higher

Learning Outcome 4

Marking Scheme

Students should be accredited with any correct information, such as that given below.

Question 1 (Performance Criteria 4.1, 4.2, 4.3.)

Housing -

A housing co-operative is created by people who wish to find a housing solution to their community's problems.

Here is an example of a Scottish housing co-operative:

West Whitlawburn Housing Co-operative - consumer / community co-operative.

Agriculture -

Agricultural co-operatives, or farmers' cooperatives, are co-operatives where farmers share their resources for mutual benefit.

Agricultural co-operatives operating in Scotland:

Scottish Association of Farmers' Markets - producer co-operative.

Aberdeen and Northern Marts - producer co-operative.

Scottish Agricultural Organisation Society Ltd - producer co-operative.

Finance –

Credit unions are co-operative financial institutions that are owned and controlled by their members.

Scottish examples include **Grampian Credit Union**, **Capital Credit Union**, and **St Machar Credit Union** - **consumer** co-operatives.

Retail -

A retailers' cooperative is an organisation which helps its members to receive discounts from manufacturers.

Scotmid is Scotland's largest independent co-operative, with over 260 retail outlets in the shape of community based food stores and the toiletry chain **Semi Chem** - **consumer** co-operative.

Edinburgh Bicycle Co-operative is a **worker** co-operative operating in the **retail** sector.

Food and Drink -

Highland Wholefoods Workers' Co-operative - **worker** co-operative.

Information Technology –

Atomised - **worker** co-operative.

Graphic Design -

The Graphics Company -**worker** co-operative.

Energy –

The Boyndie Wind Farm Co-operative - **community** co-operative.

Candidates should receive 1 **mark** for each point that is correctly given in the table.

Question 2 (Performance Criteria 4.4)

Not-for-profit organisations

Football Supporters' Trust - A supporters' trust is a democratic not-for-profit organisation for supporters of football and other sports clubs.

The trust gives supporters the chance to help a sports club in a constructive way, whilst also providing real influence in the running of the club through the share capital of the company. There is an elected board and members appoint a director.

Here is an example from Dundee: **ArabTrust**.

Development Trust - A development trust is an independent not-for-profit organisation controlled by the community and set up to assist with local regeneration.

Here is an example from Edinburgh: **Out of the Blue**.

1 mark will be awarded for each type, description and name that is correctly given.

Question 3 (Performance Criteria 4.5)

Using Sources A and B, students should identify factors such as-

- Scotland has 473 co-operatives. Compare this to other countries.
- Membership of co-operatives in the UK rose steadily until 2009.
- Membership and turnover have decreased significantly between 2009 and 2010.
- Number of co-operatives has actually risen since 2009.
- Students should give statistical evidence from the sources and should try to draw a conclusion about the scale and diversity of co-operatives, in Scotland in particular, by drawing on any other knowledge they may have.

(2 marks per analysis point)

Question 4 (Performance Criteria 4.6)

Students should explain how the Scottish Government is supporting the development of co-operatives, by giving evidence such as:

- The then Scottish Executive created 'Co-operative Development Scotland', a Scottish Enterprise subsidiary, with the remit to promote and facilitate the development of co-operative enterprise across Scotland.
- The Scottish Government has continued to support 'Co-operative Development' Scotland financially.
- The Scottish Government has published 'Growth, Talent, Ambition - the Government's strategy for the Creative Industries' which sets out how the Government is working to support the sector which generates billions of pounds each year for the Scottish economy and supports more than 60,000 jobs.
- It includes areas such as improving skills, increasing investment and improving access to finance and international markets.
- Any other relevant factors, examples or evidence.

(2 marks for a well developed answer)

Question 5 (Performance Criteria 4.7)

Students should explain the role of 'Co-operative Development Scotland' by giving evidence such as:

- Their remit is 'to promote and facilitate the development of co-operative enterprises'.
- They support the growth of co-operative enterprises in Scotland, from developing consortia to employee buyouts.
- They proactively support the growth of key industries where collaboration is crucial to competitiveness.
- Students should aim to give an explanation of **what** this actually means.

(1 mark for each point given- maximum of 2 marks)

Question 6 (Performance Criteria 4.8)

Students should describe the relevance of co-operatives in the current social and economic climate by giving evidence such as:

- They offer help to graduates wanting to set up their own business.
- Employee owned businesses are often more profitable than conventional business models and create jobs more quickly, even in a difficult economic climate.
- Evidence that even in difficult times shares continue to grow.
- CDS services continue to rise as a result of the security and expertise they can give, as well as helping to arrange relevant funding.
- Any other relevant facts or statistics.

(1 mark for each piece of developed and accurate information given - maximum 3 marks)

Question 7 (Performance Criteria 4.9 and 4.10)

Students should identify **3** business sectors in which there are opportunities to grow and strengthen the co-operative sector in Scotland and give a reasoned justification for their choices by giving evidence such as:

Food and drink

Collaboration allows producers and suppliers to benefit from purchasing, supply chain and marketing efficiencies.

Tourism

There are many examples of local or product-based tourism businesses collaborating to promote their destination or offering.

Forestry and timber technologies

Co-operative business models are well suited to the management, harvesting and development of forest resources.

Renewables

Renewable energy co-operatives allow communities to develop and have collective ownership of assets, such as wind farms and biomass plants.

Creative industries

Co-operative business models allow professionals to market complementary skills and have a say in the management of their business.

Textiles

By formally collaborating, companies can widen their reach, improve productivity and achieve critical economies of scale.

Justification:

Students should aim to conclude this question with a reasoned justification stating **why** they think these sectors will continue to strengthen and grow, even in the difficult current climate.

Any mature and reasoned argument should be accredited.

(1 mark for each business sector identified plus 1 mark for a reasoned justification. Maximum 4 marks).

Overall the whole paper is out of **32 marks**. Students will achieve each performance criteria and therefore the learning outcome, if they **gain at least half marks** for each answer.

If students fail to achieve half marks, then they need to re-sit only the specific question/ performance criteria in which they did not achieve a pass.