



News from your Council

October 2016 Issue 9

Welcome to the latest Members' Council Newsletter that provides members with an update on the work of Council at its September meeting. Your comments on this publication are welcome, so please email council@co-operative.coop to share your feedback with us.



Nick Crofts, President of the Members' Council

Consumer Services Update

We welcomed Matt Howells, Managing Director of Co-op Legal Services and Richard Lancaster, Managing Director of Funeralcare to the meeting to update us on the Rebuild programme in their respective Businesses.

In Funeralcare, we heard about the success of the Simple Funeral plan and the importance of linking member rewards to Funeral products and services. Co-op Funeralcare also reported the opening of its 1,000th branch in Ashted, Surrey during the summer. It represents a great

milestone for the Funeralcare business and underlines our commitment to making services as accessible as possible to members within their local communities.

Matt talked to us about strong performance in the Legal Services business in the first half of 2016 following the acquisition of Collective Legal Solutions in January. We also heard more about ongoing work with the Co-op Digital team to make products and services mobile friendly, including a recently launched [new site for will writing](#).

Interim Results

Ian Ellis, our Chief Finance Officer joined us for a walkthrough of the half year results that was followed up by an in-depth Q and A session. Ian explained how significant investment in products and pricing was leading to strong sales growth across the Co-op.

This very necessary investment has led to a planned dip in our profits in the first half. That dip was planned and should not be a concern to members and colleagues. It was always our financial strategy for this stage in our Rebuild.

The lower profit figure reflects the huge investment we've made in price reduction, product improvement, the rebrand programme and the 8.5% increase in pay for our customer facing colleagues.

Looking specifically at Food, on a like for like basis, comparing the same number of stores to last year, our sales are up 3.1%. In our convenience stores, which make up the bulk of our shops, performance has been even stronger with an increase of 4.3% - this is well ahead of our competitors and makes us the fastest growing retailer in the UK, excluding discounters.

Forum with Directors

Council Members had the opportunity to quiz, question and probe Board members in our Directors' Forum. On the panel were Hazel Blears, Paul Chandler, Peter Plumb, Margaret Casely-Hayford, Ruth Spellman and Richard Pennycook. Topics discussed included the ongoing need to improve two way communication with members, cross marketing opportunities in stores presented by the new membership scheme and Board input into the further development of the Co-op Compass, a framework devised by Council to effectively hold the Board to account on behalf of members.

The Co-op Way

Michael Bates, Group Marketing Director joined us to gain our feedback on how we can co-operatively market our new Brand. There is now a clear focus on how we compete and stand against leading brands and how we are perceived in the minds of consumers. Michael updated Council on the plans to tell our unique #TheCoopWay story in an innovative and compelling way to members in 2017. We're looking forward to being able to share further information on this exciting development after our November meeting.

Membership re-invented

After lunch, Richard Pennycook, Group Chief Executive and Alyson Chadwick, Director of Strategy provided us with an update on the [new Co-op membership scheme](#) following its recent launch.

We were pleased to hear the following stats from the first two days which support much of the positive coverage we've had in the press and media since launch.

- 137k temporary cards sold
- Plus additional 4.8k joined direct
- £198k earned for members
- £37k earned for communities
- 7k members have selected a local cause

Meanwhile, more than 58,000 customer facing colleagues have completed training on the new Membership offer so they can easily explain the benefits to members and customers..



Your Members Council will be out and about at a series of 'A Taste of Your Co-op' events during November and December. For more information and to book your place, visit www.coop.co.uk/membership

Nick

Nick Crofts, President of the Members' Council