

**The Midcounties Co-operative Limited  
Minutes of the Annual General Meeting of Members  
held at Cheltenham Race Course, Evesham Road, Cheltenham GL50 4SH and online**

**13 May 2023 at 9.30a.m.**

**Directors present:**

**Helen Wiseman, President  
Vivian Woodell, Vice-President  
Heather Richardson, Vice-President  
Olivia Birch  
Ellie Boyle  
Bernadette Connor  
Vicky Green  
Evelyne Godfrey  
Paul Mather  
Nick Milton  
Barbara Rainford  
Fiona Ravenscroft  
Matt Lane  
Stephen Hawksworth  
Harvey Griffiths**

**Apologies from directors:**

**Irene Kirkman**

**Society Officers present:**

**Phil Ponsonby, Group Chief Executive  
Edward Parker, Secretary & Head of Governance  
The Executive Team**

**491 members attending (including Directors and Officers) and 14 guests**

**23/05          Welcome and preliminaries**

Helen Wiseman welcomed members to the meeting. This year the AGM formed part of the Fairer Living Festival and those attending in person were encouraged to enjoy the events and activities scheduled through the day.

She ran through the agenda of the meeting and presented the Society's updated purpose statement:

“through the power of co-operation, we're building a fairer, more sustainable, and ethical future”.

### **23/06 CEO Update – the year in review**

A short video highlighting the Society's year in review for 2022/23 year was shown.

Phil Ponsonby presented an overview of the Society's results and performance for the year. He thanked all colleagues for their dedication in what had been a busy year, highlighting a number of exceptional achievements by colleagues, including work opportunities for Ukrainian refugees, the sustainability team securing the prestigious Energy Project of the Year Award at the edie Awards, and younger colleagues who had attended and presented at the Global Innovation Coop Summit in Paris.

Phil Ponsonby presented the financial results for the Society for the 2022/23 year. He acknowledged the challenging and uncertain economic landscape caused by the conflict in Ukraine, recent changes in government leadership, and the cost of living crisis. Against that challenging backdrop, the Society's gross sales for the year had increased to £1.34bn, a 34% increase on last year; operating profit had also increased; Travel had performed strongly as consumer confidence had returned to the sector; Food saw profits decline caused by increasing energy costs; Childcare and Utilities had performed well.

He highlighted continued investment across the Society's businesses, including new Childcare nurseries, Food stores, improved refrigeration and LED lighting, and equipment to improve colleague safety in stores; the net debt position had improved since last year and the Society's assets had increased; there had also been a significant reduction in the pension liability.

Phil Ponsonby explained how the Society listened to members, including via your coop conversations and the Members App. The Members App now had 131k members using it, an increase of 130% from last year.

He highlighted the work with community groups which had received £143k in donations and the partnership with Miss Macaroon in Walsall which provided employment and training courses to enable long-term unemployed young people to become work ready. He shared the steering wheel results and explained those areas where targets had not been met.

He recapped on the Society's strategic priorities, highlighting new sites that had been opened in Food and Childcare; the further planned investment in additional sites and continued investment in digital online services, including a new website in Travel; and continuing partnerships with Fairphone and Octopus in the Utilities business.

He gave an update on progress against the ten pledges set out at last year's AGM, which were targeted to be achieved over five years:

- to reduce direct green house gas emissions by 50%
- support the creation of 50 new co-operatives
- remove all remaining single use plastic from food stores
- improve colleague incentives on electric cars, mopeds and bikes
- introduce a bursary scheme for struggling families in Childcare nurseries
- grow co-op Holidays to half of total business and focus on sustainability
- double the sales of Fairphone mobile handsets
- go further in supporting people to sustain independent living
- give members even more reason to buy Fairtrade products
- to pay colleagues at a higher level than the national living wage set by the government.

## **23/07**      **Questions**

Comments and questions on the above presentation were invited and responded to:

- Coop Travel – as part of the strategic focus on sustainable travel, there would be an increase in rail offers, including via Eurostar
- Gorse Hill, Swindon closure – the store had been closed due to its financial performance and it being identified as a non-strategic asset; the Society always sought to engage with local members where such decisions were made; the Society had reinvested in the Swindon area as reflected by the opening of new Food stores in the last twelve months
- Food packaging – the Society remained committed to reducing plastic food

packaging where practicable

- Phone coop email – steps had been taken to ensure members had an option to retain phone coop email domains, further details would be confirmed in due course
- Summertown, Oxford closure – the Society remained committed to Oxford and would continue to identify and develop Food store opportunities in the area.

### **23/08 Minutes & matters arising**

The minutes of the AGM held on 14 May 2022 were noted. There were no matters arising.

The minutes of the Half Year Meetings held on 12, 13, 18 and 19 October 2022 were noted. Formal approval for these would be sought at the next Half Year Meeting.

### **23/09 Adoption of Annual Report & Accounts**

It was noted that the Annual Report and Accounts had been made available to members in advance of the meeting. Members would have an opportunity to raise any questions in respect of the report later in the meeting and would be invited to vote on its approval.

### **23/10 Re-appointment of Auditors**

Members would be asked to vote to ratify the re-appointment of BDO later in the meeting. It was noted that the Society's auditor from BDO, Laurie Hannant, was available online to answer any audit related questions.

### **23/11 Distributions**

Peter Kelly presented the proposed distributions to be made to the Society's stakeholders.

The following distributions were to be proposed. Voting was to take place at the end of the meeting.

**£'000**

Membership development	862
Community support	264
Co-operative development	285
Campaigns fund	60
Colleague dividend	450
<b>Total</b>	<b>1,921</b>

Peter Kelly presented the proposed share of profits distribution to members. The proposed share of profits had been calculated based on a rate of 0.5 pence per point. This amounted to a distribution of £1.315m in total. As per last year, payment would be affected through a digital first approach. Member data would be used to ensure the distribution was accessible for members without the Members App. When issued, the share of the profits would be valid for six months and would move to the member's share account if unspent.

Members would be asked to vote on the proposed share of profits later in the meeting.

## **23/12 Remuneration Report**

Ellie Boyle presented the Society's Remuneration Report for the year ended 28 January 2023. The following was highlighted:

- the Report followed best practice disclosure requirements; this was felt to be the right approach to openness and transparency on what was acknowledged to be a sensitive subject
- a key role of the Remuneration Committee was to ensure the Society's remuneration policy for the Executive was fair and equitable and took account of co-operative values and principles. In practice, this meant that while salaries for members of the Executive were set at around the median, incentive pay was set c. 40-60% lower than for executives in comparable PLCs. As a result, total pay for members of the Executive was significantly below that found in PLCs
- the Committee also had a broader high-level oversight role of the reward strategy for colleagues across the Society.

## **23/13 Member Engagement Committee – update**

A short video update from the Member Engagement Committee was shown. The Chair thanked the Committee for their work over the year.

### **23/14 Special General Meeting - Rule changes**

The meeting adjourned while a Special Meeting was held to approve changes to the Society's Rules. Separate minutes of this Special Meeting have been prepared.

### **23/15 Questions**

Comments and questions were invited and responded:

- External awareness – more could be done to promote awareness of the Society's activities and achievements amongst non-members; the Fairer Living Festival was an example of greater engagement with non-members
- Members App – the Society had continued to develop the Members App and would ensure offers could be accessed by members who were unable to use the app
- Real Living Wage – the Board retained the ambition of being a real living wage employer; the trajectory of National Living Wage rises had increased in recent years, as a result the Society's pay increases had reduced the gap with the Real Living Wage
- Colleague benefits – in addition to pay, the Society had reviewed other incentives for colleagues, including an enhanced colleague discount and improved family leave entitlements
- Care provision – the Society did not have immediate plans to offer residential care services, but had an ambition to help people live healthy and meaningful lives, the Society would continue to explore ways of achieving that, as seen with the recent home delivery services in Food
- National Youth Summit – the Society would be engaging with Coops UK as part of the national youth summit to be held in Birmingham later this year.

### **23/16 Voting**

A test vote was taken.

### **.1 Meeting minutes**

The minutes of the AGM held on 14 May 2022 and Special meeting held on 9 January 2023 were approved:

<b>For</b>	<b>Against</b>	<b>Abstain</b>
290	5	28

## **.2 Adoption of the Annual Report & Accounts**

The Annual Report & Accounts for the year ended 28 January 2023 were adopted.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
294	10	19

## **.3 Re-appointment of Auditors**

The re-appointment of BDO as the Society's auditor was ratified.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
294	9	17

## **.4 Distributions and share of the profits**

The overall distribution and share of the profits of £3.236m was approved:

<b>For</b>	<b>Against</b>	<b>Abstain</b>
311	12	6

## **.5 Remuneration Report**

An advisory vote on the Remuneration Report was taken. The report was endorsed by members:

<b>For</b>	<b>Against</b>	<b>Abstain</b>
269	29	29

**23/17 Any Other Business**

No items were raised.

**23/18 Meeting close**

Helen Wiseman thanked members for attending.

The meeting closed at 11.30am.

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Date:

**President**

**Dates of next meetings**

- **Half Year Meetings:** 18 October 2023
- **Annual General Meeting:** 11 May 2024

For Approval