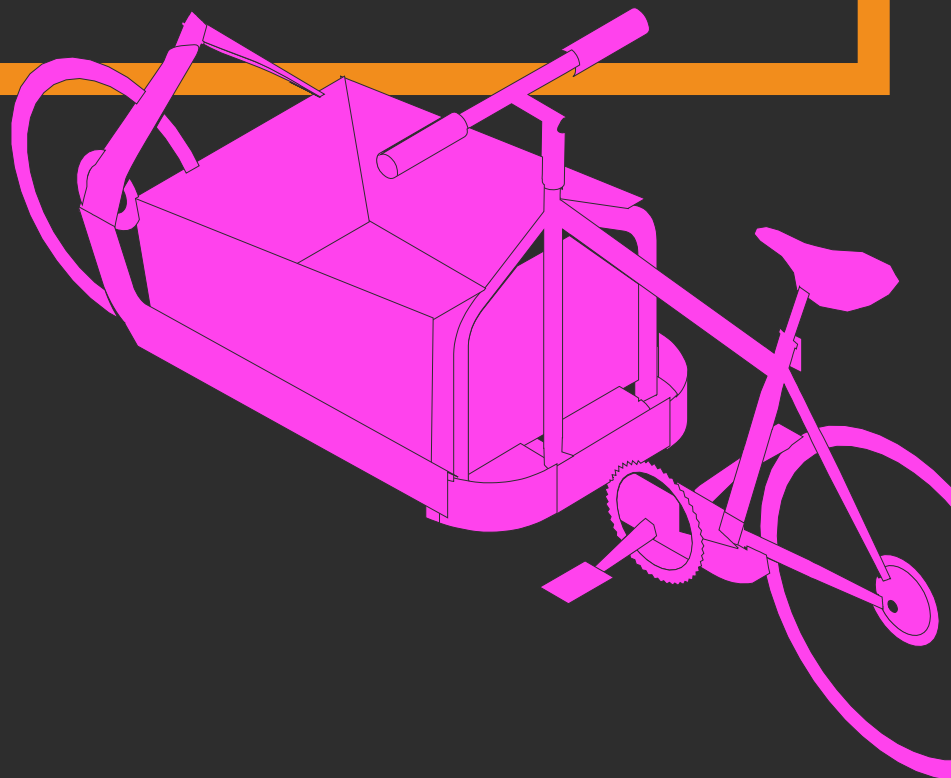


DELIVERING RIGHTS: ALTERNATIVES IN THE ONLINE FOOD ECONOMY



Autonomy

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INTRODUCTION

The UK's food delivery economy is growing rapidly. In 2019, the value of the UK takeaway and food delivery market grew to £8.5 billion (up from £8.1 billion in 2018), with a predicted 11 million users of platforms such as Just Eat, Uber Eats and Deliveroo.¹ Online digital platforms, which allow users to order food to their door at the click of a button, offer those strapped for time and seeking convenience an easy solution to mealtimes. Their rise is coextensive with the platform economy in general, but can also be correlated to a number of social problems that have intensified in the post-2008 economy such as overwork and burnout.

The social value of food delivery was made starkly evident by the Covid pandemic. Over the course of multiple lockdowns they came to provide a much needed luxury at a time when so many amenities and services were closed. Consequently, 2020 saw a number of platforms grow their operations significantly to deal with the rise in demand. Notably, the number of UK Deliveroo riders more than doubled from 25,000 to over 50,000 over the course of 2020.²

Beyond this heady mixture of convenience and luxury, however, these platforms are associated with some of the most egregious problems in contemporary labour markets as well as significant ecological and political problems for society at large. Governed by CEOs, distant shareholders or venture capitalists, these platforms are, by their very nature, undemocratic and unaccountable. Through technical and legal innovations,

1 Statista (2020) 'Food delivery and takeaway market in the United Kingdom (UK) - statistics and facts', Statista. Available at: <https://www.statista.com/topics/4679/food-delivery-and-takeaway-market-in-the-united-kingdom-uk/>.

2 Deliveroo Newsroom (2020) '15,000 new riders set to join Deliveroo', Deliveroo. Available at: <https://uk.deliveroo.news/news/deliveroo-riders-covid-19.html>.

they have managed to bypass the UK's existing labour laws. This has been a central feature of the extractive delivery platform business model. Even as governments and courts the world over have sought to bring these companies in line with existing labour laws, the majority of their workers have remained falsely categorised as 'self-employed'. For this reason, drivers and riders for companies such as Deliveroo and Uber Eats exist at the most vulnerable end of the labour market, with low wages, poor conditions and no rights or representation.

There are, however, alternatives. A number of fairer models for doing business have emerged alongside the growth of extractive platforms such as Deliveroo and Uber Eats. Platform co-operatives are perhaps among the most successful and widespread of these alternatives. Growing numbers such as Fairbnb, CoopCycle and Resonate have been emerging across Europe over the last decade.

This report makes the case that platform co-operatives offer a real alternative to the extractive model currently dominating the food delivery economy. Where the extractive model rejects democratic oversight and rights, co-operatives offer decent conditions for workers, a more equitable distribution of profits, democratic governance and ownership as well as genuine engagement with stakeholders.

I.

FOOD DELIVERY IN PLATFORM CAPITALISM

Underpaid, overworked and without rights

Food delivery platforms claim that their relationship to drivers and couriers is not one of employer-employee, but one of intermediary between contractor and client. From this perspective, these workers are independent sellers of services who are hired by contractors to perform a particular job or task; platforms simply bring the two parties together. Companies like Deliveroo and Uber can thus claim that they provide a service that is categorically distinct from that provided by the worker and as such they are not legally accountable as employers.

Many critics of these companies understand this claim as leveraging a legislative sleight of hand. Large unions like the GMB have described this as 'bogus self-employment'.³ Others have described it as 'one-sided flexibility'.⁴

3 GMB (2020) 'Coronavirus threat leaves gig economy workers 'abandoned and penniless' GMB. Available at: <https://www.gmb.org.uk/news/coronavirus-threat-leaves-gig-economy-workers-abandoned-and-penniless>.

4 Gov.uk (2017) 'Good Work: The Taylor Review of Modern Working Practise', Gov.uk. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf.

In theory, this means that individuals and firms are free to negotiate terms agreeable to both parties, according to the minimum standards set out by legislation. In reality, many of these arrangements only benefit the firm or contractor, allowing them to avoid the costly obligations - such as national insurance payments - that go with acting as an employer. If the 'employer' is no longer recognised as such then the worker forgoes any formal employment contract and no longer receives the status of 'employee' or 'worker' and any of the associated rights.

As Figure 1 demonstrates, this means no:

- minimum wage
- holiday, sick and maternity pay
- protection against wage theft
- restrictions on working hours
- protection against some forms of discrimination and prejudice

Figure 1: Employment rights for employees, workers and self-employed⁵

Self-Employed	Worker	Employee
Not covered by employment law	Statutory minimum wage	All of the rights listed in the 'worker' column and:
Rights and responsibilities are agreed with contractor on an individual basis	Statutory minimum amount of paid holiday	Statutory sick pay
Still entitled to protection from poor working conditions and some forms of discrimination.	Statutory minimum level of rest breaks	Statutory maternity and paternity pay
	Protection from unlawful deductions from wages	Statutory redundancy pay
	Protection for whistleblowing	Protection against unfair dismissal
	Protection from working more than a 48-hr week.	Time off for emergencies
		Minimum notice periods for dismissal or resignation

5 Autonomy (2020) 'Rethinking Microwork: The Invisible Labour of the Platform Economy', Autonomy. Available at: <https://autonomy.work/wp-content/uploads/2020/09/Jones.pdf>.

The business model of firms such as Deliveroo and Uber Eats relies on cutting labour costs to a minimum. How well these companies can survive when having to pay workers a fair wage could become apparent in the wake of a UK Supreme Court judgement that ruled that Uber's 'independent contractors' are in fact 'workers'.⁶ This change in law could have a significant effect on their competitive advantage in the platform economy, potentially giving more progressive models such as co-operatives an opportunity to reach a larger customer base.

As it stands, 'independent contractor' status means that workers face significant insecurity, not least because this type of contractual arrangement allows platforms to pay workers per drop. Piece wages allow platforms to intensify the labour process by encouraging workers to accept more orders and complete them at a faster pace. Because the worker does not receive an hourly wage, their income depends on how many drops they complete over a given shift. Higher wages come to rely on working faster.

Increased pace means increased risks. A UCL study found that platform workers on piece wages face a number of health and safety issues. Through surveys of platform riders and drivers, the study found that over 40% of couriers' vehicles had been damaged as a result of a collision while working, with one in ten reporting that someone had been injured.⁷

6 Uber BV and others (Appellants) v Aslam and others (Respondents) (2021). 19 February 2021. Available at: <https://www.supremecourt.uk/cases/docs/uksc-2019-0029-judgment.pdf>.

7 Nicola Christie and Heather Ward (2018) 'The emerging issues for management of occupational road risk in a changing economy: A survey of gig economy drivers, riders and their managers', UCL.

Mary, Motorbike Courier, Anonymous Delivery Platform ⁸

"it's totally on me because sometimes you get goal fixated, you've nearly done, say, 6 drops an hour, so you get fixated on just doing as many as possible because it's more money then, but then you realise you might have a slip on the road, or sudden braking and then you think I'm going back to my regular pace. You must self-regulate when it comes to pressure."

To prevent workers having to regulate themselves under incredible pressure, and in turn prevent accidents, the study concludes that piece rates be replaced by an hourly wage. This more secure form of income is easy to build into a co-operative platform run and owned by workers.

Algorithmic control

Food delivery platforms operate a system of algorithmic management. Algorithms entail precoded steps that process instructions and produce a specified outcome.⁹ In the case of a company like Deliveroo, algorithms help to designate the order, and assign the pick up and delivery of meals to workers. When an order is received by the Deliveroo platform its real time dispatch algorithm estimates preparation time at the restaurant and delivery time by the rider. From this prediction, the algorithm decides which worker is currently best positioned to fulfill the specific order based on distance and type of location, among other less significant factors. In non-platform delivery businesses, this operation would usually fall to a human manager. Deliveroo and Uber exemplify how labour platforms have at least partially automated the work of managers.

⁸ Ibid.

⁹ Rob Kitchin (2017) 'Thinking critically about and researching algorithms', *Information, Communication & Society* 20(1): 14-29.

This means that workers are at the mercy of technology and all the associated risks. These range from payment errors and technologically induced overexertion to information asymmetries between workers and platforms. Algorithms on Deliveroo, for instance, instruct workers that a job is available but offer little information about its length or distance from the worker's location.¹⁰ Without this information, workers are unable to skip long or complicated jobs that may impact their earning potential.

There are, of course, benefits to algorithmic management too, which a co-operative model should aim to preserve. The lack of a human manager and excessive oversight offers the possibility of greater worker autonomy and independence - though in the context of extractive platforms these promises are rarely actually realised. Democratically owned and run, platform co-operatives are well placed to properly offer these benefits.

Uber-tech or uber-low pay?

Food delivery platforms are not the tech-intensive businesses they claim to be, but in fact depend on keeping wages low. Staying competitive in this industry is a constant battle. This is because the model has low barriers to entry and high fixed costs. To set up a food delivery business requires very little: a software app that can link supply (restaurants) and demand (customers), circumventable labour laws and customer density.

The first of these two conditions takes relatively little capital to act upon. Deliveroo was the first platform to discover this in the UK, but low barriers to entry have meant a series of competitors have subsequently entered the market, not least Uber and its Uber Eats division. This makes turning a profit at best difficult, at worst impossible. Big suppliers looking to drive up their

¹⁰ Jamie Woodcock (2020) 'The algorithmic panopticon at Deliveroo: Measurement, precarity and the illusion of control' *Ephemera*, 20(3): 67-95.

share of revenue push down the share available to other platforms, often meaning that delivery fees are the only source of revenue platforms can dredge for profit. Even while labour costs remain low, capital costs and ongoing operative expenses can still exceed the profits made from low-hourly delivery rates.

This means that while Deliveroo and Uber Eats continue to expand their operations year-on-year, both companies have struggled to become and remain profitable. During the second quarter of 2020, at the peak of the coronavirus pandemic in the US and Europe, Uber's delivery service grew 113%, as people stayed inside and ordered food directly to their homes.¹¹ Yet, the company still failed to turn a profit.

Financing automation

The endurance of such companies in no small part depends on venture capitalists continuing to invest under the belief that the platforms will at some point become more profitable. This belief centres around an imagined future promised to investors by Deliveroo and Uber - one of worker-less, automated delivery and logistics, where labour costs are entirely abolished. The bet for investors is that whoever reaches this imagined state first will reap monopoly profits.

Unsustainable

The extractive model is also highly unsustainable. Competition between firms means that more vehicles are on the road than necessary. And despite some efforts to curb the use of unsustainable delivery material, such platforms are associated with significant disposable plastic pollution.¹² Deliveroo has recently

11 NYMag (2020). 'If Uber's food delivery business isn't profitable now, when can it be. NYMag. Available at: <https://nymag.com/intelligencer/2020/08/if-uber-eats-isnt-profitable-now-when-can-it-be.html>

12 Jasmin Malik Chua (2019) 'Food delivery and takeout are on the rise. So are the mountains of trash they create, Vox. Available at: <https://www.vox.com/the-goods/2019/12/4/20974876/takeout-delivery-waste-grubhub-recycling>

announced a planned move to a “carbon neutral” delivery model, by aiming to offset 100% of all emissions.¹³ But such efforts focus on symptoms as opposed to causes and tend to distract from more rational solutions.

As the final section of the report details, a more efficient way of organising urban infrastructure - sites, facilities, vehicles and logistics - would help to cut carbon emissions at their source. With a more sustainable infrastructure, not geared primarily around competitive advantages for particular firms, less emphasis would need to be placed on symptom tackling solutions such as carbon offsetting.

Cloud kitchens

Also known as dark, virtual or ghost kitchens, these facilities only produce food for delivery, usually to serve orders from online apps. Acting as remote kitchens for large restaurant brands, they allow companies to expand without having to invest in expensive high street premises. The sites are geographically flexible and tend to appear on industrial sites or car parks in urban centres. There are now hundreds of these kitchens operating across the UK, representing around 30% of the UK’s total food deliveries.¹⁴ The idea originates from Deliveroo editions, which sought to serve a growing food delivery market without placing additional pressures on restaurants.

Cloud kitchens are only set to grow in number. A report by UBS predicts that by 2030, most meals once cooked at home will be ordered online and delivered from a remote kitchen.¹⁵ By this point, the report concludes, “the total cost of production of a professionally cooked and delivered meal could approach the cost of home-cooked

¹³ Energy Matters (2020) ‘Deliveroo announces move to carbon neutral delivery model’, Energy Matters.

¹⁴ Dephna (2020) ‘The Rise of the Dark Kitchen: Benefits and Business Models’, Dephna. Available at: <https://www.dephna.com/insights/what-is-a-dark-kitchen-benefits-business-models>

¹⁵ UBS (2018) ‘Is the Kitchen Dead?’, UBS.

food, or beat it when time is factored in.”¹⁶

But this is not necessarily cause for celebration. Geographic flexibility and distance from other premises has ensured that these facilities remain invisible. This has meant that some of the worst labour practises of the food delivery economy have remained relatively under-researched. Workers in these kitchens are often on zero-hour contracts and wages below the national minimum, and tend to work under difficult conditions, regularly facing a lack of space and sunlight. One report by The Guardian found that the kitchens are often housed in metal boxes such as shipping containers, making temperature control a problem.¹⁷ There have also been complaints of disruptions to local communities and suggestions that many of these facilities may have bypassed planning permissions.¹⁸

These are not problems with remote kitchens as such, but the result of an extractive business model seeking to cut costs wherever possible. Indeed, the model has the potential to offer many benefits to workers. The independence from a restaurant environment can offer greater autonomy for workers. At the same time, restaurants are relieved of the immense amounts of traffic that food delivery creates. Such benefits should not only be preserved by the co-operative platform model but developed to their full potential (see Section 3: What governments can do).

¹⁶ Ibid.

¹⁷ Sarah Butler (2020) ‘How Deliveroo’s dark kitchens are catering from parks’, The Guardian. 28 October 2017. Available at: <https://www.theguardian.com/business/2017/oct/28/deliveroo-dark-kitchens-pop-up-feeding-the-city-london>.

¹⁸ Ibid.

II.

**PLATFORM
CO-OPERATIVES:
A FOOD
DELIVERY
ALTERNATIVE?**

Platform co-operatives are digital platforms that sell goods and services, but adopt the democratic ownership and governance structure of workers' co-operatives. They embrace the technological developments brought about by the platform economy, but put them to work with a plural ownership model. They are designed to give workers and stakeholders a meaningful say in how the organisation operates, as well as share wealth and benefits equitably among their members.

Since their origins in Rochdale in the mid-nineteenth century, co-operatives have sought to put genuine control in the hands of workers and consumers, and offer a genuine alternative to an extractive model of growth that aims to benefit distant shareholders. In this spirit, platform co-operatives are designed to:

- Privilege the interests of workers
- Engage meaningfully with stakeholders
- Develop new financial strategies
- Enhance existing platform services

Though lagging behind other European countries, the UK is still home to a diverse and extensive co-operative economy, based on the principles of democratic control and equitable distribution of profits. Valued at around £38 billion per year, it is composed of 7,063 independent co-operatives employing 241,714 people and has over 14 million members.¹⁹ This amounts to around 1% of business turnover of the UK economy as a whole.

Only forming a small part of this wider business ecology, the platform co-operative market remains limited, with around 400 such organisations operating the world over and only a few trading consistently in

¹⁹ Co-operatives UK (2020) 'The Co-operative Economy Report 2020'. Co-operatives UK. Available at: <https://www.uk.coop/get-involved/awareness-campaigns/co-op-economy>.

the UK.²⁰ The number of food delivery platform co-ops operating in the UK is even more limited. In Europe, some larger initiatives such as Mensakas, a Catalan-based food delivery co-op, which managed to raise seed funding through a sizeable government grant and a crowdsourcing initiative, have sought to compete with more established extractive platforms.²¹

A large number of these initiatives are affiliated with CoopCycle, a European federation of bike delivery co-ops in 16 cities, which helps organisations to pool resources and co-develop shared software. Helping platform co-ops develop in an economic environment often hostile to their business model, such initiatives should be expanded and developed on a national scale.

A superior business model

Despite these challenges, the co-operative advantage over the conventional business model is well documented and is largely due to an ownership model that privileges stakeholder over shareholder interest.

The benefits of a stakeholder-led ownership model are as follows:

More resilient businesses

Co-operatives are almost twice as likely to survive their first five years, with 72% of co-ops still flourishing after this initial period.²²

20 Autonomy (2020) 'The Co-operativist Challenge to the Platform Economy', Autonomy. Available at: <https://autonomy.work/portfolio/platformingequality/#1600510449541-a6761733-9811>

21 Coop News (2018) 'Catalan food Delivery co-op raises funds to launch app', Coop News. Available at: <https://www.thenews.coop/131156/sector/catalan-food-delivery-co-op-raises-funds-launch-app/>

22 Co-operatives UK (2019). 'Annual Report 2019'. Available at: https://www.uk.coop/sites/default/files/2020-10/Annual%20Report_final_print.pdf.

Happier and healthier workers

Studies show that a worker-owned approach significantly improves absenteeism and reduces staff turnover. This is due in part to workers being more involved with their organisation, leading to higher levels of trust and more effective knowledge sharing.²³ Such phenomena suggest that workers given an ownership stake in their companies or organisations are likely happier and healthier.²⁴

More equitable

Co-operatives also promote a more equitable distribution of profits and a lower pay differential between executive and non-executive workers.²⁵

Productivity gains

A range of studies demonstrate that co-ops continually outperform conventional firms in terms of productivity.²⁶ Studies in the UK context have shown that co-operatives, mutuals and employee-owned enterprises with 75 employees or fewer continually supersede conventional businesses in terms of productivity and profit creation.²⁷

23 Virginie Pérotin (2016) "What do we really know about worker co-operatives? Co-operatives UK. Manchester. Available at: <https://www.uk.coop/resources/what-do-we-really-know-about-worker-co-operatives>.

24 Ed Mayo, ed. (2015) "The Co-operative Advantage: Innovation, co-operation and why sharing business ownership is good for Britain," Co-operatives UK.

25 Ibid.

26 Douglas Kruse, Richard Freeman and Joseph Blasi (eds.) (2010) 'Shared Capitalism at Work: Employee Ownership, Profit and Gain Sharing, and Broad-Based Stock Options'. The University of Chicago Press.

27 Welsh Co-operative and Mutuals Commission (2016). 'Report of the Welsh Co-operative and Mutuals Commission, Welsh Co-operative and Mutuals Commission.' Available at: <http://gov.wales/docs/det/publications/140221coopreporten.pdf>.

Where co-operatives do not outperform capitalist firms they tend to match their productivity levels. Challenging the low-productivity myth surrounding co-operatives, a study of over 900 Spanish manufacturers found there to be no significant difference in terms of performance between standard and co-operative firms.²⁸ This demonstrates that worker ownership and control has no negative impact on productivity targets.

Challenges in a UK context: finance

Platform co-operatives face difficulties in accessing sufficient capital for startup and development. Indeed, almost half of all co-ops have faced problems accessing finance.²⁹ These restrictions hinder the capacity of platform co-operatives to develop the infrastructure and software necessary to compete against corporate platforms and meet consumer expectations.

Funding and support for interest free loans through the UK's Coop Foundation is tailored toward highly specific projects while long-term public funding in the UK targeted at co-operatives is rare. Private investment is difficult to secure because co-operatives do not aim to serve shareholders. Venture capitalists and even impact investors are often reluctant to invest in co-operatives due to the risk of low returns.

Even if private capital were more readily available, many co-operatives would rather avoid this strategy of investment entirely to maintain independence from the

²⁸ Jose Alberto Bayo-Moriones, Pedro Javier Galilea-Salvatierra and Javier Merino-Díaz de Cerio (2003) 'Participation, co-operatives and performance: An analysis of spanish manufacturing firms', *Advances in the Economic Analysis of Participatory & Labor-Managed Firms*, Volume 7. Emerald Group Publishing Limited, pp. 31-56.

²⁹ Welsh Co-operative and Mutuals Commission (2016). 'Report of the Welsh Co-operative and Mutuals Commission', Welsh Co-operative and Mutuals Commission. Available at <http://gov.wales/docs/det/publications/140221coopreporten.pdf>.

private financial system and the demands of distant shareholders. Financial opportunities for platform co-ops remain better outside of the UK context. Many European economies provide seed capital and long-term financing for co-operatives, whether through public funding bodies, or innovative financial strategies specifically tailored to the co-operative economy. Similar financial opportunities are available to platform co-ops. The Spanish food delivery co-op, Mensakas, received a small government grant of €60,000 and additional funds from a number of crowdsourcing initiatives, which has meant the platform has been able to avoid financing via private banking.³⁰

Challenges in a UK context: regulation

The legislative and regulatory frameworks of the UK economy are tailored toward the needs of private companies. As a result, co-operatives remain underserved by the legal institutions currently in place, and often struggle to navigate a maze of rules and regulations that other kinds of firms do not face.

One significant problem is that unlike other more 'co-op-friendly' economies, the UK has no statutory asset lock which secures co-operative wealth creation within the sector.³¹ Such a lock is essential if platform co-ops are to thrive.

Co-operatives and mutuals are also registered under the Financial Conduct Authority (rather than Company House). Unsited to this regulatory environment, co-ops often face a more complex set of regulatory burdens than other kinds of firms. Evidence gathered by Co-operatives UK suggests that issues with HMRC resulted

30 Coop News (2018) 'Catalan Food Delivery Coop Raises Funds to Launch App', Coop News. Available at: <https://www.thenews.coop/131156/sector/catalan-food-delivery-co-op-raises-funds-launch-app/>

31 New Economics Foundation (2018) 'Co-operatives Unleashed: Doubling the size of the UK's co-operative sectors', NEF. Available at: <https://neweconomics.org/uploads/files/co-ops-unleashed.pdf>.

in as much as £11,000 in additional costs for some newly converted co-operatives societies.³²

For platform co-ops to thrive a regulatory framework must be created that suits their specific legal and financial requirements.

Challenges in a UK context: infrastructure

The UK provides little basic infrastructure for platform co-operatives. This poses a particular challenge to geographically tethered, urban-based initiatives such as food delivery platforms, which rely on bikes, storage, kitchens, as well as software and ICT infrastructure, for their daily operations. Purchasing and maintaining these items on an individual basis is not only expensive but, in some cases, highly irrational.

As Section 1 demonstrated, the multiple and fragmented private infrastructures which comprise the basis of the extractive platform model are unsustainable and inefficient. A publicly run, municipally-owned infrastructure of shared resources and facilities would help support food delivery co-ops in ways that help them to compete with extractive firms like Uber Eats and Deliveroo.

32 Co-operatives UK (2020) "Making it easier to convert a company into a society," Co-operatives UK. Available at: <https://www.uk.coop/making-it-easier-convert-company-society>.

III.

**WHAT CAN
GOVERNMENTS
DO?**

As the previous section demonstrated, relative to other European countries, UK platform co-operatives face an inhospitable environment of poor financial, legislative and institutional support. There are, however, a number of constructive steps the UK government could readily take to make co-operatives a foundational as opposed to an anomalous feature of the platform economy.

This should happen in two key ways. First, the UK government should regulate gig economy food platforms. The business models of platforms such as Deliveroo and UberEats are based on bogus self-employment contracts and legislatively dubious data collection practises. These practises give gig economy platforms an unfair competitive advantage over businesses attempting to start a socially-minded alternative. Therefore, national governments should regulate these companies in the following ways:

- Categorise couriers as, at minimum, 'workers' and, ideally, 'employees'
- Regulate the use of worker and customer data collection

Hospitable financial and legislative frameworks

However, if a co-operative model of platforms is to emerge as a new economic "common sense" then the UK government must foster a more hospitable environment in the following ways:

1. A legal and regulatory framework designed to support co-operatives

Starting and running a platform co-operative should be as easy as a company limited by shares.

The government should simplify the current regulations to remove disincentives for emerging businesses.

In addition, it should provide:

- A statutory asset lock which secures wealth creation within the sector.
- Taxation incentives for profits from co-operatives reinvested back in the development of the co-operative.
- Statutory obligations placed on local and central governments to procure the services of co-operatives wherever possible.
- The legal means to establish a co-operative via Companies House.
- A legislative playbook for how companies can convert to co-operative societies while continuing as the same corporate entity for tax purposes.

2. Financial framework for platform co-operatives

A national fund should be established that supplies seed capital to platform co-operative start-ups. This should be set up specifically to fund co-operatives and should include a financial wing dedicated entirely to platforms. This would be a national-scale public fund designed to provide long-term funding to the co-operative economy. The fund would be distributed by local authorities and would be partly run by stakeholders as well as national and regional experts who can advise on the requirements of different models of platform co-operatives.

To bypass current bulwarks to sourcing venture capital, a new model for co-operative financing should be created based on nonmember investment, as proposed by the New Economics Foundation.³³ Investors would provide capital in return for a limited return but no participation or ownership rights, in the spirit of the co-operative bond investment market found across leading co-operative economies in Europe.

³³ New Economics Foundation (2018) 'Co-operatives Unleashed: Doubling the size of the UK's co-operative sectors', NEF. Available at: <https://neweconomics.org/uploads/files/co-ops-unleashed.pdf>.

Municipal infrastructure

As well as more hospitable legislative and financial frameworks, platform co-operatives also require dedicated spaces, infrastructures and interventions in the urban fabric to support their specific operational needs. Such infrastructures should be shared. The point should be to build a more co-operative, democratic economy as a whole, not just co-operation at the level of the individual organisation or firm. In this spirit, co-operative platforms should be seen as an opportunity to truly realise the promise of the 'sharing economy' at the level of resources and facilities.

These shared facilities and resources would exist across the country in different urban areas and be provided through municipal enterprises, owned by local governments, to provide services that support platform co-operatives but also to generate revenue for local communities. With direct control over the hardware of the meal economy, municipal enterprises create economic stability and resilience by reducing a community's reliance on distant shareholders.

Most importantly, an improved municipal infrastructure would help to address challenges connected to size and capacity faced by platform co-operatives, providing a combination of cheap, sustainable resources and logistics infrastructure. These infrastructural nodes would shape the city into a space amenable to the smooth functioning of platform co-operatives. They would also act as a conduit, connecting smaller organisations to larger networks of suppliers and buyers, which would interface between heavier traffic and local networks. Together, these resources and facilities form an intermediate infrastructural layer that supports the day-to-day operations of co-operative food delivery platforms, establishes and brings to the fore networks of shared interests, and connects the platforms to larger supply chains and new sustainable, high-value markets.

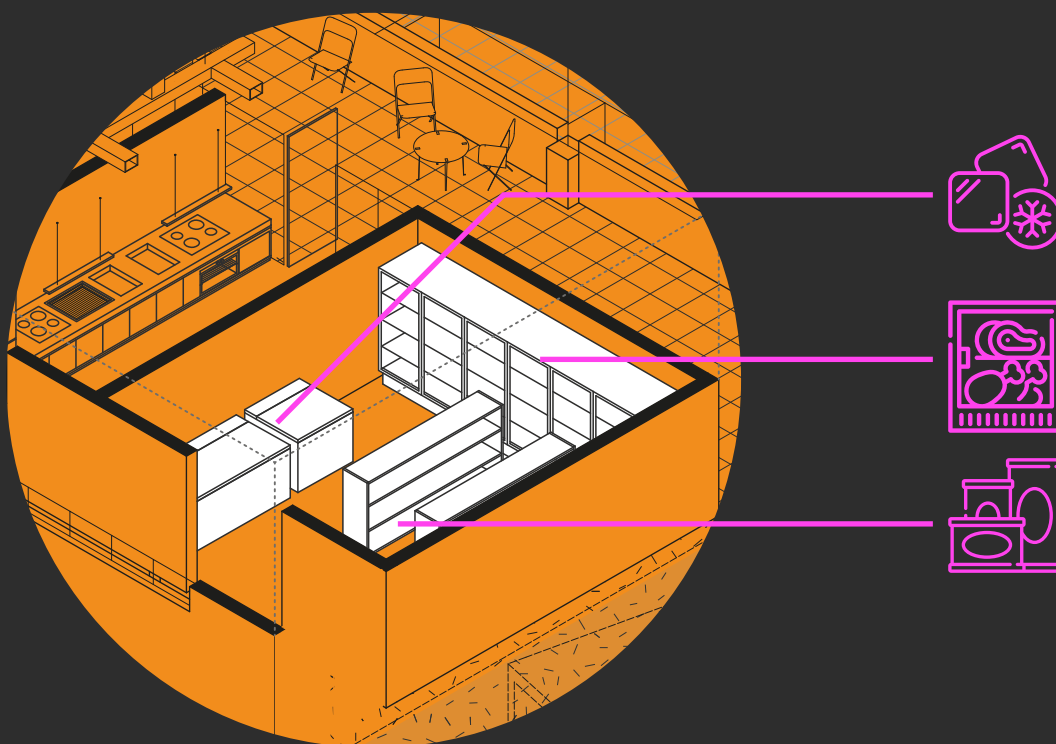
Such enterprises would provide the following:

Cheap rental space as a central hub

The enterprise would procure cheap rental space which would fulfil a number of important functions for food delivery platform co-operatives. This should include a central logistics hub, which would include:

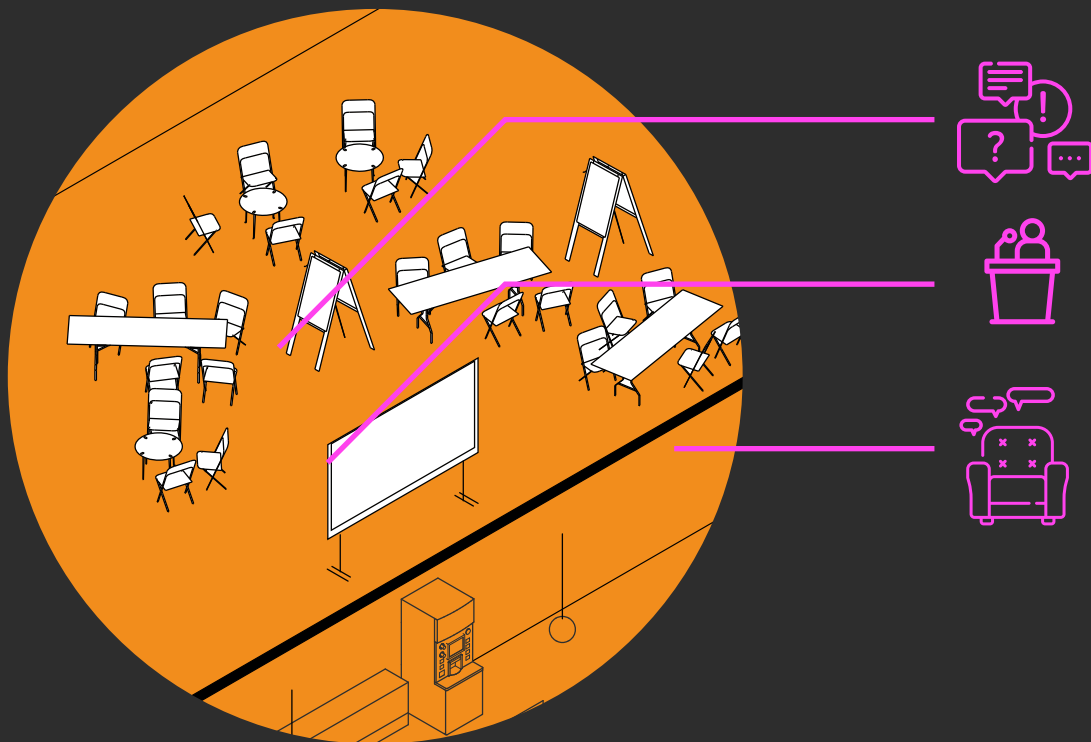
Storage space

Storage space should be provided for goods and resources that co-operative platforms hold in common.



Dedicated meeting spaces

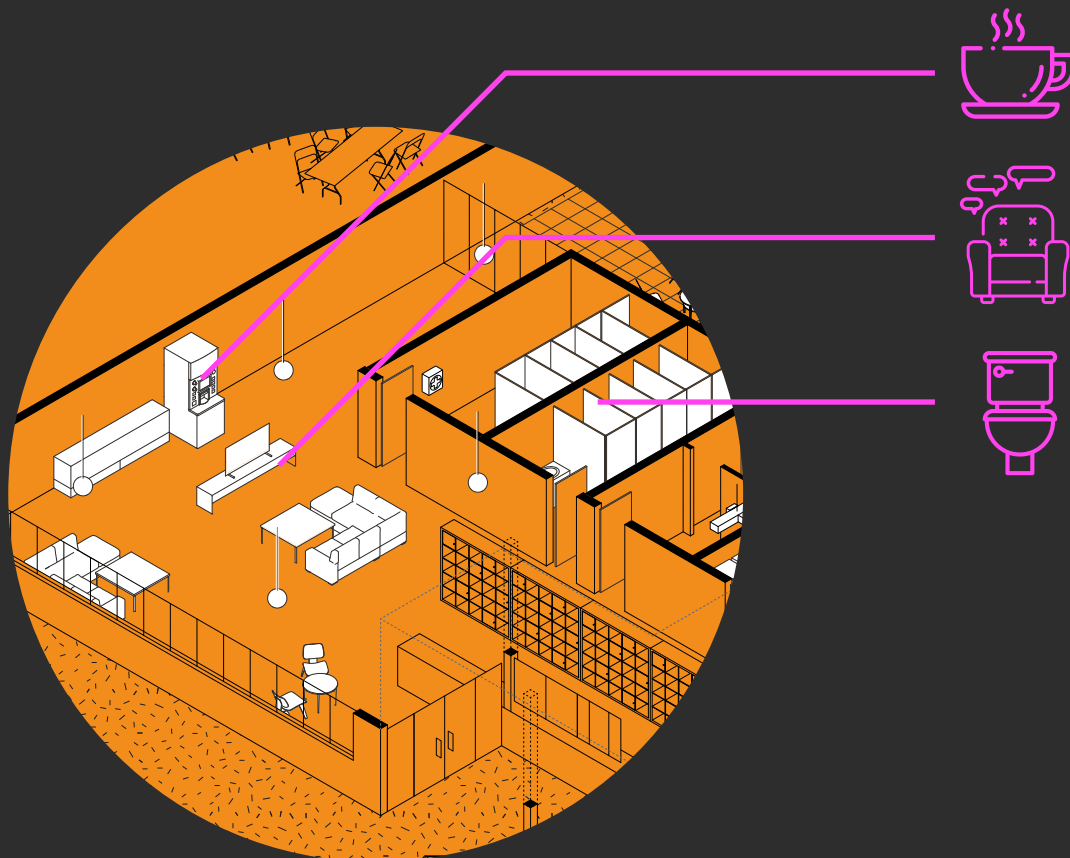
Communal workspace should be offered for meetings and networking. These would provide spaces where decisions can be made communally and democratically. Workers would no longer be forced to meet outside when they need to make a decision communally or solve a problem together.



Rest spaces

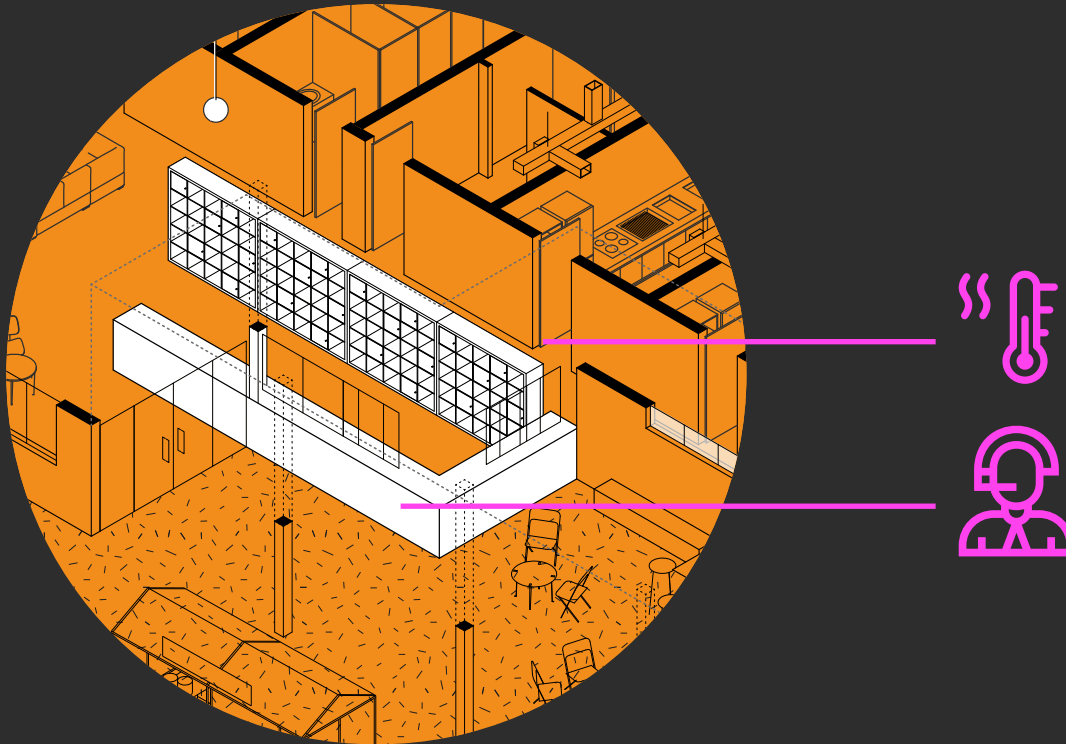
Adjacent to the work space should be communal areas where workers can relax, recuperate and spend time with fellow delivery riders. They would provide amenities such as toilets, food and hot drinks for riders.

As well as providing spaces in which workers can relax, they would also aim to foster mutual conviviality through comfortable seating areas and soft furnishings.



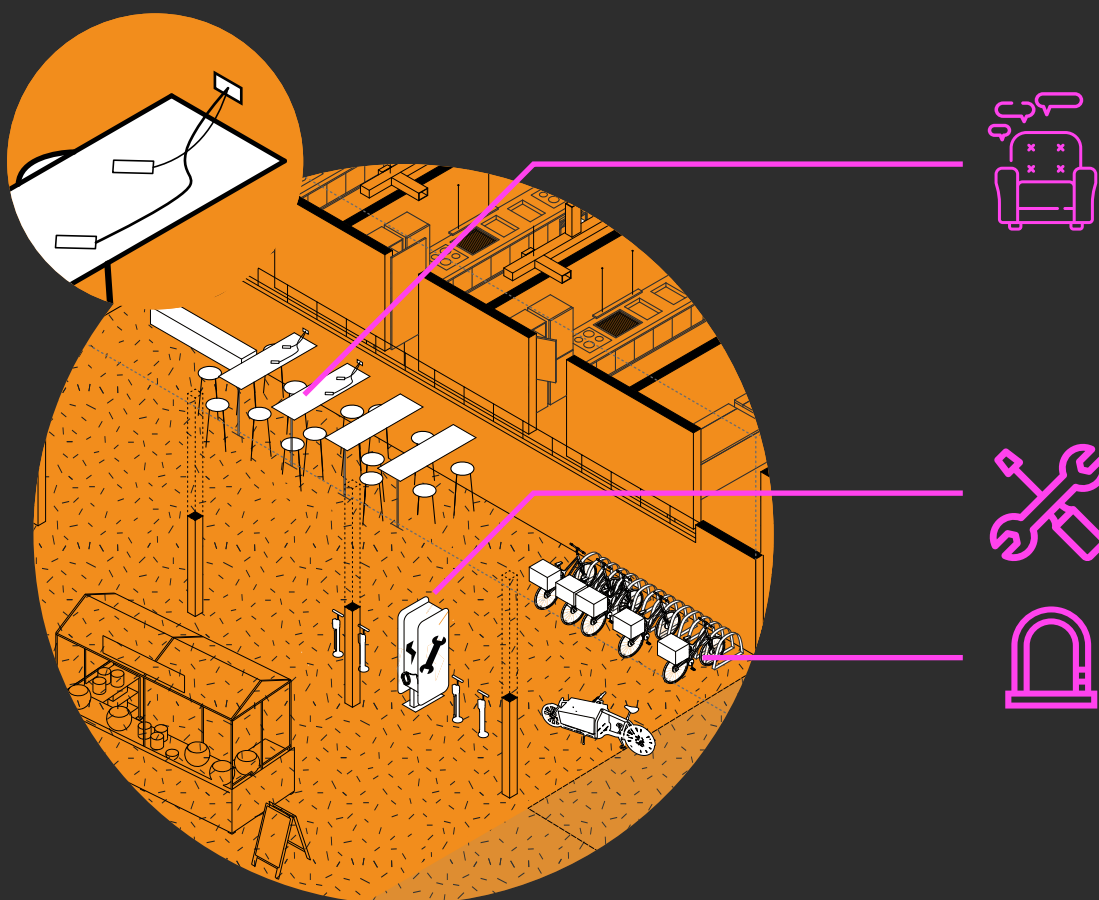
Bike dispatch zone

A communal bike service would be available to all registered food delivery co-operatives in specific urban areas and free at the point of use. A storage space would be kept for replacement bicycle parts and repairs.



Rider service station

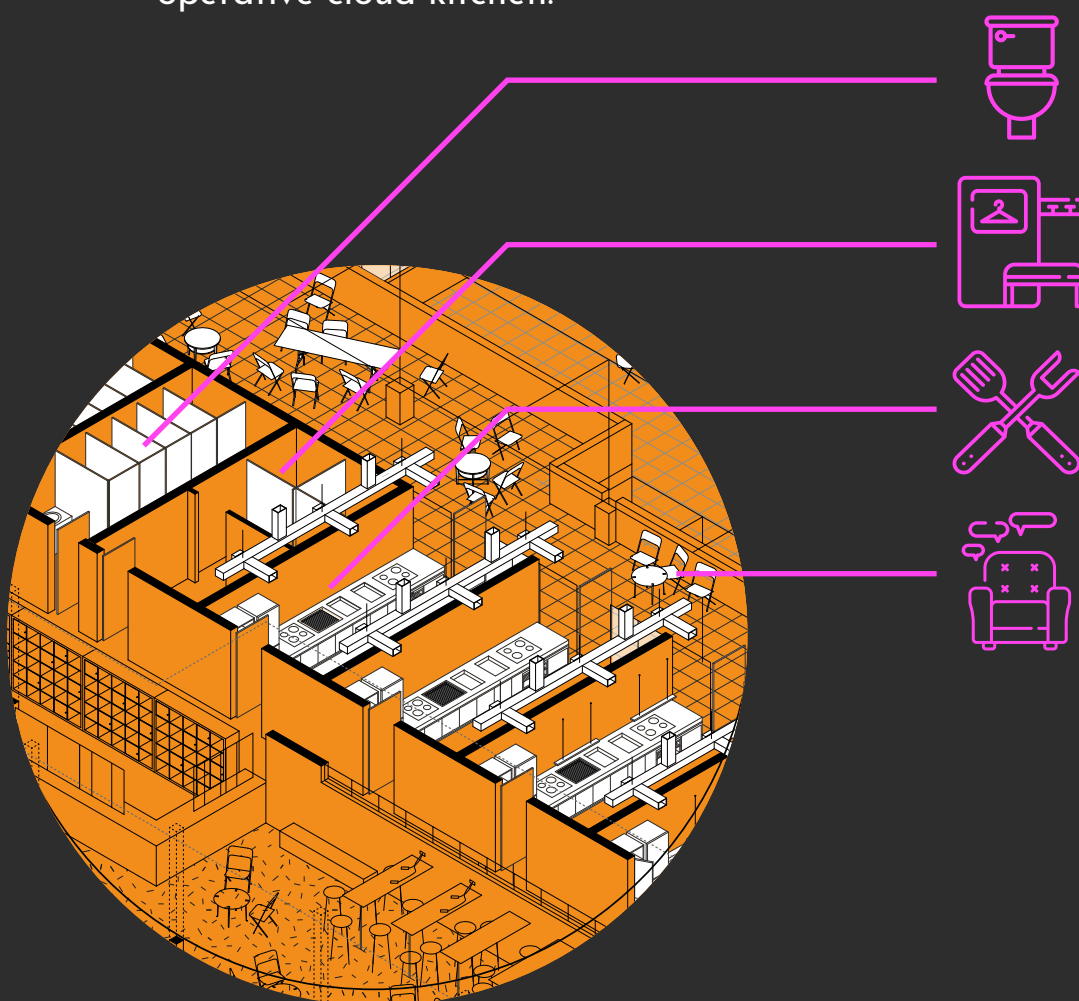
Decentralized service stations would also be dispersed across the urban environment to serve the needs of workers who do not live near the central hub. Like the bike dispatch zone, these would provide replacement bicycle parts for repairs when riders are out on deliveries.



Co-operative Cloud Kitchens

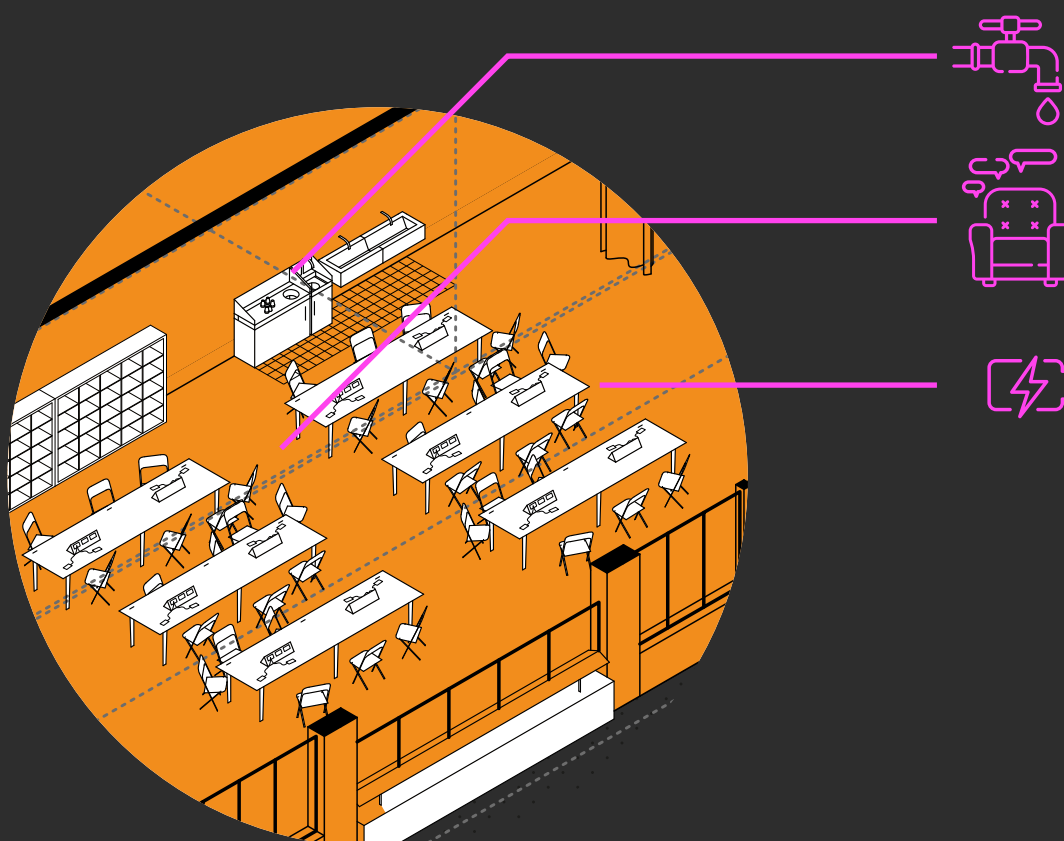
Despite the many problems with cloud kitchens under the current extractive platform model, they do point the way to more autonomous forms of working life, where food workers such as chefs are able to work independently from a hectic and potentially stressful restaurant environment. Rather than the profit-focussed dark kitchens associated with larger brand name restaurants, there should be efforts to start a co-operative equivalent. These cloud kitchens - kitchens remote from a restaurant and largely used to service online apps - would be owned by workers, run democratically and organised to enhance worker autonomy, and would provide a competitor to the extractive dark kitchen model.

The seed funding made available to delivery platforms would also be extended to those seeking to start a co-operative cloud kitchen.



Community food halls

Adjacent to this infrastructure should be community food halls, which the kitchens would serve alongside deliveries across the city. The halls would aim to foster a public and communal culture of eating to complement the private and domestic one served by deliveries. This would help to embed the co-operative principles of sharing and conviviality into the customer side of the food delivery market.



Municipal bodies could invest confidently in these kinds of structures, in the knowledge that the food-hall, both commercial and community driven, is quickly becoming popular across UK cities and is considered one of the models that will dominate high streets in the wake of the pandemic.³⁴ Deploying underused assets and land, municipalities should work with co-operatives and other mission-oriented businesses to build an alternative model for the future of local food economies.

³⁴ Big Hospitality (2021) "KERB appeal: what the future holds for the street food sector" Available at: <https://www.bighospitality.co.uk/Article/2021/03/11/KERB-appeal-what-the-future-holds-for-the-street-food-sector-and-food-halls>

Municipal support for local food business

Local communities and authorities should be given greater control over local food economies to steer the area's food offering, help reinforce good working practices and offer opportunities to local residents. This can be achieved through a number of mechanisms:

Local subsidies

Local authorities should help to stimulate the growth of co-operative and small and medium food enterprises through a support scheme that subsidises some of their operations. Funds should be transferred from the central government to local authorities who make the decisions about how the subsidies are distributed. This would act in tandem with the seed funding scheme.

Best practice accreditation

Awards should be given by local authorities to co-operative and small and medium enterprises that treat their workers particularly well and offer an excellent service to local communities. Such accreditation would show customers, clients and stakeholders that these firms and organisations have adopted a high standard of business practise. This might operate along the same lines as the Living Wage accreditation scheme.

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