## The Midcounties Co-operative Limited

## Minutes of the Annual General Meeting of Members

## held at Co-operative House, Warwick and online

## 24 May 2025 at 10.00a.m.

**Directors present:**

**Irene Kirkman, President**

**Vivian Woodell, Vice-President**

**Heather Richardson, Vice-President**

**Ellie Boyle**

**Bernadette Connor**

**Amanda Davis**

**Callum Dunne**

**Vicky Green**

**Harvey Griffiths**

**Stephen Hawksworth**

**Paul Mather**

**Nick Milton**

**Barbara Rainford**

**Fiona Ravenscroft**

**Helen Wiseman**

**Janson Woodall**

**Society Officers present:**

**Phil Ponsonby, Group Chief Executive Officer**

**Peter Kelly, Chief Financial Officer**

**Pete Westall, Chief Values Officer**

**Edward Parker, Secretary & Head of Governance**

**The Executive Team**

**63 in person and 169 online members attending (including Directors and Officers)**

**25/01 Welcome and preliminaries**

Irene Kirkman welcomed members to the meeting. She ran through the agenda of the meeting and introduced the Board, MEC and Executive Team members.

**25/02 CEO Update – the year in review**

## Phil Ponsonby presented an overview of the Society’s results and performance for the year under the five headings of the Society’s strategic TRUST pillars – Thriving Co-operative, Remarkable colleagues, Uniquely engaged members, Sustainable impact, and Thought-leading pioneers.

## He acknowledged external headwinds including conflict in Europe, challenging macro-economic factors, and tariff uncertainty. The changes in National Insurance and increase in National Living Wage were expected to negatively impact the Society by c.£9.5m this year. The retail sector had also recently faced cyber-attacks, including against the Coop Group; as a result of which the Society had suffered significant supply disruption. He thanked local suppliers who had supported the Society to mitigate the impact of that disruption. He reassured members that the Society’s IT systems and member data were separate to the Coop Group and had not been impacted by the cyber-attack on the Group.

## Thriving Co-operative – key highlights included operating profit before significant items had increased by 18%; Travel revenue had increased by 6.1%; Early Years revenue had increased by 9.1% and member trade was at 44%. It was noted that the Society forecast a reduction in profitability in the coming year and accordingly it would have to make decisions that protected the Society in the longer term.

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## Peter Kelly, Chief Financial Officer, presented the financial results for the 2024/25 year. Despite the Society making a loss before tax of £5.8m, there had been positive trading highlights including gross sales for the year which had increased to over £1.5bn; operating profit before significant items had increased to £11m; and operating profit had increased to £10.6m. He highlighted that Food & Post Office gross sales had reduced by £5.6m due to a net reduction of 10 stores; National Businesses gross sales had increased by £39.5m through growth in Travel and Childcare. Net debt had reduced by £2.8m. He highlighted continued investment across the Society’s businesses - capital investment for the year had been £17.3m, which included energy saving initiatives, new nurseries and Food stores, and improving colleague safety in Food stores. He explained that distributions would decrease by £1m this year as it was proposed to not make a payment for share of the profits.

## Pete Westall, Chief Values Officer, presented the Society’s non-financial performance for the 2024/25 year. The presentation set out the 12 steering wheel measures under the headings of members, people, customers, and delivery. He highlighted that six measures had improved, one remained the same, two were new measures, and three measures had worsened slightly.

## Phil Ponsonby recapped on the three new Food stores and two Childcare nurseries built in 2024 and the further planned investment in additional sites. A short video was shown to demonstrate the range of technology and digital solutions that had been implemented across the Society’s businesses.

## Remarkable colleagues – highlights included the inaugural remarkable colleagues awards event, which had seen 647 nominations and 10 awards; colleague engagement and reward, with 11,600 colleague volunteer hours, 79% colleague satisfaction, £3.7m in colleague discounts, and receiving a GroceryAid gold award.

## Uniquely engaged members – highlights included 113,845 new members had been recruited; there had been increased engagement with young members; the number of members voting in Society elections had increased by 40%; campaigning on matters that members care about, including increased retail crime and violent incidents; member offers had increased with £7.5m being saved by members in Food since September 2023; and member trade had increased to 44%.

## Sustainable impact – highlights included the installation of over 300 solar panels at Society sites in partnership with Big Solar Co-op; Younity supporting 401 community energy projects; reducing food waste by 25% and saving over 700,000 items from going to waste; energy efficiency initiatives including investment in refrigeration and lighting, partnering with Lowe Connex to automate temperature controls, and being awarded the energy project of the year at the Energy Awards 2024. Coop Holidays had introduced sustainable travel options by partnering with Byway rail travel and G Adventures, which ensures customer spending on holidays benefits the communities they visit. Since the doing good together fund launched in September 2024, £131k had been awarded to 476 good causes that members care about.

## Thought leading pioneers – highlights included 31 new co-ops had been created in conjunction with the Plunkett Foundation and Co-operative Futures; that included Bright Future Coop which helped survivors of modern slavery; BITC tracker had increased to 87%; the Society celebrated 10 years of the Fair Tax mark; Fairer Futures programme aimed at helping young people aged 18 to 30 into permanent employment had been awarded the community engagement programme of the year at the people in retail awards 2024. It was noted that 2025 was the international year of co-operatives, recognising 180 years of co-operation and that the Society had a key role in establishing the Fund for International Co-operative Development.

## Phil Ponsonby highlighted that it was a year of celebration as it marked the 20th anniversary of the creation of The Midcounties Co-operative following the merger of Oxford, Swindon and Gloucester Co-op and West Midlands Co-op; celebrations would include improved offers for members and rewarding colleagues by including an additional day’s holiday to celebrate.

## 25/03 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.

**25/04 Minutes & matters arising**

The minutes of the AGM held on 11 May 2024 were noted. There were no matters arising. A vote to formally approve the minutes would be held later in the meeting.

The minutes of the Half Year Meetings held on 9 October 2024 were noted. Formal approval for these would be sought at the next Half Year Meeting.

**25/05 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.

**25/06 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 in person to answer any audit related questions.

**25/07 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 | 998 |
| Young Co-operators and Community support | 261 |
| Co-operative development grants | 208 |
| Coop Party (ex Campaigns Fund) | 45 |
| Community Share of profits | 239 |
|  |  |
| **Total** | **£1,751** |

Members would be asked to vote on the proposed distributions later in the meeting.

## 25/08 Remuneration Report

Heather Richardson presented the Society’s Remuneration Report for the year ended 25 January 2025. 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.

**25/09 Special meeting**

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.

**25/10 Questions**

Comments and questions were invited and responded to:

* The Phone Coop – the inability to make donations via mobile would be reveiwed
* Community power tariff – the tariff was being promoted nationally via Younity, the Society’s partnership with Octopus Energy; in addition an agreement had been reached with Central Co-op to promote energy services to their members
* Accessibility of member papers – it was noted that the ability to access the Annual Report & Accounts in alternate formats could be made more clearly
* Member pricing – was available on a range of products and was continually reviewed to maximise member benefits. It was noted that on Tuesdays, members aged 60 or over received a 10% discount in Food stores; membership cards from Coop Group and other coops were now also accepted
* CEO remuneration – CEO pay had increased from 26 times the lowest paid colleague last year, to 27 times this year; the ratio was very significantly lower than in comparator organisations; the Remuneration Committee kept pay policies under review each year
* Go-op Rail – the Society would consider the consultation paper for a co-op rail solution in the UK and the extent to which it would help improve accessibility for members in trading areas; this reflected Thought Leading Pioneers being one of the Society’s TRUST pillars
* Stourport area – closures of the Stourport, Bewdley and Kidderminster Food stores had been due to their financial performance, prior to the decision to close they had been assessed as unsuitable for redevelopment to a different format. The Society remained committed to the region as reflected by the investment in Areley Kings
* Coop Party contribution – the Board encouraged members to vote in favour of the distribution to the Coop Party; the Party had worked in recent years to promote the coop agenda and the Labour Party manifesto had included a pledge to double the size of the coop sector
* Retail headwinds – the changes in National Insurance and the National Living Wage increase were expected to impact the Society by c.£9.5m this year; mitigating steps would be taken including technology improvements such as self-service checkouts, despite these such initiatives it was expected that profitability in Food would be impacted
* New member investment platform – the new investment platform, Mutual Vision, would go live for members at the end of June; it was used by major building societies and had the high levels of security that members would expect
* Banking partners – the Society had a syndicate of four lenders, which included the Co-operative Bank
* Travel to America – bookings for city break holidays to America had decreased slightly in light of the Trump administration; some customers were travelling to Canada as an alternative; Florida and Disney bookings remained strong.

## 

## 25/11 Voting

## A test vote was taken.

## .1 Meeting minutes

## The minutes of the AGM and Special meeting held on 11 May 2024 were approved:

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 156 | 1 | 74 |

## .2 Adoption of the Annual Report & Accounts

The Annual Report & Accounts for the year ended 25 January 2025 were adopted.

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 162 | 2 | 67 |

## .3 Re-appointment of Auditors

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

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 164 | 5 | 62 |

**.4 Distributions**

The distributions in respect of Membership Development, Young Co-operators & Community Network Support in the total amount of £1.259m was approved:

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 155 | 11 | 65 |

**.5 Co-operative Development**

The distribution in the amount of £208,000 was approved:

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 161 | 7 | 63 |

**.6 Co-op Party (ex Campaigns Fund)**

The distribution in the amount of £45,000 was approved:

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 111 | 45 | 75 |

**.7 Community Share of Profits**

The distribution in the amount of £239,000 was approved:

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 154 | 10 | 67 |

**.8 Remuneration Report**

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

|  |  |  |
| --- | --- | --- |
| **For** | **Against** | **Abstain** |
| 127 | 19 | 85 |

**25/12 Any Other Business**

No other items were raised.

**25/13 Meeting close**

Irene Kirkman thanked members for attending.

The meeting closed at 12.00pm.

## …………………………………… Date:

## President

## Dates of next meetings

## Half Year Meetings: 7 October 2025

## Annual General Meeting: 9 May 2026