



Co-operative Councils Innovation Network



Cooperative Councils Innovation Network (CCIN) Glasgow Conference – ‘Building a Cooperative Future’

2nd December, Glasgow City Chambers

Background

‘Building a Cooperative Future’, a CCIN conference hosted by Glasgow City Council, provided an opportunity for cooperative councils to share learning and develop innovative practice in key policy areas, including local economic growth and employment, developing the co-operative sector, and achieving devolution and culture change within councils and public services.

This document provides a brief summary of the day and in particular the key learning from the workshops.

Setting the scene – the challenges for cooperative localism

In the opening session **Cllr Archie Graham**, Depute Leader of Glasgow City Council, outlined how Glasgow City Council is putting cooperative principles at the heart of what it does. This has included:

- Embedding cooperative principles into its strategic plan;
- Providing various forms of support to co-operatives and social enterprises and growing the sector
- Inserting community benefit clauses into contracts, including for the Commonwealth Games, to support local jobs and growth, particularly for deprived communities
- Transferring assets to the community and developing cooperative champions to advocate for cooperative change
- Devolving sums of money to local areas

Kevin Rush, Head of Economic Development at Glasgow City Council, also set out the economic context in Glasgow, identifying opportunities such as its relatively high-skilled workforce, high levels of business start-ups, the City Deal with Government, and also challenges such as high levels of deprivation and lack of employment in some communities. He also noted some of the cooperative initiatives Glasgow City Council has launched to address these challenges, including the use of community benefit clauses in contracts and the £50m Glasgow Guarantee, which has provided more than 5,000 jobs, apprenticeships and training places since 2009.

Cllr Andrew Burns, Leader of City of Edinburgh Council and Chair of the CCIN, emphasised the value of the CCIN as a national network spanning England, Scotland and Wales, bringing councils together through a common philosophy of *doing things with, rather than to*, people and working in genuine partnership with communities. Cllr Burns also stated that the current debate on devolution offers the Network an opportunity to advocate for a cooperative approach to the decentralisation of power, ensuring that it isn't just a transfer of power from Whitehall to town halls or to Holyrood, but to residents and communities.

Cooperative housing

Elected members in attendance discussed the housing challenges facing the UK and the potential to develop a more cooperative approach to housing. The session included a presentation from **Richard McCready**, Political Officer at the Co-operative Party, who underscored the importance of ensuring that housing policy is responsive to local people and, building on Cllr Burns' key point, should be developed with them rather than done to them. Some of the other key points of discussion included:

- Public housing policy and provision can often be unresponsive to the voices and views of local people and tenants. Even housing associations, which are often headquartered in other parts of the country, can become monolithic and fail to meaningfully embed local people in decision-making.
- Housing co-operatives provide a model for ensuring co-production with tenants and local communities. Student housing co-operatives in Edinburgh and Birmingham are a particularly good example of empowering people to take control. The Council's role in this is also important: in Edinburgh the local authority provided advice and expertise to the co-operative but didn't seek to control or direct it, which demonstrates a cooperative approach.
- There are legal and financial challenges to promoting housing co-operatives, for example in Scotland Co-operative Development Scotland is legally not able to promote housing co-operatives, and the regulator has made it challenging for voluntary tenant members in housing co-operatives, and the legal status of housing co-operatives impacts their financing.
- Housing is a key component of the current 'cost of living crisis' and the CCIN's policy work in this area can play an important role in addressing this and reaffirming the role and value of co-operative housing.

Promoting community resilience, jobs and enterprise

There was an update on some of the initial learning points from the CCIN Policy Commission on Community Resilience, Jobs and Enterprise. These include:

- The importance of the transition from school into work and supporting young people earlier and in a more co-productive way
- Improving the business support system and moving away from a one-sized fits all approach
- Creating better pathways to work so that the system is tailored to individuals and communities
- Developing better ways to incubate enterprise and support individuals to prosper in a supportive environment, for example through peer support, mentoring and changes to the benefits system.

The **City of Edinburgh Council** outlined some of the ways they are creating employment and developing the local economy. This has included:

- Launching the Edinburgh Guarantee in 2010, which has focused on the transition from school into work and created better collaboration across the city; encouraged businesses to examine their recruitment to support this transition; examined what the council can do in the services it provides and intervening early; and changing perceptions to create demand for school leavers. The Edinburgh Guarantee has helped created more than 1,000 apprenticeships and internship opportunities for school leavers.
- Developing an economic strategy for the city in 2010 which has brought in £213m of inward investment and helped over 8,000 people into work.

Cllr Archie Graham (Depute Leader, **Glasgow City Council**) also reported on how they have sought to build a more cooperative approach to employment and skills. Some of the case studies include:

- The Glasgow Guarantee, through which employers in the city get access to a dedicated recruitment service and training subsidy in return for paying the living wage. The Glasgow Guarantee is about a collaborative approach to meeting the wider needs of local people in terms of job creation. Since 2009 it has helped create nearly five and a half thousand jobs, and many of those for people furthest from the labour market.
- Glasgow Works, which is an integrated delivery service providing a 'whole person' approach for disadvantaged clients. Since launching it has delivered three key objectives: (1) simplified employability structures and processes; (2) establishing effective contracting mechanisms; (3) since 2011 Glasgow Works has resulted in 13,000 people being supported, including some of the most disadvantaged clients.

Cllr Nick Small (Cabinet Member for Employment, Enterprise and Skills, **Liverpool City Council**) described the cooperative philosophy underpinning Liverpool's approach and some of the key initiatives in the city.

- Liverpool was mentioned in PwC's recent report on 'good growth', which highlights that the council doesn't simply want to achieve economic growth, but wants to develop the economy with a clear purpose of narrowing the gap between and across communities. Some initiatives have included:
- Supplementing the Youth Contract in Liverpool with council money and leadership. This has resulted in a decrease in the number of NEETs in Liverpool.
- Using public procurement creatively to support the local economy. For example as part of the City Deal it is building 12 new schools, and as part of the commissioning is working with local employers to ensure it benefits the local economy. The local spend of previous schools was 20%; with the new schools it is around 60% local spend.
 - As part of the £5.5bn private sector development of the docks (following a successful regional growth fund bid), the council has been commissioning in a way that creates jobs for unemployed people in deprived parts of Liverpool.
- Collaborating with credit unions to develop business start-up loans for deprived communities.

Developing the cooperative sector

There was a workshop on how to develop the cooperative sector, chaired by **Kevin Rush** (Glasgow City Council) with presentations from representatives of **Glasgow City Council**, **Plymouth City Council** and **Croydon Council**.

Tracey Cunningham (Co-operative Policy Development Officer, **Glasgow City Council**) described how the council is supporting and building the capacity of co-operatives, mutuals and social enterprises. This has included:

- Creating a Co-operative Development Unit (CDU) to provide direct support and advice to help people develop co-operative business models, and provide small grants for co-operative business start-up activity or business development.
- Launching the Glasgow Business Development Fund to help promote, develop and support the co-operative sector
- Working with Ekosgen to map the cooperative sector and understand its needs
- Promoting the living wage, with over 130 employers (employing 63,000 people) signing up

Sarah Ireland (Director of Strategy, Commissioning, Procurement & Performance, **Croydon Council**) outlined how Croydon is supporting and developing the sector and promoting local jobs.

- 70% of people who work in Croydon also live there
- Several key initiatives and approaches, including VCS commissioning support; asset based community development (ABCD); social enterprise development and SME financial and business support, including around Corporate Social Responsibility and local supply chain development.
- Clearly embedding social value into commissioning and the weighting of contracts. It is also becoming the starting point of Croydon's 'Economic Business Case'.

Chris Grace (Head of Economy, Enterprise and Employment, **Plymouth City Council**) discussed how Plymouth is developing the cooperative sector as part of its broader economic approach.

- Developing the cooperative sector is fundamental to Plymouth's growth agenda, including through the City Deal and Growth Deal. Plymouth's approach is about building a cooperative economy, not just a cooperative council.
- Plymouth has established the Community Economic Development Trust to bring community-owned solutions to social, economic and environmental challenges.
- Plymouth University is the world's first Social Enterprise University.
- Some recent initiatives include:

- The 1,000 Club, which has engaged 1,000 companies that have each committed to support a young person into work by creating a job, taking on an apprentice, or other forms of work experience.
- Forming a school meals co-operative with 69 schools in Plymouth, bringing together a pooled budget to guarantee all children and young people in Plymouth a hot meal at lunchtime. This follows the Government's decision to devolve school meal budgets to individual schools and highlights the key brokerage role of Plymouth as a cooperative council.
- Tapping into the potential of retired people and supporting them to create co-operatives.

Three key learning points that emerged from the workshop for developing the cooperative sector, as outlined by CCIN Chair **Cllr Andrew Burns**, include:

- 1) It is vitally important to conduct a mapping exercise understand the breadth of current co-operative activity and what the needs are for support
- 2) Using the intelligence from this mapping as a vehicle for change, for example by developing partnerships and informing engagement with the sector
- 3) Ensuring that this vehicle for change is centred on maximising social benefit

Devolving power – changing organisational culture within councils

This workshop examined what cooperative councils can do to genuinely devolve power and create culture change across the council and local place.

City of Edinburgh Council presented a case study on the Edinburgh Partnership, which is a community planning partnership for Edinburgh that brings together the council and other public bodies such as the NHS and the police to work more closely with local communities, businesses, charities and voluntary groups to plan and deliver services and improve the lives of local people. There are also 12 neighbourhood partnerships to help deliver this locally in partnership with local people. This is being achieved through a cooperative approach.

- Local communities are embedded in the decision making structures and processes
- A range of engagement techniques and approaches are deployed to ensure that all sections of the community are engaged and involved in shaping the plans. This has included surveys, roadshows, online engagement, breakfast clubs, and community activities, as well as drawing on the facilities and networks of partners such as voluntary groups and GPs. In some areas participation rates reached 40%.
- These plans are demonstrating progress against their aims, and a performance framework was recently launched.
- Participatory budgeting has been deployed to devolve pots of funding to neighbourhood partnerships through community grants funds, giving citizens greater control of how money is spent. Examples of this include the 'Youth Talk' initiative, which engaged over 1,500 young people, and 'Leith Decides', which gives the decision making power on the allocation of Community Grants funding to local people.

Participants of the workshop then considered how to devolve (and the quick wins) and ensure joint ownership. Some of the key challenges that emerged included:

- It is vital to ensure that devolutionary approaches engage all sections of the community and not just the 'usual suspects'. Without this, devolving money and power could have a regressive effect whereby the more affluent take advantage while certain communities are excluded. At the same time, some sort of 'community dividend' would also be valuable to reward those that have actively engaged to support their communities.
- Existing participatory budgeting initiatives involve very small pots of money; we need to develop this. For example the Mayor of Paris has delegated 5% of the city's entire budget into participatory budgeting. Some local authorities in the UK, such as Liverpool, have also devolved their youth budget. In Lambeth, youth services are directly commissioned by the Young Lambeth Co-operative, a cooperative made up of local young people.

- The council has an important role to play in facilitating, encouraging and building the capacity of local people to directly shape or deliver certain services, drawing on the local leadership role of councillors
- Devolution to communities will inevitably sometimes lead to 'failure': we need a culture that appreciates these risks and is able to support communities where this happens.

Cllr Barbara Brownridge (Oldham Council) talked about how local leadership, particularly of elected members, is a critical ingredient of culture change and devolution.

- Oldham has faced vast challenges, including austerity (each household has lost out by £2,200), rising demand and a 'dependency culture' amongst residents, often fuelled by the Council's own top-down tendencies.
- To help address this the Council established six 'district partnerships' with devolved decision making and commissioning powers, each serving different communities in the borough.
- These district executives are underpinned by an expectation that councillors and those within them develop their community leadership role to find solutions to their community's challenges.
- Oldham's approach has also been about recognising the potential of public money as a whole and building strong relationships with partners such as Clinical Commissioning Groups to develop shared priorities, for example through pooling public money. Three commissioning hubs have been set up to support this: Cooperatives and Neighbourhoods (chaired by the chief executive of a housing provider); Economy and Skills (chaired by the principal of a local college); and Health and Wellbeing (chaired by a councillor).
- A core part of Oldham's approach has been to try to build an equal partnership with local people: doing things with them rather than to them. For example, encouraging more responsible recycling can save £5m from the budget.
- Changing the culture and expectations of elected members has been central to this: the Council developed a community leadership programme, and councillors have to attend at least 50% of this to receive their individual budgets and are accountable through councillor annual reports.

Participants reflected on the learning from Oldham's approach and discussed how to devolve (and the quick wins) and ensure joint ownership.

- Participants agreed that when devolution takes place, it is important to understand and address conflict between local areas and the council, and to maintain strategic links with the corporate plan.
- **Phil Spooner (Sunderland City Council)** provided reflection on Sunderland's own community leadership programme, and stressed the importance of defining the role of elected members, particularly the balance between being focused on service delivery and being advocates of their local communities and strengthening their brokerage role. This latter role is growingly important.
- Effective devolution also has a transformative effect on the culture and behaviour of elected members. Cllr Brownridge reflected on how it made her and other elected members less risk averse and more willing to embrace initiatives that may fail.

Three key learning points that emerged from the workshop for devolution and culture change, as outlined by CCIN Chair **Cllr Andrew Burns**, include:

- 1) For devolution to be successful, there has to be a fundamentally new relationship between councils and citizens
- 2) As part of this there needs to be a different form of local leadership, where elected members and others are willing to 'let go' and become less risk averse
- 3) We need to create appropriate platforms for devolution that align with the key needs, relationships and resources of local areas.