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CITIES



Co-operative Glasgow

Glasgow adopts cooperative model

Glasgow Council is changing the way it works internally and with external organisations to make a greater difference to city life. By supporting cooperatives and social enterprises and devolving power to local people, it is finding effective and sustainable new ways of rising to economic and social challenges.

Like all UK city councils, Glasgow faced many problems brought about by budget cuts, changing demographics and increasingly complex service needs. Despite years of effort focused in particular on helping people on long-term benefits and improving health inequality, progress had not been fast enough. Glasgow recognised that removing this economic drag on the city demanded a different approach. It set out to find new ways of reaching those most in need and doing more with limited funds.

Glasgow had some experience of working in a cooperative way, so that rather than simply delivering services it worked with enterprises and communities to co-create services designed around citizens' lives and needs. The city was also already home to many cooperative businesses whose social objectives made them ideal potential partners. Convinced that wider adoption of this approach was the best way to achieve both better services and better value, Glasgow made a commitment to become a cooperative City in 2012.

Culture and co-operatives

Research by the Co-operative Development Unit (CDU), set up to deliver the project's action plan, identified two primary pieces of work. To develop a new culture of partnership within the council and to help the city's co-operative sector thrive and grow through easier access to funding and networking. The resulting proposal led to a £500,000 annual budget being established by the council. This in turn led to the expansion of the CDU and the establishment of a cross-functional group of 'Co-operative Champions' who identify cooperative opportunities and develop links within and beyond the council.



Co-operative Glasgow is about changing the way the city council operates so that it works more in partnership with external organisations and more meaningfully with citizens, so they can influence what we do and we are a true partner.

**Alan Davidson, economic development manager, economic initiatives,
Glasgow City Council**

cities in action

November 2016

where: Glasgow, Scotland
what: Cooperation
when: 2013 - ongoing

The council's investment also enabled the Co-operative Glasgow Business Development Fund to be set up. This gives transformational business development grants to cooperatives, mutuals, social enterprises and council departments. Since 2013, grants totalling £697,000 have been awarded to 34 existing cooperatives and 11 start-ups. Another initiative designed to provide wider access to affordable credit has seen Glasgow's 34 credit unions offer an ethical low-cost alternative to payday lenders, help young people get the savings habit and develop into the strongest sector of its kind in the UK.



Savings and values

Glasgow People's Energy is another flagship initiative and it shows the cooperative service delivery model in action. Run by the council with two social enterprises, this impartial and ethical energy advice and switching service saved businesses, social enterprises and charities a total of £181,000 in its first eight months. The idea is that profits generated through this scheme's introducer fees from energy suppliers will be used to reduce dependency on council grants by the city's existing fuel poverty advice service for residents. After three years of operation, it is envisaged that a domestic switching service will be established for all Glasgow tenants and residents.



Glasgow City Council's commitment to co-operation extends beyond collaborating with communities to include supporting the start-up and growth of cooperative businesses. We are delighted to be working together to promote cooperative business models and jointly support client companies.

Sarah Deas, director, Co-operative Development Scotland

Putting cooperative values at the heart of service development and delivery has resulted in a wide range of initiatives across the city. Citizens can now see how decisions are made by watching live streaming of council meetings. They can influence how community budgets are spent by voting online. Since 2012 over 1,000 long-term unemployed residents have secured jobs in infrastructure projects thanks to a new community benefit approach to purchasing. And hundreds of people with no or low income are benefiting from FareShare Glasgow, a food redistribution project run by the Council in partnership with a homelessness/employability social enterprise.

Challenges and commitments

Co-operative Glasgow has achieved a lot in its first three years. This is partly because the city had a well-established cooperatives sector and strong political commitment to the cooperative model. Its success is also testament to the approach of the CDU. From the start, the team recognised that having funding isn't everything and that three other factors are equally important: consistent messaging, finding common goals with other council departments and making smart, creative use of all the council's assets, from its people to its buildings.

As with any project of its scale and ambition, however, Co-operative Glasgow has had its challenges. Establishing new kinds of partnerships with external organisations has tested existing legal procedures. Similarly, financial culture in the public sector is naturally risk averse, which can inhibit implementation of new ideas. It was also recognised that traditional business support didn't include promotion of the cooperative business model: this was addressed by running explanatory workshops. And of course, changing the culture of an organisation with tens of thousands of employees used to delivering services for people to one that works with them is a complex challenge that will inevitably take time.

The council intends to give cooperative Glasgow the time it needs - and to future proof the project against elections and funding issues. Cooperative working and values have already been put at the heart of the city's new long-term Economic Strategy and an evaluation of progress will take place next year. There remain significant inequality challenges still to confront in the city. Among its top priorities is providing affordable childcare for all through a partnership between the CDU, the council's Education department, childcare cooperatives and social enterprises.

