



CO-OPERATIVES UK

Regeneration through co-operation

Creating a framework for communities to act together

Carey Oppenheim, Ed Cox and Reg Platt

“Bottom-up and community-led activities which so often bubble along under the radar are receiving new public recognition.”

From the bottom up

The Big Society may not have been a big success as an election slogan, but it has tapped into a powerful tradition of mutualism, co-operatives and the social economy – a tradition which straddles different ideological standpoints.

Bottom-up and community-led activities which so often bubble along under the radar are receiving new public recognition. This is in part because we are on the threshold of political change and deep economic restraint; a time when we are both reflecting on the record of the last 13 years and searching for alternative approaches. While Labour can chalk up significant successes of social progress, it is clear that both centralised state activity and unfettered markets are flawed when it come to achieving deeply embedded social change.

Green streets

At the institute for public policy research (ippr) we have sometimes conducted policy research as though it were possible to do the research, produce a report, find a minister, get it implemented and, hey presto, it's happened!

And indeed in a sprinkling of cases that is not far from the truth. But the fragility of some policies – notably the Child Trust Fund – suggests that we also need to work in fresh ways. Two large-scale pieces of work – *Green Streets* and *Inclusive Cities* – highlight how co-operative approaches are generating new insights into how to achieve social and economic change.

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In *Green Streets* we are working with British Gas to test out a range of community-based approaches to reduce carbon emissions. Take Llangattock Green Valleys project – it drew on £18,000 from British Gas as seed funding for setting up a hydro system; this allowed them to leverage in private equity loans to cover the remaining costs. Within three years the feed in tariff has paid off the loan and all feed in tariff money beyond this is profit. At the same time they have used *Green Streets* funding to improve allotments for disabled people, to begin a wood fuel business, a Food and Energy Hub – which is providing a village shop and pub selling local produce including biodiesel, as well as installing solar power in the local school. The business model they are using won NESTA's Big Green Challenge prize – it creates an overarching social enterprise which can then provide expertise and advice for a fee for other burgeoning initiatives.

Essential support

But for such enterprises to succeed they require support ranging from seedcorn funding and legal advice to technical skills – all in all a framework, information and resource which can be adapted to local circumstances.

When they are successful, the evidence so far suggests a wide range of benefits beyond a sustainable energy source: a strengthening of social networks and engagement, greater trust and changes in attitudes to the challenge of climate change. Communities acting together overcomes the inertia of 'why should I when no one else is'.

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Under the banner of *Inclusive Cities* ippr North, in partnership with the Northern Way and Joseph Rowntree Foundation, is undertaking a comparative analysis of three pairs of 'improving' and 'declining' neighbourhoods in Liverpool, Leeds and Tees Valley city regions. Early evidence suggests that a critical factor in relation to improvement or decline is the neighbourhood's 'outlook' – a combination of factors to do with education and aspiration, community infrastructure, social capital and networks, social attitudes and trust.

Levels of co-operation

If our analysis holds true, the success or failure of neighbourhood regeneration depends upon healthy co-operation.

This co-operation needs to take place at a number of levels:

- 1. Between citizens themselves.** Social capital (particularly bridging and linking social capital) and social trust would appear to be fundamental building blocks of a healthy community. Where these do not exist, communities can become inward-looking and unresponsive to consultation, engagement or other interventions, treating strangers – including public agencies and other external offers of support – with hostility.
- 2. Between citizens and wider agencies.** Some of the best examples of neighbourhood renewal involve excellent partnership-working between a range of different agencies – public, private and voluntary – but crucially involving members of the local community. Neighbourhood management has gained a strong reputation precisely because of this approach.

3. **Between different 'tiers' of state action.** Very often strategic planning fails to take significant account of variations between neighbourhoods. Good co-operation requires a much better joining-up between neighbourhood prioritisation and district, city and region-wide policy-making.
4. **Between the 'centre' and the 'locality'.** There has been much government rhetoric over several years about the need for decentralisation. But in fact there has been very little 'letting go'. Equally, there are big questions as to how far local government is ready to deliver if, for example, it was given much greater powers over economic development and welfare to work. What we really need is close co-operation between central government departments and local delivery agencies – this is less likely to happen if a lot of the 'infrastructure' which oils the wheels of such relationships (Regional Development Agencies, Government Offices in the regions etc) are stripped away. In many cases they need reform and redirection but not wholesale removal.

Building co-operative communities

These two new pieces of research reveal important insights for how to entrench a co-operative approach to economic and social challenges.

At a profound and simple level they reinforce two things – the importance of connections between people and the power and potential of locally crafted solutions – in shaping change.

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But they also show that simply rolling back the state and expecting communities to leap into the driving seat will not be the answer. Individuals, families and communities have widely varying assets and require support and a framework to flourish.

At ippr, we are about to embark on a new programme of work – *New Era Economics*. In it we'll be exploring how a radical diffusion of economic power can contribute to creating a sustainable, innovative and socially just economy. We will certainly be building on the manifold lessons that co-operatives across the UK can offer.

THE AUTHORS

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Co-operatives UK

Co-operatives UK works to promote, develop and unite co-operative enterprises. It has a unique role as a trade association for co-operatives and its campaigns for co-operation, such as Co-operatives Fortnight, bring together all those with a passion and interest in co-operative action.

Any organisation supportive of co-operation and mutuality can join and there are many opportunities online for individuals to connect to the latest co-operative news, innovations and campaigns. All members benefit from specialist services and the chance to network with other co-operatives.

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This *Think Piece* was launched during Co-operatives Fortnight.

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In **Regeneration through co-operation**, three ippr researchers explain why effective community-led regeneration requires more co-operation. Simply rolling back the state, they suggest, is not enough. If communities are going to take control, there needs to be different levels of co-operation and a framework of support available.



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