

# **Social and health services Structure reform and cooperation**

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# Topics

- 1 – the delivery of community services is part of the history of the cooperative movement.
- 2- the multi-stakeholder cooperative model seems to be the more appropriate to pursue activities of general interest.
- 3 – presentation of a case study of a new form of relationship between municipalities and social cooperatives in the field of welfare services, the co-programming process.

# ICA principle

- Manchester Congress of ICA in 1995
- The seventh principle “Concern for community”
- “Co-operatives work for the sustainable development of their communities through policies approved by their members”

# Ian MacPherson (1939 – 2013)



# The immediate background

- The report that Alexander Laidlaw prepared for the ICA's Moscow Congress in 1980 "Co-operatives in the year 2000".
- Reduce the impact of individuals and communities on the environment;
- Support the development of more co-operatively-based communities, particularly through housing and social co-operatives.

# Process of constructing WS

- The connection with communities is a fundamental dimension of the history of the international co-operative movement
- Many public welfare policies have been established thanks to pioneering invention and experimentation by cooperatives.
- at the beginning of the 20th century, however, most social and health services in Europe were taken on by government authorities as part of the process of constructing welfare states.

# Lessons learned from history

- The flexibility and adaptability of the cooperative model
- Cooperatives not only economic institutions, but also social actors explicitly committed to solve problems affecting local communities
- Over the years in countries where markets are more developed, cooperatives have weakened their social commitment

# New challenges

- From the 1970s onward many countries have significantly transformed their welfare policies,
- Many new private initiatives have emerged,
- Progressive evolution from philanthropic institutions and advocacy organizations towards the cooperative business model.



## **3 examples of new co-op forms**

- 1991 - Italian social cooperatives
- 1997 - Québec solidarity cooperatives
- 2001 - French SCIC “general interest cooperative”

# Italian social cooperatives

- For almost 20 years, social cooperatives have emerged without being regulated by a specific legal framework
- Social cooperatives can be viewed as the prototype of the multi-stakeholder organization
- Law 381/1991 recognized the existence of privileged relations between social cooperatives and the public administrations

# Québec solidarity cooperatives

- Acknowledges the possibility to associate different stakeholders
- Offers to people sharing a common interest and diverse needs the opportunity to regroup in the same cooperative
- In Québec, over 60% of new cooperatives have been established as solidarity cooperatives

# French SCIC “general interest cooperative”

- SCIC must include at least three categories of members having different relationship with the activity being carried out
- The SCIC status allows municipalities to become members,
- Twenty SCIC (out of 557) currently operate in the field of health care

# The case study

- a new relationship between
  - the Municipality of the city of Bergamo and
  - a group of social cooperatives joining the consortium Solco Città Aperta.
- attempt to demonstrate that other forms of cooperation between cooperatives and public administrations can be designed

# City of Bergamo





- Consortium founded in December 2000, gathering 10 social cooperatives that operate in the city of Bergamo and surrounding area.
- By displaying strategic functions such as alliances, co-programming and local development actions, it integrates and promotes social cooperatives' economic and social activities.
- The 10 co-ops are active in the areas of disability, work integration and fight against poverty of disadvantaged people, minors in difficult family situations, and the elderly.

# The procedure of co-programming

- based on:
  - the national framework law 328/2000
  - and especially a legislative text of the Lombardy region on the development of the 'third sector' in the field of the management of social services (DGR Regione Lombardia n. 1353/9 of 25 February 2011),
- co-programming draws on an agreement that differs from the traditional system of public procurement and concessions



# The usual mechanisms...

- Public procurement/service contracts
  - lack of flexibility
- The concession of service
  - form of externalisation

# Co-programming

- Co-programming is an innovative instrument aiming at regulating participation in general-interest service delivery
- The Municipality is no longer seen as "regulator" of competition on the market of welfare, but rather as promoter of collaboration between different actors, who live and act in the same territory and offer services.

# Co-programming procedure

- identification of the partner
- construction of the project shared by the municipality and the partner/s chosen/s
- formalization of the agreement/contract

# **This system promotes**

- the participation of cooperatives in the “governance” of local social service delivery
- their engagement in the implementation and management of projects
- the assumption of responsibilities and risks through the pooling of activities and resources in the framework of the partnership in which public and private resources are put together;
- the valorization of the local roots and close links with the local community;

# Mrs Carolina MARCHESI

councilor in charge of social cohesion of the city of Bergamo



## Co-programming allows for:

- *“the enlargement of the governance of social policy of the municipality,*
- *the increase of the co-responsibility of private actors,*
- *the strengthening of the sense of belonging to the community ”.*

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## Conditions for success:

- *"Public authority's willingness to recognize the social economy as partner operating on equal basis",*
- *Clarity and methodological accuracy to the convention with the social actors,*
- *Construction of a common language and strategy between players who have different organizational cultures."*