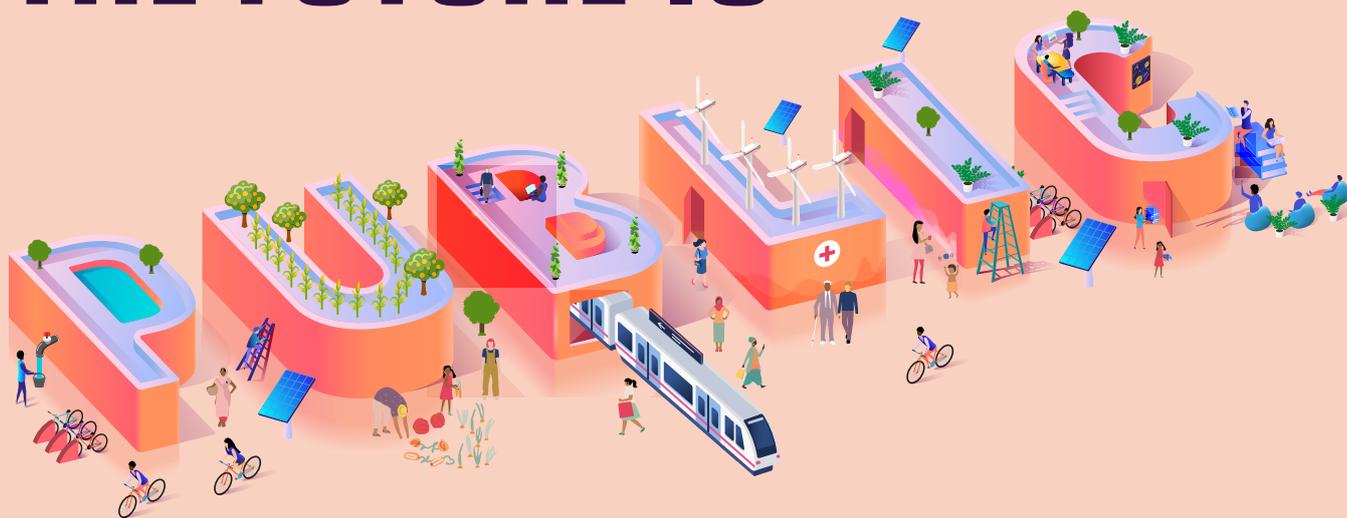


THE FUTURE IS



TOWARDS DEMOCRATIC OWNERSHIP OF PUBLIC SERVICES

This report is presented as a draft at the Future is Public conference (December 2019) to invite feedback and strengthen our analysis. Your views are important and welcome. This report and 15 working papers together form the conference resources. The Transnational Institute and co-publishers plan to publish the improved report and final papers as a book in 2020.

To access the conference resources: <https://futureispublic.org/>

AUTHORS: Satoko Kishimoto, Lavinia Steinfort, Olivier Petitjean

DATA ANALYSIS: Laura Stegemann

RESEARCHERS: Alexander Panez Pinto (Latin America), Bjørn Pettersen/Kristen Dalby (Norway), Blanca Bayas/Míriam Planas/Arnau Piqué/Manuel Fontaíña (Spain), Dania Putri, Eirin Sundby, Laura Stegemann, Lavinia Steinfort, Marie Therese Kane (USA-telecom), Mary Ann Manahan (Southeast Asia), Mary Grant (USA-water), Meryl Goeke, Olivier Petitjean, Per Brøgger/Maibrit Georg (Denmark), Renata C. Boulos (Brazil), Robert Ramsay/Karin Jordan/Kimalee Philip (Canada) and Satoko Kishimoto.

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INFOGRAPHICS AND DESIGN: Karen Paalman

COVER PAGE IMAGE DESIGN: Evan Clayburg

CONTACT:

Your feedback on this report is very welcome! Requests for printed copies, and initiatives to translate the report into your language are also welcome. Contact Satoko Kishimoto (satoko@tni.org) or Lavinia Steinfort (l.steinfort@tni.org) at Transnational Institute.

Fighting privatisation of public services

The neoliberal current is powerful ...

Public asset sale

Private Finance Initiatives (PFI)

Corporatisation

Public-private-partnerships (PPP)

Competitive tenders

Outsourcing

Liberalised market competition

De-privatisation/Reclaiming public services

924

Remunicipalisations

- Termination/non-renewal of private contracts
- Public acquisition
- Insourcing/bringing services back in house

UK

94



Norway

18

19



France

109



PUBLIC-PUBLIC PARTNERSHIPS

Intermunicipal, peer to peer

PUBLIC-COMMUNITY PARTNERSHIPS

local, not-for-profit organisations

PUBLIC-COMMONS PARTNERSHIPS

co-ownership, diversified public ownership, co-production of services

484

Municipalisations/ Creation of public services

- new municipal companies
- new public service programmes

US

141



Chile

40



Philippines

21



Critical mass of local changes inspires country-wide democratic public ownership

Introduction

The future is public. Across the world, people are building better, more democratic and inclusive public services. In a context of climate emergency, mounting inequalities and growing democratic unrest, public services are more important than ever. But as this report shows, another world is possible—what's more, we've started building it, together.

This report is a new stage in a long journey. Many of us first joined forces several years ago to oppose the tide of water privatisation that was sweeping the world and support the resistance that private corporations were encountering everywhere. This opposition to privatisation has quickly turned into an alliance for a positive cause, that of remunicipalisation. This term captures the idea of not only reversing privatisation, but developing new public services that can help us meet the social, ecological and democratic challenges of our time. Our 2017 publication *Reclaiming Public Services*¹ featured more than 800 (re)municipalisations across all sectors and on every continent. But we knew this was likely just the tip of the iceberg.

This report builds on our initial research. We have now identified more than 1,400 cases of remunicipalisation or municipalisation (the creation of new public services), involving more than 2,400 cities in 58 countries. The data and case studies illustrate the diversity of remunicipalisation efforts, taking us to new countries and new sectors with their specific challenges, such as the waste sector in Africa. Our research also shows that the pressures against remunicipalisation have not abated. Privatisation is still high on the agenda for private corporations and financial markets, as well as for many national governments and international institutions. There are many forms of privatisation and names that disguise it, including “public-private partnerships” or PPPs, “private finance initiative” or PFI, outsourcing, corporatisation, “right to choice,” forced competition and market liberalisation. Given the powerful forces lined up against remunicipalisation, it's all the more remarkable that so many services and facilities are being returned to public ownership and control. It shows that people embrace the value of public services, and highlights the determination of communities and elected officials to defend public services.

1408 (Re)municipalisations of public services



BETWEEN 2000 AND 2019, MORE THAN 2,400 CITIES IN 58 COUNTRIES BROUGHT PUBLIC SERVICES UNDER PUBLIC CONTROL

(Re)municipalisation sectors

311 Water

Country	N°cases
France	109
US	71
Spain	38
Germany	17
Canada	8
Argentina	8
Philippines	7
Italy	4
Hungary	4
South Africa	3
México	3
Kazakhstan	3
Indonesia	3
Colombia	3
Venezuela	2
Ukraine	2
UK	2
Turkey	2
Mozambique	2
Malaysia	2
India	2
Brazil	2
Bolivia	2
Uzbekistan	1
Uruguay	1
Uganda	1
Tanzania	1
Sweden	1
Russia	1
Portugal	1
Lebanon	1
Guinea	1
Ecuador	1
Central African Republic	1
Belgium	1
Albania	1

223 Local government

Category	Number of Cases
Housing	31
Food and catering	28
Public (green) space maintenance	22
Security and emergency services	17
Parking	15
Building cleaning and maintenance	14
Sports	12
Cultural activities	9
IT	7
Construction	7
Prison	5
Funeral services	4
Human resources	3
Other	49

Country	N°cases
UK	55
Spain	40
Germany	34
France	21
Canada	15
Denmark	12
Netherlands	8
Austria	7
Philippines	6
Norway	5
South Korea	5
Chile	3
Finland	3
Australia	2
Malaysia	2
India	1
Italy	1
New Zealand	1
Turkey	1
US	1

192 Telecommunications

Country	N°cases
US	145
Germany	35
Netherlands	7
Canada	3
Malaysia	1

374 Energy

Country	N°cases
Germany	305
Spain	18
UK	13
US	11
Japan	4
Netherlands	4
Australia	2
Belgium	2
Denmark	2
France	2
Greece	2
India	2
Argentina	1
Bulgaria	1
Czech Republic	1
Honduras	1
Lithuania	1
Philippines	1
Ukraine	1

138 Health care + 63 Social services = 175

Education 38

Country	N°cases
Japan	12
Malaysia	6
Germany	5
UK	4
Philippines	3
Canada	2
Spain	2
Brazil	1
Chile	1
India	1
Nicaragua	1

Country	N°cases
Chile	40
Norway	18
Canada	14
Spain	14
UK	10
Denmark	8
Sweden	7
Philippines	4
Malaysia	4
Nepal	3
Australia	2
Germany	2
Japan	2
US	2
Belgium	1
Brazil	1
Finland	1
India	1
Luxembourg	1
Montenegro	1
Portugal	1
Russia	1

Transport 47

Country	N°cases
France	21
UK	12
Austria	3
Netherlands	3
Canada	2
Portugal	2
Czech Republic	1
India	1
Malaysia	1
Turkey	1

85 Waste

Country	N°cases
Norway	19
UK	15
Denmark	13
Germany	13
Canada	7
Spain	6
Egypt	4
France	3
Netherlands	3
Paraguay	1
Peru	1

Our research shows that remunicipalisation is still going strong in sectors like energy and water. We also found vibrant remunicipalisation and municipalisation trends in sectors where we had not anticipated it such as telecommunications, which was outside the scope of our previous publications. High speed internet access is essential to modern life, for households and businesses. We found regional and municipal governments are stepping in to bridge the digital divide by offering affordable high speed internet service, ensuring accessibility and revitalizing local economies in small towns and rural areas where private telecom companies are reluctant to invest because it is not profitable. The UK Labour Party has taken this trend a step further in its 2019 election manifesto with a plan to partially nationalise British Telecom and offer free, universal broadband. Even an economic sector usually seen as the domain of corporate giants can be transformed to deliver a universal public service.

While this report showcases the many examples of (re)municipalisation of public services—touching virtually every country and every sector—new cases of privatisation also continue to emerge. This report is about more than just the numbers. It’s about a growing movement. In many ways, privatisation is the easy option for local and national authorities: it is pushed by powerful players, comes with plenty of international funding, is enabled by favourable legal conditions, and politicians see it as a way to wash their hands of problems. Remunicipalisation is fuelled by the aspiration of communities and local governments to reclaim democratic control over public services and local resources, in order to protect their common future. And, as this report shows, that aspiration is strong enough that it has led to 924 successful (re)municipalisations.

This wave of (re)municipalisations is taking place at a critical moment. Far-right political movements seek to capitalise on people’s insecurity and anger, and are using racism, facism and xenophobia to further divide us. Progressive forces need to offer solidarity and concrete solutions—decent jobs, public services for all, and resilient local economies. We must provide viable public alternatives that strengthen communities and the democratic fabric of society.

Reclaiming and creating public services: (Re)municipalisation

Remunicipalisation

924

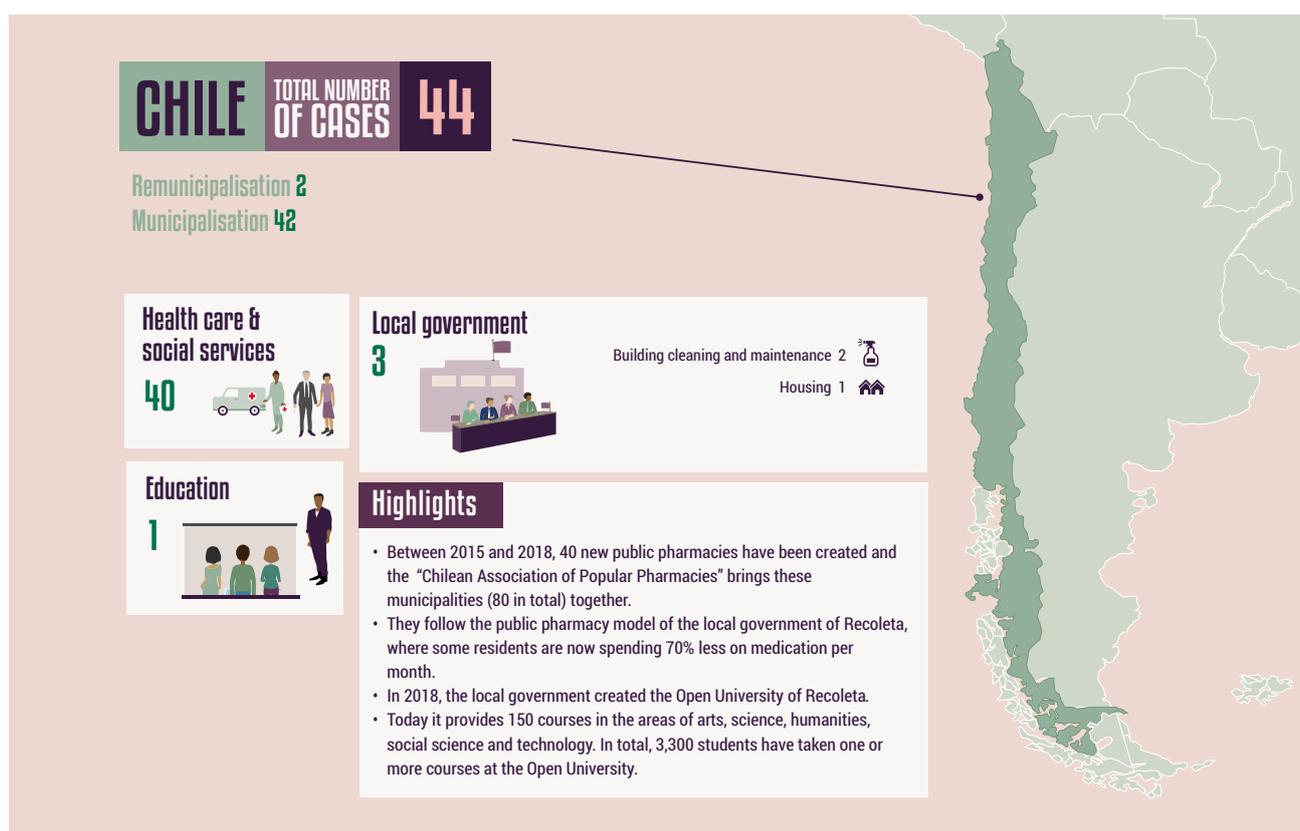
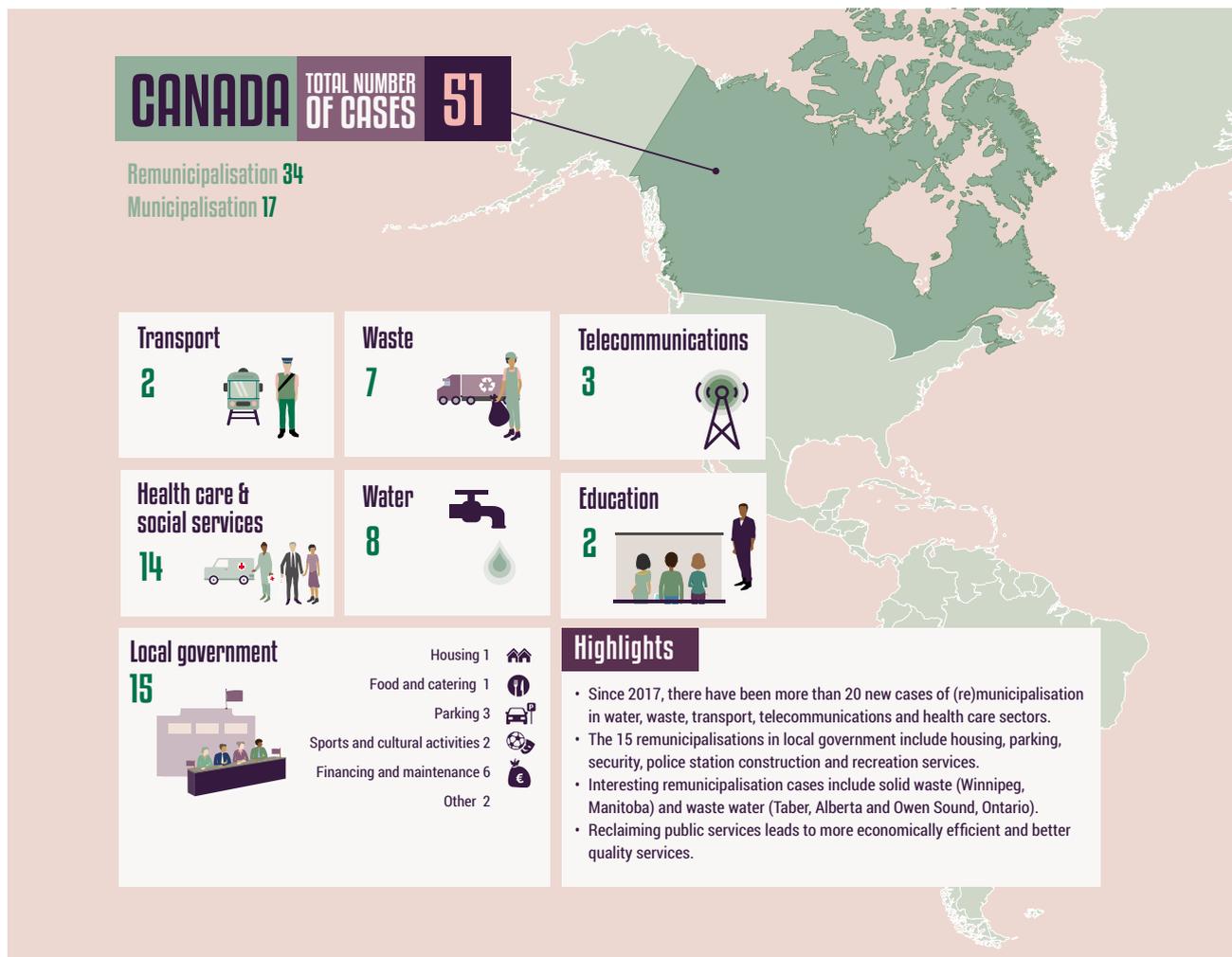


Municipalisation

484



Country profiles



DENMARK

TOTAL NUMBER OF CASES **35**

Remunicipalisation **29**
Municipalisation **6**

Health care & social services

8



Waste

13



Energy

2



Local government

12



Building cleaning and maintenance 7

Construction 1

Human resources 3

Other 1

Highlights

- Privatisation in the elderly care sector, imposed by flawed "free choice" policies, has proved uneconomical, with 54 cases of bankruptcy of private providers since 2013.
- The municipality of Frederiksberg (part of Copenhagen) saved even more money than it expected when it decided to collect and manage its waste through its own, employee-led company in 2011.
- Several examples of remunicipalisation and insourcing of cleaning services by local governments and hospitals because of quality problems and labour standards.

FRANCE

TOTAL NUMBER OF CASES **156**

Remunicipalisation **155**
Municipalisation **1**

Transport

21



Waste

3



Energy

2



Water

109



Local government

21



Food and catering 4

Sports 1

Parking 3

Highlights

- Around 70% of all cases took place in the water sector, which has seen a wave of remunicipalisation since 2000, including large cities such as Paris, Rennes, Grenoble, Nice and Montpellier.
- Paris is a significant model for remunicipalisation, with the introduction of groundbreaking democratic accountability mechanisms, an emphasis on access to water for all, including homeless people and migrants, and adaptation to climate change - while keeping prices lower than they were before remunicipalisation.
- Access to organic, local food in school restaurants and childcare is another sector where progressive cities and local authorities are reinventing public services, with the creation of municipal farms and innovative procurement policies.
- Several cities like Paris and Rennes have introduced innovative partnerships with the farming sector to protect water catchments, encourage a shift to organic production and create new markets for them through procurement and public labels.

GERMANY

TOTAL NUMBER OF CASES **411**

Remunicipalisation **255**
Municipalisation **156**

Health care & social services
2

Waste
12

Telecommunications
35

Energy
305

Water
18

Education
5

Local government
34

Housing	4	
Food and catering	2	
Public (green) space maintenance	3	
Security and emergency services	11	
Building cleaning and maintenance	6	
Sports	5	
Cultural activities	3	

Highlights

- With financial support from the federal government, new municipal and intermunicipal partnerships have provided broadband services in more than 200 municipalities over the last ten years.
- As part of the German Energiewende (energy transition), municipalities reclaimed more than 300 energy services and networks.
- The local government Berlin-Friedrichshain brought back apartment blocks in an attempt to prevent rising rents in 2018. In Berlin-Spandau, the local government bought back 6,000 formerly privatized apartments in 2019.

MALAYSIA

TOTAL NUMBER OF CASES **16**

Remunicipalisation **1**
Municipalisation **15**

Health care & social services
4

Telecommunications
1

Education
6

Transport
1

Water
2

Highlights

- The state of Selangor successfully remunicipalised water services in 2018 after a 20-year-long costly conflict.
- The state of Selangor's People's Care Initiative (IPR) started in 2008, as an integrated social protection program which covers education, health care, housing and food. They focus on low income families being able to access all these services.
- Free water (20 cubic meters/a month/a family), free bus transportation and 300 free internet Wifi spots are also part of the program.

Local government
2

Housing	1	
Food and catering	1	

NORWAY

TOTAL NUMBER OF CASES **42**

Remunicipalisation **39**
Municipalisation **3**

Health care & social services

18



Waste

19



Local government

5

Building cleaning and maintenance **4**



Security and emergency services **1**



Highlights

- In 2017, more than 100 municipalities took public control over their waste collection after RenoNorden's bankruptcy.
- Merging small towns into one municipality provided an opportunity for inter-municipal remunicipalisation or creation of an integrated municipal company with public sector solidarity and capacity building.
- Remunicipalisation of care services (nursing homes, elderly care) and local government services (staffing agency) are significant.
- Strong and strategic role of workers' unions in the process of remunicipalisation.

PHILIPPINES

TOTAL NUMBER OF CASES **21**

Municipalisation **21**

Health care & social services

4



Energy

1



Education

3



Local government

6



Public (green) space maintenance **1**



Food and catering **4**



Security and emergency services **1**



Water

7



Highlights

- Philippine municipalities are creating new public services to increase welfare-based social protection.
- Binalonan started delivering effective health care services to residents, including care centres and financial support for health services. The municipality reduced chronic child malnutrition by 17% and increased use of contraceptives by 51%.
- The municipality of Cainta Rizal launched its "One Cainta" program in 2016, providing free education through the establishment of a college, enrolling 800 students per year, and additional health care facilities, improving access to medical services for economically disadvantaged groups.
- Philippine municipalities are taking on an important role in increasing the country's climate resilience, by establishing integrative approaches to farming and fishing, ecosystem protection, and energy generation (Del Carmen and Lanuza).

SPAIN

TOTAL NUMBER OF CASES

119

Remunicipalisation 105
Municipalisation 14

Health care & social services

14



Waste

6



Energy

18



Water

38



Education

2



Local government

41



Housing	2	
Food and catering	1	
Public (green) space maintenance	12	
Parking	6	
Building cleaning and maintenance	10	
Sports	2	
Cultural activities	2	
Construction	1	
Funeral services	2	
Other	3	

Highlights

- The number of (re)municipalisations has more than doubled since 2017.
- A very strong social and municipalist movement has pushed for the 38 water remunicipalisations.
- Water remunicipalisation in Terrassa is leading to new forms of democratic decision-making. With the support of civil society, the city created a Water Observatory so users can participate in public management.
- Valladolid has saved €13.3 million since water remunicipalisation in 2017, almost 4% of the municipal budget for 2018.
- In total, 41 local government services were remunicipalised, such as school canteens, green spaces, parking, cleaning and funeral services.

USA

TOTAL NUMBER OF CASES

230

Remunicipalisation 81
Municipalisation 149

Energy

11



Telecommunications

145



Health care & social services

2



Water

71



Local government

1



Prison 1

Highlights

- A total of 11 energy (re)municipalisations occurred, aimed at tackling the climate crisis, building community wealth and increasing democratic (user) control.
- Since 2002, there have been 71 water remunicipalisations. The busiest year was 2010, with 10 reclaimed water services, leading to reduced user fees.
- Flagship water remunicipalisations took place in Atlanta, Missoula, Montana and Pittsburgh.
- At least 141 new public telecommunication services were created to improve access and democratic control, to deliver jobs and stimulate economic activity (Tullahoma and Chattanooga), improve quality of life and to advance health and education (EC Fiber in Vermont).
- Interesting public-public partnership models involving local authorities in Washington State (Northwest Open Access Network), Skagit County and Thomasville.

UK TOTAL NUMBER OF CASES **110**

Remunicipalisation **96**
Municipalisation **14**



Health care & social services
9

Waste
15

Transport
12

Energy
13

Water
2

Education
4

Local government
55

Housing	18	
Food and catering	3	
Public (green) space maintenance	4	
Security and emergency services	1	
Parking	1	
Building cleaning and maintenance	9	
Sports	2	
Cultural activities	1	
IT	7	
Construction	3	
Prison	1	
Human resources	2	
Other	3	

Highlights

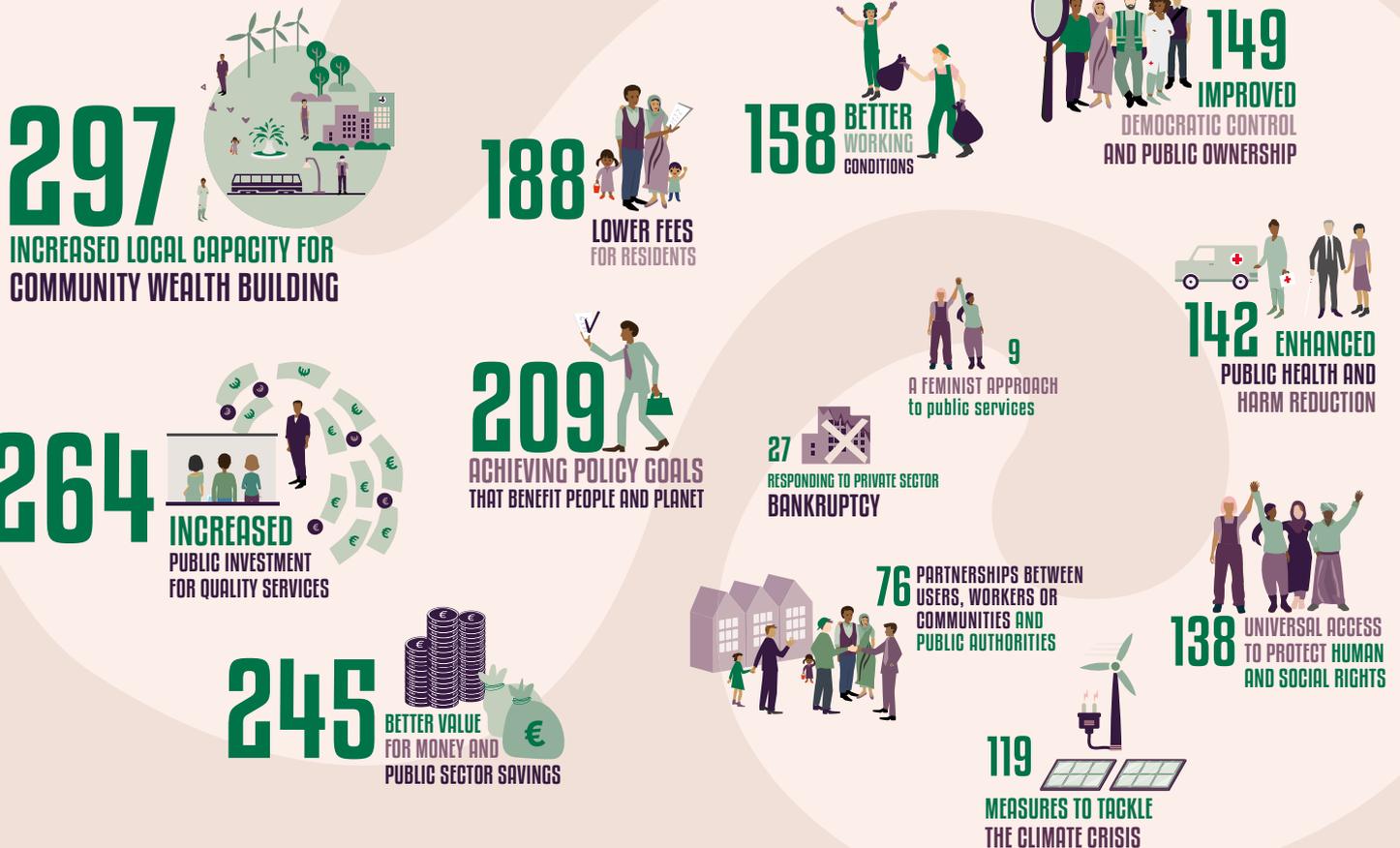
- Two major PFI companies went bankrupt in 2018 and 2019. (Re)municipalisation cases increased from 64 in 2017 to 108 in 2019.
- Strong trend to reverse outsourcing to insourcing since 2008 across all sectors and foremost in local government (IT, housing, cleaning and maintenance), as well as waste and transport.
- Public ownership of water, energy, rail, mail and NHS enjoys public support. For example, 83% support public water.
- Remunicipalisation, insourcing and new public service experiences fuel the growing national demand for democratic public ownership.

Key findings

1. Remunicipalisation and municipalisation are redefining public ownership

Our research highlights how remunicipalisation and municipalisation are redefining public ownership and advancing a twenty-first century vision that centers on democratic participation and control. A growing network of progressive green municipalities is tackling climate change and rising inequality using strategies that feature (re)municipalisation. Cities are well positioned to explore direct democracy, and advance innovative economic models that build community wealth and create decent jobs. Motivations for remunicipalisation are diverse, but often involve a failed privatisation. This report foregrounds our emerging findings as well as the many positive changes already resulting from (re) municipalisation.

(Re)municipalisations strive for



Together, these are key elements for reclaiming and expanding a 21st century definition of public ownership.

2. Remunicipalisation reduces costs and improves services

Cost is not the only consideration when deciding to remunicipalise a public service, but it is obviously one of the most important factors. Public services provide the best value for money, in contrast to the neoliberal claims that privatisation, PPP and outsourcing cost the public treasury less. In 2014, the Auditor General in the province of Ontario, Canada reviewed 74 PPP projects and concluded they cost

the public \$8 billion more than if the province had used public procurement. Similarly in 2014, the provincial Auditor General in British Columbia, Canada reviewed 16 PPP projects and reported that the province paid approximately twice as much for private sector financing as it would if it had borrowed the money itself². In the UK, a 2018 National Audit Office report found that the cost of privately financing public projects can be 40 per cent higher than relying solely on government borrowing.³ A 2018 report by the UK Treasury Committee estimated that a privately financed hospital would cost 70 per cent more than a publicly financed one.⁴

There are five main reasons why privatised services generally cost more:

1. Corporations must generate profits and pay dividends to their shareholders and any parent companies.
2. Privatisation brings extra layers of complexity and cost, including paying high fees to the consultants and lawyers who design the contracts.
3. Public authorities lose control over the costs of running the service (private operators tend to outsource some of the work to other companies, often at high cost).
4. Private operators lack of long-term vision when it comes to financial management.
5. Public bodies typically pay lower interest rates than private entities.

There is solid evidence that privatisation costs more. Stories of remunicipalisation help build our collective case that it makes good economic sense to have services which are publicly owned and directly provided by public sector workers. In our study, we found at least 245 cases where (re)municipalisation either aim or already managed to reduce the cost of providing services. Furthermore, in at least 264 cases, municipal companies foresee or already managed to increase public investment in services and infrastructure. When services return to public ownership, tax revenues and any revenue generated from user fees can be invested directly in improving services and ensuring their sustainability.

Case study A- Valladolid, Spain: Water supply

In 2016, the Valladolid City Council decided to remunicipalise the water supply in the metropolitan area as its contract with a private provider was due to expire in July 2017. The private company had raised the consumer price by 37.28 per cent over the previous 20 years, a price hike that had made the supply of drinking water almost unaffordable for poorer households, especially after the 2008-2009 economic crisis. An additional problem under private ownership had been the lack of investment in the water network, while the company had consistently reaped high profits. In 2015, municipal elections brought a new government and an opportunity to terminate the private water management. An absolute majority in the City Council approved the remunicipalisation in December 2016, and the newly established public water company Aquavall continued to employ the entire workforce of the previously private business. After the second year in operation, Aquavall had already saved the city 13.3 million Euros, equalling 4 per cent of its total budget in 2018 (€337.2 million). Furthermore, the new public company has so far had a total turnover of €26.4 million. Much of the profits can be now used to maintain and improve the sanitation and distribution grids, which has helped to stabilise any maintenance fees paid by the consumers. Other than that, the revenue is building community wealth via investment in photovoltaic panels that are expected to lower the cost of electricity production in the future.

3. Private management and ownership of public services risks bankruptcy

Remunicipalisations are often stories of residents, workers and public officials achieving social and environmental objectives by taking back control of public services. But they are also stories of failed privatisations. When compiling our (re)municipalisation survey, we counted at least 26 cases involving

bankruptcies of private operators. The 2018 collapse of Carillion, a UK company specialising in outsourcing contracts and privatised infrastructure, jeopardised 420 PFI projects as well as the future of 18,000 employees. In Denmark, “free choice” policies introduced mandatory competition in elderly care, but a large number of private companies collapsed. In Norway, the bankruptcy of waste management company RenoNorden would have stranded more 137 municipalities if the union had not anticipated its economic difficulties and worked with local officials to be ready to remunicipalise the services.

Bankruptcies and corporate collapses reveal the truth behind privatisation’s false promises of efficiency and innovation: many privatisation deals are economically unviable. Many outsourcing contracts and public-private partnerships are designed to prioritise profits and dividends over service quality. When the profits dry up or fail to materialise, corporations and investors walk away, abandoning the service, the workers and the people who rely on the service. Another illustration of privatisation’s economic failures is the unwillingness of private operators to deliver services in areas, communities or user groups that are not profitable enough, cannot afford to pay or are more expensive to serve. For example, in the US, major telecommunications companies were not interested in serving rural areas, smaller municipalities, and low-income communities. Local governments and community-owned companies stepped in and developed high-speed broadband internet infrastructure in many areas where corporations were not interested in operating.

In Africa, private waste operators only operate in the wealthiest neighbourhoods of large cities, excluding the vast majority of the country. In Dar es Salaam, Tanzania the privatisation of waste services has led to unequal waste service coverage, with good service in the affluent city area, while poorer neighbourhoods are left out. Consequently, 70 percent of Dar es Salaam waste is either disposed informally or illegally dumped into waterways, fields, or burned⁵.

Case study B - Kragerø, Norway: Waste management

In Kragerø, employees and the works council of private waste collection company RenoNorden alerted the municipal administration in 2017 that the firm was no longer fulfilling its duties properly. Following a thorough analysis, the municipality agreed and decided to bring waste collection back in-house, managing to end the contract with RenoNorden before the company went bankrupt but keeping its employees. As a consequence, the waste collection fee for residents has been reduced by 14 percent, wages and pensions for the employees have increased. The municipality continues to save money by avoiding expensive tendering processes and benefits from the increase in full-time staff, who are able to help out with other municipal services, if needed. In addition to better pay, former RenoNorden employees who now work for the municipality also report other improvements: workers without formal vocational training are being offered educational support to obtain official diplomas, and more workers are getting permanent contracts with more hours or full-time positions.

Case study C - Region of Southern Denmark: Ambulance services

Until the summer of 2016, the Region of Southern Denmark used to outsource its ambulance service to private companies. Soon after winning the last public tender, however, the Danish arm of Dutch ambulance company BIOS struggled to recruit enough drivers. After failing to reimburse an accidental double payment made by the Region, the private company went bankrupt in July 2016. The Region quickly remunicipalised the rescue service, taking over 657 employees and hiring an additional 100 Emergency Medical Technicians. Compared to the operational costs under its predecessor FALCK, the region managed to reduce the cost of the service by 15 per cent, while simultaneously improving its quality through extra staff. A political majority in the Region of

Southern Denmark has since decided to prevent private companies from handling ambulance operations in Southern Jutland and on the island of Funen.

4. Remunicipalisation helps uphold and promote human and social rights

The 2018 report of the UN Special Rapporteur on extreme poverty and human rights⁶ says that widespread privatisation of public services and infrastructure is systematically eliminating human rights protections and further marginalising people who are living in poverty. The report looks at the human rights implications of privatisation in the criminal justice system, social services, water, sanitation, electricity, health care, transportation and education. Special Rapporteur Philip Alston criticises the lack of any human rights criteria in most privatisation agreements, which rarely include monitoring the impact privatisation has on poor people.

Remunicipalisation is an antidote to this erosion of human rights. In this study we found 138 cases where defending social and human rights was a clear policy objective of (re)municipalisation, with many examples of concrete measures to achieve this goal. The Paris public water company Eau de Paris says its mission goes beyond a pipe connection. The company was established in 2010, ending a long period of privatisation that began in the mid-1980s. Eau de Paris is committed to defending the human right to water for all people in Paris, regardless of their legal status. Eau de Paris maintains and is expanding a network of public water fountains across the city that provide water access for the most vulnerable population. This is an essential service for the refugees who are arriving in the city every day, and for people experiencing homelessness who are living on the streets.

Case study D - Selangor state, Malaysia: Health and social care

Following a change of government in 2008, Selangor introduced an integrated social protection program called Inisiatif Peduli Rakyat (IPR, People's Care Initiative). Funded by state revenues, the program aims to improve the welfare of various vulnerable groups in the areas of education, health care, water provision, transportation, housing, and food. Improving health care plays an especially important role in this initiative: since 2008, the Skim Mesra Usia Emas Scheme has been offering a funeral payment of RM2,500 (€538) for registered senior citizens looking to help relatives cover their burial expenses. Launched in 2010, the Women's Health Scheme, provides free mammograms to women aged 35 and above. Another initiative started in 2017 subsidises primary health care provision for low-income households - the state provides RM500 (equivalent to €108) per year for medical expenses.⁷

Case study E - Berlin, Germany: Housing

The German capital Berlin has seen average rent price double in just five years. Local governments have responded to residents' outcries with decisive measures, such as the public acquisition of privatised housing units and a policy to halt rising rents. In Friedrichshain-Kreuzberg, for example, the district senate has supported residents in stopping the sale of 670 apartments to real estate holding Deutsche Wohnen. Affected tenants had feared disproportionate rent rises due to unnecessary renovation projects imposed by the company. The Federal State of Berlin called upon the district court to prevent the sales, but had its request rejected in 2018. Circumventing legal restrictions, the senate enabled tenants to make use of their pre-emption right by means of a so-called 'stretched acquisition': tenants could 'buy' the apartments and then sell them on to the public Berlin Housing Association. In late 2019, the Housing Association further repurchased 6000

apartments in the districts Spandau and Reinickendorf - the largest act of remunicipalisation in German history. In October 2019, the Berlin state passed a rent control law, which freezes rents at the June 2019 level for the next five years, while also capping rental payments at a set maximum.⁸ Tenants of 1.5 million homes are going to benefit from these changes. Against the backdrop of these municipal actions, the tenant movement is growing fast: demands for a referendum on the transfer into public ownership of around 240,000 apartments currently in the hands of Deutsche Wohnen is gaining traction.

5. (Re)municipalisation stops precarious work

Privatisation, outsourcing, PPPs, austerity measures and similar policies are often justified with claims the private sector is more efficient and will save public funds. In reality, when private operators do reduce costs, they often do so at the expense of public service workers. By cutting jobs, eroding working conditions and undermining collective bargaining, privatisation is a powerful driver of precarious work. This is a problem not only for workers, their families and local communities, but also for users as service quality and access decline.

In contrast, there are many examples of remunicipalisation and insourcing where local councils have saved money while improving working conditions and/or pay. Since 2011, London's Islington council has taken back contracts worth about £380 million in cleaning, building and grounds maintenance, and waste management services. The move has meant better pay and working conditions for 1,200 frontline employees, and generated savings of about £14 million. In Kragerø, Norway, remunicipalisation of waste management led to a 14 per cent reduction in fees for residents, while delivering an increase in workers' wages and pensions.

This report documents at least 158 cases of municipalisation and remunicipalisation which improved conditions for workers, including pay, occupational health and safety, freedom of association and collective bargaining, freedom of speech and worker participation in decision-making. These 158 cases demonstrate that providing quality employment and improving workers' conditions while valuing their knowledge and experience about how service should be organised and operated go hand-in-hand with building economically efficient public services that are accessible to all. It is no coincidence that workers and their unions are often at the forefront of remunicipalisation efforts.

Case study F - Seoul, South Korea: Cleaning in urban transport

A capital of nearly 10 million residents, Seoul has undergone a comprehensive labour policy reform under the leadership of the current mayor Park Won-soon. Between 2013 and 2017, the city regularised the employment status of 7,296 workers in the public sector, of which 70 per cent are cleaners. Many of them are now directly employed by the two new public corporations Seoul Metro Environment and Seoul Urban Rail Green Environment, after they had previously worked for subcontractors which provided no social or health protection and did not pay them properly. Their salaries have since gone up by an average of 7.3 per cent, and their welfare rights have become standardised. Despite increased labour costs, the city's balance sheet has improved, too, as the elimination of management fees and 10 per cent VAT payments to subcontractors have significantly reduced operational costs.

6. Remunicipalisation can improve public health

The health care sector is facing ever-growing privatisation pressure, including from outsourcing and competitive tenders. Profit-making service providers and facilities are enjoying a growing market thanks to liberalisation driven largely by international trade and investment agreements.

Remunicipalisation and municipalisation in the health sector is benefitting public health, especially for the most vulnerable families. Examples include public clinics in Delhi, India, a regional hospital complex in Helsinki, Finland and new public pharmacies in 40 Chilean municipalities. These cases highlight how public authorities have established solid commitments to protect public health by investing in and directly providing services.

Case study G - Recoleta (Santiago Metropolitan Region), Chile: Access to medicines

In a country where neoliberalism is deeply embedded, the commune of Recoleta has been swimming against the current. In this commune in the North of Santiago, 13.86 per cent of the population live in poverty; that is more than double the average poverty rate of the Region. Mayor Daniel Jadue, who won the 2012 elections, has begun to recover public ownership of health care, and has created new public services in education and housing to better support the local residents. Many Chileans still depend on privately owned pharmacies to receive their medication and are vulnerable to unregulated price-setting, which is exacerbated by the monopoly of just three companies operating 90 per cent of all dispensaries. With the aim of providing affordable medicines for the population, the local government of Recoleta created the country's first "popular pharmacy" in 2015. Recovering the role of the state as a direct supplier of goods, this model has also revived the solidarity aspect of social security by facilitating equal access through subsidies for those with lower incomes. Now in its fifth year of operation, the model has proven very effective too: Calculations by the municipality show a significant cut in the cost of medicine for residents; some people's monthly medical bills have seen reductions of up to 70 per cent.⁹

Case study H - São Paulo, Brazil: Harm reduction

For the last 20 years, the São Paulo neighbourhood of Luz has been known for its high share of residents struggling with homelessness and an addiction to crack cocaine. Many public initiatives tried to address this issue during the 1990s and 2000s, but a focus on neighbourhood security and the criminalisation of addicts. In January 2014, then mayor Fernando Haddad worked with community leaders and local NGOs to negotiate the removal of 147 tents and to start a dialogue with crack cocaine users. In particular, the publicly funded Open Arms project reached out to drug users to offer accommodation, three meals a day, a job at the municipality and access to health services, while not requiring their clients to stop using drugs. Since this new public service programme was created, 73 per cent of people who were helped by Open Arms stopped using crack cocaine, with the new programme saving the state R\$68 million during the same period.

7. Remunicipalisation helps build democratic public ownership

Public ownership is not always democratic and efficient. The public sector can be captured by bureaucracy and inefficiency, but also by vested interests, corruption and authoritarian rulers. However, the same problems can similarly affect private sector companies and organisations.

Building strong, high-quality public services requires new forms of public ownership where residents can directly and indirectly participate in democratic decision-making. Many forms exist. A (re)municipalised or new municipal company can democratise its governance by ensuring that user representatives are on the board, as is the case for water services in Grenoble and Paris. In Denmark, the law enables public companies to reserve one third of the seats on their boards for worker representatives.

Our research identified clear references to improved democratic control and public ownership as a result of remunicipalisation in at least 149 cases. The Mexican city of Ramos Arizpe stopped a PPP for

water services and successfully remunicipalised the service in 2014. The mayor announced that the new public company, COMPARA would open up participation in order to transform the relationship between the service provider and users. The Technical Council, one of the company's main governance bodies, is composed of the mayor, two representatives from the state government water operator, the manager of the COMPARA, experts from a research centre, and activists from the users' association.¹⁰

Changes brought about by (re)municipalisation range from increased accountability and transparency mechanisms and information disclosure to establishing participatory governance in public corporations. Representatives of workers and users sitting on the decision-making body of a public entity is one of the most innovative ways to improve governance and expand the meaning of public ownership. This representation is enhanced by creating a wider space for users such as peoples' observatories and assemblies. Cities such as Paris, Barcelona, and Terrassa, Spain, include worker and citizen representatives on the advisory boards of their public utilities.

Public ownership can take the form of collaboration with grassroots citizen and worker cooperatives, or of co-ownership shared between a public authority and a not-for-profit association. In Wolfhagen, Germany the cooperative that helped fund the town's wind turbines owns a quarter of the public energy company, with two seats on the board. This co-ownership, which happened after the local electricity grid was remunicipalised, resulted in lower power bills, investments in its kindergarten and almost doubling the number of staff.

Interestingly, collaborations and partnerships with community based organisations tend to reinvent the culture of public institutions and encourage deeper democratic practice. There are many examples of public authorities working with nonprofits and cooperatives. For example, various Dutch municipalities support the non-profit association Wireless Leiden to provide free internet in some parts of the City of Leiden and surrounding towns. Across Spain, proactive cities are choosing cooperative energy retailers such as Som Energia, GoiEner and EnergÉtica over large private companies.

Case study I - Terrassa, Spain: Water supply

In Catalonia's third largest city Terrassa, citizen platform Taula de l'Aigua de Terrassa began to campaign for a return to public water management in 2014. Their Social Pact for Public Water, which aims to ensure the public, integrated and participatory management of the entire water cycle, gained support from candidates of the municipal election 2015. The newly elected City Council in 2015 passed a motion in favour of direct water management in 2016. Taigua was eventually born as a public enterprise in 2018 and new regulations were approved to establish the Terrassa Water Observatory (Observatorio del Agua de Terrassa - OAT). This observatory is an independent organisation abides by the Social Pact for Public Water and has the decision-making power to influence the public water management. Designed to facilitate citizen participation and strategic decisions for the water supply service, the highest governing body of the OAT is composed of a representative of each political group, the municipal government, technical service staff, businesses, community groups, unions and research groups from the local university. As it has taken up the challenge to govern and co-produce water services together with its users, the OAT has become a point of reference as new, collaborative public water model for many other municipalities in Catalonia and Spain¹¹.

Case study J - Plymouth, UK: Energy transition

In 2013, the City of Plymouth and its residents established the Plymouth Energy Community (PEC), a member-owned community benefit organization, whose profits are reinvested into the community. The city provided a grant, loans and staff expertise to the organisation to boost local capacities to “create a fair, affordable, low-carbon energy system with local people at its heart”. In 2014, the PEC developed its own green energy arm, PEC Renewables, which funds, installs and manages local schemes to generate renewable energy. By 2019, PEC has already supported more than 20,000 households in saving over £1 million on their energy bills, clearing a total of over £26,000 in small debts. PEC has also built a solar farm on a plot of contaminated land, which combined with the rooftop panels on schools and community buildings, has enabled the city to produce enough clean electricity to supply 2,000 homes. The revenue is expected to amount up to £1.5 million over the 20 years of the project’s lifetime, and will be reinvested in projects to reduce carbon and energy poverty in Plymouth. As the municipality continues to work alongside PEC, this public-community partnership has become the democratic driving force of Plymouth’s localised energy transition.

8. Remunicipalisation must engage and learn from workers

Alliances of trade unions and civil society organisations have led numerous fights against privatisation to victory. In Lagos, Nigeria a unions-communities-NGOs alliance built a citizens’ vision and strategies to reform the state water company, as an alternative to privatisation. Public Services International (PSI) with its members has identified lessons about how to prepare for upcoming public services remunicipalisation¹².

Remunicipalisation of public services involves and affects workers, who are the people operating the service and entrenched in its fabric. A transition from a private to public entity is a complex process with every case unique due to local and national regulations that affect workers’ pay and entitlements, job descriptions and career development paths. Service continuation during a transition from private to public is a high priority and poses an enormous challenge. The national federation can provide strategic advice and other support to local branches. Based on the experiences of union members, PSI argues that reciprocal links between the national federation and local branches is critically important during the vulnerable transition time.

The Norwegian municipal workers’ union demonstrated successful union strategies following the massive bankruptcy of RenoNorden, which affected 137 municipalities’ waste collection services.¹³ The national head office and local branch teamed up to influence city councils of the affected municipalities to vote against the new tender and bring waste services back in-house instead. The Norwegian public services union Fagforbundet’s Oslo branch turned a vulnerable transition period into an opportunity by growing its membership with their inclusive recruitment strategies. The Fagforbundet teams recruited workers of the private company - many of them migrants with temporary contracts - prior to remunicipalisation. They successfully built up solidarity with non-union workers during the transition.

One example of the role workers can play comes from Norway, where local tripartite cooperation is exercised in more than half of the municipalities. Politicians, administrative leaders and trade unions work constructively to create a culture of cooperation that promotes finding the best local solutions to the specific challenges facing the municipality. By creating a forum to share ideas and suggestions, employee and other voices normally not heard by the management of the municipality are given a platform and handled systematically. Fagforbundet argues that tripartite cooperation is a useful tool to improve services from workers’ point of view after remunicipalisation and also helps to counter further outsourcing and privatisation forces in the public sector.

9. Transforming public ownership for ecofeminist public services

Ecofeminist public services put people and the planet at the centre, not private profit. Having a feminist approach to public services, in order to build ecofeminist public services, requires a transformation of how public services are owned and organised which go beyond mere representation.

Privatisation, public-private partnerships and outsourcing are focused on short-term financial gain. These models of service delivery tend to worsen already existing injustices and harm vulnerable residents that are more reliant on public services, a disproportionate number of whom are women. The pursuit of profit often leads to rate hikes, compromising access to services.

When austerity measures and privatisations cut subsidies and make child, elderly and other types of care unaffordable, this unpaid labour tends to fall to women because of a gendered division of labour. In addition, there's a high concentration of women working in the public care, cleaning and education sectors, who bear the brunt when these sectors are privatised. Together, the impacts of privatisation hit already marginalised groups hardest, especially those who face discrimination on the labour market and have lower incomes. As a result, women of colour, indigenous women, migrant women, LGBTQI+ persons, among others, pay the highest price for privatisation. Privatisations and gender justice are therefore fundamentally opposed. However, while reversing privatisation and rebuilding public services increases accessibility, public ownership is no guarantee of gender justice.

While it's very important that women are equally represented in leadership positions, this alone won't ensure that a public service is meeting the essential needs of poorer women. A feminist approach would enable deeper levels of democratisation where public services are run from the bottom up. This requires new mechanisms through which marginalised groups, including indigenous communities, have the decision-making power to ensure that a public service is prioritising the needs of the many instead of the elite few.

Some Philippine cities are at the forefront of providing women-focused services. The Bagong Silang Cooperative, located in Caloocan (Philippines), was created by the women of this poor urban community to supply its members with bulk water. Profits are paid back to its members and reinvested in public services, such as child care. As of 2019, it is serving 742 households. In another example, the municipality of Binalonan in the Philippines has been providing child care, financial assistance to women and children, single parents and senior citizens, and free primary health care since 2015. The surfing town of Lanuza has created a Disaster Risk Reduction and Rehabilitation unit to improve the resiliency of the municipality in the face of a worsening climate crisis. As the local economy is highly dependent on its forests, watersheds and mangroves, it is using a comprehensive framework that takes the interdependence between people's livelihoods and the whole ecosystem into account. In order to enhance the resiliency of the town, the unit is particularly prioritising the needs of women, children, the elderly and people with disabilities.

10. Remunicipalisation can strengthen community wealth and local economies

Reclaiming and creating publicly owned services such as waste collection, food services, cleaning and telecommunications can transform entire communities. When a utility company is democratically controlled, it is far more likely to reinvest its profits back into the community and localise the economy. Community wealth building, a term coined by the US-based Democracy Collaborative, refers to engaging anchor institutions whose procurement, employment and investment decisions can bring ecological and equitable economic development.

Anchor institutions, ranging from the municipality itself to public telecom companies and community-owned waste facilities, are locally rooted and have the capacity to improve people's quality of life. For

example, local governments are using public procurement to contract with worker cooperatives to keep their cities clean (for example, in Valparaíso, Chile) or partnering with local farmers to protect groundwater and sell organic food to school restaurants (as is the case in Rennes, France). Localising the economy can also take the form of municipalities taking public services out of the market and reducing any user fees. For example, in 2011, Islington council (UK) brought 35,000 council homes back in house. Six years later, the municipality created the new public energy company Angelic Energy. It aims to focus on fair gas and power prices, in particular for lower-income households.

Our research counts 297 (re)municipalisations that contribute to community wealth building and help sustain a resilient local economy. Some of these examples involve using locally abundant natural resources more wisely, while others create meaningful jobs for residents in the area and new sustainable business activities. The preservation and build up of local ecological knowledge and practices are pivotal to building future-proof public services.

Case study K - Cities across the United States: Telecommunication

A total of 141 new public telecommunication services have been created by local authorities in the United States during the past few years. Aimed at improving access and democratic control, municipalities have come up with schemes to deliver jobs and increase economic activity (Tullahoma, Chattanooga and Thomasville, Tennessee), improve the quality of life (Wilson, North Carolina and Mount Washington, Massachusetts), and advance access to health care and education (EC Fiber in Vermont). In Thomasville, Georgia, the publicly owned Community Network Services (CNS) have been credited with helping to support small businesses and a thriving downtown area. The local government of Scott County, Minnesota, created a public fiber network by first connecting anchor institutions, such as school and municipal facilities. The network has created more than 1,000 jobs and has tremendously improved the internet access for schools in the area. Public ownership has also resulted in major savings for the local school district, whose telecom expenses went down from \$58 to \$7 per megabit. In Morristown, Tennessee, the newly created and publicly owned fiber network, FiberNET does not only provide excellent and affordable internet services to families, businesses and public institutions. It has also delivered major savings, job growth and has prompted companies to relocate to Morristown due to the faster internet speed¹⁴.

Case study L - Zabaleen Community in Cairo, Egypt: Waste management

The Zabaleen community consists of around 70,000 residents and has traditionally been sorting about two thirds of Cairo's mostly organic waste - up to 15,000 tons every day. Their door-to-door waste collection and management system has enabled recycling rates of 85 per cent and relies heavily on pigs, which feed on the food waste.

After Cairo's waste management was privatised in early 2000, the private companies that took over only achieved recycling rates of around 25 per cent. They even failed to collect the waste from certain parts of the city, as they required residents to bring their rubbish to central collection points themselves, while charging people for this poor service via their electricity bills. Zabaleen workers who had been recruited to help the companies with the sorting now earned 75 per cent less than before. After hundreds of lawsuits over the inclusion of waste management costs on electricity bills, the Cairo government in 2017 decided to remunicipalise the system and again partner with the Zabaleen community. The Zabaleen waste management system demonstrates that it is possible to create a circular economy even in mega cities like Cairo, which is home to 18 million inhabitants¹⁵.

11. (Re)municipalisation is a strategy to tackle the climate emergency

It will be impossible to tackle the climate crisis as long as private operators are running energy services and infrastructure for profit. Maximising sales and a return on investment are at odds with energy conservation, which is a key to achieving an energy transition. Municipalities and public authorities are better positioned to prioritise long-term ecological concerns over short-term financial considerations.

Our research found out that tackling the climate crisis, for example by switching to renewable energy and reducing CO2 emissions, was a key reason to (re)municipalise a public service in at least 119 cases. The majority of these cases are in the energy sector. The number of energy (re)municipalisations increased by almost 20 percent to 371 between 2017 and 2019.

In many countries a small number of large private corporations monopolize the market. Despite decades long pressure from civil society, most energy corporations continue to extract ever more fossil fuels. This is a key reason for communities and cities to reverse energy privatisation or, like Nottingham in the UK, create a new municipal energy company. In a liberalised energy market, where competition favours the big players, most municipalities do not have the ability to expropriate a private company. However, they may be able to create a new public energy company that invests in renewable energy and energy efficiency projects, and generates solar and wind energy locally. By retrofitting public and residential buildings, municipalities can significantly reduce their energy use, and make energy more affordable for everyone.

In 2018, the Bulgarian city of Dobrich remunicipalised its street lighting. As of late 2019, the city has replaced 1,500 old light bulbs with energy efficient LED units. This has cut electricity use for street lighting by 47 per cent. The city also retrofitted 71 municipal building and 41 residential apartment blocks, leading to heating bills that were between 30 and 60 per cent lower for thousands of families.

Ending privatisation allows municipalities to coordinate public policy in order to meet today's biggest challenges, including the climate crisis and poverty rates. Our research identified at least 209 (re)municipalisations that strive for better policy coordination to improve equality, sustainability and social cohesion, for example, by interlinking emissions reductions and energy poverty. While privatised power companies not only tend to continue to rely on fossil fuels, their price hikes can also leave residents in the cold and heat¹⁶.

Reclaiming transport and waste services and encouraging local organic food provision can also help reduce greenhouse gas emissions. For example, the recent remunicipalisation of public transport in the Dutch cities of Rotterdam and Den Haag has enabled both cities to partially replace the fleet with electric buses. In another case, when the French city of Briançon remunicipalised its waste services in 2013 it committed to achieving 'zero waste,' and reduced the amount of waste produced by 33 per cent.

Case study M - Cities across the Philippines: Local government services

Both the impacts of the climate crisis and municipal responses can differ widely from one geographical context to another. The Philippines, like so many other countries in the global South, has already been at the frontline of the climate crisis for a long time. The local governments of Dumangas, Gerona, and Siargao have created climate schools to increase the capacity of farmers and fishing communities to address the impact extreme weather events and other climate-related hazards, which are badly impacting their incomes and livelihoods. By learning how to monitor weather changes and how to adjust agricultural practices accordingly, students of the Dumangas climate school have managed to improve local rice production.¹⁷

Case study N - Rennes, France: Water management, organic agriculture, and quality food for school children

Rennes, in the Brittany region of France, remunicipalised its water service in 2014. In a region known for its polluting, industrial agriculture, protecting water sources was a key long-term concern for the remunicipalised operator, alongside related objectives such as promoting local agriculture and ensuring quality food for children in daycare and school cafeterias. The city launched a programme called Terre de sources (“land of sources”) in 2015, which has been helping farmers with the switch to an ecological agricultural production mode free of pesticides, as a way to prevent pollution at the source. Simultaneously, the initiative has created a local demand for the farmers’ produce by linking up with school canteens in the wider Rennes area and by creating a brand new label under the Terre de Sources name that facilitates commercial sales of the local, sustainably produced foods in supermarkets. Other French cities, including Paris, have developed similar programmes to protect their catchment areas and avoid expensive water treatment costs.

12. Public-public cooperation can counter corporate power

Remunicipalisation can be a very uneven battle. Local public authorities and communities have far fewer resources than big corporations. Local, national and international cooperation between public operators is key to shifting the balance of power. Whether informal or institutionally formalised, this sort of public-public cooperation has often been critical to the growth and extension of remunicipalisation. This was the case in the French water sector, where Suez and Veolia initially controlled all the levers of power – policy, research, technology and advice to local authorities¹⁸.

Public-public cooperation remains essential after remunicipalisation, especially when it comes to research and development, to solidify a new public service and ensure it can respond to new challenges. Partnerships between public operators as well as with academic institutions can offer an effective response. This knowledge creation and management is not done for commercial reasons, with the intent of developing and selling patented technological solutions, but with the public interest in mind, and in a way that allows for flexibility in the adaptation of knowledge to local conditions.

Public-public cooperation is also key to extending public services to countries or areas that the private sector has been unwilling or unable to deal with, such as rural regions, low-income neighbourhoods and disinvested communities. It was key in extending community-owned broadband internet infrastructure to small and rural towns in the US. In the water sector, not-for-profit public-public partnerships with established operators have helped newly created or fragile operators (for instance in the global South) to consolidate their operations and become more efficient.

Often, the consolidation of public services in rural regions and urban areas – merging small local public services into larger ones – is seen as being favourable to privatisation, as it creates larger markets that are more desirable for private companies. Interestingly, harnessing the force of public-public cooperation can turn this situation upside down and make consolidation an opportunity for remunicipalisation at a larger scale.

Case study O - Nice metropolitan area, France: Water

Councillors from Nice and its surrounding communes announced in 2013 that the city’s water services would gradually shift towards public management. The private company that had been in charge of water management in the fifth largest city in France had been in operation ever since the city’s water system was first set up in 1864. Today, 33 of Nice’s 49 municipalities - roughly 80 per cent of the population - depend on the newly created public company, Eau d’Azur. The main

reason that the city chose the path of remunicipalisation was its aim to establish a principle of ‘territorial solidarity’ across the whole of Nice’s metropolitan area. Nice Côte d’Azur, which was the first “metropolitan area” created in France in 2012, is unique in its vast extent from the alpine peaks of the Mercantour National Park all the way to the Mediterranean Sea. A very big majority of its land is located in rural or mountainous areas. The primary reason for the private-to-public shift was that the private management had become “unsuitable” for an area of this size and of such varied landscapes. Only public management was seen to be able to promote solidarity-based relationships and the necessary “pooling of resources” between the metropolitan area’s municipalities. Eau d’Azur is now planning to further standardise the quality of its service and its water prices throughout the metropolitan area.

Case study P - Nottingham, UK: Energy supply

Robin Hood Energy is a municipal energy supplier (and Living Wage employer) in Nottingham, where it was created in 2015 to fight energy poverty and challenge the country’s Big Six energy companies with its guaranteed price transparency and its ban of private shareholders and management bonuses. Today, this not-for-profit company assists and partners with nine other UK cities that have set up their own “white label” enterprises to offer the same affordable tariff to all residents. Through these public partnerships, Robin Hood Energy is already serving a total of over 130,000 users across the country. The company is reinvesting all its surplus (already £200,000 pounds in 2019) in more renewable and affordable energy services, for example, by offering a warm home discount. It also partners with a number of social housing associations and supports municipalities in the provision of energy efficiency services.¹⁹

Conclusion: Moving forward

Remunicipalisation and municipalisation are powerful political strategies to push back against privatisation and the extractive economy at large. Most national governments are failing to tackle extreme inequality and the ecological crisis, while at the same time many cities are stepping up to tackle these challenges and improve the livelihoods of their residents. Residents and workers have much to gain from pushing their local governments to reverse privatisation and democratise their public services.

Some of the most progressive municipalities are recentering their policies and public services to prioritise needs of the most marginalised people in our society, including migrants, people with disabilities and low-income families, among others. Fearless municipalities share decision-making powers and open up ownership models to representatives of users, workers, civil society and research institutions. Public ownership sometimes has the reputation of being top-down, discarding the realities on the ground. But many cases presented here demonstrate that the democratic innovation they are delivering put the “public” back into public services and build 21st century public ownership.

Municipalities are on the forefront of building democratic public ownership. These municipal practices from the participatory mechanisms of citizen observatories, diversified public ownership to worker engagement can inspire a broader, country-wide vision of democratic public ownership. These collective bottom-up experiences to build public ownership are not only needed but also a powerful basis to push for public ownership on all levels.

In the United States, numerous cities are advocating for locally owned and controlled energy and banking services. Now the youth-led Sunrise Movement, various trade unions and presidential candidate Bernie Sanders, are calling for a national Green New Deal that centers around public ownership of

energy and finance. When municipalities team up with social movements, they can reset a country's political agenda.

In the face of huge corporate forces that are teaming up for ever more market rule, competition and privatisations, we have a big battle to fight. The EU Services directive or Bolkestein Directive has pushed liberalisation in a wide range of services already for a decade. In 2018, powerful services business lobbies that want even more hard-core liberalisation nearly managed the EU to pass the Services Notification Procedure. Thanks to the concerted concerns raised, it is being held at this moment, but it would mean to erase grey zone of service liberalisation and further to rein in municipal policy space. The countless trade and investment agreements that provide transnational corporations with the legal tools to sue national governments for hundreds of millions to billions of dollars, when democratic decisions of municipalities may curb future profits. As long as municipal and cooperative enterprises will have to compete with the big business, the majority of small-scale solutions will have a hard time surviving. The many Danish and some German energy cooperatives that have disappeared because of increased competition is the painful proof of this.

When social movements act together in demanding democratic public ownership on the regional and country level, we could actually change the design of how our economy and public services are run. More bold proposals, like the alliance in South Africa calling for transforming Eskom, one of the biggest electricity companies in the world, into a fully public and people-serving utility.²⁰ The 2019 UK Labour platform is a good example of the type of national support and policy framework that allows local governments to reclaim public services and rebuild their capacity to directly provide local services.

Since austerity measures following the 2008 financial crisis have slashed municipal public sector budgets, it's of utmost importance to transform how public resources are spent. In the current model public finance is used to absorb risk by guaranteeing the profits of private investors - at a high public cost. As Thomas Marois points out, worldwide, public finance institutions have US\$73 trillion in assets, with over half in the hands of public banks.²¹ This is equivalent to 93 percent of global Gross Domestic Product. Hence, it would be much more effective if national and municipal governments would cut out the big private middle men and invest these public funds directly into society. Combining direct public investments with much needed progressive tax system could nurture territorial solidarity by writing universal public services into reality.

Our research demonstrates that when public services are publicly owned and democratically organised they can effectively strengthen community wealth and local economy. Let's extend the demand for democratic public ownership on all levels and start calling for universal access on the country scale so that all residents can lead dignified and prosperous lives. As racism, facism and the far right are on the rise, offering viable systemic solutions that work for people and planet can again build common ground where no one is left behind. Our public future lies in the hands of communities - not corporations.

Appendix

Research methodology

The remunicipalisation and municipalisation data that has been gathered is the result of the concerted efforts of several citizen organisations, researchers and trade unions. Seventeen organisations²² worked jointly and collected data. Twenty two researchers did desktop research to verify the collected data.

Data collection for this report took place over a period from mid-2015 to late 2016 (phase1) and from the beginning 2018 to mid-2019 (phase 2). The information is based on a participatory survey that asked participants to identify cases of (re)municipalisation in their jurisdictions (phase1). Questionnaires were

distributed in trade union and civil society networks, as well as to organisations working in the field of public services. We asked respondents to elaborate on the reasons for (re)municipalisation and to explain why the service is now in public hands.

Our survey focused on essential services, including water, energy, transport, waste management, recycling, health and social work, and education. We also included a catch-all category for 'local government services,' which include building and cleaning, security and emergency, public (green) space, housing, school catering, sports, cultural activities, funeral services, construction and repair, human resources, IT and other. In the second phase of our research, we added telecommunication/internet services as a new category.

Due to limited time and resources, the list of survey recipients is far from comprehensive, with notable gaps in particularly Africa and Australia. There is no doubt that many more cases remain to be discovered. The current survey does not include cases where a service has been remunicipalised and then privatised again, or where the contract simply shifts from one private provider to another. These cases are obviously outside of our research scope. The following data were collected:

Year of decision and implementation of remunicipalisation and municipalisation, Previous private operator, Name of remunicipalised new operator, Ownership structure after (re)municipalisation, How de-privatisation happened (E: Contract expired, not renewed and remunicipalised, S: Shares sold by private operator, contract remunicipalised, T: Contract terminated, and remunicipalised, W: Private operator withdrew (from management) contract, contract remunicipalised, P: Public acquisition, D: Decision to remunicipalise, not implemented yet), Level of taking back control (Municipal, Intermunicipal, State/ province/ regional), Types of actions (A1. Remunicipalisation including through public-public partnerships (typically inter-municipal cooperation), A2. Partnerships between public authorities and citizen/worker cooperatives taking over from profit-driven commercial services providers, A3. Worker and/or citizen-led cooperatives taking over from profit-driven commercial services providers, B1. Creation of new public companies (typically municipally-owned) and/or services by local authority, B2. Creation of new public companies and/or services and/or infrastructure by local authority in collaboration with cooperatives or civil society).

In the second phase, we worked to capture impacts and outcomes of remunicipalisation and municipalisation. In many cases, the examples are new and it is too early to draw conclusions. In many other cases, we simply could not access detailed information. Researchers focused on cases where the provision of public services was based on clear public objectives and a certain degree of democratic control by people using the service. These public objectives include transparency, equity, universal access, affordability, environmental sustainability, service quality, control over the local economy and resources, and fair pay for workers. Democratic control refers to participation and accountability on the part of elected officials and/or users. Based on the information collected by researchers and the participatory survey, we coded the identified outcomes when we could find clear references, using these categories:

- 1 Better value for money and public sector savings
- 2 Lower fees for residents
- 3 Better working conditions
- 4 Increased public investment for quality services
- 5 Responding to private sector bankruptcy
- 6 Increased local capacity for community wealth building
- 7 Achieving policy goals that benefit people and planet
- 8 Measures to tackle the climate crisis

- 9 Improved democratic control and public ownership
- 10 Users, workers or communities partner with public authority
- 11 Universal access to protect human and social rights
- 12 Enhancing public health and harm reduction
- 13 A feminist approach to public services

Finally, this report is extensively supported by fifteen essays written by Bjørn Pettersen/Nina Monsen, Benjamin Gestin/Eric Pfliegersdoerfer, Robert Ramsay, Thomas Enghausen, Vera Wegmann, Mary Ann Manahan/Laura Stegemann, Alexander Panez Pinto, Thomas Hanna/Christopher Mitchell, Olivier Petitjean, Daria Cibrario, Milo Fiasconaro, Míriam Planas/Juan Martínez, Lavinia Steinfort, David Hall and Hilary Wainwright. These essays provide the insights of remunicipalisation in the authors' countries and sectors as well as cross sectoral thematic issues. All essays are presented as working papers at the Future is Public Conference (Dec. 4-5th 2019) and will be published as a book in 2020 (working title: 'Remunicipalisation - Democratic Public Ownership of the Commons').

Additional infographics



Endnotes

- 1 <https://www.tni.org/en/publication/reclaiming-public-services>
- 2 See the working paper 3 'Canada: local insourcing in face of national privatization push' by Robert Ramsay
- 3 <https://www.nao.org.uk/report/pfi-and-pf2/>
- 4 <https://www.nao.org.uk/wp-content/uploads/2018/01/PFI-and-PF2.pdf>
- 5 See the working paper 5 'Africa: Private waste service failure & alternative vision' by Vera Wegmann
- 6 <https://undocs.org/A/73/396>
- 7 Maryannchapter, Portal Rasmi Kerajaan Negeri Selangor, "Inisiatif Peduki Rakyat", Available at <https://www.selangor.gov.my/index.php/pages/view/2534>
Also see the working paper 6 'Putting the 'public' in public services: (Re)Municipalisation cases in Malaysia and the Philippines by Mary Ann Manahan and Laura Stegemann)
- 8 <https://stadtentwicklung.berlin.de/wohnen/wohnraum/mietendeckel/>
- 9 See working paper 7 'Rebuilding public ownership in Chile: The social practices of the Recoleta commune and the challenges to overcoming neoliberalism by Alexander Panes Pinto
- 10 http://www.remunicipalisation.org/#case_Ramos%20Arizpe
- 11 See the working paper 12 'Spain/Catalonia: can Terrassa's new public water service be a model?' by Miriam Planas and Juan Martínez
- 12 See the working paper 10 'The labour dimension of remunicipalisation: public service workers and trade unions in transition' by Public Services International and the working paper 4 'Outsourcing - problems without benefits?' by Thomas Enghausen
- 13 See the working paper 1 'Norway: Bankruptcy sparks more than 100 cases of remunicipalisation' by Nina Monsen and Bjørn Pettersen
- 14 See the working paper 8 'USA: communities providing affordable, fast broadband internet' by Thomas M. Hanna and Christopher Mitchell
- 15 See the working paper 5 'Africa: Private waste service failure & alternative vision' by Vera Wegmann
- 16 See the working paper 13 'Building democratic energy economies to avert the climate breakdown' by Lavinia Steinfert
- 17 http://resilient-cities.iclei.org/fileadmin/sites/resilient-cities/files/Images_and_logos/dumangas_climate_field_school.pdf
- 18 See the working paper 9 'The Empire Strikes Back: Corporate Responses to Remunicipalisation' by Olivier Petitjean
- 19 https://www.cn2019.org/fileadmin/inhalte/Presentations/WS4_The_city_as_an_energy_services_provider.pdf
- 20 <https://www.new-eskom.org/>
- 21 <https://www.tni.org/en/publicfinance>
- 22 Transnational Institute (TNI), Multinational Observatory, Canadian Union of Public Employees (CUPE), Public Services International (PSI), Austrian Federal Chamber of Labours (AK), Ingeniería Sin Fronteras CATALUÑA (ISF), Public Services International Research Unit (PSIRU), We Own It (UK), University of Glasgow (Scotland), Norwegian Union of Municipal and General Employees (Fagforbundet), Democracy Collaborative (USA), MO-DATIMA (movement of defence of water, land and environment-Chile), Aqua Publica Europea, Danish Union of Public Employees (FOA), Municipal Services Project (MSP-Canada), EPSU (European Federation of Public Service Unions) and the Netherlands Trade Union Confederation (FNV)

This report is presented as a draft at the Future is Public conference (December 2019) to invite feedback and strengthen our analysis. Your views are important and welcome. This report and 15 working papers together form the conference resources. The Transnational Institute and co-publishers plan to publish the improved report and final papers as a book in 2020.

To access the conference resources: <https://futureispublic.org/>

