

# New Municipalism in London



## **Centre for Local Economic Strategies**

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## **About this publication**

This publication presents the stories of three London boroughs - Islington, Hackney and Camden – which are enacting a series of policies and approaches that may cultivate a fertile environment for the global new municipalist movement to take root and grow in the UK. This work was initiated by Islington Council and is intended for citizens, policymakers and politicians interested in realising social justice through building new municipalist strategies for their towns and cities.

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In recent decades, cities such as London have seen staggering new levels of investment and wealth, yet at the same time experienced rising rates of poverty and inequality. The traditional models of local economic development are struggling to deliver social and economic outcomes that meet the needs of people and places. However, a growing number of municipalities around the world, including here in the UK, are returning power to people and forging new ways of delivering social and economic justice in their communities.

This publication summarises the story of how three London boroughs - Islington, Hackney and Camden - are, in different ways, enacting policies and approaches that may contribute to the growth of a new municipalist movement in the UK.

# 1. About this publication

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New Municipalism refers to a new politics which has emerged from local activism and citizens' movements. It is concerned with taking back power and, to varying degrees, using the levers of the local state to advance the cause of social and economic justice for all. From Preston and Barcelona, to Naples and Jackson, USA, the last decade has seen a reimagining of how we can make towns and cities, and their economies, work for local people and communities.

London is a crucial site in this struggle for better local politics, because it is a city in which many people have been let down by the failures of traditional economic development. With each new round of inward investment, wealth has been too readily extracted by speculative investors, with gentrification pricing ordinary Londoners out. There is now a growing acknowledgement that the economy of London is serving local communities badly. It is in this context that some London Boroughs have begun to implement new ideas and experiments, which may support new municipalism in the UK. This publication was inspired by CLES' recent work with Islington Council, and produced in collaboration with Hackney and Camden councils.

**“New Municipalism is committed to big shifts in how we think about power, decision-making and ownership in our societies.”**

As many activists involved with new municipalist movements understand, 'New Municipalism' is not just about implementing progressive policies, but about returning power to ordinary people".<sup>1</sup> Furthermore, it is important to note that New Municipalism is not a mere re-invoking of a Victorian Municipalism or a Municipal Socialism.

At its core, the new municipalist project is deeply transformative, going beyond the traditional actions of the local state. New Municipalism is committed to big shifts in how we think about power, decision-making and ownership in our societies. There is a recognition that such changes cannot be solely 'delivered' by a government - whether centrally or locally - but require the development of new institutions and social arrangements that genuinely empower citizens.

However, despite the deep civic and social activist roots to new municipalism, it is evident that existing local government can take important steps to help support and precipitate a societal shift. <sup>ii</sup>

We are starting to see some places begin this journey in the UK. Local authorities are at different stages in this process and there is political contestation and debate about the route. This publication seeks to both encourage more tentative strains of new municipalism and those with more focussed and transformational intent.

## 2. What is New Municipalism?

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### Background

#### The age of inequality

Wealth inequality has become the defining issue of our age, with the richest 26 people (23 of whom are men) in the world owning as many assets as half the global population of over 3.8 billion people.<sup>iii</sup> As the global economy has become more rooted in a model of financialisation and wealth extraction, the proceeds of wealth have been generated by economic elites at an astounding rate; indeed, the number of billionaires has doubled since the financial crash of 2008.

The new age of extreme inequality has wrought devastating consequences on our social, economic, and environmental lives, especially in major cities. With over half of the global population now living in urban areas, cities have become the primary arena for contestations between the rich and poor. Across the world, the story is the same; cities are beginning to feel less like democratic places where citizens can all live a prosperous life, and more like places in which the rich and powerful can dominate, enclose, and own.<sup>iv</sup>

#### London: wealth & poverty

The disconnect between a form of economic growth and wealth and the actual lives of urban citizens has left our cities disfigured by inequality and poverty. London might be the fifth wealthiest city in the world by GDP, but it is also a city in which 27% of its citizens live in poverty and homelessness continues to rise.<sup>v</sup> In the London Borough of Islington, a quarter of children live in poverty.

The age of extreme inequality is a contemporary failing of the post-war 'settlement' and social contract whereby the government would ensure that the benefits of capitalism were redistributed by a generous welfare state. Today, whilst many of the tenets and institutions survive, this settlement has been part eviscerated by a neo-liberal framing of the global and UK economy and its approach to national and local democracy. Wealth is now hypermobile, disconnected from places and the economic fortunes of many who live there. Furthermore, whilst our democratic institutions should be a strong corrective force, they too often seem captured by a managerialism which is more keen to facilitate this flow of wealth extraction, than to capture wealth for the purpose of addressing deepening inequalities.

## The New Municipalism

In this context, a new politics is emerging. **New Municipalism** is based on the notion that, at the municipal level, there is a propensity for deep and enduring place-based relationships that the nation state cannot offer. This new municipalism is a fightback against the extraction of wealth and power, and demands a restoration of the rights to the towns, cities and the commons for all.

The new municipalist agenda is emergent, partly contested and yet to gain significant traction within a UK context. New municipalism in the UK is, and will take a different form, than that which is emerging in Spain and elsewhere. This variation is reflective of the traditions of local government across the UK and the unique nature of our citizen activism and social movement struggles. To date, the UK strains of new municipalism are emerging from the vertical power of councils and councillors, while the horizontal power of local communities and activism is on the periphery. Moving forward, there is much to develop as regards horizontal power. However, the relationship between the two, rather than the dominance of one, will be a key feature of UK new municipalism.

For CLES, there are three core principles of new municipalism in the UK context.

### 1. Redistribution of power

New municipalism is about the redistribution of power. The role of local government is to break down barriers to citizens exercising their power - through acts which empower, coordinate and upscale citizen activism, action and innovation. The intention is to open up formal institutions and processes to citizens in order to facilitate deeper democratic involvement. This approach recognises the role of citizens as central to a genuine reorganisation and transformation of power. New, horizontal, 'on the ground' flourishing of political, social and economic innovation, is seen as the basis to the transformation of these local public institutions, away from the vertical, managerial bureaucracies and hierarchies currently embedded within them.<sup>vi</sup>

### 2. Local state using its own municipal power

New municipalism is about the local state using its own municipal power. This recognises that there are unique public goods and services, such as utilities and public transport, that should not be outsourced to the market. The local state should work to ensure that these goods and services are fairly priced and accessible to all citizens, through direct insourcing of these services and/or new forms of democratic municipal and citizen ownership.

### **3. A bold rethinking of local economic development**

New municipalism is a bold rethinking of local economic development. In the new municipalist vision, local economic development is about building an economy that is plural, fair and democratic. Municipalist economic policy wrestles free from the inequalities hardwired into corporate investments, large-scale property redevelopments and wealth extraction, through offshore shareholders and external dividend payments. Instead, new municipalism focuses on growing local, socially rich economies, with fair wages, cooperative ownership models, more local enterprise, unionisation, greater worker control, and genuine social value and environmental responsibility. This rethinking is about building in local wealth through the actual functioning of the economy, not simply through Inclusive Growth inspired 'after-the-fact' redistribution<sup>vii</sup>. This third component is concerned with the building of a genuinely inclusive economy, reflected in how the economy functions, and who has power over it<sup>viii</sup>.



# SEVEN KEY AIMS OF NEW MUNICIPALISM IN THE UK

## 1 Local social justice

At the heart of new municipalism is a desire to intentionally reorganise the local political economy, in order to achieve social justice and return power to people and places. It is a transformative project unique to each place, informed by local need and context. New municipalist platforms outside of the UK comprise of activists and citizens striving to create new democratic spaces for participatory and decentralised politics. Through the creation of new, open and horizontal processes, institutions and social arrangements municipalities can be governed in the interests of local people.

## 2 Restoration of the Commons

New municipalism is rooted in the notion of the 'commons', the idea that social resources such as the air we breathe and water we consume are held in 'common' by the public and cannot be enclosed by private interests. Whereas neo-liberalism assaults the very idea of public goods, new municipalism seeks to claim public goods for the public 'commons'.<sup>ix</sup>

## 3 Remunicipalisation

New municipalism often includes the 'remunicipalisation' of assets which were previously privatised through neo-liberalism and austerity.<sup>x</sup> This can take the form of insourcing back to the municipal level. It can also refer to 'Public-Commons Partnerships', where the local state works with a citizens' movement to ensure that the ownership and governance of municipally-held assets are democratic and fair.

## 4 From Extractive to Generative Markets

New Municipalism seeks to develop new modes of production where wealth can be generated for the common good, rather than extracted by shareholders and private finance. New municipalism is interested in developing enterprises rooted in alternative models of ownership, such as cooperatives, municipally owned enterprises, and community owned businesses.

## **5 Inclusive Economies, Not Inclusive Growth**

New municipalism requires a reset of local economic development, from attracting investment from major multinationals, and towards building an economy rooted in social justice. It is also concerned with developing the 'Social Solidarity Economy' - rooted in fair wages, worker-ownership, and social solidarity, rather than low-pay, precarity, and competition.

## **6 An Agora, not a Temple**

In the words of Ada Colau, we need to see the city and its council as "an agora, not a temple". New municipalism is not simply an economic agenda, it is more broadly concerned with how power is held and executed at a local level. New municipalism seeks to break down the hierarchical power structures of the local state and democratise this power. It does this in different ways through for example, the convening of citizen's assemblies, and other forms of political deliberation which prioritise collaboration over hierarchy. In doing so, new municipalism seeks to take back control of urban spaces from the financial interests which currently dominate city life, and hand that power back to citizens.

## **7 Feminisation of Politics**

In developing new models of organising and holding power, new municipalism is a conscious shift away from the hierarchical, competitive, homogenous patriarchal way of doing politics towards a horizontal, relational, everyday politics that empowers all people. Feminising politics is not simply about committing to gender equality in institutional and public participation but more fundamentally, it is about system change. New municipalist platforms seek to feminise the public sphere by emphasising collaboration, relationships, dialogue, and community.



## Barcelona En Comú

New Municipalism takes shape when urban social movements reclaim their right to the city by taking control of the levers of power at the municipal and local level.

An early example of this new politics emerged in Barcelona, a city which responded to an economic crisis which devastated the everyday lives of its residents by electing citizen platform *Barcelona En Comú* in May 2015. Led by housing campaigner, now Mayor, Ada Colau, *En Comú* were elected on a platform of 'fair, redistributive, sustainable politics', and have sought to transform the realm of local politics away from the interests of the speculators and the powerful elites, and towards a municipal democracy that is horizontal, feminised, and accountable.

Starting from the belief that the 'social realities of the city' should determine local politics, *En Comú* govern through a range of 'citizen platforms', which aim to pluralise and transform governance and the municipal institutions of the city. In doing so, they are reconceptualising local politics as a space for debate and innovation, rather than enclosure by elites.



## Cooperation Jackson

Cooperation Jackson is a citizen's movement for economic, racial and social justice in Jackson, Mississippi.

It has evolved new municipalist principles outside the old corridors of local power, instead opting to build new levers of social power within a locality. Anchored by a network of cooperative, worker-owned and democratically self-managed enterprises, Cooperation Jackson was founded on the legacy of black worker organisation and labour power which emerged in the 1960s. It is rooted in the Jackson-Kush Plan, an ambitious agenda which seeks to restore economic power and the sovereignty of labour for black residents in impoverished Mississippi communities.

At the heart of the Jackson-Kush plan is the concept of building 'dual power' through a series of citizens assemblies. Rather than relying directly on the existing mechanisms of electoral politics in Mississippi, which are fixed to limit the voting power of working class and black residents, Cooperation Jackson is building new institutions of social solidarity which can sit alongside the traditional structures of local government.

# 3. New Municipalism in Islington

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## Richard Watts, Leader of Islington Council

Islington is, in many ways, a fantastic place to live. We are at the centre of the best city in the world, with all the cultural and economic links it is possible to imagine. Yet, like many other parts of Inner London, inequality and unfairness still disfigure our borough.

### Meeting the challenge

Meeting the challenges these deep inequalities pose to our community is at the heart of the interventionist approach to 'new municipalism' that Islington Council has pursued over the last decade.

In 2010, we broke new ground by establishing the UK's first Fairness Commission, which fundamentally acknowledged that an unfair society works for nobody. Since then, by rejecting market orthodoxies and pursuing an interventionist approach, we have demonstrated that municipal services and programmes can make a real difference to the lives of working people, and can help re-build an economy with social justice at its core.

We have also successfully challenged the assumption that how services are delivered is irrelevant. By rejecting the mantra that lowest cost is always the most important criteria, we have refocused commissioning on developing good human relationships, whilst also securing the outcomes local people need and want.

Take supporting people into work. The 2014 Islington Employment Commission identified that the myriad of different national employment schemes and providers were failing local people. As a result, we have launched our own in-house employment services team - 'iWork' - which has now supported over 5,500 people back into work, many of whom Job Centre Plus's services simply do not support, and is seeking to support a further 4,000 people into 'good' jobs over the next four years. Unlike many councils, we have also retained and developed employment support for young people, which has seen over 1,500 young people helped into work and has created over 600 apprenticeships - in 2017, Islington recorded a higher proportion of school leavers going into apprenticeships and employment with training than any other London borough.

By bringing many services back 'in-house', such as employment services, and seeking to achieve social value through procurement, we have also demonstrated

how local authorities can shape services and contracts to achieve an inclusive economy. 'In-sourcing' has helped increase democratic oversight of key services, improved co-ordination between services and benefited employees with greater protections in the workplace. We have secured anti-blacklisting protection, prevention of modern slavery and ensured the payment of the London Living Wage to staff working on our contracts.

A major challenge to achieving these successes has been how to embed our new municipalism approach across every aspect of our work. Our Social Value Task Force is helping to do this by bringing council staff together and asking them to challenge the organisation to see the application of social value as an enabler for achieving our corporate priorities. Working in partnership with the diverse anchor institutions in the borough, our neighbouring boroughs and local responsible businesses – large and small – we will continue to be zealous in pursuit of a local economy that works for local people.

Take our ground-breaking social value framework for affordable workspace. We want to create spaces in which micro and small businesses can thrive and grow in Islington, and where local entrepreneurs have security to innovate and create jobs for others. Islington's over-heated property market means there is an incredible demand for space and a resultant increase in land values, which means rents are often out of reach of local businesses. To counter this, the council is leasing high-quality office space from developers at peppercorn rents for up to 20 years, which will then be managed by a variety of carefully selected affordable workspace providers. Instead of charging rent to providers, the council will require providers to create long-term benefits for local people and businesses. Education, training and job opportunities will be provided, and the business expertise of successful and established local firms will be unlocked through skills training, networking, and sharing best practice.

Alongside this, we are purchasing leases of commercial properties, such as on a local high street to support the local garment making community. Through this, we are securing apprenticeships and training opportunities for local people via our negotiations and by direct provision.

But in Islington, our new municipalism approach is not simply confined to contracts, procurement, insourcing and the world of work. Whilst all of these are important, they capture just part of people's lives and are just some of the levers that are available to affect change. Take, for example, our universal free school meals for all nursery and primary school children policy. This has helped families save over £400 per year per child, helps improve concentration in the classroom and provides a hot nutritious meal. In identifying that some children were not able to enjoy a decent diet due to the poverty their families faced we took bold action at a local level.

Similarly, our commitment to playing a dynamic and active role in shaping our community through interventionist policies can be seen in our work to deliver

genuinely affordable homes for local people. For years we were told that it simply wasn't 'viable' to build new council homes or to demand more genuinely affordable housing from developers. Simply put, the market was failing working people. However, by developing robust evidence-based planning policies and by committing resources, Islington has delivered 2,500 new genuinely affordable homes, including the largest council house building programme in the borough for over 30 years.

This record of delivery should also be understood in a context of national policy that has sought to achieve the exact opposite. The post-2010 governments have cut back on planning protections, allowed vital employment space to be converted into unaffordable homes and has resurrected the Right to Buy.

This is why, in Islington, we are also trying to change the rules of the game to benefit working people again. A recent planning test case that we defended against a developer intent on delivering as little genuinely affordable housing as possible could create a national precedent. This is significant, because we recognise that positive action in Islington alone is not enough and the issues we face are shared by many across the country. These efforts are about responding to this challenge and advocating for a fairer and more inclusive economy for all.

## Intervening in the market

Our approach has also seen other significant interventions in areas where the market is often left to its own devices. Islington became the first local authority in London for over 100 years to create a council-owned not-for-profit energy provider, Angelic Energy. In taking on the 'Big Six' energy companies with a commitment to fairer prices and no director bonuses, we are showing that people can take action against rigged markets.

Fundamentally, Islington's approach to new municipalism has been about rebalancing the odds in favour of working people. From challenging markets that fail people on housing and energy costs, to delivering in-house services that have supported people into work and creating an inclusive economy.

But ultimately, to go further and faster in making a difference for local people, we need a government that recognises the transformational role proactive and progressive councils can have in helping to make our society a fairer place for all.

## 4. New Municipalism in Hackney

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### Philip Glanville, Elected Mayor of Hackney Council

Hackney has seen rapid social and economic change that has brought huge opportunities – a revolution in transport links, jobs, and prospects for the successful businesses that have made Hackney their home.

Since 2010, we have seen a 61% increase in the number of businesses in the borough. But rapid change has brought real challenges to a Borough with high levels of deprivation and an increasing demand for more social housing, where 45% of residents already live in a social rented home, and 13,000 are waiting for that opportunity. Demand for workspace and opportunities is also increasing. We have seen higher rents and taller buildings in our town centres.

Residents have been clear that some people feel left behind by change – feeling that Hackney's growth does not benefit them. At the same time, central Government has given us more responsibility, with fewer resources to do it; we have faced one of the worst budget cuts in London, equivalent to £529 per Hackney resident.

This is why our approach to new municipalism has been about bridging the gap between those that feel left behind, and the massive opportunities our growing Borough brings. To achieve this, we are renewing our commitment to our local partnerships and innovating how we work in collaboration with residents and the third sector.

### Bridging the gap

We are using our position to bridge the gap-leveraging local jobs, training and apprenticeships from businesses and developers in our Borough. We created Hackney Works, a free in-house employment service to link local residents with businesses. Hackney Works provides a full range of opportunities, from work experience, to training and pre-employment schemes, as well as full-time jobs. It also matches candidates to the employment needs of businesses and continues to support the employees to ensure job roles are sustained.

Hackney Works also connects jobs to residents who are long-term unemployed, and, crucially, since 2017, those that are underemployed, or in low paid employment, and 16-24 year olds not in education, employment or training. We also do work in the creative economy - the sector that Hackney is famed for, but often the hardest for people without connections to get their foot in the door.

This means breaking glass ceilings for Hackney residents who would have otherwise been trapped in in-work poverty and left-behind by Government cuts to adult education budgets. Hackney Works has provided employment support to more than 4,500 residents, with 2,275 supported into jobs and over 1,132 into training since 2016. We also have an award-winning Council Apprenticeship Programme, tripling the number of London Living Wage apprentices in the Council since 2016. Early indications from our research is that this is starting to make a real impact, not just on people's working lives, but on how they feel about their own access to the growing local employment market.

We have also used our assets to create affordable workspace in our town centres. The Council is investing £5m into transforming undercroft garage sites into affordable workspace, as well as creating 1,750sqm of affordable workspace for the creative industry in Hackney Wick — a leading area in Europe for artists. Our new planning policies will ensure new developments bring better public spaces and affordable workspace, and create training opportunities for local people.

## Empowering the community

Hackney Council also harnesses the power of local community action through the voluntary and community sector, recognising its diversity as a strength, bringing creative solutions to address inequalities, and providing a much-needed tier of preventative support.

The Council currently invests in the sector in Hackney through a combination of grants, commissioning and subsidies that include reduced rents for Council buildings and Discretionary Rate Relief. This investment is approximately £18.9m for services commissioned by the Council. We have maintained our £2.6 million grants programme for volunteering and community organisations, social enterprises and co-operatives. Last year, we formally became a Social Enterprise Borough.

Alongside this, the sector attracts investment into the Borough from other agencies and external funders. From just 19 known funders, the sector brought in over £31m of additional cash resources to Hackney between January 2015 and December 2016. This is funding towards organisations that spend their money locally, employing and providing opportunities for Hackney residents.

This funding has resulted in over 3,830 youth activity sessions (benefiting over 4,490 young people); advice to 7,000 households; 1,275 health and wellbeing



support and advice sessions (for 1,800 people); and over 30,000 volunteering hours.

## Making Hackney a place for everyone

Moving forward, we are committed to reviewing all out-sourced contracts by the Council with a view to bringing them in-house, an important step in our new municipalist journey. Hackney Council is one of the top employers in the Borough - the Council can guarantee decently paid jobs and fair conditions - and we already have a good track-record of in-sourcing, from ICT to Waste Collection.

We want to ensure that when we do procure goods and services from businesses, they reflect our values and are procured locally. Our recently agreed Sustainable Procurement Strategy, which commits us to procuring green, procuring for a better society and procuring for fair delivery - is a model of procurement that supports local communities and rejects privatisation, outsourcing and large PFI contractors. It will mean more of the Council's money going back into the local economy.

## The future

As well as looking forward, we are also looking back to Hackney's history. Shoreditch's (one of the three boroughs that formed Hackney in 1964) motto leaps out: 'More Light, More Power'. Our municipal roots are in energy generation, and with the approval to create a Hackney Municipal Energy Company, we are returning to those roots. But rather than burn rubbish to create energy just as the Shoreditch Vestry did from 1857, in the coming years we will take advantage of 50% of Council-owned roof space for solar panels to generate renewable energy for residents and create a social dividend to fund green infrastructure.

Building a new economy, one that has fairness, community and citizenship at its heart, cannot be achieved with a top down approach, so across the world communities are creating local solutions, grounded in new municipalism. Hackney is at the vanguard of this movement, rejecting both the unfettered market and distant centralising instincts of Whitehall, to make Hackney a place for everyone. We are showing that even during austerity, Councils can, and should act.

# 5. New Municipalism in Camden

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## Georgia Gould, Leader of Camden Council

The last decade has been a period of extraordinary growth in Camden, with our economy growing over 20%. During the same period the Council and the wider public sector has experienced persistent austerity – Camden’s budget has been reduced by nearly 50%, and the wider public sector in London (including Police, Fire Services and Health) have experienced an overall budget cut of around 63% by 2020. In our communities, for too many, the wealth and opportunities being generated on our doorstep feel increasingly out of reach, with growing inequality threatening our claim to being a progressive and inclusive society.

Whilst this growth imbalance is stark, as a Council we have refused to retreat from our communities, seeking to meet their ambition and creativity with our own. We believe that the public and private sectors have key collaborative roles in Camden – we are both sources of investment, innovation and the generation of social value, and key advocates and anchor institutions for well-paid and accessible work. In Camden, “new municipalism” means a robust defence of our role in shaping our communities to deliver a fair and equitable outcome, an ambitious approach to direct delivery of new homes and new jobs, and using all opportunities to advocate for equal access to employment, education, and investment. We are continuously assessing how we might challenge a “trickle down” approach to wealth generation using our own resources to grow businesses, activism and activity in our communities at the grassroots level, and our civic voice to challenge the unequal and exclusive distribution of investment.

### Camden’s Four Pillars

Camden’s approach to fostering an inclusive economy is one that is open and outward-looking, grounded in our unique context as an inner London local authority and leading centre of innovation in the creative, scientific, digital, and engineering sectors. We fully embrace our links to the wider London and UK

economy, and our borough's status as a gateway to Europe. Our programme is based on four main pillars:

1. **Progressive Procurement** – utilising our supply chains to support good employment and growth for small businesses;
2. **Good jobs** – developing our employment support offer (both as an employer and market influencer), focusing our resources on those furthest from the labour market and helping people out of the trap of low paid work;
3. **Land and Assets** - directing our investment to generate social value through our building of new social rent homes and community facilities. This also includes facilitating private investment as a catalyst for generating local employment and benefit (following the examples of the Kings Cross and Euston Construction Skills Centre);
4. **Skills and accessibility** – ensuring that residents have access to the skills and tools needed to thrive in the new economy, focusing on STEAM (Science, Technology, Engineering, the Arts, and Maths).

Through these four pillars, we want the wealth and opportunity of Camden to be accessible to all our residents, workers and businesses. We are also committed to making Camden accessible to those facing disadvantage elsewhere – our commitment to tackling inequality extends beyond our borders.

## Working with Businesses

As a significant purchaser of services, we ensure that the £400m we spend each year on goods and services is incentivising the creation and sustainment of good jobs. As one of the first Councils to gain Living Wage and Timewise accreditation, and an early signatory to the Unison Ethical Care Charter, we have made decent pay a cornerstone of our procurement approach, believing as we do that this results not only in better pay and conditions for staff, but also increasing the quality of those services at the same time. In 2016, Camden, in line with the commitments of the Charter ensured that all staff working in home care are paid at least the London Living Wage. This resulted in over 1,000 home care workers employed with contractors receiving a £2.50 per hour wage increase, and being paid travel time as a minimum expectation of their contracts.

We use Planning policy and Section 106 Agreements to create employment opportunities in construction and vacancies with the final occupiers. Since 2012, we have secured almost 1,000 construction apprenticeships, 90 end use apprenticeships and 575 work placements through Section 106 agreements. We also routinely secure a commitment to 20% local recruitment and 10% local procurement on construction sites. In January, Kings Cross Recruit will have placed 1,000 local Camden residents in work.

The Council invested £125,000 in Funding Circle, which has supported 58 loans to small and medium sized businesses in Camden and has leveraged a further £3.7m in private investment. We provided over £100,000 in loans to small businesses across the Borough, and leveraged through our partnerships with institutions, a further £2.25m in private investment.

We've invested £200,000 in Camden Collective, a charity offering workspace, courses and collaboration for our growing network of creatives and, building on the learning from our colleagues in Hackney, we will soon be launching our own Affordable Workplace Strategy. This will prioritise 'good' employers, and new or small businesses, and look at the strategic use of our own Council commercial workspace. We are also developing a Camden "gold standard of work" in conjunction with our Business Board, workers and trade unions– defining what decent, positive, dignified work looks like in the 21<sup>st</sup> century.

## Delivering Ourselves

Camden has a radical municipalist history to draw from when building new homes. From the brutalist beauty of Neave Brown's Alexandra Estate, to the warmth and sociability of Benson and Forsyth's Branch Hill Estate, Camden's social housing has set a design standard nationally and internationally. As part of the current Council's housebuilding programme, we have sought to similarly ensure that Council homes are beautiful, generous and dignified spaces. To date, we have built over 721 new homes, of which 285 are new Council social-rent homes, and a further 65 are Camden Living (intermediate) rent homes for middle income workers (prioritising public sector workers such as nurses, teachers and police and firefighters).

Camden has retained all our schools as community schools, meaning we have a significant opportunity to influence the curriculum of our young people and engage with their learning. In 2018, we launched our science, technology, engineering, arts and maths (STEAM) 21<sup>st</sup> Century Talent Pledge, working with schools, institutions, and employers to ensure that young people in Camden have the right skills to prosper in the new economy – over 35 employers have signed up to work with schools including Google, Argent, Arup, the Wellcome Trust and the Roundhouse.

We have also teamed up with FutureGov as we look to make £5 million of investment into a new Employment Support offer. This will be focused on reaching those who face the greatest barriers in accessing the skills and job opportunities that are right for them, and looking at how we support those already in work, but on low pay to access learning, skills and progression opportunities. It is a bold, expansive and ambitious approach to shaping the wider employment market in Camden.

This will be bolstered by our reconsideration of the role of public sector employment and Camden as an employer. In the last year, we have brought a number of teams in-house, as we concluded this would result in better services – this has included schools' facilities maintenance, and we are looking at bringing in grounds maintenance and the remainder of our housing repairs and maintenance service. We are proactively looking at how we can provide good jobs within the public sector, that are accessible for everyone in our Borough, whilst directly delivering high quality services.

## The Future

There are significant challenges on the horizon, including Brexit and ongoing cuts to local authority budgets, which will result in an increased reliance of Councils on funding generated by economic growth to fund universal services. The introduction of Universal Credit will also mean that many vulnerable households, particularly those in work but on low pay, will experience increased precariousness. Camden cannot meet these challenges alone and regards these uncertainties and challenges as a call to action that should compel Camden's public, private and third sectors, to ensure that we are making the most of the collective creativity, innovation and ambition of all our residents and businesses. We will continue to act as a strong anchor and support the building of the collective wealth of our Borough.

# 6. Conclusion

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## Neil McInroy, Chief Executive, CLES

This publication highlights the early beginnings of an exciting era for New Municipalism in London, and in the UK.

There is a growing awareness that the prevailing economic, local fiscal and democratic model produces inequalities, and is an ill fit for these times. This awareness is starting to prompt new action, which is stretching beyond the traditional use of local state power and soft accommodation of market liberalism. The work of the three boroughs, outlined above, indicates a part refusal to accept the prevailing, unjust status quo. All three boroughs share a broad desire to intentionally step in and do what they can to create a more democratic and socially just future, however they approach this with varying degrees of intent.

We are at the beginning of (what must become) a broader and deeper new municipalist movement. In this, political leadership, officers and departments are starting to experiment; harnessing scarce resources, protecting core services, nurturing local communities, and trying to slow the juggernaut of gentrification and wealth extraction, which plague so much of our capital city. However, the progressive activity to date is not enough. Housing affordability, social displacement, and an erosion of community identity alongside inequality and poverty march on. As such, whilst exploratory advances have been made, there is much more to do.

Firstly, we must recognise and challenge the restrictions on councils who are working within a very difficult environment. The new municipalist approaches adopted by councils are, in many instances, only as progressive as they are allowed to be within the prevailing London and English legislative, institutional and behavioural contexts. After decades of market liberalism and erosion of local power, new municipalist activities are trying to emerge within unprecedented local council austerity and a contextually poor frame. From planning to procurement, to housing, there are national contexts and ingrained policy and practice which significantly fetter local state or citizen action and stymie progressive action at scale.

Secondly, we must recognise and challenge concepts and agendas used as limp proxies for the genuine progressive ambitions of new municipalism. For instance, Inclusive Growth is used as a frame for some progressive action, but we contend

that it is not capable of being the voracious economic frame or ally of new municipalism.

In practice Inclusive Growth is concerned with social, economic and democratic objectives within the prevailing market liberal approach to economic growth and public services as regards austerity, deregulated/privatised markets, and the power wielders within it. Inclusive Growth is an 'after the fact' approach to economic wealth. In contrast, a full bodied new municipalism would seek to fundamentally reset the economy and public services. This 'before the fact' correction, would consider how inequality is generated in the first place. It would correct the causes of the unequal allocations of goods, services and wealth by allowing wider citizen and greater municipalist ownership in areas such as energy, with greater democratic control over land, assets and property.

Moving forward, the key task of a new municipalist approach is to create a local economic system which is intentionally restructured, creating nothing less than new institutional arrangements to British capitalism and local economic development.

Lastly, we contend that in order to fundamentally shift Britain's political economy away from extractive capitalism and towards a socially just economy, new municipalist councils must address the ownership of the economy. Creating conditions in which more cooperatives, municipal enterprises, SMEs, and mutually-owned enterprises can thrive, will enable workers to claim economic power as worker-owners and shareholders; providing democracy and stability in place of insecurity and precarity.

This publication celebrates what is being done in the three Councils of Islington, Hackney and Camden and frames that within a new municipalist movement. Similar efforts by local authorities are being made right across the UK. Turning back the tide on decades of citizen disempowerment, disrespect for Local Government, managerialism and an extractive and self-serving economy will not be easy. However, we must take heart: the journey has begun.

## Get involved

**The Centre for Local Economic Strategies is working with others to build real, new municipalist strategies in localities across the UK and Europe.**

To find out more about this movement, discuss the contents of this paper, or to find out more about our work on local wealth building, deepening democracy, public services and great places, please contact us at:

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# Further Reading

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# Endnotes

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