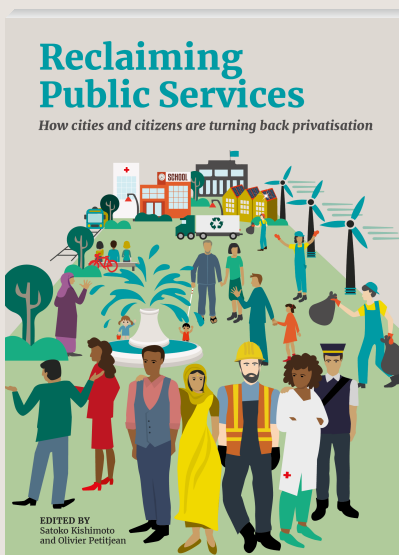


Reclaiming Public Services

**How cities and citizens are
turning back privatisation**



www.tni.org/reclaiming-public-services

Why are people around the world reclaiming essential services from private operators and bringing their delivery back into the public sphere? There are many motivations behind remunicipalisation initiatives: a goal to end private sector abuse or labour violations; a desire to regain control over the local economy and resources; a wish to provide people with affordable services; or an intention to implement ambitious strategies for energy transition or the environment for example.

There have been at least 835 examples of (re)municipalisation[1] of public services worldwide in recent years, involving more than 1,600 cities in 45 countries. Remunicipalisation is taking place in small towns and in capital cities across the planet, following different models of public ownership and with various levels of involvement by citizens and workers. Out of this diversity a coherent picture is nevertheless emerging: it is possible to reclaim or build effective, democratic and affordable public services. Ever-declining service quality and ever-increasing prices are not inevitable. More and more people and cities are closing the chapter on privatisation, and putting essential services back into public hands.

10 stories of (re)municipalisation

1. Oslo, Norway

From labour rights violations to better jobs with benefits for waste collectors

In 2017, the municipality of Oslo successfully brought its waste collection services back into public hands after 20 years of competitive tendering. Veireno, the last private provider, quickly became a symbol of competitive tendering gone wrong. The municipality received tens of thousands of complaints from citizens whose waste was not being collected in the period between October 2016 – when Veireno won the tender for the capital's waste services – and February 2017. The Norwegian Labour Inspection Authority inspected the company and discovered workweeks of up to 90 hours for some employees. Veireno's low-cost waste services were clearly coming at the expense of labour conditions. On 1 January 2017 the company filed for bankruptcy, freeing itself from all responsibilities including payment for its workers. In February 2017, the city of Oslo remunicipalised waste collection, took over Veireno's assets, and employed its 170 former staff. The takeover is expected to be costly, as several part-time employees of the private contractor will now work full-time for the municipality with associated salary and pension rights.

2. Delhi, India

Public health care, the most effective route towards universal basic health care

In 2015, the government of the newly-elected Aam Aadmi Party (AAP, or the Common Man's Party) began the process of delivering on one of its main pre-election promises – affordable primary healthcare – by setting up 1,000 Mohalla (community) clinics across Delhi. Earlier that year, the new government had promised to allocate 2.09 billion rupees (US\$31.4 million) for the proposed 1,000 clinics. As of February 2017, approximately 110 clinics were functional in some of the poorest areas of Delhi. The clinics were set up by the Public Works Department at a cost of roughly 2 million rupees (US\$30,000) each. Due to their small size and use of pre-fabricated portable cabins that can be easily set up virtually anywhere, the clinics are much cheaper than government dispensaries (each costing US\$450,000). Each clinic is staffed with a doctor, nurse, pharmacist and lab technician. The medical consultation, medicines and laboratory tests are provided completely free of charge to the patients, irrespective of their economic status. Since the clinics were set up

in the second half of 2015, the Delhi government claims that more than 2.6 million of its poorest residents have received free quality healthcare. Previously, Delhi's poorest citizens had to rely on expensive private clinics or even quack doctors. The success of these first clinics brings the AAP government closer to its promise of providing free primary healthcare to all citizens of Delhi.

3. Grenoble, Briançon, Nice

Remunicipalisation champions in the French Alps

Grenoble is one of the cities that have committed to remunicipalising and developing democratic and sustainable local public services. The city was a pioneer in water remunicipalisation in the early 2000s, when it put an end to a corrupt contract with Water multinational Suez. In its place, Grenoble created a new public water operator that provides better quality water at lesser cost, and includes citizen participation in the running of the service. The city is now seeking to entirely remunicipalise its local energy services, including collective heating and street lighting, in an effort to fight energy poverty and reduce greenhouse gas emissions. This requires buying back energy multinational Engie's shares in the local energy company, which also raises complex labour issues. The city has also set out an ambitious goal of providing 100 per cent local, organic food for children in school restaurants. All of these policies are being developed in a context of drastically reduced financial resources, resulting from the austerity measures implemented by the French government. Other cities in France, particularly in the Alps region, are also developing local public services and remunicipalisation across various sectors. Briançon has remunicipalised its water and waste services, and is now aiming towards 'zero waste'. The city is also developing a local public energy sector. At the southern extremity of the French Alps, the agglomeration of Nice – despite being governed by a conservative administration – has remunicipalised the city's water and sanitation, public transport and school restaurants, as well as a cultural festival and a market.

4. Hamburg, Germany

New local energy company brings electricity grid back

Around the turn of the century, the city of Hamburg sold off its shares in the electricity and

district heating company and gas utility to private investors. In 2009, a Conservative-Green government established a new public utility called Hamburg Energie with the goal of building up renewable energy generation facilities and selling the electricity produced. Once established, this utility proved very effective in increasing the total share of renewable energies. More than 13 MW of wind power were installed by the end of 2015, and a 10 MW solar energy programme that involved citizens and local businesses as co-investors was completed. The utility attracted more than 100,000 clients opting for renewable and locally-produced energy. When the Social Democrat government that entered into power in 2011 was not willing to put the remunicipalisation of the grids on the agenda as the concessions were running out, a broad popular coalition formed to push the government in that direction. The coalition organised a referendum to legally bind the government to reclaim the energy grids (electricity, district heating and gas) and to form a utility that would concur with social and ecological demands. The Hamburg referendum ultimately succeeded by a narrow majority in 2013. The electricity network was repurchased in 2015, and the remunicipalisation of the gas network will be implemented in 2018-19. In spite of trade unions' fears, working conditions and payment have not deteriorated, and jobs have been created.

5. Argentina

Public postal services superior to private in quality, coverage and price

Argentina's postal service Correo Argentino (CORASA) was the first public service to be de-privatised under President Kirchner's administration. CORASA was privatised in 1997, and the Argentine investment firm Grupo Macri gained control of the sector and was awarded a 30-year concession as a provider. The contract stipulated that Group Macri would pay a biannual fee to the State for operating the service, and that it must continue to employ the current workforce. In exchange, the government would continue to provide a regional subsidy to the company for having to operate at a loss in remote parts of the country. Just two years after the concession was signed in 1999, Group Macri stopped making royalty payments to the government. During the concessionary period service quality remained poor, rural routes were badly serviced, and prices increased several times. After six years, the government terminated Group Macri's concession and renationalised the postal service. Although the postal service was operating at a severe loss during its privatisation, the Kirchner administration managed to improve the provision

of service and to reprioritise the rural route connections that had been neglected by Group Macri. Moreover, the government lowered the cost of the postal service and increased operational reliability and accountability.

6. Barcelona, Spain

Reorganising public services in the people's interest

Ever since the progressive coalition Barcelona en Comú gained power in the Catalan capital, the city has initiated a wide-ranging policy of remunicipalising outsourced services and creating new public services. Barcelona has already remunicipalised gender violence prevention services and three kindergartens, and has created a new municipal funeral services company. Recently, the city created a new public electricity provider from an existing municipal company that will provide power at an affordable and transparent price, as opposed to the private energy providers that impose ever-higher prices on their customers. Most significantly, following a motion by the City Council in December of 2016, Barcelona is now aiming to municipalise its water service. This means doing away with private company Agbar (Aguas de Barcelona), a subsidiary of Suez, which has managed the city's water since the 19th century. The city has created an association for public water management with other Catalan cities that have remunicipalised their water or are planning to do so. With the assistance of the French remunicipalised operator Eau de Paris, Barcelona will prepare the necessary reports for the transition to public water management. Like other cities in Catalonia and in the rest of Spain, Barcelona is accomplishing (re)municipalisations in spite of active opposition by the central government and a series of Spanish laws that impose austerity measures on local authorities.

7. Hamilton to Port Hardy, Canada

Environmental and financial benefits to bringing water back in house

In 1994, Hamilton (Ontario) agreed to an untendered 10-year public-private partnership for the operation and maintenance of its water and wastewater treatment plants. Problems with sewage spills had created conflicts between the private operator and the city. Staff was cut during the period of private operation, and the city faced fines for spills from the sewage plant thanks to contract wording protecting the private company. In 2003, as the

end of the contract approached, Hamilton began the bidding process to find another private operator. However community mobilisation, combined with an overpriced bid from RWE subsidiary American Water, was enough to block the renewal. In 2004 Hamilton cancelled its request for proposals and began the process of bringing the work back in house. The remunicipalisation quickly led to significant savings and higher environmental standards for Hamilton. Cost savings, higher quality and confidence in the capacity of in-house staff are common themes in more recent Canadian remunicipalisations of water and wastewater services. Other examples include the cities of Banff in Alberta and Sooke and Port Hardy in British Columbia. In Banff, a staff report projected that the town would save \$350,000 (€235,000) each year with in-house operation. In Sooke, the Council's decision to bring the wastewater system back in 2016 was based on a staff report concluding that in-house operation would save the community approximately \$225,000 (€150,000) annually.

Read more: [Back in House report \(2016\) http://www.civicgovernance.ca/back-in-house/](http://www.civicgovernance.ca/back-in-house/)

8. Nottingham, Leeds and Bristol, UK

New municipal energy companies join forces to fight energy poverty

The Nottingham City Council decided to set up a new supply company in 2015 after finding that many low-income families in the city were struggling to pay their energy bills. Robin Hood Energy offers cheaper service, as it neither extracts large profits nor confuses customers with complicated tariff packages. The company, which offers the lowest prices in the UK, has the motto: “No private shareholders. No director bonuses. Just clear transparent pricing.” Robin Hood Energy has also formed partnerships with other major cities. In 2016, the city of Leeds set up the White Rose Energy municipal company to promote simple no-profit tariffs throughout the Yorkshire and Humberside regions. In 2017, the cities of Bradford and Doncaster agreed to join the White Rose/Robin Hood partnership. In 2015, the southern city of Bristol created Bristol Energy, its own municipal energy company, alongside with an ambitious residential energy efficiency scheme, a renewable energy investment programme, and energy efficiency on its own buildings and land. Finally, campaigners with Switched on London are pushing their city to set up a not-for-profit energy company with genuine citizen participation. The motivations in these diverse cities are similar: young municipal companies can simultaneously beat energy poverty and play a key role in achieving a just and renewable energy transition.

9. Vilnius, Lithuania

Remunicipalised central heating triggered ISDS

In 2016, the government of Lithuania was sued by French energy giant Veolia when the city of Vilnius decided against renewing the 15-year contract with its subsidiary Vilniaus Energija in order to remunicipalise district heating. The multinational used the France-Lithuania Bilateral Investment Treaty (BIT) to start international arbitration, filing an Investor-State Dispute Settlement (ISDS) claim due to an alleged "campaign of harassment" and the "expropriation" of its investments. Additionally, according to Veolia its subsidiary was forced to close down one of its power plants when the Lithuanian government scrapped subsidies for gas use. According to the investigation by Lithuania's energy regulator, Vilniaus Energija was responsible for manipulating the fuel price for heating, thereby significantly increasing energy costs for households and generating an unlawful excess profit of €24.3 million between 2012 and 2014. Due to mounting public pressure, alleged fraud and lack of financial transparency, the city of Vilnius refused to renew the contract with Vilniaus Energija, leading Veolia to demand €100 million in damages. The ISDS attack could have forced Vilnius to drop its decision and retain the contract. However, in 2017 the local authorities followed through to bring district heating back into public hands. The ISDS case is still pending.

10. Kauai Island to Boulder, United States

De-privatisations put energy democracy to practice

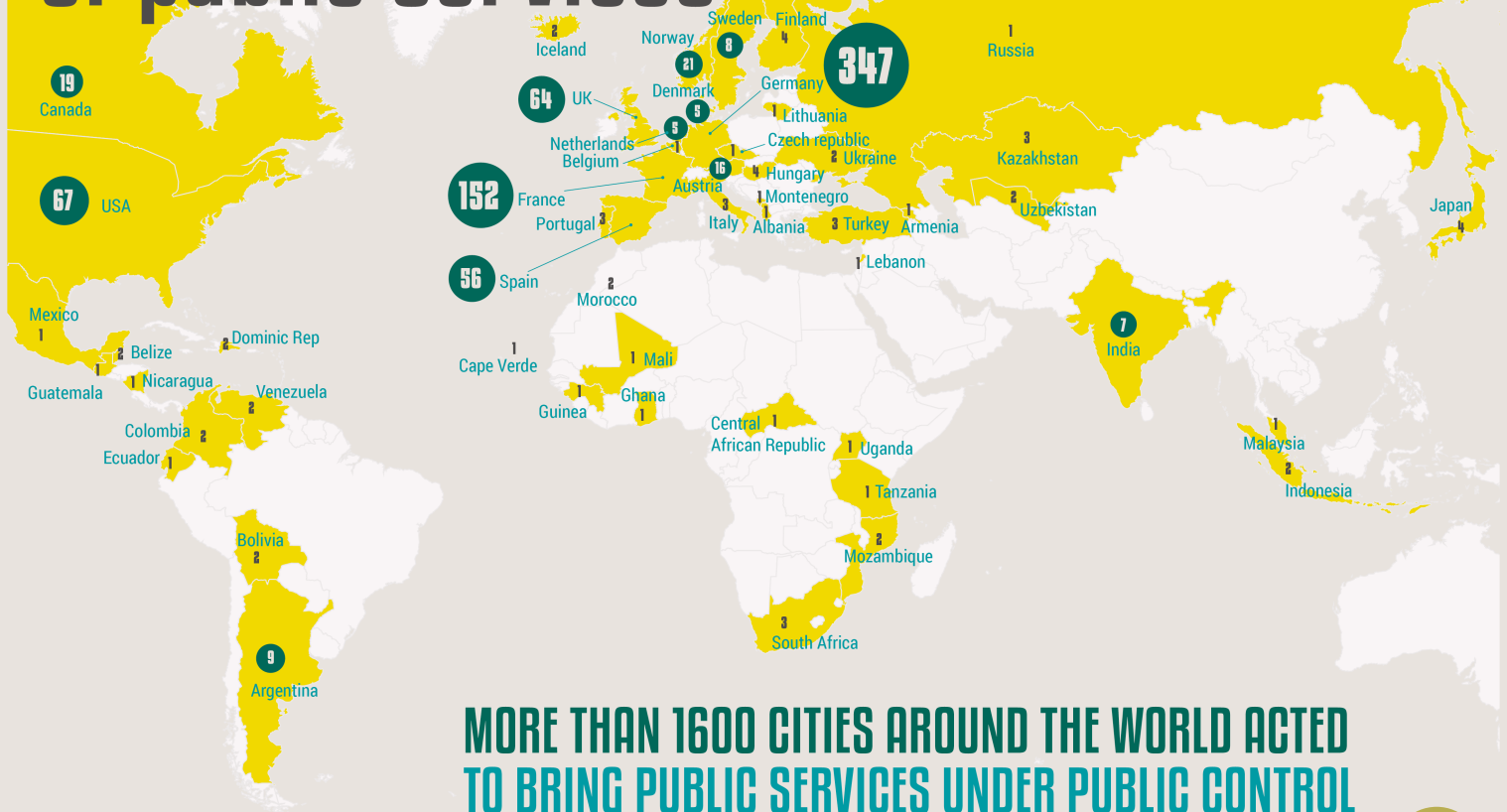
Due to the import costs of coal, gas, and other resources, the Hawaiian island of Kauai has faced unique pressures to find alternative sources of energy. In 2002, the Kauai Island Utility Cooperative (KIUC) purchased a Connecticut-based private energy utility that was selling its electricity utility companies and shifting its focus to telecommunications. KIUC thus became the state's first not-for-profit generation, transmission and distribution co-op owned and controlled by the members it serves. This locally-owned and democratically-controlled utility provides reliable, low-cost electricity service, with a goal of 50 per cent renewable energy by 2023. By 2016, KIUC had already reached the mark of 38 per cent renewables. On the mainland, the city of Boulder has been putting up a fight for energy democracy since 2010. At first, under pressure from its citizens, the city tried to push its privately owned utility, Xcel Energy, to embrace a radical transition to low-carbon

energy. Ultimately Xcel's obstructions led Boulder to pass an ordinance creating a municipal electric utility in 2014. Despite legal challenges and misinformation campaigns by Xcel, the city is continuing to set up a municipal energy utility, supported by vibrant citizen campaigns. Studies demonstrate that local ownership can eliminate coal dependency, double renewables production and half the amount of emissions. US cities are showing that Trump's abandonment of the Paris Climate Agreement does not stop cities and citizens from moving forward.

10 key findings

1. There are better solutions than ever-more privatisation,
 ever-more austerity and ever-lower expectations

835 (Re)municipalisations of public services



MORE THAN 1600 CITIES AROUND THE WORLD ACTED TO BRING PUBLIC SERVICES UNDER PUBLIC CONTROL

Thousands of politicians, public officials, workers and unions, and social movements are working to reclaim or create effective public services. They do this most often at the local level. Our research shows that there have been at least 835 examples of (re)municipalisation of public services worldwide in recent years, involving more than 1,600 cities in 45 countries.

In contradiction with the prevailing narrative that public services are too expensive, local authorities and citizen groups are demonstrating that (re)municipalisation addresses people's basic needs and our wider social and environmental challenges is possible.

2. (Re)municipalisation is far more common than presumed, and it works

(Re)municipalisation sectors

267
Water

Country	N°cases
France	106
United States	61
Spain	27
Germany	17
Argentina	8
Canada	4
Hungary	4
Italy	3
Kazakhstan	3
South Africa	3
Bolivia	2
Colombia	2
India	2
Indonesia	2
Mozambique	2
Turkey	2
Ukraine	2
Uzbekistan	2
Venezuela	2
Albania	1
Belgium	1
Central African Republic	1
Ecuador	1
Guinea	1
Lebanon	1
Malaysia	1
Mexico	1
Portugal	1
Russia	1
Sweden	1
Tanzania	1
Uganda	1



31
Waste

Country	N°cases
Germany	13
UK	7
Canada	5
France	3
Spain	2
Norway	1



311
Energy

Country	N°cases
Germany	284
US	6
Netherlands	3
UK	5
Dominic Rep	2
France	2
Albania	1
Argentina	1
Denmark	1
India	1
Lithuania	1



38
Transport

Country	N°cases
France	20
United Kingdom	7
Austria	3
Germany	2
Portugal	2
Canada	1
Czech rep	1
India	1
Turkey	1



11
Education

Country	N°cases
Germany	5
United Kingdom	3
India	1
Nicaragua	1
Spain	1



140
Local government

- 24 building and cleaning
- 15 security and emergency
- 19 public (green) space
- 18 housing
- 20 school catering
- 10 sports
- 9 cultural
- 8 construction
- 4 funeral
- 3 Human Resource
- 5 IT
- 5 other



Country	N°cases
UK	37
Germany	26
France	21
Spain	21
Austria	13
Canada	9
Finland	3
Norway	4
Denmark	2
Netherlands	2
Armenia	1
India	1

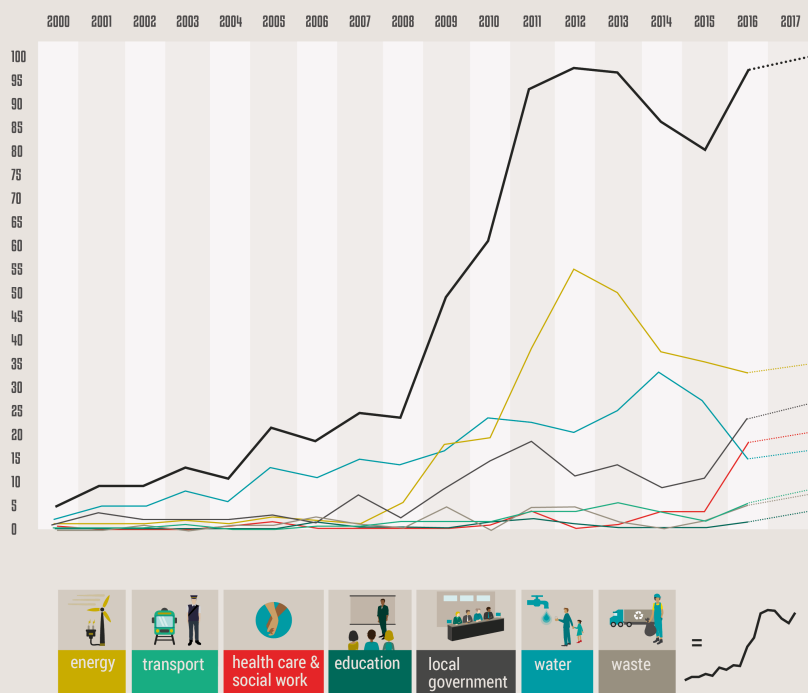
37

Health care & Social work

- 8 social work
- 29 health care

Country	N°cases
Norway	16
Sweden	7
United Kingdom	5
Spain	4
Denmark	2
Finland	1
India	1
Montenegro	1

De-privatisation: by year



Energy (311 cases) and water (267 cases) are the sectors providing the most examples of (re)municipalisation. Roughly 90 per cent of (re)municipalisations in the energy sector took place in Germany (284 cases), the country famous for its ambitious *Energiewende* policy. Water remunicipalisation has occurred most in France (106 cases), the country with the longest history of water privatisation and home to leading water multinationals Suez and Veolia.

Diverse local government services such as swimming pools, school catering, public space maintenance, housing, cleaning and security services have been brought back in-house in Canada, Spain, the UK and elsewhere. In the health and social work sectors more than half of the cases come from Norway and other Scandinavian countries. Our survey covers (re)municipalisation actions from 2000 to January 2017. 137 cases were counted in the first half of this period (2000-2008), while 693 cases took place in the second half (2009-2017). This means that there were five times more (re)municipalisations during the second half of our period of study. The peak year, with 97 cases, was 2012 and since then the numbers have remained high.

3. Remunicipalisation is a local response to austerity

Remunicipalisation is particularly vibrant in Europe, with examples in all European countries and in all sectors. For example, 347 cases were found in Germany, 152 in France, 64 in the United Kingdom and 56 in Spain. The remunicipalisation movement in Europe can be seen as a response to austerity policies; a reaction against the excesses of liberalisation and the corporate takeover of basic services. This does not however mean that remunicipalisation is always highly politicised, nor that it is the domain of one side of the political spectrum. In fact, we see remunicipalisation being carried out by all shades of

politicians, and a local transpartisan consensus is often a stimulus. The relevant political divide is frequently not across party lines, but between the local level, where politicians and officials are faced with people's everyday needs, and the national and European ones where the push for austerity and budget cuts originates.

4. (Re)municipalisation is a key strategy for energy transition and energy democracy

(Re)municipalisation is not only about local issues and local politics; very often, it is also about finding effective local solutions to global challenges such as climate change. The energy sector, particularly in Germany, demonstrates this trend. From a total of 284 energy (re)municipalisation cases in the country, 166 private electricity and/or gas grid concessions and 9 electricity supply concessions were terminated and given back to cities. At the same time, 109 new municipal companies (93 electricity/gas grid and 16 supply) were created. Since the era of energy liberalisation in the 1980s, the German energy market has been dominated by the 'Big Four' energy corporations. When these energy giants failed to address public demand for a renewable energy transition, new and remunicipalised local public companies and citizen's co-operatives stepped in to pioneer an energy transition. Connected with its pledge to completely phase out nuclear energy, this movement has gained considerable momentum and numerous victories in the transition to renewables.

New stories are also being written in the UK, where the energy market is dominated by a 'Big 6'. Four newly-created municipal energy companies provide affordable electricity to communities, in particular to low-income families struggling to pay energy bills. Like Nottingham's Robin Hood Energy, the core business of White Rose Energy in Leeds is to provide honest services at not-for-profit rates and to put customers at the heart of everything they do. Similarly, Our Power in Glasgow was born from a partnership between social housing associations and the Scottish Government with the goal of providing affordable services.

5. Bringing services back in-house is ultimately cheaper for local authorities

One of the main arguments advanced by proponents of privatisation and Public-Private Partnerships (PPPs) is that their solutions are supposedly cheaper and more cost effective

than public management. However, experience has disproved this claim time and again. Contracting a private company to deliver a service involves extra costs due to the immediate transfer of cash to parent companies and shareholders. In the area of infrastructure, PPPs introduce a high level of complexity that is beneficial for lawyers and auditors but provides little value for money to citizens. The experiences of many cities have busted the myth that in-house services cost more. When Paris remunicipalised its water in 2010, the new operator was able to cut costs immediately by €40 million – the sum of money that was being extracted each year by the private operator's parent companies. In Newcastle, the modernisation of signalling and fiber optic cable system was carried out by a new in-house team for about £11 million (€12.4 million), compared with the approximately £24 million (€27 million) that it would have cost if done by a private company. Bergen (Norway), where two elderly care centres were taken back in-house, made a surplus of €500,000 whereas a €1 million loss was expected. Chiclana in Spain transferred 200 workers in three local government services back in-house; the municipality nevertheless expects to save between 16 and 21 per cent on its budget. The costs of waste collection and cleaning services decreased from €19.5 million to €10.5 million annually in León (Spain) with remunicipalisation, and 224 workers have received public contracts. In short, eliminating money flows to private shareholders allows tax money to be used efficiently for quality public services.

6. (Re)municipalisation drives better, more democratic public services

Remunicipalisation is rarely just about the change of ownership structure from private to public. It is fundamentally about (re)creating better public services that work for all. This includes restoring a public ethos, universal access, affordability and ensuring transparency and accountability towards elected officials and citizens as opposed to focusing only on the most lucrative parts of the service. This is why several British cities have created new municipal energy companies: to do away with private shareholders, dividends and bonuses and to shift the focus to access to energy for poorer households. Remunicipalised public services often involve new forms of participation for workers and citizens. For example, the new water operators in Paris, Grenoble and Montpellier are making decisions together with citizens about the reform and operation of water services. In Norway, tripartite co-operation in which trade unions, the municipality and local politicians dialogue to solve workplace issues have a proven track record in improving public services. The

democratisation of public services is also at the centre of the remunicipalisation movement in Spain, which was born in the aftermath of the global financial crisis from the resistance against evictions and water and electricity cuts. Finally, remunicipalisation is often a first step towards creating the public services of the future: sustainable and grounded in the local economy. Inspiration can be found in the European towns and villages aiming for 'zero waste' with their remunicipalised waste service, or providing 100 per cent local, organic food in their remunicipalised school restaurants.

7. (Re)municipalisation presents 835 more reasons to fight trade and investment deals

The 835 recent (re)municipalisations of public services worldwide present 835 more reasons not to ratify the Comprehensive Economic Trade Agreement (CETA) between the European Union and Canada, or any similar trade and investment deal. The investment protection that most of these deals contain, also known as Investor-State Dispute Settlement (ISDS), puts a high price tag on de-privatisation and remunicipalisation as these international agreements first and foremost aim to protect the profits of private foreign investors. The above-mentioned case of Lithuania shows how a city's decision to remunicipalise district heating triggered an ISDS claim. The track record of investment protection shows that various countries have been sued and fined hundred of millions of dollars when they have decided to terminate privatisation projects in order to protect the public interest. In Bulgaria, even the mere threat of investor protection was enough to undermine government plans to organise a referendum over the water services in its capital city Sofia. When an ISDS claim is awarded to an investor, it is recouped by taxpayers from public budgets, which could reduce the affordability of public services and delay much-needed investments. Our study revealed that decisions to de-privatise public services triggered at least 20 international arbitration cases (ten in the water sector, three in energy, three in transport and four in telecommunications). There is a growing awareness among cities that the current trade and investment regime – and particularly elements like ISDS – severely limit local governments' policy space to (re)gain control over local services and resources. With every new remunicipalisation that takes place, one new reason is added to the 835 existing ones to oppose ISDS.

8. Lessons learned: Don't privatise in the first place

The increased number of remunicipalisations reflects the reality that many privatisation

10 key findings

projects and PPPs fail to deliver what they promised. Remunicipalisation is most often a collective response by local authorities and citizens to the failures of privatisation and PPPs. In Chapter 7, the European Network on Debt and Development (Eurodad) warns about the false financial promises of Public-Private Partnerships (PPPs). These contracts are presented to local and national authorities, including governments in the global South, as an easy way to finance public infrastructure without having to borrow money or empty state coffers for the necessary capital investments. The authors show that PPPs are actually a hidden form of debt, and ultimately turn out to be more expensive for public authorities in the long term. PPPs are designed to create an illusion of affordability and hide real costs and liabilities, which makes it easier to convince officials to embark on large-scale projects that do not necessarily reflect the actual needs of their populations. Conversely, the previously described public health clinic project in Delhi demonstrates that it is possible to implement cost-effective solutions that ensure universal access to basic healthcare. Another key lesson from international experience is that private contracts are often incredibly hard to modify or escape. Once the contract is signed, private providers are able to lock-in contractual conditions, and any subsequent changes come at great cost to public authorities. When it comes to terminating contracts, or even not renewing expired ones, local and national authorities are often faced with an costly uphill battle.

9. (Re)municipalisation provides opportunities for new, diversified, democratic public ownership

Public services are not perfect just because they are public. Public services must also continuously improve and renew their commitments to society. If we broaden our definition of 'public' we capture a greater range of de-privatisation initiatives. Many cases of remunicipalisation and the creation of new public companies offer the opportunity to renew public commitments and create a space for multiple actors to co-manage public services provision. This goes beyond classical public ownership to encompass a variety of new models: municipal energy companies co-operating with community energy (e.g. in Hamburg and Bristol), inter-municipal organisations and networks (e.g. water services in France and Spain), local public service companies partly owned by workers (e.g. the water company in Buenos Aires) and users' cooperatives (Wind farm Middelgrunden in Copenhagen), fully licensed citizen co-operative service providers (Kauai Island and Minnesota in the US), partnerships with local authorities (Glasgow, Scotland) and so on. These are all templates for how the future generation of public ownership could look. The strong push for remunicipalisation in Catalonia also relies on a movement of citizen

10 key findings

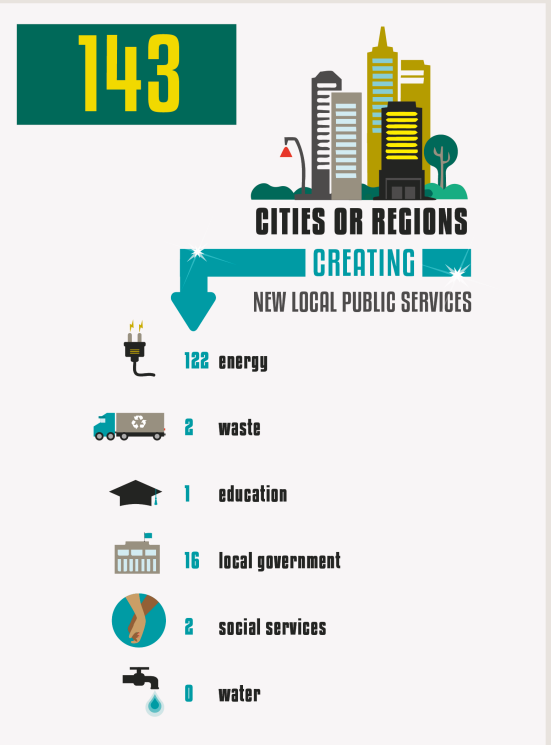
platforms that not only want to achieve a return to public management as an end in itself, but see it as a first step towards the democratic management of public services based on continued civil participation. The city of Terrassa remunicipalised its water services in 2016, and the civil platform continues engaging in designing the new public water service. The civil platform and some city councillors convened the Terrassa Citizens Parliament and approved two motions to be presented to the City Council that ensure that the recovery of public water in Terrassa is also a step towards managing water as a common good. The success of the Terrassa remunicipalisation and the implementation of a new management model with genuine citizen participation will be an important spearhead for many other Catalan and Spanish cities.

(Re)municipalisation: returning and creating local public services

Remunicipalisation



Municipalisation



10. Remunicipalising cities and citizens groups are working together and building networks

10 key findings

(Re)municipalisation also shows that cities and local groups are not alone in wanting to build effective, forward-looking, democratic public services. Successful (re)municipalisation experiences inspire and empower other local authorities to follow suit. We see cities and groups joining forces within each sector, within each country, at the European and international levels: all counterbalancing the influence and obstruction of big corporations and central governments. The diverse forms of public-public partnerships are flourishing. We see it in the way that municipalities and citizens have joined forces in Germany and beyond to push genuine energy transitions. The new Nottingham municipal energy company catalysed similar experiences in other cities, and eventually resulted in a common partnership. The French and Catalan networks of public water operators pool resources and expertise, and work together in dealing with the challenges of remunicipalisation. More than 200 Norwegian municipalities exercise local tripartite co-operations with trade unions to make public services efficient and democratic. Over 2300 cities throughout Europe have united to oppose the EU-US TTIP free trade agreement as well as similar deals based on liberalisation and privatisation policies. The progressive coalition Barcelona en Comú and many other related coalitions in Spain have articulated a global ‘municipalist’ vision within which they practice diverse forms of direct participatory democracy and work pragmatically for solutions to global challenges. The resurgence of (re)municipalisation provides an important window of opportunity for citizens and workers to regain the democratic control that has been eroded by privatisation over the past decades. Evidence is building that people are able to reclaim public services and usher in a new generation of public ownership. Fortunately the momentum is building, as diverse movements and actors join forces to bring positive change in our communities.

[1] We use 'remunicipalisation' to refer to the process of bringing previously private or privatised services under public control and management at the local level. We are aware that a term it is not always entirely adequate, as in some cases the reclaimed services have always been in private hands, or did not previously exist. In these instances, 'municipalisation' would be a more adequate term. (Re)municipalisation covers both instances. There are also examples of public services that have been de-privatised at the national level. We treat such 'renationalisations' separately in order to focus on local actions and also because some forms of renationalisation (when it concerns centralising power or temporarily rescuing failed private companies) do not fall within the scope of our research. Finally, there are numerous examples of citizens and users taking the lead in reclaiming essential services from commercial entities to run them on a non-profit basis for their communities. For us, these cases also fall under (re)municipalisation insofar as they are oriented toward public service values and non-commercial objectives. De-privatisation then serves as an overarching term for (re)municipalisation, renationalisation and citizen-led reclaiming of public services, all of which are oriented towards fighting against the ills of privatisation.

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