



Global City Challenges

The creative and
social economy solution



About the British Council

The British Council is the United Kingdom's international organisation for educational opportunities and cultural relations.

Through our Developing Inclusive and Creative Economies (DICE) and Global Social Enterprise programmes, we support the growth of social and creative entrepreneurship to help address entrenched social and environmental problems and deliver positive change in our communities and societies.

Operating at systemic, institutional and individual levels, our programmes draw on UK experience and expertise and are delivered across more than 30 countries with local and international partners.

Together, we provide social and creative entrepreneurs with access to training, mentoring and funding opportunities and promote social enterprise education in schools and universities. We also convene policy dialogues, organise study tours and conduct research to share knowledge and best practice in scaling social enterprise and social investment. Additionally, we deliver international development projects that promote the growth of social entrepreneurship

It is an approach designed to help foster a more sustainable, inclusive and prosperous future and build collaboration, opportunities and trust between the UK and other countries.

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About Social Enterprise UK

Together with our members we are the voice for social enterprise in the UK. We build markets, undertake research, provide information and tools, share knowledge, raise awareness and campaign to create a business environment where social enterprises thrive. Our members range from local grass-roots organisations to multi-million-pound businesses.

socialenterprise.org.uk



Acknowledgments

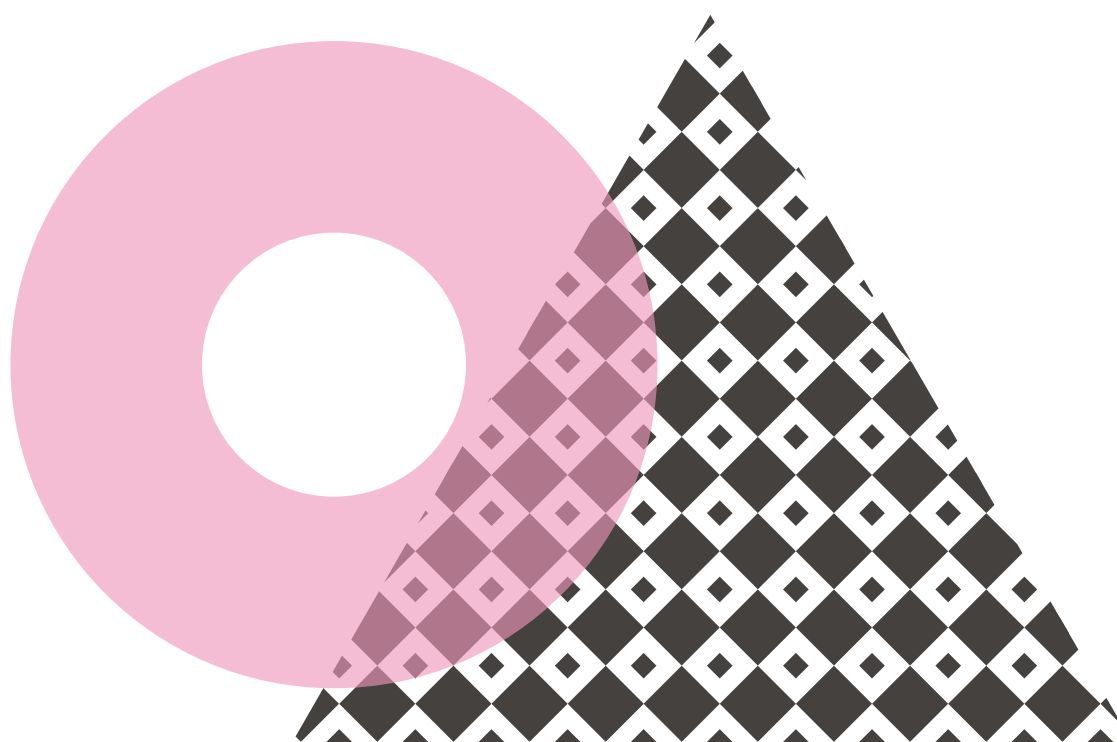
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Foreword

For the first time in history, most people on our planet now live in cities.

These cities produce 80 per cent of global GDP. That share is projected to increase still further over the next 50 years, propelled by the emergence of ever larger conurbations, especially in the global south.

But while these cities have never been so powerful, the process of urbanisation began thousands of years ago. And throughout history, our cities have been the crucibles of not only economic but also social and cultural development. They have brought people and ideas together. Cities have grown around markets and commerce but also around universities and culture. They have given us coffee houses and public spaces, piazzas and meeting houses - places where people could share their knowledge and where new ideas could be born.

Cities still play this role today and knowledge industries can still be found in the beating heart of our cities. These are the centres of creativity and entrepreneurship, the places where new ideas take flight, and find the audiences and the markets which give them wings.

Yet cities face myriad complex challenges. Some issues are place specific – from traffic in Cairo or Dhaka to flooding on the Chinese coast, from access to water in South Africa to creaking infrastructure in the US. While others are shared across the globe – from economic segregation to housing affordability, transport infrastructure, food security and climate change. Cities produce about 80 per cent of greenhouse gas emissions. We all have a responsibility to deliver the Sustainable Development Goals (SDGs).

In an age of advanced globalisation, as the role of cities has become ever more pronounced, city government ever more important. Across the world, mayors are taking a leadership role in responding to the challenges of our times. The potential for city leaders to address the specific and generic challenges that cities face places them in a powerful and responsible position. Even if they lack resources, their role as convenors

can help shape change at the city level, often more effectively than national governments. Good Mayors and good city governments know their areas. They know their residents. They have a passion for finding solutions and the authority to drive them forward. Benjamin Barber argues that cities are democracy's best hope in a globalising world.

The creative and social economies can offer many of the solutions that city leaders seek.

The social economy, from social enterprises to co-operatives and community businesses is already playing a leading role in responding to the challenges we face. The social sector accounts for more than five per cent of GDP and employs over ten per cent of the workforce in many countries. In France the social economy is bigger than the agricultural industry; in South Korea it is larger than the car industry; in the US social enterprises are estimated to contribute more than Silicon Valley to GDP; and in Kenya the co-operative sector is larger than either the public or private sectors.

Meanwhile, the creative industries, from advertising and architecture to theatre and software design, account for three per cent of world GDP (\$2,250 billion) and employ 29.5 million people.¹ In both the global north and south, these social and creative industries are among the most rapidly developing sectors of the economy, generating income and impact, creating jobs and exports.

As they harness this social and creative energy, a growing number of cities are emerging as creatives forces, driving new enterprise, spurring innovation, attracting talent and investment, accelerating sustainable urban development and improving the quality of life for their residents.² These cities offer promise and hope today to help us rise to meet – and overcome – the challenges of tomorrow.

Peter Holbrook CBE, CEO of Social Enterprise UK and Paula Woodman, Head of Global Social Enterprise, Arts and Society, British Council

¹ <https://www.musicinafrica.net/magazine/creative-industries-fuel-global-economy-and-provide-295-million-jobs>

² <http://creativecities.eiu.com/>



A city vision

Entrepreneurs can be the life-blood of a city, creating new businesses, jobs, and opportunities. Social and creative entrepreneurs can add even greater value. Their motivation is not just about creating financial wealth, it's about creating beauty, social value, and environmental benefit. Their work builds not just a bigger city, but a better city.

Cities present the greatest concentration of social and environmental challenges on earth. They also contain the planet's greatest concentration of human energy, creativity and innovation. So how can cities harness this entrepreneurial potential, empowering citizens to work together to solve the challenges they face? This report offers some possible insights: ways in which cities can use their existing powers, assets and resources to do just that.

What does your city need?

The world's cities are diverse, but the challenges they face are remarkably similar:

- providing sufficient quality jobs
- enabling young people to be productive and engaged citizens
- ensuring the physical and mental health of their residents
- facilitating the transport of hundreds of thousands, and in some cases millions, of people
- managing the immigration of a multitude of people with diverse backgrounds and cultures
- creating opportunities for education, learning and development
- providing quality, affordable housing.

We need to do all this in a way that is sustainable by addressing, rather than causing, environmental problems.

The untapped potential of social and creative entrepreneurs

City authorities are not trying to tackle these challenges alone. Many of the citizens who live with these challenges day to day are also creating solutions.

Some cities are still waking up to the potential of these creative and social entrepreneurs, or just beginning to explore how to facilitate their work. Some cities already embrace their contribution and are creating an environment where their talents can thrive and help build cohesive, vibrant communities. (There are some inspiring examples later in this report). But in every city around the world, the entrepreneurial abilities of its citizens is an under-utilised resource.

What if?

Imagine if you could bring together a thousand of the most innovative, creative, entrepreneurial thinkers to work on the most pressing challenges facing your city. What solutions would they come up with?

How would they transform housing in the city, for example?

Well for starters they would not be looking at housing in isolation. They would be looking at housing in the context of employment, the environment, and social cohesion. The success of city planning departments would be measured by reductions in crime and improvements in residents' health. Municipal officers would be facilitated to work with



social enterprises to develop solutions beyond building new homes.

Already there are social enterprise models for affordable housing. There are social enterprises employing disadvantaged people to renovate empty homes. But for a truly ambitious city, this would be just a starting point.

In a truly ambitious city, every homeless person would be trained and employed to renovate derelict houses, giving them skills for work and affordable houses they have a real stake in. Young people not engaged in employment, education or training would be building modular, environmentally-friendly houses that could be constructed on small, unused plots of land in a couple of days, thereby investing their sweat equity to get a foothold on the housing ladder. And no one would be released from prison without a home to go to. Social enterprises running construction skills programmes in prisons would provide accommodation and employment to ex-offenders in a seamless service, reducing reoffending to unprecedented levels.

As we can see, in designing and scaling new approaches to the problem of affordable housing, our group of a thousand creative, social entrepreneurs have already started to tackle unemployment for some of the most marginalised groups. What if they turned their collective imagination to the challenge of creating quality jobs for everyone in the city?

What would employment look like in a city with this kind of ambition and innovation driving it forward?

A strong private sector can create employment for millions of people in a city but the private sector often fails to find employment for the most vulnerable in society, or in our poorest and most deprived neighbourhoods. When profit is the sole purpose of

a company, many of the jobs it creates are not good jobs; they can be low paid and insecure. The wealth such companies create often flows to remote shareholders rather than local communities.

Social enterprises, on the other hand, are particularly good at creating jobs in deprived areas, deliberately employing those marginalised and excluded from private-sector employment. Creative enterprises, too, thrive on the talents of those who perhaps don't always fit the mould of a conventional employee. Both create jobs with meaning and purpose beyond a paycheque.

So what if all job-creation in the city was built on this value system? What if all employees were paid a fair, living wage so there was no such thing as in-work poverty?

Different city authorities have different powers, from the soft powers of persuasion, publicity and convening to the hard powers of licensing, planning, procurement and taxation. All of these can be used to shape a city where the businesses that flourish are those that cherish their employees and their communities.

What international ethical businesses might be attracted if your city taxes and planning policies favoured those with a dividend cap or a relative earnings limit? How would existing business transform if the city authorities only procured from businesses offering training contracts to adults with learning disabilities?

The jobs created in such a city would be good jobs – jobs that pay a fair wage, jobs with meaning and purpose. And those who could not find a job to suit their talents or passions could be empowered to create their own through accelerator programmes and incubators, with universities and the city government sharing risks and rewards in return for vibrant co-working spaces and long-term, patient investment. These would give rise to a new generation of social and creative enterprises, turning job seekers into job creators, and at the same time create the seeds of a city-wide sovereign wealth fund.

Supporting the growth of the creative economy, which is driven by small businesses and individuals, would give rise to agile and innovative workers and employers³ whose employment would be future-proofed, with jobs in the creative economy less threatened by automation.⁴

This is not about finding new money. It's about using the money city authorities are already spending to achieve even more. It's about using the resources and infrastructure city authorities already have to even greater effect. And it's about using the powers that city authorities have to shape the kinds of businesses that flourish in that city.

Such solutions to unemployment would be one way to impact on the challenges faced by youth in cities. Yet if we task our group of a thousand creative thinkers and social entrepreneurs to look more broadly at the experience of young people, the solutions will go far beyond employment.

What do young people want from life in a city? What does the city want from them?

The answer, of course, is to ask them to bring together a thousand of our young people and add them to our thousand social and creative entrepreneurs. The invitation should not just go out to the brightest and the best, although we need to hear from them too. Let's also listen to the kids who are already getting into trouble with the police, the ones who have been taken into state care, or who dropped out of education early. Let's convene the young people who have the greatest first-hand experience of the city's problems. With the right support and encouragement, what solutions can they co-create?

³ <https://www.ey.com/Publication/vwLUAssets/ey-cultural-times-2015/per cent24FILE/ey-cultural-times-2015.pdf>

⁴ https://issuu.com/fredzimny/docs/creative_nation-2018

Young people have a passion to change the world and they're very quickly taught it's not their job. But what if we tell them it is? In Scotland, children as young as three and four are supported to start their own enterprises in schools – enterprises the children design to address a social or environmental problem they care about. What if every school in the city enabled its children to do this?

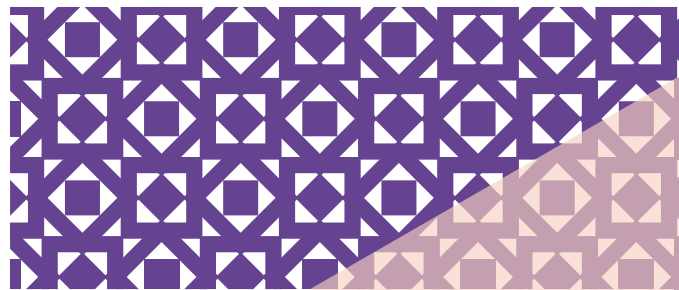
With no voice, and no outlet for their creativity, some young people resort to expression through graffiti. At its worst, this can become art at its most nihilistic. Destruction rather than creation. But what if those seeds of creativity could be nurtured and encouraged? French graffiti artist, JR, transformed a favela in Brazil into a giant work of art.⁵ What if a city had the ambition to become the world's biggest piece of art, or the world's most colourful city? What if artists were challenged to work with the community with the entire city as their canvas? Buildings could be transformed, not through a handful of competing tags, but from rooftop to pavement. Monuments illuminated by digital artworks, constantly changing as young artists upload their designs. People would travel from across the world to visit and live and work in that place.

What if the city's musicians were empowered to work with the city's youth to form new bands, create new live music venues in which to perform, and organise new music festivals to bring communities together. From Liverpool and Memphis to Havana and New Orleans, cities have developed global profiles on the back of vibrant music scenes. They have built reputations and economies on the back of their creative businesses.

The energy and character of a city is as important in attracting investment and skilled workers as it is attracting theatregoers and tourists.⁶ Buenos Aires has become a global benchmark for its creative industries strategy. Medellín in Colombia, once considered among the most dangerous cities in the world, has helped engineer economic revival by developing a thriving cultural economy. In Bogota, arts and culture have been central to post-conflict reconstruction, creating opportunities for training and participation, as well as strengthening cultural values.

What if it wasn't just the young people building this creative city?

While 'youth engagement' is a hot topic in cities, young people are not the only demographic who can feel disempowered and marginalised. Older people can become isolated and lonely. People from minority ethnic communities can often find themselves trapped in poorer neighbourhoods. Recent migrants to the city can find it hard to build the social networks that are vital for personal well-being and vital for the well-being of the city.



⁵ <https://www.theguardian.com/artanddesign/gallery/2015/oct/10/can-art-change-the-world-the-work-of-street-artist-jr-in-pictures>

⁶ http://www.worldcitiescultureforum.com/assets/others/WCCF_Report2015_FINAL.pdf



Social cohesion is not just important for individuals.

Sociologists have made a convincing case that strong social connections are also vital for economic success ⁷, and the single most important factor contributing to levels of health, violence and crime. Enabling people to meet and create together is important for health, wealth and happiness. And it's something social and creative enterprises excel at. Community cafes already bring together parents with young children and elderly residents. Neighbourhood play schemes temporarily close roads to traffic, allowing children a safe place to play, and neighbours a chance to meet and talk. Community markets provide spaces for entrepreneurs to build businesses and residents to build communities.

But how would our ambitious roomful of creative and social entrepreneurs build on these initiatives? How would they work with the city authorities to create a truly inclusive city?

Social care departments, which care for older residents, and education departments, which oversee schools, would be asked to work together with musicians to create intergenerational choirs and orchestras. Communities would be supported to start their own pop-up community spaces – e.g. beaches and ice rinks, climbing walls and open-air cinemas – and empowered to develop income streams to make them sustainable.

How could the skills and capacity of newly arrived migrants be welcomed and utilised by the city? Social enterprise cafes have already sprung up that are run and staffed by refugees who bring diverse culinary experiences to a new audience.⁸ But what if the city were to contract with such social enterprises to bring some of that diversity into catering for schools or hospitals? What if pop-up cafes could be facilitated in every neighbourhood, with the city authority running a bookings app to market the restaurants in return for a share of the takings?

⁷ <http://www.oecd.org/innovation/research/1824913.pdf>

⁸ Mazi Mas: <http://www.mazimas.co.uk/>

What if, when public spaces were being designed, they were created in partnership between planning departments, local artists, local entrepreneurs, and local residents? Fountains to run through, sculptures to skateboard and climb on, and spaces for business and performance. These would not be more expensive, but just facilitated by drawing on a wider pool of people, and by setting different criteria for success.

When people come together around a shared purpose, it builds a strong sense of community. It builds resilience and social capital. And those shared projects can create an impact beyond the lives of those involved.

Take community energy schemes, for example.

Cities produce around 80 per cent of the world's greenhouse gasses.⁹ Community energy schemes are one way in which cities can start to reduce their environmental footprint, and at the same time reduce fuel poverty and generate income for more community projects. And the 'community' bit is really important. Energy projects initiated and developed locally can deliver eight times the value to a local community than a project exclusively delivered by an external developer.¹⁰

So what else could be done to make the city greener?

Our team of creative, social and environmental entrepreneurs might look to such schemes as a starting point. They would seek to facilitate the initiation and development of community energy projects throughout the city. This could include covering roofs and buildings in solar panels and windmills and setting up a city-owned energy company, like Bristol Energy,¹¹ to buy the locally-generated electricity.

But such schemes could generate even greater impact if the installation was carried out by social enterprises employing marginalised groups, partnering with local colleges to train young people in green technologies, and creating a city of renewable experts.

With that level of specialist skills and expertise, could the city insist that all new buildings were, energy neutral, meeting the very highest environmental standards? Could that workforce retro-fit the latest technologies to all the city's housing stock to bring down energy use and fuel bills, with the costs met through a combination of credit-union finance and social impact bonds?

Can all these environmental improvements be designed to be beautiful? Could artists working with horticulturists enable communities to create vertical gardens, greening the cityscape? Could guerrilla gardeners be encouraged to transform even the tiniest disused space?¹²

Sometimes what is needed is not so much resources as leadership.

What if the city set a recycling target of 90 per cent? Recycling rates in the city could be transformed using social enterprise models like those in Chengdu, China, where residents stick personalised barcodes onto their recycling and receive rewards based on its value.¹³ Community groups could earn an income by working to increase the recycling of residents, receiving a share of savings to the public purse. Or businesses could be charged twenty times as much for landfill as sorted recycling.

⁹ <http://siteresources.worldbank.org/INTUWM/Resources/340232-1205330656272/4768406-1291309208465/PartIII.pdf>

¹⁰ <https://medium.com/thebeammagazine/has-germany-proven-that-auction-schemes-can-work-for-community-energy-b8d4cddef619>

¹¹ Bristol Energy: <https://www.bristol-energy.co.uk/about-us>

¹² <https://www.standard.co.uk/news/london/guerrilla-gardening-meet-the-man-who-plants-flowers-in-the-night-to-make-london-a-greener-city-a3236816.html>

¹³ <http://siteresources.worldbank.org/INTUWM/Resources/340232-1205330656272/4768406-1291309208465/PartIII.pdf>
Chengdu Green Earth Environmental Technology: <https://asia.nikkei.com/Business/Business-Trends/China-finds-silver-lining-with-business-of-combating-climate-change2>

How would our social and environmental entrepreneurs rise to the challenge of making the city carbon neutral?

Undoubtedly, they would build on some of the bike and car share schemes already operating in many cities. Perhaps they would partner with social enterprises who employ and train homeless people to refurbish bikes? They might also train those young people not already in education or employment to service community-owned electric vehicles.

They would look to transform commuting, not just by offering greener, socially conscious transport delivered by social enterprises, but also by using technology to create on-demand public transport for areas of the city that are not financially viable, and by gamifying commuting to encourage healthier, more environmentally friendly options.¹⁴

They would suggest that communities work with the city's planning authority to create a network of traffic-free cycle routes connecting all the city's schools; supporting social entrepreneurs to set up pedal-powered bike trains to take children to school – reducing obesity and pollution with one solution.

For health is inextricably linked to transport, as it is to almost all the other challenges we've considered.

There are other opportunities to improve the health of the city too.

Again, there are many examples of community-run creative initiatives that do just that. Creative enterprises in Chinese cities, for instance, run theatre groups, tai chi courses and dance classes.¹⁵ And there are doctors who prescribe membership of shared reading groups instead of anti-depressants.¹⁶

There are also social enterprises filling gaps in the healthcare infrastructure by, for instance, starting ambulance services, taking over the running of public healthcare, or replacing private-sector providers with a patient-centred approach.

With the backing of an ambitious city authority these would just be the tip of the iceberg. Health and social care budgets could be used to catalyse the development of more community-run preventative healthcare initiatives. Social and tech entrepreneurs could be brought together with healthcare professionals and patients to develop apps that alert residents when a neighbour needs help. Nursing social enterprises can facilitate that neighbourly support, creating community resilience while reducing the cost of healthcare.¹⁷

A city that could fully harness the creativity and entrepreneurialism of its citizens in solving its problems would be healthier, wealthier and happier.

A complex web of problems needs a complex network of problem solvers.

The challenges facing cities are inseparable. And this is where social and creative entrepreneurs can be such a powerful force in creating solutions.

The diversity of experience they bring and their willingness to collaborate across sectors

¹⁴ Yomp: <https://techcrunch.com/2016/03/08/employee-health-startup-yomp-is-acquired-by-reward-gateway/?guccounter=1>

¹⁵ I You She (Ai You Xi) <http://www.chinadevelopmentbrief.cn/articles/chengdus-aiyouxi-building-a-harmonious-community/>

¹⁶ The Reader: <http://www.thereader.org.uk/about/>

¹⁷ Buurtzorg: <https://www.theguardian.com/social-care-network/2017/may/09/buurtzorg-dutch-model-neighbourhood-care>



and with other social entrepreneurs working in seemingly un-related areas can create solutions that address multiple challenges, or that tackle the root-causes of intertwined problems.

This group of one thousand innovative, creative entrepreneurs we've imagined bringing together for this piece? They're not imaginary. They exist in every city around the world. Many are already working to transform their city for the better by setting up and running cultural, social and environmental enterprises. You will know some of them: they're well networked and already seeking to work with public authorities and private business. But most of you won't. They operate beneath the radar, carving out innovative solutions to urban problems in hard-to-reach places. Others are still waiting to be invited.

Plug into their networks if they already exist. And where they don't, create them. They are the research and development department of your city, generating and testing the ideas that can be rolled out across your city.

So what would your city look like if you were ten times braver? Ten times more ambitious?

Because this is fundamentally about leadership. It's about city mayors setting out a vision of what their city will look like, and then empowering its citizens to make it a reality. It's not about finding new funding for new initiatives. It's about taking a social enterprise approach.

If your city were a social enterprise, combining financial profit with positive social and environmental impact, how would it run differently? What would you do with the assets and resources you have available? How would you generate more resources and greater social impact?

Creative and social entrepreneurs are a resource craving to support the development and delivery of your city vision. If you can harness their creativity, innovation and ambition, you have the opportunity not just to make things better at the margins but to enable an astonishing transformation.

The following sections of this report give some inspiring examples of where cities have worked with social and creative enterprises to deliver transformational change, and some practical suggestions of ways in which city authorities can start to unlock the potential of its social and creative entrepreneurs.

Creative and social solutions to global city challenges

Cities around the world are on the frontline of the battle to create a fairer, more prosperous and more sustainable world. As Benjamin Barber argues, ‘Global warming manifests itself most in cities. Refugees – they don’t migrate to the farms, they go to cities. Terrorism – nobody attacks a cowshed, they attack cities!’

Across the planet, cities are identifying remarkable responses to the challenges they face, harnessing the power and potential of the creative and social economies.

The following sections outline and analyse examples from across the globe of cities using the creative and social economies to address the key challenges they face. In many cases we have found mayors or city governments driving forward change. In others we have showcased examples of grassroots activism that inspiringly illustrate what is possible if cities work with local social and creative entrepreneurs. Some of these entrepreneurs are ‘opportunity entrepreneurs’ identifying a gap in the market place and leveraging their networks and capital to pursue a socially and financially-viable solution; others are ‘necessity’ entrepreneurs, developing a small enterprise because the issue is so pressing and the need so grave, there is no other choice.

In every city there is an ecosystem in which change is both driven from the top down, by municipal authorities, and from the bottom up, by local citizens wanting to make a difference. There is no single correct approach, and each city will have to find a way forward that suits its local needs and creates an enabling environment. It is critical that all stakeholders work together and embrace creativity, innovation and inclusivity. Collaboration is key to negotiating and successfully addressing problems in complex modern systems. Some projects will be led by the mayor and city government and others by entrepreneurs and/or citizens, but to be most effective these protagonists must cast aside siloed working and embrace collaboration across borders, businesses, sectors, departments, and generations.

The following examples represent both the social and creative economies of cities. Some examples fall more clearly under a ‘social’ or a ‘creative’ heading, while others include elements of both. Additionally, it is worth noting that often the line between social and creative economies is blurred. In some countries the social economy is considered to be the creative economy and vice versa. Wherever these examples fall, we hope that they can be used to draw inspiration for what is possible within cities and how social and creative economies can proactively and strategically address some of the challenges cities face.



A. Employment

Growing cities have a rising population of working age people and so face the challenge of creating and sustaining hundreds of millions of decent jobs. However, since the start of the global crisis in 2008, over 61 million jobs have been lost globally, with unemployment rates projected to increase until the end of the decade.¹⁸ By 2019, the ILO (International Labour Organisation) anticipate that more than 212 million people will be out of work.¹⁹

Jobs may be generated by big business and government agencies but also by start-ups in the social and creative sectors and by social entrepreneurs.

The social economy has had job creation at its heart for decades, from workers' cooperatives and social firms to sheltered workshops and training and enterprise development. The social economy is a very significant source of job creation around the world: in the UK alone, 100,000 social enterprises contribute £60bn to the UK economy and sustain over two million jobs (5% of the UK workforce).²⁰

In the UK, the creative economy is vital, growing twice as fast as other sectors, contributing £91.6bn to the economy, and employing over two million people (i.e. one in 11 jobs). The sector has the potential to grow employment and entrepreneurialism across the UK.²¹ The UK is but one success story; globally the creative industries contribute \$2.25bn to the economy, 3% of global GDP, and employ 1% of the world's active population.²²

We can find inspiring examples in every corner of the globe, from the multi-million-pound Mondragon and the might of Kenyan farming cooperatives to start-up social enterprises in Montreal to Mumbai. Meanwhile, creative jobs are springing up across the world, driving development from Singapore to Seattle, Cape Town to Chiang Mai and Medellin to Mexico City.



¹⁸ http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_336884/lang--en/index.htm

¹⁹ <http://www.ilo.org/global/research/global-reports/weso/2015/lang--en/index.htm>

²⁰ The Hidden Revolution, www.socialenterprise.org.uk

²¹ NESTA - Creative Nation: How the creative industries are powering the UK's nations and regions 2018

²² www.worldcreative.org

Porto Digital, Recife

Porto Digital is an award-winning technology park in Recife, Brazil that was established in 2000 to foster innovation and investment in the country's poorer northern region. It was the result of a coordinated effort between the private sector, Pernambuco state government and the Inter-American Development Bank.

Porto Digital has been used by the city council to engage local talent, particularly young people and women from more disadvantaged communities. The tech-cluster has transformed the city's economy through a grassroots model that creates new jobs and training facilities in the information and software technologies sector, as well as the wider creative industries, with a focus on animation, gaming, music, design and photography.²³

With a population of 3.7m, Recife is relatively small compared to Rio and Sao Paulo, but has a higher proportion of citizens living in Favelas than either of these cities.²⁴ As such, the authorities face significant challenges in providing affordable housing and public services. To ensure meaningful engagement with the wider community, the park established an NGO called Porto Digital Management Unit (NGPD). Overseen by an administrative council, the organisation's current focus is the regeneration of Recife Island's public realm. Porto Digital has already restored more than 40,000 square metres of historical sites and it aims to leverage private support for investment in transport infrastructure, community spaces and leisure facilities.

On 9 July 2018, the park launched its new gender equity programme, Women in Innovation, Business and Arts (MINAs).²⁵ This seeks to strengthen the presence of women in the IT and creative sectors by tackling the stereotype that technology is not a 'woman's place'. To address such prevailing attitudes in the educational and professional technology environments, the initiative targets the critical moments of a woman's career, from raising the standard of technology education for female students, to assisting the development of women-led innovative businesses and supporting the market reintegration of mothers. Over the last 18 years, the park has grown from three companies to 230, employing around 7,100 people and generating a collective yearly revenue of over R\$1bn (US\$429m). By 2020, it is anticipated that 20,000 people will be working in Porto Digital.²⁶

The majority of the companies based in the park are small and medium enterprises (SMEs). To successfully stimulate new business development and interdisciplinary collaboration, Porto Digital houses three business incubators, two research institutes and two higher education establishments. To encourage companies to locate to the park, a 60 per cent discount is offered on the ISS, a type of municipal services tax.

The local government has created public employment agencies, thereby considerably reducing the costs and bureaucracy of hiring highly-skilled staff.²⁷ Such workers are readily supplied by the Federal University of Pernambuco (UFPE), ensuring that many students stay in Recife after they graduate. This prevents the 'brain drain' that was seen in the 1990s when Brazil's economic crisis pushed the city's IT sector close to collapse.

²³ <https://creativeconomy.britishcouncil.org/blog/13/07/01/porto-digital/>

²⁴ <https://creativeconomy.britishcouncil.org/blog/13/07/01/porto-digital/>

²⁵ <http://www.portodigital.org/119/37847-porto-digital-lanca-as-minas-programa-de-equidade-de-genero>

²⁶ <https://www.ft.com/content/ddf06324-af47-11e3-9cd1-00144feab7de>

²⁷ <https://www.ft.com/content/8733f5e4-25ec-11e3-8ef6-00144feab7de>

B. Education

‘Education is a fundamental right and the basis for progress in every country. Parents need information about health and nutrition if they are to give their children the start in life they deserve. Prosperous countries depend on skilled and educated workers. The challenges of conquering poverty, combatting climate change and achieving truly sustainable development in the coming decades compel us to work together. With partnership, leadership and wise investments in education, we can transform individual lives, national economies and our world.’ – United Nations Secretary-General Ban Ki-moon ²⁸

Providing citizens with a quality education is the foundation to addressing many of the challenges facing our global cities. In addition to improving quality of life, access to inclusive education can help equip people with the tools required to develop innovative solutions to the world’s greatest problems.²⁹

According to the UN ‘over 265 million children are currently out of school and 22 per cent of them are of primary school age. Additionally, even the children who are attending schools lack basic skills in reading and maths.’ ³⁰

Increasingly, the rapidly growing social enterprise sector is offering innovative business solutions to issues affecting our communities.³¹ For instance, one of the world’s largest microfinance companies, Opportunity International, provides loans to education entrepreneurs to help set up new private schools serving low-income communities. They also provide business and support to ensure the new schools become sustainable. This approach is already having a radical impact on education in some of the poorest parts of the world, driving up quality and providing education tailored to the requirements of parents, the customers. Similarly, Social Enterprise Academy deliver a social enterprise schools programme both in Scotland and internationally, training teachers and supporting children to set up and run social enterprises to tackle the social and environmental problems they care about.³²

Creativity and the creative economy will also be important in education as the world changes and we need to educate young people for jobs that haven’t yet been invented. A creative education that gives children the ability to express themselves and appreciate the creativity of others is not only a good preparation for work, it also helps children acquire confidence and tolerance and better appreciate the world and their own and other people’s heritage. Most importantly, it can encourage them to be more aware of and to express their own creativity and develop whatever talent they have, for their own enjoyment and, potentially, for the benefit of the economy and society at large.³³

Research also demonstrates that those jobs in the creative economy are more future-proof and less likely to be automated than jobs in any other industry. Nesta’s 2015 and follow-up research in 2018 indicate that creative skills and creative digital skills, deploying non-routine tasks and problem solving, are within this subset. Ensuring our children have the time, space and resource to develop a creative skillset is a vital component of primary and secondary education, no matter where in the world it takes place.

²⁸ https://en.unesco.org/gem-report/sites/gem-report/files/UNGA_PR_en.pdf

²⁹ <https://www.un.org/sustainabledevelopment/education/>

³⁰ <https://www.un.org/sustainabledevelopment/education/>

³¹ <https://www.socialenterprise.academy/scot/social-enterprise-in-education>

³² <https://www.socialenterprise.academy/scot/social-enterprise-in-education>

³³ <https://creativeconomy.britishcouncil.org/guide/new-skills-new-economy/>



The Rah-e-Roshd cooperative, Tehran

Rah-e-Roshd is the first and largest educational cooperative in Tehran, Iran. Over the last three decades, it has educated over 2,400 students across its six schools.³⁴

As an educational complex, Rah-e-Roshd provides free schooling for children aged 3-18, with an average class size of 25.³⁵ The cooperative values of self-help, democracy, equality, equity and solidarity have shaped the behaviour and mindsets of the students who regularly participate in collective activities and 'receive their education through cooperative pedagogy'.³⁶ Seeking to 'develop citizens of the world,' Rah-e-Roshd provides a rigorous curriculum, teaching traditional academic subjects alongside economics, computing, environmental studies, foreign languages and life skills.³⁷

Women's empowerment is also a core aim of the cooperative, with four of the schools solely focussed on providing education to girls.³⁸ Likewise, women make up over 80 per cent of the cooperative's members and around 70 per cent of its employees, providing an influence and decision-making capability largely unattainable in other sectors due to strict patriarchal customs.³⁹ As one of the most prominent women-led cooperatives in Iran, Rah-e-Roshd has increasingly sought to promote gender equality and women's economic integration through diverse social projects run in partnership with other women's cooperatives.

Due to these successes, Rah-e-Roshd has been selected as the best cooperative in Iran for the last four years.⁴⁰ This recognition has enabled the cooperative to be instrumental in encouraging the Ministry of Education to promote cooperative schools as a means of supporting the public education system and tackling the inequality caused by privatisation. In 2016, a campaign to promote the cooperative school model was officially launched following a memorandum of understanding signed between the Ministry of Education and Ministry of Cooperatives, Labour and Social Welfare. A paragraph in this MoU prioritizes co-operativisation over the privatisation of schools.⁴¹

Rah-e-Roshd began in 1985, during the Iraq-Iran war, when seven mothers who were passionate about securing quality education for their children pooled their savings to set up a kindergarten.⁴² Whilst this quickly took off, and enrolled over 100 children, the high cost of renting the facility proved a financial burden. To secure a sustainable future for the school, the teachers decided to adopt a cooperative legal form and used part of their salaries to provide the start-up capital. In 1996, Rah-e-Roshd was officially registered as a cooperative with 1,400 shares.

Today, the cooperative has 163 shareholders, over 70 per cent of whom are teachers employed at one of the co-op's schools.⁴³ The remainder are retired personnel and other people involved in the education sector, as well as parents of some of the students. When the operations budget generates a surplus, this is reinvested in the schools to improve the quality and range of educational activities.

³⁴ http://www.ilo.org/global/topics/cooperatives/news/WCMS_577533/lang-en/index.htm

³⁵ <https://www.thenews.coop/99275/sector/community/blog-cooperative-education-heart-tehran/>

³⁶ http://www.ilo.org/global/topics/cooperatives/news/WCMS_577533/lang-en/index.htm

³⁷ <https://www.thenews.coop/99275/sector/community/blog-cooperative-education-heart-tehran/>

³⁸ <http://raheroshd.org/rr/index.php/en/>

³⁹ http://www.ilo.org/global/topics/cooperatives/news/WCMS_577533/lang-en/index.htm

⁴⁰ Ibid

⁴¹ Ibid

⁴² Ibid

⁴³ http://www.ilo.org/global/topics/cooperatives/news/WCMS_577533/lang-en/index.htm



C. Youth livelihoods

One of city leaders' primary concerns, especially in countries with a younger demographic, is how jobs will be created for the new generation entering the workforce. the global population is young, with 42 per cent under the age of 25. By 2015, the number of people aged 12-24 in South Asia and Sub-Saharan Africa had reached 524 million, comprising nearly half the global youth population.⁴⁴

A significant number of these young people live in cities and towns and face challenges that need addressing urgently. For example, the global youth unemployment rate, which stood at 12.6 per cent in 2013, is creating an environment in which young people are unable to meet their basic needs. As shown by the mass protests taking place in cities around the world, young people feel that their voices are being neglected and their needs insufficiently addressed.⁴⁵

Social enterprise is already making a real difference in addressing youth disengagement and unemployment around the world. As the British Council⁴⁶ reports, this movement is largely being led by young people themselves, something that, in part, can be attributed to 'the tendency for millennials to look for a job with meaning and interest...they want to feel they contribute something to the world.'⁴⁷

At the same time, as with the social economy, employment in the creative sector is relatively open to people of all ages and backgrounds. Youth employment is particularly substantial, with the creative industries in Europe employing more 15-29-year olds than any other sector.⁴⁸

Social enterprise is a young movement in many ways, often driven by young entrepreneurs hungry for change. We have seen an explosion of social economy start-ups in recent years from Pakistan to the Philippines and from Ethiopia to India. In London, art-based activities are being used to support and rehabilitate young people at risk of gang violence and knife crime, while in Freetown, Sierra Leone, a nutrition bar produced by a cooperative is being used to fund schooling for children who would otherwise be unable to obtain an education.

⁴⁴ <https://blogs.worldbank.org/opendata/chart-how-worlds-youth-population-changing>

⁴⁵ KARKARA, R., & CALA, F. (2013). Advancing youth civic engagement and human rights with young women and young men.

⁴⁶ <https://www.britishcouncil.org/society/social-enterprise/reports>

⁴⁷ <https://www.pwc.com/gx/en/financial-services/publications/assets/pwc-millennials-at-work.pdf>

⁴⁸ <https://www.musicinafrica.net/magazine/creative-industries-fuel-global-economy-and-provide-295-million-jobs>

Artists for Humanity, Boston, Massachusetts

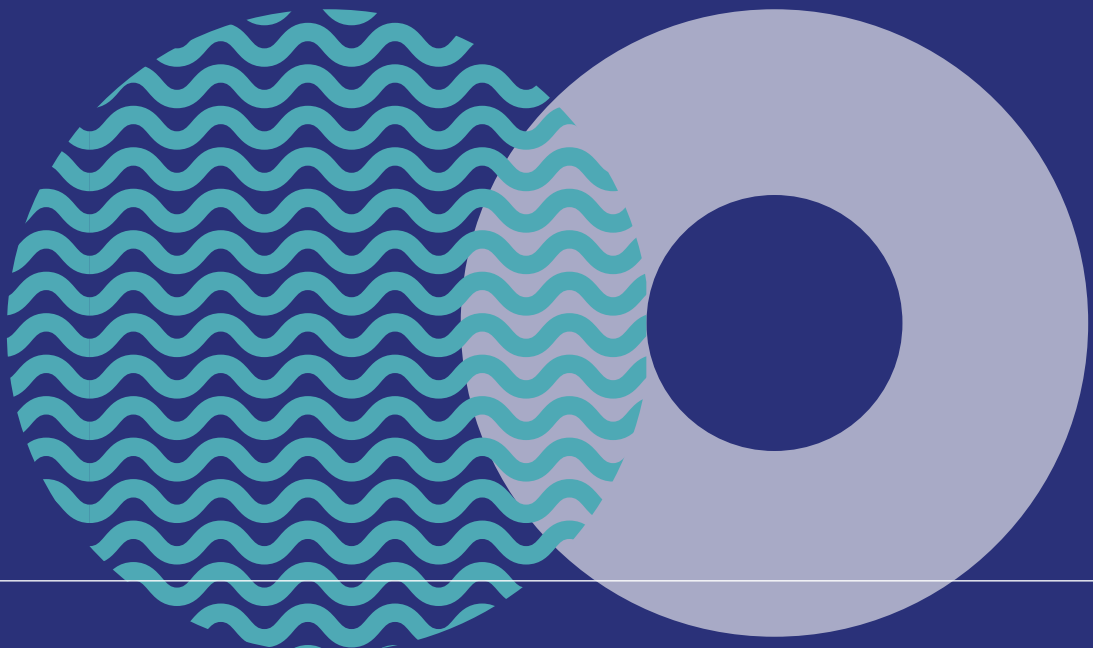
The Artists for Humanity programme in Boston provides avenues for young people to become socially conscious and engaged entrepreneurs who bridge economic and cultural differences. Young people build confidence and gain business experience while working with professional artists as mentors and instructors.

Artists for Humanity (AFH) began in 1990, when Susan Rodgerson, an independent artist, worked with students at Boston's Martin Luther King Middle School to paint a mural. After it was complete, six students asked her if they could paint something else. That summer they showed up at her studio every day as she found things for them to paint, eventually turning their attention to designing and producing T-shirts to earn money. In 1992, Rodgerson and the six students incorporated as a nonprofit. While they secured more commissions and product sales, the group developed studio production activities in graphic design, commercial photography, silk-screen printing, sculpture, theatrical set design, ceramics, and painting. The organization later added warehouse space for offices and a gallery.

In 2004, AFH opened a state-of-the-art, environmentally friendly 'green' facility with 23,500 square feet of studio, gallery, performance, and office space in Boston's Fort Point Channel Arts District.

The organization works with youth primarily between the ages of 14 and 18 from all parts of the city. Fundamentally, it is based upon a small business model, concentrating on what young artists can creatively produce, rather than following a social service model that attempts to address their shortcomings. Young artists are paid and participate in client meetings and contract negotiations. AFH is careful not to draw boundaries between commercial arts and fine arts – i.e. art as personal expression and art as a product for sale. By embracing both, the organization encourages young people to tap their intrinsic creativity.

Artists for Humanity operates as a structured, paid apprentice programme to pair teens with experienced artists in a broad range of fine and commercial arts for product development and services to the business community. Participating youth represent the entire city and come primarily from low-income neighbourhoods. AFH employs roughly 80 young artists in its microenterprise programmes each year and serves over 300 through drop-in programmes. The young artists receive an hourly wage and have the opportunity to earn a 50 per cent commission on each individual work they sell through the gallery, shows, or negotiated contracts. T-shirts, murals, graphic design, and fine art works are the primary earned-revenue sources. While AFH has earned over US\$1.7 million since 1996, foundation grants and corporate sponsorships still account for the largest share of the organization's budget.⁴⁹



⁴⁹ <http://afhboston.org/>
<https://www.pps.org/article/artsprojects>

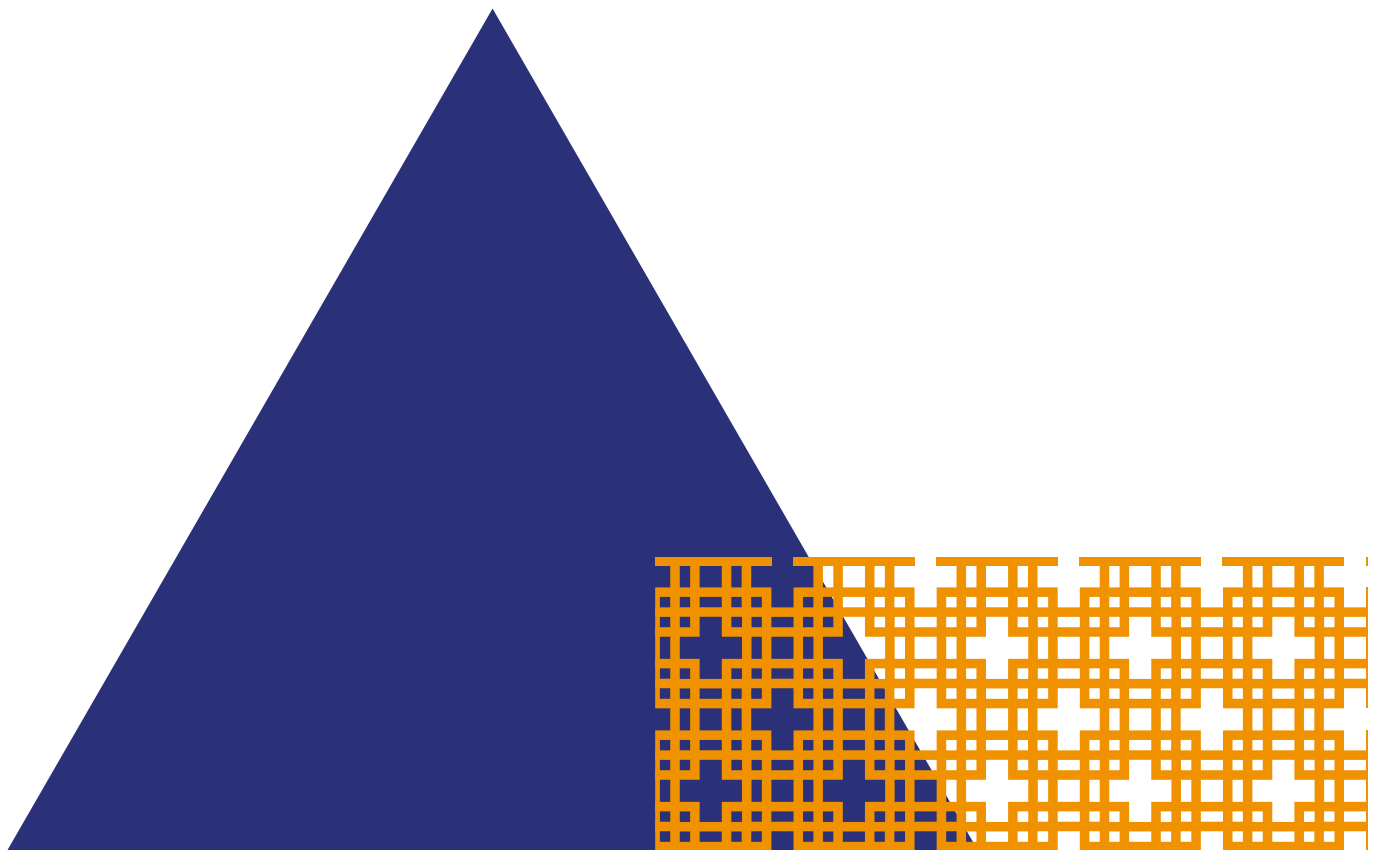
D. Healthy citizens

Improving health continues to be a global priority. Healthy populations are crucial to maximising human potential and fostering economically vibrant, inclusive and equitable cities. The sheer scale and density of urban populations, the complexity of risk factors determining health, and the impact of inequalities on health and socio-economic outcomes make the case for urgent action to improve global wellbeing and attain universal health coverage.⁵⁰

The UN taskforce on the Social and Solidarity Economy (SSE) reports that ‘the difficulties in realizing international goals related to universal health coverage [...] has opened the space for SSE organizations to emerge as important partners in both health service delivery and health insurance. Various types of SSE organizations are playing a significant role in developing and providing locally accessible and affordable routes to improved healthcare in areas such as ageing, disability, HIV/AIDS, reproductive rights, mental health, post-trauma care, rehabilitation and prevention.’⁵¹

Similarly, participation in creative and cultural activities can strengthen health and social wellbeing. For example, the use of art has been shown to have positive effects in preventing exclusion, in treating mental health problems, in traditional healthcare settings, and in various recovery processes.⁵²

Across the world, social enterprises are leading the way in healthcare innovation. Social enterprise ‘spin-outs’ from state sector provision in the UK and Buurtzorg in the Netherlands offer inspiration through new models. In Malang, Indonesia, Garbage Clinical Insurance provides low-income communities with access to healthcare and clears waste from the streets by deploying rubbish as payment for a medical insurance scheme.⁵³



⁵⁰ http://www.who.int/kobe_centre/measuring/urban-global-report/en/

⁵¹ http://unsse.org/wp-content/uploads/2014/08/Position-Paper_TFSSE_Eng1.pdf

⁵² http://www.eurohealthnet-magazine.eu/ehn-magazine-11/the-role-of-art-and-culture-in-health-care-and-health-promotion/#_ftn1

⁵³ <https://www.empowering-people-network.siemens-stiftung.org/en/solutions/projects/garbage-clinical-insurance/>



Courtesy of Tebita Ambulance Service

Tebita Ambulance Service, Addis Ababa

Tebita Ambulance Pre-Hospital Emergency Medical Service is an award-winning social enterprise that developed the first private ambulance service in Ethiopia. Currently operating 11 ambulances and one dispatch centre in the greater Addis Ababa area, they have transported more than 40,000 patients, trained 25,000 in emergency first aid and facilitated over 500 international evacuations.⁵⁴

Ethiopia has some of the highest rates of motor vehicle deaths and maternal mortality, with one in 27 women dying in pregnancy.⁵⁵ Despite this, the country's emergency medical transport services remain small and fragmented, meaning a complicated pregnancy can quickly become life-threatening for a woman trying to reach hospital.

Whilst the Addis Ababa Red Cross has 10 ambulances, budget limitations mean they can only run four per day, staffed by minimally-trained volunteers.⁵⁶ The Ministry of Health is working to increase the national ambulance fleet but there are few trained emergency medical staff. As a result, Ethiopia's pregnant women are frequently forced to use bicycles, taxis or motorbikes to reach a hospital in an emergency.

In response to this crisis, Tebita offers an ambulance service that keeps patients stable while transporting them to one of four hospitals in Addis Ababa. Tebita has also opened Ethiopia's first emergency and paramedical training centre which provides accredited first aid training to both medical and non-health professionals.⁵⁷

To subsidise services for low-income groups, Tebita pursues contracts with multinational corporations, international NGOs, diplomatic missions and expatriates.⁵⁸ For example, mining companies contract Tebita to provide emergency transport for employees in remote settings. The organisation also partners with International SOS, Africa Assist and AMREF's Flying Doctors in Nairobi to facilitate international evacuations. The surplus income from these premium services allow Tebita to offer the public a 24/7 ambulance service for an average of USD\$15-20, instead of the actual operating cost of USD\$51.⁵⁹

⁵⁴ <http://www.whysgbs.org/tebita-ambulance/>

⁵⁵ <http://www.hanshep.org/member-area/programmes/hanshep-health-enterprise-fund/tebita-ambulance-and-pre-hospital-emergency-medical-services-grantee-profile.pdf>

⁵⁶ <http://www.hanshep.org/member-area/programmes/hanshep-health-enterprise-fund/tebita-ambulance-and-pre-hospital-emergency-medical-services-grantee-profile.pdf>

⁵⁷ <http://www.whysgbs.org/tebita-ambulance/>

⁵⁸ <http://www.hanshep.org/member-area/programmes/hanshep-health-enterprise-fund/tebita-ambulance-and-pre-hospital-emergency-medical-services-grantee-profile.pdf>

⁵⁹ <http://www.whysgbs.org/tebita-ambulance/>

E. Transport

Ninety-five per cent of the world's transportation energy is derived from petroleum-based fuels like gasoline and diesel.⁶⁰ As a result, transport is responsible for 14 per cent of global greenhouse emissions, with the resulting air pollution linked to numerous negative health effects including an increased risk of death from cardiac and respiratory conditions. It is estimated that traffic accidents, which currently claim an annual 1.2 million lives globally, will be the fifth leading cause of death by 2030.⁶¹ In India's major cities, such as Mumbai, Kolkata and Chennai, road accidents are already responsible for an estimated 550 deaths each day.

When it comes to economic and civic infrastructure, the social economy plays a crucial but somewhat understated role around the world. Significant pieces of infrastructure are owned and managed for the common good and there are examples of SSE organisations providing critical utilities and transport services across the world. Most often, however, policymakers and city leaders tend to think in terms of public or private ownership of utilities and infrastructure and awareness of social economy models is low in many countries.

Every day, billions of people rely on their local transport infrastructure. But too often, our transport systems are caught between an unhealthy dynamic which pits public goods against private profits. This is where the social economy can offer a more constructive model, with a commitment to communities that leverages entrepreneurial zeal but reinvests profits for public benefit.

For instance, communities have come together to take over local rail services in Scotland; Saskatchewan in Canada has a rail cooperative and there is a non-profit model in Israel running light rail and bus services.



⁶⁰ <https://www.epa.gov/ghgemissions/global-greenhouse-gas-emissions-data>

⁶¹ <https://www.strategyand.pwc.com/media/file/Building-sustainable-inclusive-transportation-systems.pdf>



Bristol Community Transport, Bristol

Bristol Community Transport (BCT) is Bristol's largest community transport operator and part of the world-leading transport social enterprise, HCT Group.

In 2017, almost 60,000 passenger trips were provided under BCT's Group Transport scheme, which enables community groups, schools, sports clubs and charities to hire low-cost, wheelchair accessible minibuses.⁶² Smaller adapted vehicles are available as part of the self-drive car club to ensure that people with disabilities and their families can get out and about. BCT also provides a range of community bus services, connecting elderly and disabled people with essential local facilities, such as shops, post offices and healthcare centres.⁶³

These routes are highly flexible, collecting service users from their homes and varying drop-off points to ensure that individual needs are met. As part of this service, BCT runs affordable day trips to events and attractions in and around the city, tackling loneliness and social isolation. Moreover, as of March last year, the operator is responsible for the citywide Dial-a-Ride initiative which allows those who cannot access conventional public transport to book a door-to-door service to any city location.

As well as community transport, BCT has spent the last 14 years working with Layhill Prison to provide work experience placements for offenders nearing the end of their sentences.⁶⁴ The aim is to reduce re-offending by providing these individuals with the skills and experience needed to re-enter the labour market. Each year, BCT provides 20 placements of between six and 12 months, with offenders helping to clean and prepare vehicles for use by community groups. Over the last three years, two ex-offenders have been given full-time employment at the Bristol depot as a direct result of the programme.

The community transport services are funded by four regular public bus routes which the City Council contracts BCT to provide.

In 2019, BCT's commercial income will increase when the company begins operating the new m1 Metrobus service using a fleet of 21 biogas buses powered by food waste.⁶⁵ As well as adding a new environmental dimension to their social business, this is the UK's first major investment in biogas buses, putting Bristol at the forefront of low emission bus operations powered by renewable energy sources.

⁶² [http://bristolcommunitytransport.org.uk/the_hct_group/bristol_community_transport/bristol_community_transport_news/631/Bristol per cent20Community per cent20Transport per cent20unveiled per cent20as per cent20Metrobus per cent20m1 per cent20operator](http://bristolcommunitytransport.org.uk/the_hct_group/bristol_community_transport/bristol_community_transport_news/631/Bristol_per_cent20Community_per_cent20Transport_per_cent20unveiled_per_cent20as_per_cent20Metrobus_per_cent20m1_per_cent20operator)

⁶³ http://hctgroup.org/bristol_community_transport/about_bct

⁶⁴ <http://hctgroup.org/uploaded/hct-group-impact-report-2016.pdf>

⁶⁵ [http://bristolcommunitytransport.org.uk/the_hct_group/bristol_community_transport/bristol_community_transport_news/631/Bristol per cent20Community per cent20Transport per cent20unveiled per cent20as per cent20Metrobus per cent20m1 per cent20operator](http://bristolcommunitytransport.org.uk/the_hct_group/bristol_community_transport/bristol_community_transport_news/631/Bristol_per_cent20Community_per_cent20Transport_per_cent20unveiled_per_cent20as_per_cent20Metrobus_per_cent20m1_per_cent20operator)

F. Inclusive communities

Leaders across the political spectrum are concerned about tackling inequality and increasing social cohesion. Gender equality and migration, in particular, present challenges for global cities. Women in cities often suffer disproportionately, not only because they are on average poorer than men (three-fifths of the world's one billion poorest people are women and girls⁶⁶), but often also because they experience greater difficulty in accessing resources and services tailored to their needs and decision-making opportunities.⁶⁷ There are 244 million international migrants and 763 million internal migrants worldwide.⁶⁸ Migrants tend to be particularly concentrated in global cities. For instance, of the 6.8 million foreign-born people living in Canada, 46 per cent reside in Toronto and over 50 per cent of the population of Dubai and Brussels are foreign-born.⁶⁹

The creative industries can also be an exemplar of inclusion. In South Africa, for example, 60% of the workforce in the creative industries is under 34, 61% of creative organisations employ 1 – 5 people, and 77% are black owned, which is a higher proportion than in mainstream enterprises and in line with South Africa's employment policy of BEE (Black Economic Empowerment). This also serves as an indicator of race representation equity in business.

Social enterprises are 'particularly important for poor women facing labour market discrimination and work-family conflict.'⁶⁹ Women's organisations are increasingly using social enterprise as a model to develop skills, provide employment, facilitate the economic empowerment of women, and deliver affordable products and services.⁷¹ Additionally, many social enterprises have women's empowerment as one of their objectives. For example, 33 per cent of social enterprises in India list empowering women among their objectives. In turn, social enterprises in Pakistan hire on average nearly four times as many women as mainstream SMEs. 42% of all workers employed are women and 49% of part-time workers are women; Pakistan government's objective under its Vision 2025 for 'entrepreneurship led growth.'⁷²

The social economy also offers models for responding to crises of migration and helping cities respond to significant changes in their populations which may threaten stability and social cohesion. SSE organisations facilitate the settlement and integration process for immigrants by providing them with employment or training and helping them with practical settlement support.⁷³

Creative processes and methodologies, in some instances developed within creative enterprises – such as design-led thinking, are being deployed to explore and resolve entrenched civic challenges. Laboratorio para la Ciudad (Lab for the City), established as an experimental and creative lab in Mexico City in 2013, notably crowd-sourced bus routes through gaming and laid the groundwork for the city's new constitution.

The creative economy also plays an important role in promoting intercultural dialogue for more inclusive and resilient cities. Music, drama, photography and other art forms provide immigrants and refugees with a safe space to explore and express their identities, as well as challenge discrimination and social exclusion.⁷⁴ Whilst resolving conflict requires political agreement, art can rebuild tolerance and trust.

The British Council have commissioned a number of mapping studies from Ghana to Sri Lanka and Morocco to Kyrgyzstan which reveal how social enterprises offer a more inclusive model of doing business, harnessing the energy and creativity of young people, women, disabled people and other marginalised groups in ways which conventional businesses do not.

⁶⁶ UNDP (2006) Taking Gender Equality Seriously

⁶⁷ <http://www.un.org/womenwatch/feature/urban/#3>

⁶⁸ <https://www.weforum.org/reports/migration-and-its-impact-on-cities>

⁶⁹ http://www3.weforum.org/docs/WEF_Migration_Report_Embargov.pdf

⁷⁰ http://unsse.org/wp-content/uploads/2014/08/Position-Paper_TFSSE_Eng1.pdf

⁷¹ <https://www.britishcouncil.org/society/social-enterprise/activist-entrepreneur-role-social-enterprise-supporting-women's-empowerment>

⁷² The State of Social Enterprise in Ghana, India, Bangladesh and Pakistan, Chapter 5, page 17. Available at: https://www.britishcouncil.org/sites/default/files/bc-report-ch5-pakistan-digital_0.pdf

⁷³ <https://www.eesc.europa.eu/en/agenda/our-events/events/how-do-social-economy-enterprises-contribute-integration-migrants>

⁷⁴ <https://migration.unu.edu/publications/reports/the-role-of-culture-and-the-arts-in-the-integration-of-refugees-and-migrants.html>



Magdas Hotel, Vienna

In Vienna, the Magdas Hotel is on a mission to prove that refugees and asylum seekers can be integrated into society. Two-thirds of the hotel's 30 staff are asylum seekers fleeing repression or war from countries such as Iraq, Iran, Syria, Somalia and Guinea-Bissau. Through the assistance of volunteers and hospitality professionals, the social enterprise seeks to equip its employees with the confidence and experience, as well as the language, IT and intercultural skills, needed to successfully live and work in Austria.

Mazi Mas restaurant, London

Mazi Mas, a London-based restaurant, has the same objective. Staffed entirely by refugee and migrant women, Mazi Mas combines training with paid work to tackle prejudice and help these women find a place in mainstream society. With many having spent their whole lives as housewives, migrant women often find themselves continuously rejected by prospective employers for having no apparent skills. The restaurant provides a creative outlet, giving them a chance to earn a living by sharing their culinary heritage.

Shelanu, Birmingham

Shelanu is a developing craft social enterprise composed of migrant and refugee women, who meet weekly in Birmingham to design and make jewellery to sell. Shelanu was initiated in 2010 by Craftspace,⁷⁵ a leading craft development organisation. The idea of enabling migrant and refugee women to move from being beneficiaries of arts activities to producers in their own right grew from years of collaborative projects with the Community Integration Partnership (CIP). CIP was an organisation which supported and trained refugee and newly arrived migrant women. It worked with Craftspace on 'making projects,' finding that, through collaborative creative projects the women's confidence grew, their English improved and camaraderie developed within the group. The impacts of one of the projects was outlined in a 2008 report on The Arts and Refugees⁷⁶, which noted that 'they began to ... see themselves as having the right to enjoy a fulfilled and active life.'

⁷⁵ <http://craftspace.co.uk/>

⁷⁶ <https://baringfoundation.org.uk/wp-content/uploads/2014/10/ArtsandRefugees.pdf>

G. Sustainable environment

Cities across the world are struggling with inadequate urban infrastructure, traffic congestion, environmental degradation, and the insufficient provision of basic services, such as clean water, sanitation and waste management. It was recently estimated that cities are responsible for 70 per cent of the world's CO² emissions.⁷⁷ To mitigate the effects of climate change, our reliance on fossil fuels needs to be replaced with more sustainable energy sources.

The social and creative economies are also of vital importance in mapping a path towards a more environmentally sustainable future.

Social enterprises often operate at a community level where sustainability issues can be both clearly perceived and effectively tackled. While 'the individual citizen acting alone can find it very difficult to move to sustainable energy, reduce their waste or change how they travel [...] social enterprises operating at a community level can create more sustainable systems of consumption and production whilst simultaneously providing more sustainable livelihoods.'⁷⁸

The United Nations SSE Task Force agree, discussing how social enterprises have a typically lower carbon footprint, whilst forestry cooperatives and other community-led groups are highly important for the responsible management of natural resources and eco-system services.⁷⁹

Likewise, the creative economy plays a crucial role in helping us to relate to our environment, comprehend the changes we are wreaking upon it and awaken us to the need for change.⁸⁰ For many years, climate change has been seen and presented as a technical issue but this approach is failing to foster real interest or priority action at a community, government or business level.

Understanding that climate change is driven by cultural norms and requires a cultural transformation, places creatives in a prime position to lead progression. Artists, in particular, can facilitate environmental action and law reform through the communication and dissemination of ideas. This can be as simple as drawing attention to a specific issue, such as deforestation or fracking, and passing on relevant information.

Social enterprises have been prominent innovators in the environmental field. Toast, for example, seeks to tackle food waste by brewing beer from surplus bread and donating its profits to different food charities, such as Feedback in the UK, Soil for Life in South Africa and Gastromotiva in Brazil.⁸¹ Inspirational projects are shaping the wider business community's behaviour from Port-au-Prince to Karachi to Berlin.

⁷⁷ <https://www.c40.org/researches/consumption-based-emissions>

⁷⁸ <https://www.birmingham.ac.uk/generic/tsrc/documents/tsrc/reports/seminar-two-socent-environment.pdf>

⁷⁹ http://unsse.org/wp-content/uploads/2014/08/Position-Paper_TFSSE_Eng1.pdf

⁸⁰ http://musicinaustralia.org.au/index.php?title=The_role_of_the_creative_industries_in_climate_change_action#cite_note-44

⁸¹ <https://www.toastale.com/q-a/>



Middelgrunden Wind Turbine Cooperative, Copenhagen

Despite relatively modest average wind speeds, 43.6 per cent of Denmark's electricity consumption is produced by wind turbines, the highest rate in the world.⁸² This is due, in large part, to local ownership, which is responsible for 86 per cent of all turbines.⁸³ The cooperative model continues to be central to the accessibility of wind power, with multiple households pooling their resources to collectively build turbines.

One of the most successful examples is Middelgrunden, an offshore wind farm 3.5 km outside of Copenhagen. Established in 2001, the farm consists of 20 turbines, 10 of which are owned by Ørsted, a renewable energy business part owned by the state, with the other half belonging to the 8,650 shareholders of the Middelgrunden Wind Turbine Cooperative.⁸⁴ The co-op operates as a partnership, with each partner having one vote, no matter their number of shares.

Middelgrunden provides its shareholders with an affordable and democratic way to access clean, sustainable energy. A community ownership model also has numerous benefits in itself, not least because it ensures significant public support for wind power. For example, community shareholders tend to pay more attention to the finer details of a wind project than a utilities company for which wind development is only a small part of their business. For Middelgrunden, this led to a cheaper solution for the grid connection than was originally proposed.⁸⁵

Similarly, the cooperative model has fostered dialogue with local interest groups, ensuring potential conflicts were addressed through direct consultation in the early stages of project development. For instance, concerns about the visual impact of the wind farm were resolved by changing the formation of the turbines from the proposed three straight rows to a single arc.⁸⁶

To encourage the development of locally-owned wind farms, the government provides important economic supports.⁸⁷ Cooperative members benefit from tax rebates on their household electricity use as well as a feed-in (FIT) structure. This ensures a guaranteed price for all electricity produced, with extra amount paid for electricity derived from renewable sources. The right to connect and sell electricity to the grid is also guaranteed as part of the FIT.

⁸² <https://planetsave.com/2018/01/06/denmark-smashes-all-previous-wind-energy-records-in-2017/>

⁸³ http://www.middelgrunden.dk/middelgrunden/sites/default/files/public/file/9_per_cent20Good_per_cent20Reasons_per_cent20for_per_cent20Local_per_cent20Ownership.pdf

⁸⁴ <https://stateofgreen.com/en/partners/city-of-copenhagen/solutions/middelgrunden-wind-turbine-cooperative-middelgrunden-vindmollelaug/>

⁸⁵ http://www.middelgrunden.dk/middelgrunden/sites/default/files/public/file/9_per_cent20Good_per_cent20Reasons_per_cent20for_per_cent20Local_per_cent20Ownership.pdf

⁸⁶ http://wwf.panda.org/our_work/projects/one_planet_cities/urban_solutions/copenhagen_us_2016

⁸⁷ *Ibid*

H. Affordable housing

By 2030, nearly two-thirds of the world's population will be urban, and, nearly half of that urban population will be living in poverty, in substandard housing or in slums. The challenge of providing affordable housing for low-income city-dwellers is universal, with intensifying urban congestion making it an urgent priority in Asia and Africa.⁸⁸

As the anchor in people's lives, housing is an essential component of an individual's health and wellbeing. A stable and comfortable home is a prerequisite for a good life⁸⁹ and housing is increasingly being seen as a social determinant of good health.⁹⁰ The social economy makes a transformative difference to providing tens or even hundreds of millions of people with affordable homes around the world.

Social economy solutions to the challenge of affordable housing are perhaps more significant and diverse than perhaps any other sector. Housing cooperatives exist on every continent. In Vienna alone, for instance, over half of housing is social housing or limited-profit housing-association stock with 1.7 million people living in over 200,000 social housing units. Housing cooperatives sprung up in the 1930s in Egypt with now over 2,000 in existence while in Pakistan, there are around 5,000 housing co-ops operating today. Housing cooperatives exist on every continent. This is a powerful, global sector.

These models have affordability at their heart as well as the idea that people should be more engaged with and involved in the development of their own homes. There are now over 200 Community Land Trusts in the US and a similar number in the UK, a model which keeps prices affordable in perpetuity.



⁸⁸ <http://blogs.worldbank.org/psd/ic4d/challenge-affordable-housing-low-income-city-dwellers>

⁸⁹ <http://www.nlgn.org.uk/public/wp-content/uploads/A-DESIGN-FOR-LIFE.pdf>

⁹⁰ Bowen, E., and Mitchell. C., (2016), <https://doi.org/10.1080/19371918.2015.1137518>

Housing cooperatives, Barcelona

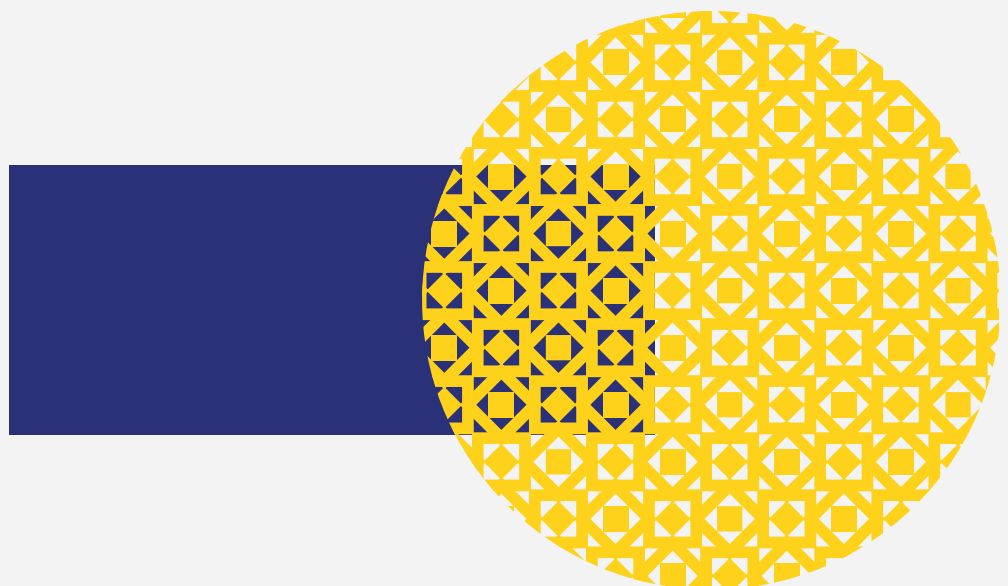
In Barcelona, a primary aim of the municipal government is to strengthen the cooperative movement through the provision of technical and legal support, as well as improved access to financing channels.⁹¹ Housing, as one of the greatest challenges facing Spanish citizens, has been identified as a strategic sector, leading the council to promote cohousing as a way to increase public housing stock.

Cohousing is a model that allows a community of people to live in a property at below-market prices for a long period of time (50-100 years), without being owners or tenants.⁹² Each family unit has their own living space but share certain amenities, such as gardens, laundry facilities and a common space where residents can socialise and eat together. This differs from other forms of communal living as there is no shared economy – each household is financially independent – and the building is designed by residents according to their needs and values. Decisions are also made collectively, with no one leader.

In addition to creating sustainable communities, cohousing is part of a non-speculative housing model that has gained momentum over the last few years.⁹³ Traditionally, Spain has been a country of homeowners, with property long considered a safe investment and a secure way to pass on wealth to one's children. However, the economic crisis of 2008, and the subsequent rise in unemployment, led to huge numbers of evictions as people defaulted on their mortgages and rent payments. Others, who had bought their homes at market peak, were left with negative equity, whilst the significant rise in rental rates since then continues to price those with lower incomes out of the city.

By supporting cohousing, the city council seeks to guarantee access to decent, affordable housing on stable terms, whilst maintaining public ownership of the land – which is offered as leasehold – and fostering the community management of property.⁹⁴ The model involves the city council or a private owner assigning a property or abandoned site to a cooperative for development. The co-op members pay a deposit and monthly fee for the use of their dwelling but will never be the owners as the property belongs to the cooperative.

As one of the strategies to encourage cohousing, the city council has created a cooperative housing committee as a working group within the Barcelona Social Housing Council.⁹⁵ This committee is made up of representatives from housing co-ops, the ethical finance sector and the Councillor for Housing's office to ensure multi-level stakeholder engagement in policy-making. The City Council has also awarded seven plots of municipal land to cooperative housing projects for the construction of 143 cohousing units.⁹⁶ Of these, 28 are currently being built by La Borda, an intergenerational cooperative, on a nine hectare industrial complex that has been leased for the next 75 years.⁹⁷ When completed, the building will be one of the most ecological in the city, with the construction made almost entirely of wood and electrical energy generated from biomass.⁹⁸



⁹¹ <http://ajuntament.barcelona.cat/premsa/2015/10/13/ajuntament-impulsa-una-taula-dhabitatge-cooperatiu-com-a-nou-grup-de-treball-dins-del-consell-de-lhabitatge-social-de-barcelona/>
⁹² <https://www.barcelona-metropolitan.com/features/report-cohousing/>
⁹³ Ibid
⁹⁴ <http://habitatge.barcelona/en/access-to-housing/cohousing>
⁹⁵ <http://ajuntament.barcelona.cat/premsa/2015/10/13/ajuntament-impulsa-una-taula-dhabitatge-cooperatiu-com-a-nou-grup-de-treball-dins-del-consell-de-lhabitatge-social-de-barcelona/>
⁹⁶ http://habitatge.barcelona/en/noticia/construccio-de-110-pisos-nous-a-5-solars-municipals-amb-la-formula-de-cohabitatge_507353
⁹⁷ <https://citiesintransition.eu/interview/co-housing-in-europe-1-la-borda-barcelona>
⁹⁸ <https://beteve.cat/economia/cooperativa-la-borda-cohabitatge-fusta-sants-estrena-setembre/>

ENABLING THE CREATIVE AND SOCIAL CITY

Our mayors have a unique perspective on building the cities of the future. While public servants in their different directorates and teams hold responsibility for specific areas of city life – green spaces perhaps, social care or transport – often only those elected representatives above them are in a position to see the bigger picture.

In recent years, there has been growing interest in the idea of systems change and complexity theory. Cities are complex systems and mayors can see the system in a way that many others cannot. Mayors can see how a sustainable environment can drive health outcomes in their city, for instance, how housing policy can create jobs or how creativity can drive enterprise. Progressive city leaders can understand the dynamics between people, business and culture, between the state, the market and communities and between different areas of city life.

But in practice, the solutions to the challenges we face are most often identified, created and delivered by creative and social entrepreneurs grounded in communities, close to the reality of people's problems. With blood, sweat and tears, luck and judgement, entrepreneurs in communities are delivering the changes we want to see from the bottom up. This may even come about through frustration with public policy, with government failure and with cracks in the system which demand a solution to fill the gaps. We might see this most obviously in Addis Ababa or Rojava, for instance, where critical services are missing, but it happens everywhere, in London and Singapore too.

So it is clear that the answers we need are most likely to succeed when creative and social entrepreneurs are supported and enabled to lead by enlightened city leaders who recognise their job is to harness the energy of citizens. Government at its best can be the enabler which furnishes the right conditions for creative social enterprises to thrive. We see this from Bristol to Barcelona and from Cleveland to Seoul, where bold, city-wide approaches are transforming the conditions which allow communities to create their own answers. For mayors, this may mean new ways of working. But the playbook is opening up.



A city for the social and creative economy

**CONTRACTING
& PROCUREMENT**

INVESTMENT

**ENTERPRISE
DEVELOPMENT**

**TAX &
REGULATION**

AWARENESS



A STRATEGIC AND ENABLING PLAYBOOK

The first step for city leaders is at the strategic level. This means taking stock of existing initiatives and reviewing how current policies may support or indeed hold back creative and social enterprise. Business support programmes, investment funds, procurement policies and asset management can be reviewed and proofed to ensure they are geared towards enabling creative and social solutions, not working against them, albeit accidentally or unintentionally.

But beyond this first step, a new breed of policy levers is emerging around the world, which mayors can deploy to full effect. Bringing some of these together under a new, flagship strategy can send a powerful signal of the mayor's or a city governor's commitment to the creative and social economy.

a. Contracting and procurement

Across the world, many social economy organisations report that public sector contracts are a key factor in their growth and job creation.⁹⁹ This reflects the increasing role of social enterprise in helping national, regional and city governments to both deliver their public policy objectives and reinvest in the community. This, in turn, can help cities to meet financial objectives if social enterprises are able to deliver public services at better value for money than private or public-sector competitors and keep profits with local shareholders. City governments can:

- require commissioners to consider long term costs and sustainability and how inclusion of additional social value outcomes can potentially reduce pressures in other areas, promoting socially and environmentally responsible behaviour in supply chains
- embed the idea of 'Social Value' within all commissioning and procurement activity, explicitly scoring for wider, long-term value in the decision-making process, supported by toolkits and manuals, where necessary
- extend this to all major projects and infrastructure, waste and energy and beyond; not just local services
- monitor the extent to which their own suppliers are creative and social enterprises.

⁹⁹ <https://www.socialenterprise.org.uk/Handlers/Download.ashx?IDMF=a1051b2c-21a4-461a-896c-aca6701cc441>

b. Investment

Investment can be critical to business success and creative and social enterprises often report that lack of access to finance may hold back their potential. City leaders can:

- take steps to support and strengthen local and social investment vehicles such as credit unions, new city bonds, crowdfunding models and social investment funds – attracting more investment in the city’s creative and social economy
- adjust how their financial reserves and pension funds are invested, seeking to maximise social and environmental – and not just financial – returns
- back new creative and social start-ups through incubation and acceleration
- embed the idea of social value in the management and disposal of public property, land and assets, enabling assets to be disposed of by public sector bodies at less than best consideration in certain circumstances in order to generate a longer, wider benefit for communities.

c. Enterprise development

City governments can support creative and social enterprise development through:

- targeted business and enterprise support which responds specifically to the needs of creative social enterprises
- new spin-out social enterprises, in order to unleash greater entrepreneurial freedom than is typically found in the public sector but retaining a public service ethos and reinvesting profits in communities
- new models of local renewable energy generation, owned by the community, as well as new, locally driven self-build, community and cooperative housing solutions, and more.

d. Tax and regulation

Money aside, the operating conditions for creative and social enterprises can be enhanced through tweaks to the regulatory, fiscal and planning regimes. City leaders can:

- consider how the planning regime and planning guidance incorporates the idea of social value and make this a pre-requisite of the validation of major applications
- use business rates or other property taxes or levies to encourage more socially and environmentally responsible business practice, with exemptions and reductions for businesses which actively set out to address critical challenges facing their cities.

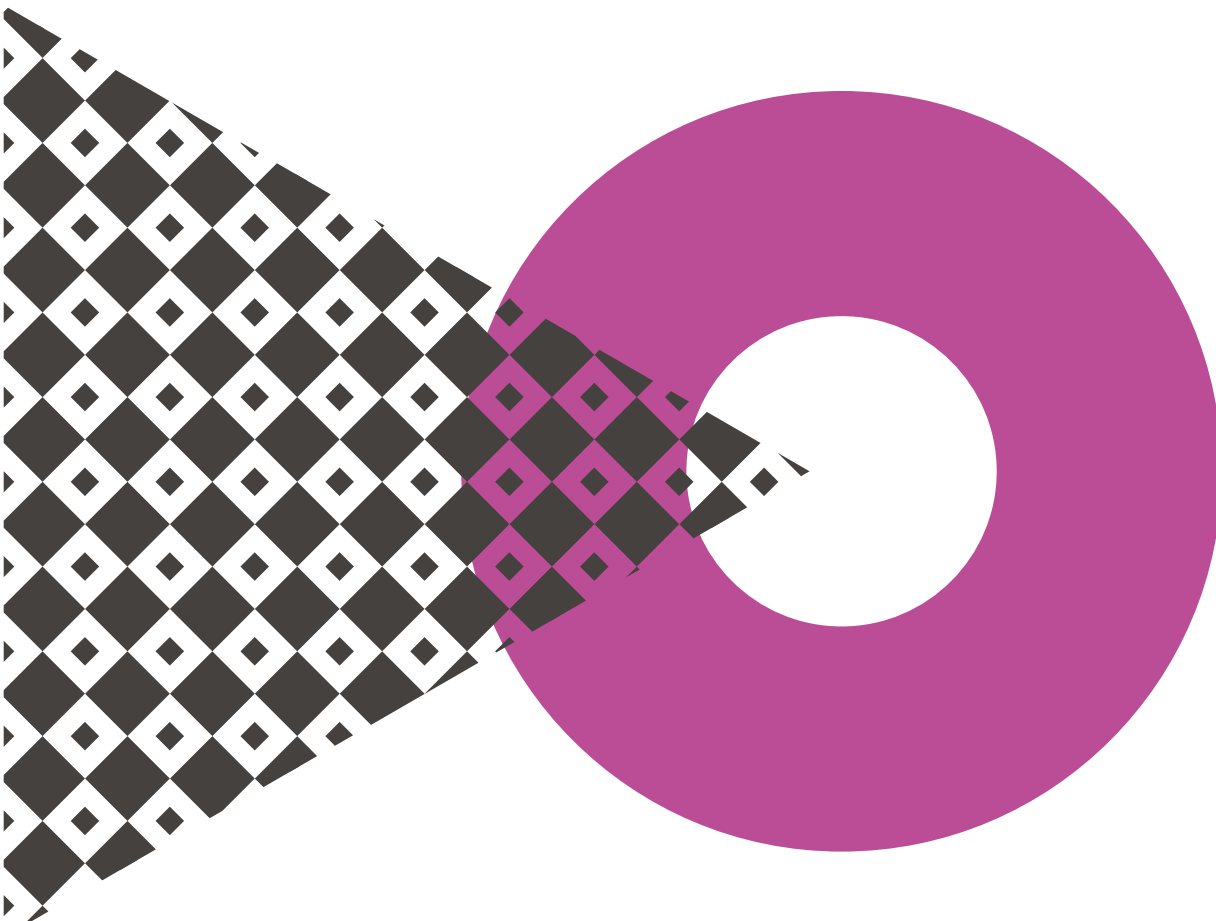


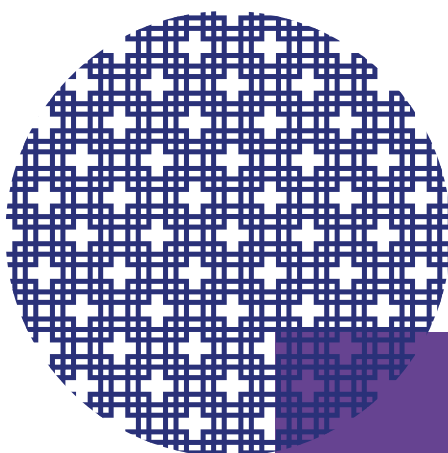
e. Awareness and understanding

The creative and social economy is often still not well understood. Its potential can be limited by a lack of public understanding of how business can be set up to address the challenges of our time. City governments can:

- insist that businesses active in the city commit to more constructively engage with creative and social enterprise through their supply chains
- enhance understanding of social enterprise within the city administration, through training and development and in-house resident social entrepreneurs, for instance
- harness public advertising to showcase great local social enterprises
- adopt public awareness campaigns, such as Buy Social or Social Saturday, for instance
- work with schools to adopt social and creative enterprise as a means through which they deliver the curriculum, empowering the next generation to address society's needs
- partner and collaborate with other cities and the local region to replicate successful creative and social enterprises more widely. Enlightened city leaders recognise the interdependency and beneficial mutual relationships with others beyond the city walls.

Our mayors have a unique perspective on building the cities of the future. While public servants in their different directorates and teams hold responsibility for specific areas of city life – green spaces perhaps, social care or transport – often only those elected representatives above them are in a position to see the bigger picture.





APPENDIX - Methodology

The methods used to complete this report included a desk-based literature review, ten in-depth interviews, 11 case studies and two roundtables.

Desk-based research

We collated and analysed a range of material exploring the opportunities and challenges facing cities to ensure that the report had a robust grounding in the role of the social and creative economy in responding to these challenges. The literature reviewed ranged from academic papers and policy documents to charity research reports and impact evaluations of international initiatives. The themes that emerged from the literature review were used to develop an interview script.

Interviews

We conducted ten in-depth, semi-structured interviews with global experts on the role of the creative and social economy. These individuals represented organisations such as the Paul Hamlyn Foundation, Arts Council England, the ILO, Afrilanthropy, Bandung Creative City and Katarsis Ventures, as well as the Universities of Bristol and Middlesex. We also sought the perspective of both social and creative entrepreneurs. These interviews provided crucial insight into how social and creative enterprises are responding to the challenges facing cities around the world, their potential to do more, and the policies and strategies which are working or could work to enable this vision. Through analysis of the interview material alongside the relevant literature, we identified eight critical issues around which this report is structured: employment, youth engagement, healthy citizens, transport, fostering creativity, inclusive communities, sustainable environment, and affordable housing.

Case studies

An extensive list of potential case studies was initially produced using the knowledge obtained from desk-based research and the interviewees. We then created a shortlist of 11 case studies that best corresponded with the eight central issues, represented a diversity of geographical locations and enterprise types, and had a well evidenced impact and capacity to inspire.

Roundtables

We worked with the British Council to design, convene and co-facilitate two roundtables that tested our emerging analysis and policy recommendations. The first was held on September 4th at the British Council offices in London, while the second, on September 6th, was carried out online to enable our global partners to participate. Attendees included creative and social entrepreneurs, think tanks, councillors and other government officials from both the social and creative sectors.
