

Cooperatives care!

Advantages of the cooperative model for meeting multiple care-related needs and challenges in the EU



CECOP 
CICOPA Europe

THE EUROPEAN CONFEDERATION
OF INDUSTRIAL AND SERVICE COOPERATIVES



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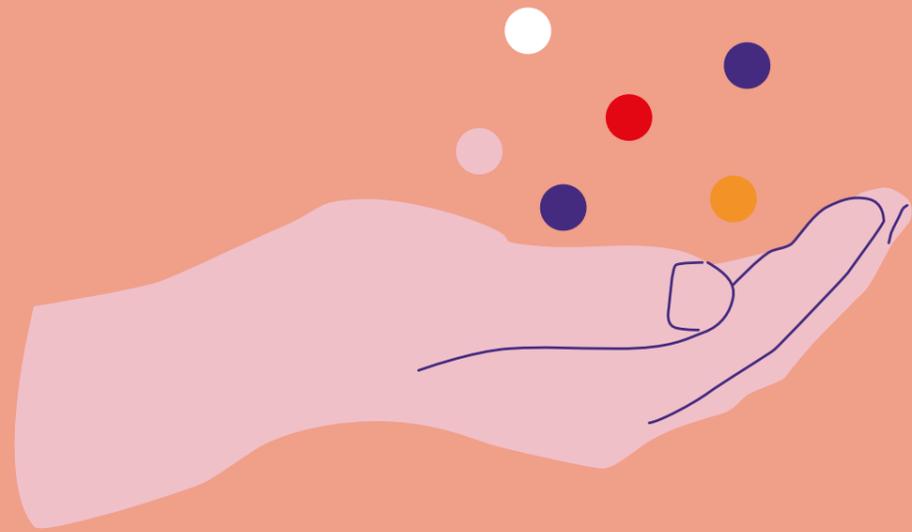
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Care and cooperatives in Europe

All human beings have needed care services at some point in their lives, are receiving them right now, or will need them in the future. While there is no single or universally accepted definition of care work, it is commonly understood to apply to people with support needs and encompasses childcare, care for frail and older people and people with disabilities; it may entail meeting people's phys-

ical, psychological and emotional needs, and helping them to be independent, "live in dignity and enjoy their rights on an equal basis with others"¹. The definition of care may be expanded to include not only carers but also support workers such as cooks or administrators². Care services empower people, serve social justice, and contribute to economic well-being of communities³.

Care is a fast-growing sector, and its importance has been underscored by the ageing of the population in Europe and, most recently, by the COVID-19 pandemic. According to the estimates of the EU Social Protection Committee (SPC), long-term care⁴ alone will be necessary for 38.1 million Europeans in 2050, up from 30.8 million in 2019⁵. Already by

1. Robert Sweeney, 'Cherishing All Equally 2020: Inequality and the Care Economy' (FEPS, TASC, 2020), <https://feps-europe.eu/publication/670-cherishing-all-equally-2019/>; Social Protection Committee, 'Key Conclusions on 2021 Long Term Care Report of the Social Protection Committee and the European Commission' (Council of the European Union, 1 June 2021), <https://data.consilium.europa.eu/doc/document/ST-9144-2021-INIT/en/pdf>; EASPD, 'EASPD Position Paper on the EU Care Strategy', October 2021; quote from Eurochild, 'European Care Strategy: Eurochild Position', February 2022.

2. EUROFOUND, 'Long-Term Care Workforce: Employment and Working Conditions' (Luxembourg: Publications Office of the European Union, 2020), <https://www.eurofound.europa.eu/publications/customised-report/2020/long-term-care-workforce-employment-and-working-conditions>

3. Association of Directors of Adult Social Services in England (ADASS), 'Adult Social Care – Shaping a Better Future. Nine Statements to Help Shape Adult Social Care Reform', July 2020.

4. According to the SPC definition, "Long-term care is defined as a range of services and assistance for people who, as a result of mental and/or physical frailty and/or disability over an extended period of time, depend on help with daily living activities and/or are in need of some permanent nursing care." Social Protection Committee (SPC) and European Commission (DG EMPL), '2021 Long-Term Care Report: Trends, Challenges and Opportunities in an Ageing Society. Vol. 1', 2021, <https://www.ifsw.org/wp-content/uploads/2021/07/KE-09-21-202-EN-N-1.pdf>.

5. Social Protection Committee, 'Key Conclusions on 2021 Long Term Care Report of the Social Protection Committee and the European Commission'.

2030, the EU may need 7 million more health-care associate professionals and personal care workers to satisfy the rising demand⁶.

Challenges in the EU care sector are not limited to lack of carers. As far as workers are concerned, care, in general, is poorly remunerated (about 65% of the average income⁷), or in the case of informal carers, not remunerated at all. The employment conditions are often precarious. Moreover, care work is physically and emotionally challenging, and workers experience high levels of violence⁸. In some cases, attempts to save costs drive down wages and working conditions. These problems, in turn, affect care recipients, as stressed and overworked care providers are not always in a position to offer high quality services.

In this context, cooperatives have been emerging as innovative and attractive providers of quality care, especially in situations where other providers, such as public authorities or private actors, cannot satisfy the demand for the care services⁹. The pioneering social cooperative movement emerged in Italy in 1960s and 1970s, as a reaction to insufficient care services and funding crisis, and consolidated into a distinctive model in the 1980s¹⁰. Since then, cooperative contribution to the sector has grown significantly, spanning multiple European countries, employing hundreds of thousands of workers, and serving millions of people. Cooperatives provide essentially all types of care services, including home care, socio-educational support, support with social emergencies, nurseries, residential and day centres for children and adults, support for children and young people in foster care, rehabilitation of psychiatric patients, and more.

6. European Commission, 'Call for Evidence - European Care Strategy', 2022.

7. Sweeney, 'Cherishing All Equally 2020: Inequality and the Care Economy'.

8. EUROFOUND, 'Long-Term Care Workforce'.

9. International Labour Organization, 'Care Work and Care Jobs for the Future of Decent Work' (Geneva: ILO, 2018), https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/dcomm/-/publ/documents/publication/wcms_633135.pdf.

10. Pat Conaty, 'Social Co-Operatives: A Democratic Co-Production Agenda for Care Services in the UK' (Co-operatives UK, 2014).

11. Ibid.

12. Ibid.

13. EUROPA PRESS, 'Cooperativas de Trabajo Asociado Piden a Derechos Sociales "Un Reconocimiento Público" al Sector de Los Cuidados', 1 December 2021, <https://www.europapress.es/epsocial/igualdad/noticia-cooperativas-trabajo-asociado-piden-derechos-sociales-reconocimiento-publico-sector-cuidados-20211201121831.html>.

14. Cooperativa António Sérgio para a Economia Social (CASES), 'The Statistical Overview of Social Solidarity Cooperatives in Portugal, 2017-2018', 2020.

Did you know?

- In Italy, the pioneer of engaging cooperatives in care, more than 14 000 cooperatives provide care services to 5 000 000 people, employing 400 000 workers. The annual turnover of the sector exceeds 9 billion euro¹¹
- In the Italian province of Emilia Romagna, social cooperatives provide more than 50% of social care; in the provincial capital Bologna, this proportion is 87%¹²
- CECOP's Spanish member, COCETA, represents approximately 1 000 cooperatives providing care services: 500 residential and day centers and 500 more cooperatives providing home care. They directly employ 35 000 people and provide care to 67 000 persons¹³
- In Portugal in 2016 there were 161 cooperatives with social services as their primary activity; they generated 12 000 000 euro of gross value added and paid out 63 000 000 euro in compensation to their employees¹⁴
- In Poland in 2019, approximately 100 cooperatives had care service provision as their main activity. They employed around 600 people and had an aggregated income of 8 500 000 euro
- In Finland in 2020, 46 cooperatives provided care services, out of them 3 – institutional care and 43 – non-institutional care. Their turnover amounted to 6 300 000 euro, and they paid 4 300 000 euro in wages (data: Coop Finland)
- In Sweden, around 10% of child care is provided by cooperatives. While some of them are managed by parents, others are worker cooperatives or multistakeholder cooperatives (data: Coompanion Sweden)

BACKGROUND NOTE: WORKER AND SOCIAL COOPERATIVES

CECOP represents two main types of cooperatives: worker and social cooperatives. Both types provide care services, although the majority of cooperatives in the care sector are social cooperatives:

- In worker cooperatives, the majority of workers own the cooperative, and the majority of the cooperative is owned by the workers. They democratically control and manage the enterprise, share risks and responsibilities;
- social cooperatives provide social, cultural, educational and environmental services, or “services of general interest” to the community. Some of them contribute to the integration of disadvantaged and marginalised people, by providing work. Many social cooperatives have multistakeholder governance (see below).

While the majority of cooperatives providing care take the form of social cooperatives, sometimes they are organised into multistakeholder cooperatives or worker cooperatives. As care is often associated with other services such as health or housing, we can also find numerous “hybrid care cooperatives” across Europe, providing social and health services or care in residences for the elderly. By virtue of their democratic, human-centered, and not-for-profit business model, cooperatives working in the care sector have unique advantages. First, they offer **quality services to care recipients**. Some of the fundamental cooperative values and principles include concern for the community, social responsibility, and caring for others. As such, cooperatives put people first; their motivation is neither profit as is the case for capitalistic enterprises, nor formal provision of services according to a set of predefined criteria as it sometimes happens in the public sector, but rather genuine desire to serve their communities.

15. International Labour Organization, ‘Care Work and Care Jobs for the Future of Decent Work’.

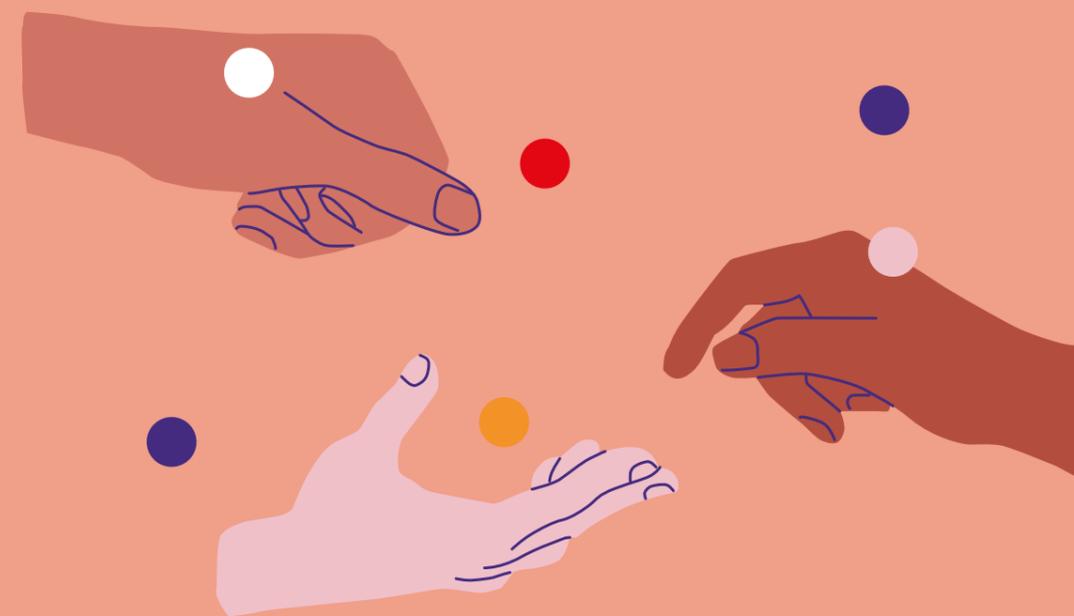
16. See Laetitia Thissen, Sarah Hepp, and Julia Bläsius, ‘All We Want for Christmas Is a Care Revolution!’ (FEPS-FES, 2020), https://www.pes.eu/export/sites/default/galleries/Documents-gallery/FEPS-FES-Contribution_PES-Women.pdf_2063069299.pdf

Secondly, cooperatives also offer **quality working conditions** to their workers. The International Labour Organization sums it up elegantly in their 2018 report on “Care work and care jobs for the future of decent work”:

Cooperatives make various contributions as care providers and employers. Worker-owned cooperatives can improve wages and benefits, have lower staff turnover rates, regulate and formalize informal homebased carers and provide professionalization and training to care workers. Importantly, they serve as vehicles to promote workers’ rights, allowing workers to negotiate jointly for better wages, working conditions and employment protection in the care sector – and are especially effective in the case of female employees. Cooperatives have been involved in organizing domestic workers.¹⁵

Thus, cooperatives actually offer an answer to the 5 challenges identified by the ILO to improve working conditions in the care sector, or the “5 Rs for Decent Care Work”: to recognize, reduce and redistribute unpaid care work, and to reward and represent care workers¹⁶.

This publication highlights the advantages of the cooperative model for meeting the multiple care-related needs and challenges in the European Union, showcases best practice examples from the CECOP network, and offers policy recommendations. Cooperatives care – learn how they do it, and how they can be best supported!



Cooperatives provide quality working conditions to the carers

Cooperatives care about their workers, because they are worker-owned and managed, either exclusively or alongside other stakeholders such as care recipients, public authorities, partners etc (multistakeholder governance). Worker-members take decisions about the major strategic decisions of the cooperative democratically, and when profit is generated, they decide how to allocate it (keeping in mind that most of the cooperative profits are reinvested in fulfilling their basic mission). Quite naturally, they opt for

long-term objectives that do not undermine work quality and stability. In worker-owned cooperatives, job quality is usually integral to organizational objectives and, thus, prioritized in workplace practices, such as stable employment, control over working conditions, gender equality, and training for the staff¹⁷. As a 2019 EUROFOUND study on job quality in cooperatives and social enterprises showed, cooperative workers highly value social environment, voice and representation in the workplace, work-life balance and task discretion in their jobs, also in comparison to other similar organisations¹⁸. Below, we discuss these advantages in more detail.

Cooperatives offer legal and stable employment

Most care in Europe is provided by family and informal carers¹⁹. Childcare, in particular, is one of the sectors in which undeclared work is most common²⁰. Informal or undeclared carers experience a lot of pressure, and their labour rights are insufficiently protect-

17. See EUROFOUND, ‘Cooperatives and Social Enterprises: Work and Employment in Selected Countries’ (Luxembourg: Publications Office of the European Union, 2019).

18. Ibid

19. EASPD, ‘EASPD Position Paper on the EU Care Strategy’; EUROFOUND, ‘Long-Term Care Workforce’.

20. CECOP, ‘Lights on! Worker and Social Cooperatives Tackling Undeclared Work’ by Francesca Martinelli (Brussels, 2021), <https://cecop.coop/works/cecop-report-lights-on-worker-and-social-cooperatives-tackling-undeclared-work>

ed, which is why formal care services are so important; obviously, formal employment means better guarantees for the care recipients, as well. Moreover, staff turnover in the sector is often considered to be high, and a disproportionate number of workers work part-time, often involuntarily²¹. In this context, cooperative business model represents a welcome alternative. According to a EUROFOUND study on employment conditions in cooperatives and social enterprises, cooperatives prefer to offer full-time, permanent jobs – “the ‘standard employment’ model which often used as an indicator of good-quality jobs”²². Also, cooperatives offer legal employment opportunities to the carers, lifting them out of undeclared work and thus offering them a formal source of income, eliminating precarity and guaranteeing labour rights²³.

Did you know?

- On average 84% of employees in social cooperatives providing care in Italy in 2018-2019 had permanent job contracts (data from a limited sample)²⁴
- similarly, in 2018, 71% of employees in Portuguese care cooperatives had an open-ended contract²⁵
- 53% of the employees from the same Italian sample have stayed in their cooperative for over 5 years²⁶; staff turnover is less in cooperatives than elsewhere in the care sector
- 2015 data shows that 93.8% of social cooperative workers in Italy had employee status, which de facto provides access to social protection and rights²⁷

Cooperatives involve workers in democratic governance of their enterprise

Democratic member control is one of the fundamental cooperative principles, along with voluntary and open membership. In primary cooperatives, each member, including worker-members, has one vote, regardless of the amount of capital that they contribute to the enterprise; cooperatives at other levels, such as consortia or groups, are also organised democratically. Cooperatives also educate their worker-members on internal governance issues, allowing them to fully take control of their own employment, and promote a collaboration culture²⁸. For this reason, cooperative form is often chosen by workers who wish to have more democracy in the workplace, and it helps to increase their job satisfaction. In Italy, social cooperatives' annual assemblies have members' participation rate between 75% and 80%; the presence of worker-members among the board members ranges between 85% to 90% (source: Concooperative Federsolidarietà).

21. EUROFOUND, 'Long-Term Care Workforce'.

22. EUROFOUND, 'Cooperatives and Social Enterprises: Work and Employment in Selected Countries'.

23. International Labour Organization, 'Providing Care through Cooperatives: Survey and Interview Findings' (Geneva: ILO, 2016).

24. CECOP, 'Lasting Impact. Measuring the Social Impact of Worker and Social Cooperatives in Europe: Focus on Italy and Spain' by Pedro Blazquez, Vincenzo De Bernardo, Valerio Pellirossi, Francesca Zaganelli and Anton Möller (Brussels, 2021).

25. Cooperativa António Sérgio para a Economia Social (CASES), 'The Statistical Overview of Social Solidarity Cooperatives in Portugal, 2017-2018'.

26. CECOP, 'Lasting Impact. Measuring the Social Impact of Worker and Social Cooperatives in Europe: Focus on Italy and Spain', <https://cecop.coop/works/new-publication-lasting-impact-measuring-the-social-impact-of-worker-and-social-cooperatives-in-europe-focus-on-italy-and-spain>

27. Carlo Borzaga et al., 'Structure and Performance of Italian Cooperatives: A Quantitative Analysis Based on Combined Use of Official Data', *The Journal of Entrepreneurial and Organizational Diversity* 8, no. 1 (2019): 65–83, <https://ideas.repec.org/a/trn/csnjrn/v8i1p65-83.html>

28. Conaty, 'Social Co-Operatives: A Democratic Co-Production Agenda for Care Services in the UK'.



Cooperative Guild of Social and Community Workers (The Guild) (UK): from external control to self-governance and Fair Care

The Cooperative Guild of Social and Community Workers is a UK cooperative guild, launched in March 2018. The Guild campaigns for Fair Care, which it defines as “Fair for all the people engaged in the ‘business’ of giving and receiving Care including workers, informal carers and importantly the people traditionally labelled ‘service users’”²⁹.

The cooperative has its roots in the Better Government for Older People's Programme (BGOP), with its ethos of co-production and active participation. BGOP was majority funded by the government. However, instead of increasing investment in the programme, the government eventually closed it down. This pushed older people, who were on the programme board, and their supporters to establish a multi-stakeholder cooperative with the aim to ensure older people's ownership over their civic engagement, democratic control and independence, and to “[remove] the patronage and paternalism that too frequently underpins the processes of Older People's participation and undermines their influence”³⁰. The cooperative (named Change AGENTS), a legacy of the BGOP programme, was dissolved in 2017. Some members of Change AGENTS went on to become founder members of the Guild and to establish the Fair Care Mark. Others went on to develop the Later Life Audio and Radio Cooperative (LLARC).

In other words, this is a story of how older people with care needs took matters in their own hands in order to ensure democratic governance of service provision and social justice³¹.

29. Cheryl Barrott, 'The Three C's of Fair Care', 2011, https://changeagents.coop.archived.website/Change_AGENTS/Fair_Care.html

30. Mervyn Eastman, 'On Becoming a Co-operative: The Journey', *Working with Older People* 16, no. 2 (1 February 2012): 78–87, <https://doi.org/10.1108/13663661211231837>

31. Sources: the Guild; Cheryl Barrott, 'The Three C's of Fair Care'; Mervyn Eastman, 'On Becoming a Co-operative: The Journey'.

32. Source: <https://www.suara.coop/>

33. EUROFOUND, Long-Term Care Workforce.



Cooperative Suara (Spain): democratic governance at the core of the business

Cooperative Suara with headquarters in Barcelona, Spain, provides care services to people at all stages of life; in 2020, it served more than 35 000 people, employed 4 676 workers, and had operating income of € 102 376 545. The integrated social value of Suara (its social value beyond the purely economic impact) was almost twice as high: € 194 224 107. Engagement with the workers is seen here as a way to ensure workers' retention, satisfaction with work, feeling of belonging to the enterprise, and legitimacy of decisions. Suara has a sophisticated participation system which allows members to have a say over their daily work, the general affairs of the cooperative (budget, labour conditions, internal rules etc.), the strategic development of the enterprise, and to build a community within the enterprise. Participation takes place via multiple channels, including online³².

Cooperatives improve workers' work-life balance

Work-life balance remains a challenge for care workers, especially for those working in shifts³³. It is a major concern for female care workers, overrepresented in the sector, who additionally take on more caring responsibilities in the private sphere as well. The motivation for creating or joining a cooperative comes sometimes in order to satisfy workers' needs for an improved work-life balance. Moreover, many cooperatives make an effort to improve the living conditions of their members by providing additional services which relieve the pressure on the workers. The survey carried out in 2018 by our French member, CGSCOP, in the framework of a project supported by the French National Agency for Quality Work Conditions, shows

that the cooperative model is more favourable to workers' quality of life and well-being than other, more traditional enterprises³⁴. In its study on work and employment in cooperatives and social enterprises, EUROFOUND³⁵ reports that workers in the case study cooperatives rated job quality highly, both in absolute terms and in comparison to similar organisations. They also gave high ratings to the social environment, voice and representation in the workplace, work-life balance and task discretion.



Titi Services (France): Innovative managerial decisions to improve working conditions

Answering to the general dissatisfaction of workers in the care sector, Titi Services, a worker cooperative specialized in care from the West coast of France, made a complete overhaul of their work organization with the development of "Autonomous teams" at its center. These Autonomous teams are work groups that have been given the organizational latitude to create their own internal goals and work practices. Several strategies have been put in place to achieve this goal such as:

- Organizing bi-weekly meetings where the workers can share their needs and goals and co-create their own planning;
- Co-creating a set of rules that maximizes the participation of the workers during group meetings;
- Enhancing the flexibility and freedom of workers to schedule their planning to increase their work-life balance;
- Dividing workers in teams depending on where they live to reduce commutes.

In this way, Titi Services demonstrates how a worker-owned care cooperative can smoothly adjust to workers' needs while continuing to provide top quality, innovative care services³⁶.

34. CGSCOP, 'Innovations Managériales, Pratiques Coopératives et QVT: Synthèse Des Diagnostics', 2020, https://www.les-scop.coop/system/files/2020-02/rapport_diagnostics_Fact_Scop.pdf

35. EUROFOUND, 'Cooperatives and social enterprises: Work and employment in selected countries', 2019, <https://www.eurofound.europa.eu/publications/report/2019/cooperatives-and-social-enterprises-work-and-employment-in-selected-countries>

36. Sources: <https://www.titi-services.fr/innover-pour-agir-ensemble/>, <https://www.youtube.com/watch?v=xEVUBRsMleQ&t=514s>

37. Source: <https://www.suara.coop/>

Cooperatives strive towards greater gender equality

The care sector is fundamentally unequal: on average 90% of care workers are women, which also means that it is women who suffer disproportionately from the poor working conditions³⁸. Cooperatives, however, are based on the values of equality, equity, and solidarity, and strive towards a greater gender balance. A 2015 joint survey by the International Labour Organization and the International Cooperative Alliance showed that 80% of respondents preferred cooperatives to other private or public businesses as a tool to ensure gender equality, and more than 75% respondents argued women's participation in cooperatives increased in the last 20 years³⁹. In the care sector, cooperatives serve to empower women and improve their working conditions. In Italy, the proportion of women in management positions in care cooperatives is superior to national average for the sector, and the majority of cooperatives have a female president (source: Confcooperative Federsolidarietà). In Portugal, social solidarity cooperatives have by far the most women leaders compared to other types of cooperatives⁴⁰. Some cooperatives have been created by women, as a way of self-empowerment: they allow women to manage their own enterprise and take control of their working conditions.



Cooperative Giovani Valdarno (Italy): empowering female carers

Giovani Valdarno is a social cooperative which since 1978 operates in Arezzo and Florence. It offers care services to children, adolescents, people with disabilities, people suffering from marginalization and the elderly, and collaborates with partners from civil society and the public sector, as well as other social cooperatives. Giovani Valdarno has been established by a group of women and still has 90% of female employees out of the total staff of 220. In 2019, it received Arezzo Chamber of Commerce's "Loyalty to Work and Economic Development Award" in the "Female Entrepreneurship" category, in view of its economic success and contribution to the economic and social growth of the area. The total turnover of Giovani Valdarno amounts to almost 5.5 million euro⁴¹.

38. Thissen, Hepp, and Bläsius, 'All We Want for Christmas Is a Care Revolution!'; Social Protection Committee, 'Key Conclusions on 2021 Long Term Care Report of the Social Protection Committee and the European Commission'.

39. International Labour Organization, 'Global Survey Shows Rising Women's Participation in Cooperatives', 9 March 2015, https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_349679/lang-en/index.htm.

40. Cooperativa António Sérgio para a Economia Social (CASES), 'The Statistical Overview of Social Solidarity Cooperatives in Portugal', 2017-2018.

41. Confcooperative Toscana, 'Le donne imprenditrici della Giovani Valdarno premiate dalla Camera di Commercio di Arezzo', Confcooperative Toscana, 22 January 2019, <https://www.toscana.confcooperative.it/LINFORMAZIONE/LE-NOTIZIE/ArtMID/482/ArticleID/2421/Le-donne-imprenditrici-della-Giovani-Valdarno-premiate-dalla-Camera-di-Commercio-di-Arezzo>.

Cooperatives invest in staff training

The acute deficit of trained care workers creates issues both for workers themselves, who need support in handling the complex needs of the people needing care, and for care recipients. According to a EUROFOUND study, 24% long-term care workers felt that they needed additional training⁴²; while the nature of this survey sample is not entirely clear, the situation may be worse among undeclared and informal carers. In comparison, cooperatives tend to invest in staff training and upskilling. In 2018-2019, Italian social cooperatives offering care services provided on average 340 hours of training to 33% of their human resources per year⁴³. In the 2019 EUROFOUND study, workers interviewed report plenty of opportunities for skills development, high levels of job security, and “significant intent to provide workers with career opportunities within organisations”⁴⁴.



Cooperative Itaca (Italy): continued training for care workers

Itaca cooperative has been functioning in Pordenone since 1992. It is a social cooperative offering care to the elderly people (both home and residential services), people with disabilities including mental health issues, minors and youth. In order to improve the professionalism of its workers and the quality of services, the cooperative organizes training – in particular on occupational health and safety – throughout the year. It has a dedicated Training Office, which adjusts the training offer to the changing needs, and runs an online learning platform.

Itaca has entered into an agreement with the regional council of the Order of Social Workers [Consiglio Regionale Ordine Assistenti Sociali, CROAS] – a public body representing the interests of social workers and their clients – for Continuing Education for Social Workers, and also provides medical education⁴⁵.

Cooperative “Bottines & Bottillons” (France): empowering independent nannies

Since 2015, the social cooperative “Bottines & Bottillons”, specialised in the management of nurseries in the Lyon region, has been a key partner in the creation of a childcare centre in partnership with the city of Villeurbanne. This centre opened in 2021, and beyond their regular service as a nursery, is providing a welcoming space for independent nannies. This directly improves the work of these childminders, both in terms of quality of service and in terms of recognition as childcare professionals⁴⁶.



42. EUROFOUND, ‘Long-Term Care Workforce’.

43. CECOP, ‘Lasting Impact. Measuring the Social Impact of Worker and Social Cooperatives in Europe: Focus on Italy and Spain’.

44. EUROFOUND, ‘Cooperatives and Social Enterprises: Work and Employment in Selected Countries’.

45. Source: <https://itaca.coop/chi-siamo/formazione/>

46. Sources: <https://www.facebook.com/Acepp69/videos/451153769596237>, <https://www.bottinesetbottillons.fr/bottines-et-bottillons-services-nouvelle-creche-villeurbanne/>



Cooperatives provide quality services

The quality of the service is enshrined in the way cooperatives work. Their success is determined by their commitment to the people and communities they serve, but also by their innovative and sustainable business model. Cooperatives often collaborate with care recipients, their family members, other cooperatives and civil society organisations, other enterprises, and public authorities, making sure that their services take into account various stakeholders’ needs. The multistakolder nature guarantees the effectiveness of the service provided and its accessibility. The regular collaboration with public authorities in the care sector is a recognition of their important contribution to balancing quality with affordability and positive impact on the community. Additionally, intercooperation

and creation of consortia or groups of cooperatives is quite common in the care sector and represents another cooperative characteristic, allowing for economies of scale, investment in innovation, and bigger impact. In this section, we discuss the keys of cooperatives’ success in care provision.

Cooperatives, a community-based model of care provision

Cooperatives are born from communities and for communities; they fill in the gaps in service provision, and are sometimes the only provider offering care in a given territory. They not only provide much-needed services but also give back to the communities in other ways, for instance, investing in local projects. They also often mobilize local volunteers. While some of them do become big enterprises, most care cooperatives are small or medium size local companies: for instance, in Spain they have on average 55 worker-members (source: Confederación Española de Cooperativas de Trabajo Asociado, COCETA),

and in Italy, most social cooperatives have under 30 worker-members and under 100 members from other stakeholder groups⁴⁷. In any case, all of them are deeply locally embedded. Among other things, cooperatives are uniquely well-suited to offer community-based and home care instead of solely residential care provision – an approach that is widely recognised as being more effective and empowering for care recipients, as it allows them to maintain links with their communities and feel included.



The CERCI movement (Portugal): community-based care for people with disabilities

A movement of cooperatives for the education and rehabilitation of people with intellectual disabilities, called CERCI, appeared in the mid-1970s, initiated by groups of parents of children with disabilities and professionals, with the support of local authorities. As Silvia Ferreira writes, “CERCIs responded to the lack of education, training and work inclusion strategies for people with mental disabilities, both by public and traditional NPOs”⁴⁸. The movement promotes community-based care, in opposition to institutionalized care, and seeks to improve autonomy and self-representation of people with disabilities. The CERCI provide a comprehensive range of services including residential units, domestic support, education, training, and employment opportunities. Moreover, they involve care recipients in cooperative governance, as well as defend and monitor their social, political and citizenship rights⁴⁹. According to the Portuguese Social Economy Satellite Account, today there are 56 CERCI all over the country supporting more than 25 000 persons with intellectual disabilities.

47. Conaty, ‘Social Co-Operatives: A Democratic Co-Production Agenda for Care Services in the UK’.

48. Silvia Ferreira, ‘Social Enterprises and Their Ecosystems in Europe. Country Report: Portugal’ (Luxembourg: Publications Office of the European Union, 2019), <https://ec.europa.eu/social/BlobServlet?docId=21136&langId=en>.

49. Ibid.

50. Source: National Auditing Union of Cooperatives (NAUWC), Poland. Read more: <http://www.compasja.pl/>

51. Source: Concooperative Federsolidarietà, Italy. Read more: <https://spazioapertoservizi.org/>



Cooperative Pasja (Poland): stepping up to the task

Social Cooperative Pasja from Oleśnica in Poland implements the Care+ model, which includes personal assistance, psychological counselling and support services for people with disabilities, including mobility and cognitive difficulties. These services are very much needed in the local community – no one offered such support before. The cooperative employs over 80 people and has been operating since 2015⁵⁰.



Cooperative Spazio Aperto Servizi (Italy): offering community-embedded care

Spazio Aperto Servizi is a cooperative with headquarters in Milan, which was established in 1993 and now serves 19 600 care recipients, employs 995 workers, has 60 active projects and services, and collaborates with 192 public and private partners. The cooperative works on various aspects of social inclusion; one of them concerns children with autism. Children who attend the centre are involved in activities that allow them to develop autonomy and social skills, and promote integration into the society and the labour market. Some of the children also collaborate with the Circolo Arci Fiocchi, a local association which involves them in interaction with bar customers and in organisation of events and parties in the neighbourhood⁵¹.



Cooperative Centro Papa Giovanni XXIII (Italy): meeting families’ needs

The Cooperative Centro Papa Giovanni XXIII was born in Ancona in 1988, in order to respond to the needs of children with disabilities. Thanks to its strong connection with the local community and the families of the assisted persons, the cooperative has been continuously developing new initiatives tailored to meet the needs of the care recipients. For instance, as concern grew about the destiny of the children who could no longer be looked after by their families, the cooperative launched a new service in 2005: a residential community “Il Samaritano”, which allowed to host 8 people with disabilities without family ties and assist them in living an independent life. Another such community was opened in 2010. Centro Papa Giovanni XXIII collaborates with the public authorities, but it also runs its own crowdfunding initiative, Sogni in costruzione. New projects, and the budget needed to carry them out, are presented to the local community to find donors, and so are the results of already financed projects⁵².



52. Adapted from: CECOP, ‘Lasting Impact. Measuring the Social Impact of Worker and Social Cooperatives in Europe: Focus on Italy and Spain.’ Read more: www.centropapagiovanni.it

Cooperatives are inclusive toward everyone

One of the fundamental cooperative principles is voluntary and open membership, without gender, social, racial, political, religious or any other discrimination. This also applies towards the communities they serve. Since cooperatives are not motivated by profit, they select the groups which they serve not on the basis of potential economic pay-off but on the basis of their needs or motivations. This is yet another important way how cooperatives close gaps in the care sector. Often they include in the governance the care recipients, including the most disadvantaged – who usually lack representation in the society – which empowers them, gives them an active role and contributes to social inclusion. They also recruit workers who are in precarious situations and offer them stable and secure employment and training opportunities as discussed above⁵³; for instance, in Italy, one in four care workers employed by social cooperatives does not have a high school degree (source: Confcooperative Federsolidarietà).



Cooperative ARKA (Poland): on a mission to help

Social Cooperative ARKA was created in Gostyn in 2012, by Dorota Piotrowska who, after experiencing an illness, wanted to help others, and took the decision to establish a cooperative jointly with other interested people in the local community. Now, the cooperative employs 200 caretakers who provide services for nearly 400 people, and its mission is still to help the elderly, the sick, children and adolescents, families, and women – regardless of age and social status⁵⁴.



Cooperative Nazareth (Italy): caring for minors of migrant origin

Social cooperative Nazareth was founded in 2001 in Cremona and one of its priorities is serving people of migrant origin, especially unaccompanied foreign minors, asylum seekers and refugees. For instance, Nazareth runs the Giona Day Centre, which offers daytime support for disadvantaged families and adolescents, mostly migrants. This involves support in training and education, creative and sport programme, job orientation, and development of soft skills for the minors. The day centre is a part of the “enhanced foster care” model developed by the Nazareth cooperative, whereby minors are placed not in a separate institution but in a house with foster carers, and provides additional support in fostering. It also operates as a link between the local community and community of migrants⁵⁵.

Cooperatives give power to the stakeholders

Cooperatives do not merely take community into account in their work; they also actively involve it in decision-making. Many cooperatives providing care are based on multistakeholder governance, meaning that their membership includes not only workers but also care recipients, their family members, volunteers, investors, non-governmental organisations, private sector bodies, or public authorities, although not all categories of stakeholders are necessarily present in all cases. As a result, all of these groups have a say in how the cooperative is functioning, ensuring that care provided by cooperatives is of high quality and matches the needs of their recipients and the local communities.



Filonido nursery (Italy): a success story born out of a multistakeholder partnership

Filonido is a “corporate welfare” nursery centre, founded in 2011. There was a significant demand from the families for flexible and affordable childcare in the proximity of their workplaces, in order to allow them to reconcile their working and family life. As a result, the nursery was established jointly on demand of the municipality of Bologna, the Emilia Romagna region, and three local companies; the municipality provided the land and the region invested two million euro in the project, while the companies pay part of the fees for the children of their employees. The project has been managed by a consortium of cooperatives, Karabak, formed by five cooperatives: two of them are social cooperatives, one offers catering, one is a construction cooperative, and one provides maintenance. Notably, other local families can also send their children to the nursery, paying same fee as for municipal services⁵⁶.



CavaRei Impresa Sociale (Italy): partnering with private businesses

CavaRei Impresa Sociale was formed through a merger of two social cooperatives in Forlì, in the Italian region of Emilia Romagna. It has initiated the creation of the Caffè Salato Foundation, which unites 8 families which raise children with disabilities, as well as six companies, among them CavaRei itself and five profit-making companies. The Foundation provides services and assistance to people with disabilities, aiming to ensure that they continue receiving support even after the death of their close family members⁵⁷.

Cooperatives partner with public authorities

While cooperatives are private and autonomous enterprises, they do regularly partner with public authorities on care service provision, in particular through public procurements. Services provided by cooperatives are sustainable and bring not only direct benefits to the care recipients, but also have positive indirect social impact (through provision of quality, inclusive employment and maintaining the wealth locally). Still, many purchasing public authorities apply the cheapest criteria which in turn put downward pressure on the wages of care workers. Forming consortia and cooperative groups allows cooperatives to have a wider impact and take part in substantial public contracts. Since recently, cooperatives in some countries are promoting more comprehensive partnerships with public authorities: instead of merely selling and purchasing services, they aim towards joint analysis of community needs and long-term planning of services. Moreover, cooperatives can also attract social impact finance into their partnerships with public administration.

53. See also International Labour Organization, ‘Providing Care through Cooperatives: Survey and Interview Findings’.

54. Source: National Auditing Union of Cooperatives (NAUWC), Poland. Read more: <http://arka.spoldzielnie.org/>

55. CECOP, ‘Lights on! Worker and Social Cooperatives Tackling Undeclared Work’.

56. Andrea Bassi, ‘Social Innovation and Social Entrepreneurship in Early Childhood Education and Care. Lessons from Three Case Studies of Innovative Services in Emilia-Romagna, Italy’, *The Journal of Entrepreneurial and Organizational Diversity* 7, no. 2 (2018): 1–18, <https://ideas.repec.org/a/trn/csnjrn/v7i2p1-18.html>

57. Source: Confcooperative Federsolidarietà, Italy. Read more about Cava Rei Impresa Sociale: <https://cavareit.it/impresa-sociale/> and about the Foundation: <https://cavareit.it/caffe-salato>



Portugal: using European recovery funds strategically

Based on the European recovery plan, Portugal defined the national Recovery and Resilience Plan, in which it established a protocol for investment in social services with a component aimed at increasing their response capacity. This collaboration protocol in itself represents a good practice of concerted action between the state and social and solidarity organisations, with a direct impact on promoting improvements in care services in Portugal. One of the measures, “Requalification and Expansion of the Social Equipment and Services Network” (February 2022), aims to contribute to the promotion of birth rate, active and healthy ageing, inclusion and promotion of autonomy, work-life balance, and social and territorial cohesion. The scope of this measure includes the creation of places in the following eligible social services: kindergartens; residential structures for the elderly (ERPI); day centres; home support services (SAD); centres for activities and empowerment for inclusion (CACI); and autonomous residences, as long as they are not attached to any other social response of residential nature⁵⁸.

Cooperatives offer sustainable services

Cooperatives are sustainable enterprises which are very resilient to crises; as can be seen from the examples included in this publication, many of them have been successfully operating for decades. This is achieved thanks to their governance model, accumulation and reinvestment of capital, but also thanks to the intercooperation through cooperative unions and federations which provide financial support, training, consulting etc. Cooperatives combine economic performance and general interest. The reinvested profits enable them to invest in innovation and to ensure long-term dimension and uninterrupted functioning of their care services and make them less dependent on subsidies. Cooperation among cooperatives through consortia or cooperative groups increases their longevity as well.



Cooperative “Les 3 Colonnes” (France): elderly care, with a long-term perspective

“Les 3 Colonnes” is a French social cooperative established in 2013, with the main goal of helping the elderly to finance their home care. Their innovative *modus operandi* is as follows: the beneficiary (elderly person) joins the cooperative by selling them their property. In return, the cooperative provides the beneficiary with a monthly pension, thus financing their home care and other financial needs. When a beneficiary eventually passes away, the cooperative takes over the property and sells or rents it, reinvesting the margins for the benefit of new beneficiaries. “Les 3 Colonnes” have started their work thanks to funds collected from public and private entities and institutions, but their business model is “self-regenerating”⁵⁹.



Cooperative consortium Solco Ravenna (Italy): carrying out large-scale projects, together

Solco, mainly operating in the province of Ravenna, Italy, is a consortium of 16 social cooperatives that offers a range of care services (for minors, the elderly, people with disabilities, people with addictions and people with psychiatric issues), as well as work integration for people in vulnerable situations. The member cooperatives created the consortium in order to achieve an economy of scale and jointly manage human and financial resources, as well as to facilitate their access to credit. A recent ambitious project of Solco is a residence for the elderly called la Rosa dei Venti (in partnership with social cooperative Il Cerchio), which answers the strong need for elderly care in the province. It represents the most important social investment ever made in the Ravenna area and has mobilized 19 000 000 euro from a range of investors. Solco is a story of how partnership among cooperatives can help them carry out large-scale, long-term projects.

Cooperatives innovate

Innovation in care cooperatives is driven by the need to answer to community needs in the most accurate way. Cooperatives both develop and test new solutions, putting the technology at the service of care recipients and care workers. As many examples in this report have shown, over the years cooperatives have offered a range of solutions to fit their stakeholders’ needs. Now, one of the major innovation challenges in the care sector is digitalization and technological innovation, and it is already underway both in small and large care cooperatives.



Cooperatives driving the digital revolution in the Italian care sector

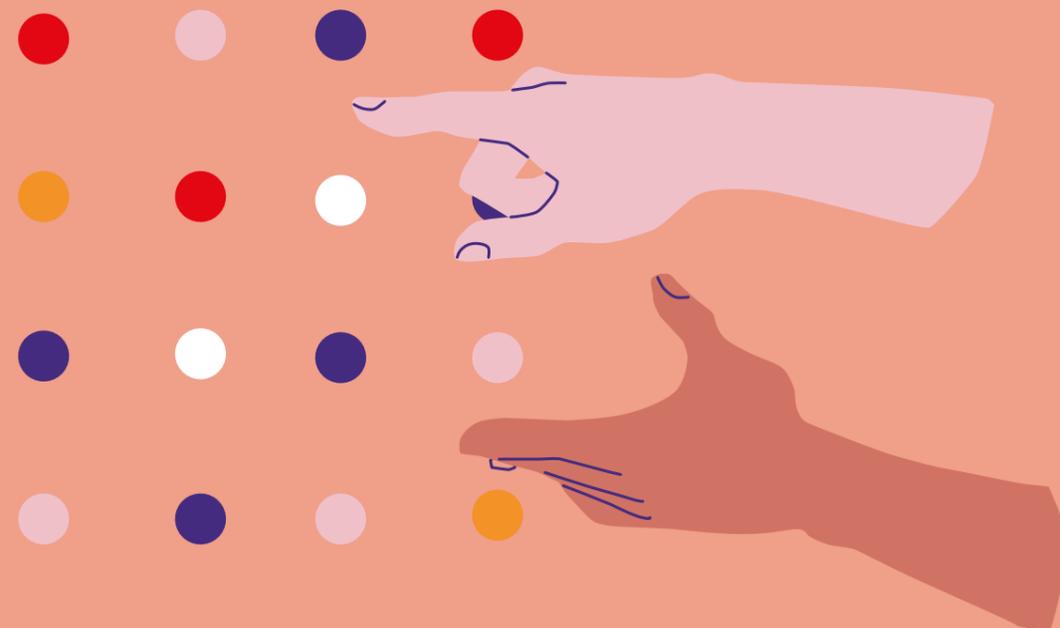
CGM, the main national consortium of social cooperatives in Italy, has promoted the digital revolution in the care sector, organising the offer of welfare services through digital platform WelfareX. The platform provides services directly to public institutions: it works directly with 88 municipalities, receiving about 40 000 applications from single users, managing more than 152 000 vouchers and about 6 000 000 euro worth of services. The CGM Consortium also launched CGM Welfare – a spinoff company specialised in providing assistance and training to local clusters that want to establish a local digital platform for welfare and care services. Through the local platforms, private citizens can purchase services, assistance, and welfare solutions directly from social cooperatives. Care services provided via digital platforms include assistance to the elderly; kindergartens and education; trainings; assistance to people with disabilities; care and residential services. The platforms grew rapidly during the Covid-19 pandemic (16 local platforms were launched in 3 months, and 7 digital platforms were in the process of development and implementation) and were key in countering the spread of the virus⁶⁰.



58. Source: Fenacerci.

59. Source: <https://www.cecop.coop/stories/les-3-colonnes-france>

60. Source: Concooperative Federsolidarietà, Italy. Read more: <https://www.solcoravenna.it/>



Policy recommendations

Ensuring high-quality care, all while prioritizing the needs of the carers, is a major priority for Europe right now. Quality, affordable and accessible formal care promotes social justice and builds social cohesion, reduces the pressure on informal carers (most of whom are women), allows for formalization of undeclared care work, and offers a range of indirect social and economic benefits through the spill-over effect. Cooperatives have time-tested answers to Europe's care needs, and therefore need to be acknowledged and empowered at the European and national level. The European Care Strategy and accompanying policy documents need to set clear goals and time-bound objectives, which will be underpinned by appropriate financial commitments.

POLICY-MAKERS NEED TO ADDRESS THE FOLLOWING KEY PRIORITIES:

1. Acknowledge and support cooperatives

In some EU member states, cooperatives providing care still do not have an appropriate legal framework, and authorities' awareness about the cooperative model in the care sector varies widely. Yet, as this publication has argued, the cooperative business model is a good solution for quality care, quality working conditions for carers, and addressing diverse socio-economic inequalities associated with care so that it is available even to the most disadvantaged citizens in the most remote regions of the EU. Cooperatives need acknowledgment and legal, political, and financial support.

2. Ensure that public investment in care is sufficient, strategic, and prioritizes quality

Care is social investment; it determines not only our present but also the well-being and productivity of our future society⁶¹. Unfortunately, so far investment in care infrastructure, workers, and training has been often insufficient, leading to major issues with care quality and availability across Europe. A significant increase in public investment is needed to address current challenges and prepare for the future ones, in particular those raised by the population ageing and potential future pandemics.

One of the main necessary actions is a paradigm shift in public procurement and service concessions – from seeing care as an expense, where financial costs must be minimized regardless of the implications for the care recipients, to treating it as an essential service to the community where quality (in particular, care recipients' and their families' satisfaction) must be prioritized. Use of cheapest price criteria in public procurement drives down quality of services and care workers' wages; private companies in such cases attempt to maximise profit, but cooperatives are forced to compete if they wish to carry out public contracts. To quote the EU Commissioner for jobs and social rights Nicolas Schmit, "You cannot make money on this kind of social services"⁶².

Furthermore, public procurement is not the only possible form of collaboration between public administration and cooperatives in the care sector. As discussed above, a shift towards a more integrated partnership model, based on a joint analysis of community needs and long-term planning of services, is needed.

Finally, investment is also necessary in upskilling and reskilling of care workers, and in the green and digital transition of the care

sector. More lenient state aid rules should be applied to the care sector.

3. Comprehensively address care on the EU level

Finally, investment is also necessary in the social infrastructure for care, upskilling and re-skilling of care workers, and in the green and digital transition of the care sector. One of the ways forward would be to better align the implementation of the European Care Strategy with the European Semester process, the European recovery funds, and other fiscal tools and financial programmes at the EU's disposal. European Care Strategy also needs to be linked to the European Social Economy Action Plan. Cooperatives need to be recognized as providers of quality care services and quality work for carers and to be eligible for the relevant investment programmes.

4. Improve accessibility of state aid to cooperatives providing care services

Care services provided by cooperatives should be eligible for a higher de minimis threshold, because of their public and general interest role, their contribution to social cohesion and the limited impact of these activities on competition and trade between Member States.

5. Support the carers

Care workers are fundamental to our society, but they also face some of the worst working conditions in the EU. The high prevalence of undeclared and informal care is the main issue, as it deprives a significant number of carers of guarantees and rights associated with formal employment and disproportionately affects women. In this context, cooperatives must be supported as key actors providing care in a formal environment, which can transform informal and self-organized care

61. Bassi, 'Social Innovation and Social Entrepreneurship in Early Childhood Education and Care. Lessons from Three Case Studies of Innovative Services in Emilia-Romagna, Italy'.

62. János Ammann, 'Commissioner Schmit: You Cannot Make Money on Social Services', *Euractiv*, 13 May 2022, <https://www.euractiv.com/section/economy-jobs/news/commissioner-schmit-you-cannot-make-money-on-social-services/>

Cooperatives care!

solutions into legal, stable and democratic entrepreneurial entities run by the carers themselves. By supporting formal employment and regularization of undeclared work, carers are offered rights and social protection.

Significant resources must be invested in boosting the involvement of young people in the care sector, training and reskilling, especially in what concerns the transformation of care services through digital and technological innovation.

Care services are increasingly being provided through platforms; in this context, platform cooperatives should be supported as a quality employment model for platform care workers.

6. Support digitalisation and innovation

Digital transition offers a huge potential for cooperatives and other entities providing care. It can facilitate training of the care personnel, improve access to care for the recipients, and offer new opportunities for collaboration including on the cross-border level. Yet the digital transition in the care sector faces a number of obstacles – not only lack of investment but also challenges in digitization, data management, data sharing and interoperability among the EU countries, which need to be addressed.

The technological innovation and development of new solutions is equally important and must also be supported through policy and financial instruments. It is crucial that digitalization and technological innovation is inclusive and accessible for even the most fragile and disadvantaged people.



About CECOP

CECOP is the European confederation of industrial and service cooperatives. It represents the voices of worker cooperatives, social cooperatives, and self-employed producers' cooperatives. CECOP works to create a supportive environment for cooperatives, so that they can operate to their full strength and fulfil their mission of providing sustainable jobs and high-quality services to communities. Our aim is to build a fairer Europe and contribute to sustainable economic growth, to bring democracy and solidarity to the workplace.

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