

The City Strategy Initiative

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Introduction

ESN members in 27 European countries are essentially responsible for management of social work and care services at the local and regional level. They participate in strategic planning, influence policy processes and implement practice solutions as directors and senior managers of social, employment, health, income and youth services.

The City Strategy Initiative seeks to enhance the local capacity to combat worklessness by giving more freedom to local stakeholders and by promoting partnerships and joint working. ESN welcomes the interest of the British government in tackling localised joblessness and breaking the cycle of deprivation and supports the view that local authorities should be empowered so as to address these challenges by fostering integrated neighbourhood development.

In order to support this direction, ESN presents its comment on the City Strategy for tackling unemployment and child poverty. In this comment paper, ESN highlights a number of specific issues which emerge from the host country and discussion papers. We will specifically address:

- Local public social services;
- Empowerment and participation;
- Leadership and partnerships issues;
- Achievements in times of crisis.

This paper is based on a number of EU-funded projects led by ESN in the last 4 years and in particular on the work of the two policy & practice groups: 'Active Inclusion and Employment' and 'Children and Family' which operated in 2008-2009. More about these initiatives can be found at: <http://www.esn-eu.org/policy-and-practice-overview/index.htm>.

1. Local public social services

The City Strategy has been developed in the UK to address the challenge of persistent pockets of joblessness and to decrease the number of people on incapacity benefit and long-term unemployed. It recognizes that some people were 'left stranded beyond the water' in the last two prosperous decades and sets an ambitious target 'to deliver a significant improvement in employment rates among those of working age, with the particular focus on the most disadvantaged¹'. With that in mind, 15 areas (so-called 'Pathfinders') were selected on the basis

¹ http://www.dwp.gov.uk/welfarereform/docs/A_new_deal_for_welfare-Empowering_people_to_work-full_document.pdf

of their employment rates (furthest from the national target of 80%) to provide a testing bed for a new approach to tackling worklessness and child poverty. At the heart of this approach lies the creation of new dynamic partnerships at the local level, capable of bringing together all the major stakeholders.

People at the margins of society may have chaotic life styles, addiction, low level of skills and their housing and family situation may compound an already difficult position. Those people, who are traditionally clients of social services, need more than training opportunities or a one-stop-shop. Maurice Blanc, from the University of Strasbourg, observes that the 'idea that if they received the appropriate training and sought work diligently, they would be sure to find jobs, (...) failed in practice'². Before they can be proclaimed 'job ready', their life situations must be taken care of. It may involve counselling, confidence building, child and adult care provision, new housing and a holistic support to the family. These tasks are by and large performed by local public social services in partnership with voluntary organisations.

The City Strategy rightly recognises the benefits of direct involvement of social services in its partnerships. Likewise, the Finnish experience demonstrates that networks combining employment, health and social professionals at the local level can provide users with an holistic approach and address their multiple disadvantages at the early stages, thus making it more likely for users to concentrate on and succeed in finding employment.

The Norwegian 'New Welfare and Labour Offices' have also recognised the advantage of working across boundaries with social, health and labour officers. Similarly, the Polish Centres for Social Integration operate at the crossroads of social and employment services, successfully providing labour market-oriented support to long-term unemployed (over 2 years) and people with addictions and disabilities. The recently reformed employment policies in Germany have implemented an integration of local authorities' social services and state employment services. The question here is whether a looser agreement of common objectives as in the City Strategy or a structural integration of services for particular client groups is more successful.

Far from being conclusive, the experience from continental Europe seems to suggest nonetheless that in order to prevent dualism and parallel action it is sensible to look for more structural cooperation and even an integration of employment and social services at the local level.

In addition to that, more visibility and perhaps a greater involvement of local public social services in strategic planning of the City Strategy could also prevent the disappearance of child poverty from the radar: although mentioned in the title of this Peer Review, it does not come through into the text of the report as observed in the Discussion Paper³.

2. Participation and empowerment

The City Strategy is based on the principle of joint working by all major local stakeholders 'to raise local employment rates and improve the local economy'. In reality, partnerships should involve a set of local, regional and national agencies, with varying levels of employer and third-sector

² Blanc, M. (2006) The Economic Dimension of 'Politique de la Ville' in: Der Newsletter zum Bund-Länder-Programm Soziale Stadt

³ The City Strategy in the United Kingdom, Discussion Paper, Jan Vranken (University of Antwerp)

presence. The presence of different governance levels being salutary, it might nonetheless narrow the perspective if the majority of members of a given consortium recruit from public authorities with only a few representatives from the economic or voluntary sector.

However, the even bigger omission seems to be the lack of user involvement⁴. Clients are real stakeholders in the economic regeneration processes and they have the most to gain or lose from the success or failure of the City Strategy. Seeing the rise in the employment rate not in the form of numbers/percent but as individual successes and life changes justifies sufficiently the call for client involvement.

The participation of users in similar schemes in Europe demonstrates that – if carefully designed – it can be a powerful contribution to cohesive neighbourhoods. The Danish model of Neighbourhood Regeneration in Copenhagen can serve as example of such policy. In Copenhagen the regeneration action plan 'is drafted during the project's first year as a result of an extensive bottom up process in which local residents and stakeholders describe problems and discuss solutions'⁵. As a result 'there is generally a high degree of satisfaction both from the political and administrative point of view and – most importantly – from among local residents'⁶.

Likewise, the Dutch authorities engage with users too. Users are consulted not only on an individual level in relation to their pathways to activity but also strategically on the design of entire projects, as members of user councils – recognised partners in policy-making processes. The ESN members of the 'Active Inclusion and Employment' working group highlighted the importance of user involvement as crucial to the overall success of any scheme (more in the case studies report available at: www.esn-eu.org/active-inclusion/).

Ultimately, today's unemployed can also be tomorrow's businessmen. With the improvement of the local economy set up as a key aim of the City Strategy, it seems only natural to engage with the jobless population to stimulate their interest in self-employment and support the start-ups. The German strategy 'Soziale Stadt' stresses the importance of 'harnessing local potential' and 'helping people to help themselves'⁷ as a mean of building up independent and strong communities. The German programme gives also significance to the 'ethnic economy' which has a positive effect on local trade and also allows the owners to gain financial independence as well as the sense of self-worth, thus realising both economic and social potential. The City Strategy, which mentions the BME (black and ethnic minority) targets, might also benefit from the incorporation of this entrepreneurial spirit within its design. In the XXI century post-industrial societies, economic regeneration cannot be solely based on the traditional view that the employers are to be incentivised to employ jobless people and that services are responsible to train them for a given position; it is crucial to bring about individual activity, support the start of small businesses and ensure their stability in the longer run. This empowers individuals and ultimately whole communities. New, socially sensitive schemes for micro-finance may also be an element of a supportive environment for the social development of deprived areas.

⁴ Franke, T. / Grimm, G. (2002): Quartiermanagement: Systematisierung und Begriffsbestimmung, in: Bertelsmann Stiftung, Hans-Böckler-Stiftung und KGSt (Hrsg.) (2002): Netzwerk: Kommunen der Zukunft, O.O.

⁵ Leonardsen, L. 'Local Economic Development and Neighbourhood Regeneration in Copenhagen' in: Der Newsletter zum Bund-Länder-Programm Soziale Stadt

⁶ Ibid.

⁷ http://www.sozialestadt.de/veroeffentlichungen/arbeitspapiere/band3/3_argebau.shtml

3. Partnerships and leadership

Partnerships between the local stakeholders are the backbone of the City Strategy. Both ESN working groups ('active inclusion' and 'children & families') stressed the importance of inter-agency working and partnership in delivery of modern, empowering services for communities (for examples see e.g. <http://www.esn-eu.org/children-and-families>).

Successfully delivering partnerships need to be carefully thought through to guarantee that all relevant stakeholders are involved (see also: first part of this paper) and need to be well embedded within the local community. In this regard, the short lifespan of the City Strategy makes it difficult for the newly created partnership to grow roots. In contrast, the Danish model of 7-year partnerships gives better chances, setting aside the first year for mapping out and the last for the 'anchoring' i.e. ensuring that the change will be sustained⁸.

In the same way, to make partnerships work, both political and practitioners' level need to be equally involved. As noted in the discussion paper 'while there appears strong commitment to partnership working at a strategic level, this is not always translates into joined-up working in delivery'. This observation sheds lights on one of the challenges faced by the City Strategy teams. This shortcoming can be explained by the insufficient training (in collaborative work methods) provided to personnel or – more probably – by a lack of clear decision-making devolved to the implementation teams. In the future, more time should perhaps be invested in staff preparation (both in terms of training and responsibilities') to avoid shortcomings in delivery and in data sharing.

The issue of data sharing has been identified by the ESN working group members as an important challenge. Middle management and implementing teams may not always feel confident about disclosing otherwise confidential data without a clear go-ahead from senior managers. Potentially breaching data protection laws and sharing information without knowing whether other partners will reciprocate is a rather grim perspective. There needs to be a clear agreement as to the scope and type of data that should be pooled to guarantee equal and unhindered access for all relevant stakeholders. The protection of the confidentiality of personal data as a key civic right is another relevant aspect.

Finally, it is worth emphasising the danger of 'overlapping partnerships'. The host country report duly mentions that in some Pathfinder areas the CSPs are subsumed, whereas in others they sit alongside other arrangements, which may indicate a certain 'overcrowding'. As discussed in the literature, the landscape of neighbourhood-focussed policies has been constantly changing in the last 15 years and there is a risk of 'partnership fatigue'⁹. It may be argued that there have been too many initiatives in the UK, in recent past, having unclear remits and varying lifespan, which might be the reason for a lesser involvement of employers and for less enthusiasm from the involved partners.

⁸ Leonardsen, L. op.cit.

⁹ Carley, M. / Chapman, M. / Hastings, A. / Kirk, K. / Young, R. (2000): Urban Regeneration through Partnership: A Study in Nine Urban Regions in England, Wales and Scotland.

4. Achievement in times of crisis

The City Strategy was set up during a period of economic growth and rising employment, intending to go the extra mile in bringing socially excluded people into the labour market at a time of growth. It will be indeed difficult to prove its success in the time of downturn and growing unemployment. The swelling numbers of able-bodied people, recently made redundant, may put in question the support for active inclusion of people at the margins of society.

In these circumstances it is even more important to put achievements into the right context. The narrow perspective of meeting the targets may be useful during prosperity, but need to be carefully applied otherwise. It appears more significant to look at the 'distance travelled' and allow for longer activation periods than in case of regular job office clients. In the Netherlands, average 'trajectplan' to activate a person far from the labour market takes 2 years, in German 6 months (renewable) and in Finland – as long as necessary¹⁰. Interestingly, the ESN members in Finland are currently working on software which could help them estimate the costs of altered behaviour (or the costs of non-action), through e.g. the assessment of social and financial gains in terms of someone's non-incarceration or overcame addiction.

It goes without saying that there are other traps associated with the measurement of success. The focus on the number of people received by the new offices or participating in training, may lead to the phenomenon of "client's recycling": circulation of the same people in the system. This paradoxically may satisfy both sides: service providers can demonstrate the high turn-out as a proof of the popularity of their offer and users may in term enjoy the safe environment of continuous training and counselling. Such closed circuits lead ultimately to clients' disempowerment, keeping them in a cocoon of 'sheltered' world and not encouraging them to venture into the much less protected primary labour market.

Finally, it is important to find the right balance between the two extremes: on one hand, unrealistic expectations towards the people at the margins and on the other hand, not being ambitious for them. To expect a person who never had any work experience and has multiple disadvantages to thrive independently in mainstream employment after a session of training – is out of touch with reality. However, to think that people at margins are only good enough to live off benefits and in sheltered workshops – is a lack of ambition on behalf of relevant services¹¹. This dilemma has been broadly discussed by ESN members during the 2006 seminar in Metz and throughout the 2008 within the working group on Active Inclusion.

The key question – what constitutes success in active inclusion – so relevant in the City Strategy, will be addressed in the winter seminar organised jointly by the Verein Beschäftigungspolitik: komunal e.V. and ESN.

¹⁰ 'Pathways to Activity' ESN final report and case studies; available at www.esn-eu.org/active-inclusion/index.htm

¹¹ Read more in the 'Social and Employment Activation' ESN Policy Paper 2006, available at: <http://www.esn-eu.org/active-inclusion/index.htm>

Concluding remarks

The City Strategy has piloted an approach to encourage partnership working with the view to improving employment rates and fostering joint strategies at the local level. In practice, the City Strategy is wisely reviewing progress after the initial two years to ensure that they make the most of this promising model of collaborative work to favour employment and stimulate the local economy.

To further support this development, ESN wishes to draw attention to some key points:

- Local public social services are a major stakeholder in the process of activating long-term unemployed and incapacity benefit claimants. Their continuous and strategic involvement in the City Strategy could be therefore beneficial for its overall success.
- User participation and empowerment are paramount to the success of process. The change of the perspective 'from subjects to partners' would add another dimension to the City Strategy and would equip the policy-makers with practical knowledge of local challenges and potential solutions.
- Partnerships which are the core of the City Strategy need to be carefully embedded into the local community and allow some time to gain recognition and start delivering sustainable results. Decision making powers and a certain level of freedom have to be devolved to the implementation level to ensure that the strategic agreements are carried out in practice.
- Measuring the success of the strategy is the most difficult element which requires a healthy balance between unrealistic expectations and the lack of ambition. Focusing on the 'distance travelled' can also enrich the quantitative part of assessment.

It is important to reiterate that the City Strategy is part of a trend for local stakeholders to work together to tackle the localised worklessness. There is a wealth of experience across Europe in developing similar urban regeneration strategies and activation schemes and therefore a strong potential for mutual learning. It is important that the 'Peer Reviews' as a part of the Open Method of Coordination provide Member States and stakeholders with opportunities to learn from one another's experience. It is particularly important at a time of financial crisis which 'can also be seen as an *opportunity* for a new start, for independent local development'¹².

¹² http://www.stadtteilarbeit.de/seiten/theorie/birkhoelzer/formen_lokaler_oekonomien.htm