

# The WILCO Project: A Summary of the Findings (2010-2014)



**WILCO**

Welfare innovations  
at the local level  
in favour of cohesion

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## 1. Introduction

The project ‘Welfare Innovations at the Local Level in Favour of Cohesion’ (WILCO) examined social innovations in twenty European cities. Specifically, it had the following goals:

- *To identify innovative practices in European cities and the factors that make them emerge and spread*
- *To set them against the context of current social problems and urban policies*
- *To make recommendations how to encourage local social innovation.*

For this purpose, the project brought together universities from ten countries (Croatia, France, Germany, Italy, The Netherlands, Poland, Spain, Sweden, Switzerland, UK), as well as the research networks EMES and NISPAcee. The project was coordinated by Radboud University Nijmegen.

We selected *twenty European cities (two per country)* on which we focused our remaining research. The chosen cities were: Münster and Berlin Friedrichshain - Kreuzberg (DE); Zagreb and Varaždin (HR); Amsterdam and Nijmegen (NL); Barcelona and Pamplona (ES); Milan and Brescia (IT); Stockholm and Malmö (SE); Birmingham and Medway area (UK); Warsaw and Plock (PL); Lille and Nantes (FR); Bern and Genève (CH).

The *methods* used in examining the cities are briefly described at the back of this summary and shown in more detail in our research reports.

*Recommendations* based upon our findings will be presented separately in our policy briefs, available through the website [www.wilcoproject.eu](http://www.wilcoproject.eu).

## 2. Findings with regard to social exclusion and vulnerability

The first part of our research consisted of mapping the main patterns of social exclusion in European cities. Our research took place at the time of the greatest economic crisis since the 1930s. Of course this means that the conditions we describe are in some respects extraordinary. However, the underlying trends predate the crisis and can be observed in other studies. The data are described in detail in the WILCO city reports, available through our website, and in the forthcoming publication *Social Vulnerability in European Cities in Times of Crisis and The Role of Local Welfare* (Palgrave, 2014).

Predictably, indicators on most dimensions have taken a turn for the worse in the areas we studied (childcare, housing and employment):



- Housing prices everywhere have increased, leading to problems of affordability for vulnerable people. In most cities reductions of public support from the national level, combined with the decentralisation of housing policy, have led to a drastic reduction of the resources available for local welfare housing policies.
- Despite substantial efforts by local governments in the 2000s to improve the number of childcare services and facilities in the majority of cities, the shortage of affordable places and long waiting lists remain a substantial obstacle, although to varying degrees, for families with dependent young children. Lack of affordability, lack of appropriate childcare opening hours and geographical polarisation limit access to childcare in practice, specifically for single mothers.
- Youth unemployment has risen strongly everywhere, especially in Southern European cities. It is now not uncommon that the average duration of the last spell of unemployment is longer than the average length of the last job experience. Furthermore, there is a trend toward extremely short-term contracts reduces the capacity of planning for these young people, both in terms of establishing a new household and in terms of building a successful career.

The current financial crisis is perceived as a catalyst of existing problems, for young people in general, and more specifically for some categories like first- or second-generation migrants. However, the analysis also shows the emergence of a new type of problem, which is the ***growing numbers of people in a condition of social vulnerability. More than by severe material deprivation or permanent poverty, this condition is characterized by instability in a context of harsh constraints.*** It is a situation of economic stress and uncertain financial position, accompanied by a marked reduction in the standard of living. This fragility increases the probability of social exclusion when further negative events occur (illness, unemployment, family breakdowns, and so on). Social vulnerability affects a total of 16 per cent of the population in European countries, which suggests that severe hardship today is less widespread than income fragility and work instability.

Different dynamics come together here: an increase in temporary employment, a lack of affordable housing, changing family relations and increasing migration within Europe. Temporary workers, people with low income hit by chronic invalidity, women with small children dealing with severe work/private life reconciliation problems, and individuals whose income is fluctuating just above and below the poverty line are experiencing situations characterized by few social guarantees, instability in the fundamental mechanisms for acquiring essential resources and fragility

of social or family relations. What they have in common is that ***their position within the main systems of social integration (work, family, the welfare system) is weakened because of their being for a long time in a condition of uncertainty.***

The nature of these problems appears similar across different types of cities. Although they differ in extent and effects, notions that they occur primarily in depressed economic areas or in globally competitive with rising levels of inequality are false. Indeed, the focus on national differences in social policy research tends to mask the fact that the similarities between large European cities in different countries are often greater than those between city and countryside within the same country.

Local welfare systems deal with the emerging social reality in various ways and with varying degrees of success. It is clear that welfare is being increasingly shaped at the local, rather than national, level, through the involvement of several types of local actors.

### 3. Findings with regard to local welfare governance

Our 20 cities have certainly common features, but are distinct in the way welfare policies are ideologically and practically justified. Following a process of typologising, including temporal dynamics and information about values and policy choices, we identified ***four kinds of regimes, characterised by different relations between social and economic policies at the city level.*** They can be described as follows:

- The ***governance of innovation*** is characterised by the continuous search of synergies between economic and social policies. The political consensus is fragile, but stabilises ambivalences in the city's driving coalitions around the idea of the innovative (or creative) city. The coalition's major orientation is to foster urbanity as a project and as a way of live, bohemian and innovative, open to differences and responsive to marginality. Through urbanity, that's the guiding hypothesis, economic dynamics would be improved. From the organisational point of view, this governance style privileges welfare mix solutions. Values that all actors share are the idea of urbanity, pragmatism and efficiency; ideologies are secondary in the definition of policy priorities. Examples of this governance style were Bern, Münster, Barcelona and Varaždin. Varaždin's orientation was developed following indications from the EU.

- The ***governance of growth*** gives priority to economic policies. The orientation is anti-urban and politics are strongly influenced by economic interest groups. This *growth machine* orientation privatises social problems as individual faults. Pamplona and Birmingham were examples of the predominance of this kind of governance.
- The ***governance of social challenges*** gives priority to social policy orientations in the production of services. Economic dynamics are handled parallel to social policies and are not related nor in conflict to them. It follows a more traditional social welfare policies in which the local state plays a primordial role in the production and distribution of services. Political parties and party politics define this orientation and the dominant, more paternalistic choices in the field of social policy. Shared values are solidarity and the social responsibility of the state. Cities like Malmö, Stockholm, Geneva, Lille, Nantes, Nijmegen, Brescia, Zagreb, Warsaw and Plock were examples of this kind of governance. Concerning Zagreb, Warsaw and Plock we find again the EU as dominant partner in the definition of the governance style.
- Finally, we identified a ***conflicting governance of social and economic challenges***. In this case, a combination of a weak local government and strong economic and social interest groups create a concurrence between economic and social investments. The value orientation in the field of social policies is conflicting with an opposition between a social and an economic lobby. Each social policy creates a debate between individualism (and individual responsibility) vs. solidarity and a collective responsibility. Berlin and Milan were examples of such a conflicting kind of governance.

#### 4. Findings with regard to emerging social innovations

The WILCO project examined a total number of 77 cases of social innovation. They are described and comparatively analysed in the e-book *Social Innovations for Social Cohesion: Transnational Patterns and Approaches from 20 European cities*, available for download on our website.

We have grouped innovations according to five dimensions that we regard as the most important recurring approaches and instruments. One initiative can incorporate several types of innovations. For example, The ‘Young people with a future’ initiative in Barcelona constituted both a service and a governance innovation.

**1. *Innovations in services and their ways to address users:*** The majority of the social innovations we studied were service innovations. Since personal social services are by definition a special form of social relationship between people, this is not a surprise. Moreover, services are more accessible to small-scale innovations by social entrepreneurs, groups of citizens and other change agents than most high-tech products. Innovations focused on investing in capabilities; open approaches avoiding targeting with stigmatizing effects; initiatives that bridge the gaps between professional services and people's life worlds; and services that connect separated forms of support and access, allowing for personalized bundles of support.

**2. *Innovations in regulations and rights:*** In addition to reinventing services, social innovations can also pertain to the rules governing such services. Innovations of this type included creating flexible forms of ad hoc support; developing offers beyond fixed social and participation rights and entitlements that meet newly emerging risks; and working with "social contracts" for individuals and groups.

**3. *Innovations in governance:*** social innovations represent a combination of new "products" and new "processes" (including the internal organisation of decision-making and ways of interacting with the environment). Most innovations that aim at developing new kinds of services also have a governance dimension. For some innovations this is even a core issue. Governance innovations found by the project are fostering units and types of organization that operate in more embedded and networked ways; giving new concerns and groups a voice in the public domain; organizing more intense forms of public debate and opinion-building around challenges in cohesion policies; and building issue related coalitions and partnerships

**4. *Innovations in modes of working and financing:*** These include flexicurity in working contracts; levels of institutionalization and security below traditional standards; combining professional teams and voluntary commitments; defining strong mission profiles; and combining resources from different stakeholders. When an innovation means to deal differently with a given challenge or pressure this must often entail a way to accept and live with worsening material conditions. This tends to increase the imbalance between ambitions on the one hand, and conditions and means on the other hand. Therefore innovative elements like flexible teamwork are hard to disentangle from conditions where it is impossible to offer some basic degree of job security. Likewise an innovative way of working in a multi-stakeholder perspective can entail a chronically underfunded local





public sector, making it difficult to differentiate between winning additional societal support and using local partners as a spare wheel.

**5. Innovations concerning the entity of (local) welfare systems:** Finally, we have looked at the possible contributions of innovations to developments in local welfare systems. We have understood these to include, besides the local welfare *state*, the welfare-related roles and responsibilities of the third sector, the market, communities and families. Such types of innovations include reaching out to all sectors of local welfare systems and reducing the state focus; aiming at less standardized, more diverse and localized welfare arrangements; upgrading the community component in mixed welfare systems (families, support); integrating economic and social logics (entrepreneurial action, developmental welfare) and Integrating welfare and urban politics.

## 5. Findings with regard to the sustainability of innovations

In addition to analysing the types of emerging innovations, we also made some observations with respect to how they continued to develop. ***There is a tendency in publicity on social innovation to discuss successful cases and those that are scaled up to a system-wide level. Based on our evidence, it must be concluded that the reality of local social innovations is a different one. The majority remain local and last only a limited number of years.*** The emphasis on success stories and scaling-up is an important one, with implications for the direction of future funding; but it is equally important to realise that the majority of local innovations (especially those not originating in professional organisations) do not fit such a pattern of growth and that one should not disregard the cumulative effect of the many small, temporary initiatives that are of high value within their local context. Public policy should therefore not focus only on the selective group of innovations with a high growth potential, but also on the capacity of cities to continue generating many new initiatives of a highly local nature.



Of the innovations we studied, the majority were either discontinued after a few years or faced an uncertain future in the short term. Cutbacks in public sector funding no doubt play a part in this, but the underlying structural dynamics, such as project-based funding, dependence on charismatic initiators and shifting political fashions, suggest that the underlying conditions are of a structural nature.

***The most sustainable innovations were those that were either fully integrated into the local welfare administration or even initiated by the local authorities. Generally, local authorities tended to favour innovations that were complementary to their growth strategy, aimed at making the city more dynamic and attractive. This means that there is not necessarily a smooth fit between social innovation and economic growth agendas.***

***Another factor that affected innovations' chance of survival was whether they involved a wide coalition of parties.*** Such parties could include the third sector, local governments, businesses and groups of citizens. A broad alliance made it easier to sustain the innovation even when one of the parties (like the local authorities) withdrew its support. Highly vulnerable were those innovations which were primarily dependent on European funds.

Finally, what also mattered to a large degree was the governance style of local authorities. ***Innovations could more easily gain recognition and sustainability where there was an open governance style, that is, where authorities proved open to contributions to local welfare by different parties.*** To some extent such openness appeared related to institutional



factors, such as the level of decentralisation within the state structure and historical traditions of working with the third sector; but it also depended on the nature of local politics, the prevailing discourse and availability of people who could act as ‘boundary spanners’, connecting institutional and life worlds.

## 6. Findings with regard to the diffusion of innovations

Another way for social innovations to gain a longer life is for them to be diffused to other cities and countries. Most of the publications on the diffusion of innovations are based on business contexts and on products, rather than services, which means that it is important to identify clearly how local social innovations are different. The nature of products made for the commercial market is that they are not made primarily for the local market, but deliberately designed to spread widely to other places. Social innovations, by contrast, are usually initiated to solve a local problem. Wider diffusion is only of secondary importance to the innovators, if not irrelevant. The image of the highly visible entrepreneur giving TEDx talks is, in this case, unrepresentative. ***Therefore it is especially important for this type of innovation to have intermediaries, who know the situation on the ground and assess what it takes for innovations to take root elsewhere.*** There was no evidence that at this point in time established EU channels play a significant role in this process.

Unlike many products, which can shift places easily, ***social innovations have to be ‘translated’ to be effective elsewhere. It is rare to have a straight transfer from an idea from one place to another***, although we did find some examples of this (for initiatives that were typically low-resource, low-skill). Approaches or projects will in some way need to be adapted to the context into which they are adopted. For instance, what is originally a project to keep young people socially active may elsewhere be justified with the discourse of unemployment or crime prevention. The shape of a collaborative arrangement may have to be altered, for example, because responsibilities for a certain policy area are distributed differently over governments at different levels, or because services are provided privately in the country and publicly in the other. The innovation will need to be re-shaped. The adaptation may concern the structure of an innovation, e.g. its formal organisational shape, but also the regulation that supports it, the instruments through which it is implemented, or the discourse with which it is described and justified. ***Innovations are therefore usually hybrids of different ideas and inspirations.***

Given that such a process of reconstruction and translation must take place, it requires new ways of collaboration, for example, between governments and citizens, and new ways of thinking. Our material shows that, in local welfare, this process does not start when an innovation is introduced, but usually well before that. Rather, it is the other way round: an innovation is adopted when minds are ripe. A good idea is not convincing in itself - it comes when people are open to it. What this means is that ***adopting an innovation from elsewhere is, from the perspective of the adopting parties, not fundamentally different from inventing one.*** After all, it requires similar breakthroughs in institutional routines, whether of content, collaboration, or other aspects of working.

This means that ***the process of diffusion starts before the actual adoption of an innovation.*** Research on diffusion tends to focus on the process after the adoption, and then especially at successful cases of adoption. Yet the innovative capacity of a city is not only reflected in what is adopted (a specific approach to solving a problem), but also in the groundwork that is done before the adoption (getting the right people together, getting minds ready for new options). This is very relevant to public administration reform, because it means that ***simply finding the right kinds of solutions is in itself not enough. It requires a different approach to governance.***

## Methodology

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The first part of the project consisted of mapping the context of social innovations at the local level. We described the historical-institutional background on the basis of two dimensions, the structure of the overall welfare state and the degree of centralisation and the position of ‘the local’ in shaping welfare. For this purpose, we made an inventory of variables that must be regarded as formal pre-conditions for local welfare policies and initiatives, including key regulations, financial provisions, contractual arrangements and entitlements. Because at this concrete level there were many changes in key variables (e.g. in financial and regulatory conditions), we set a time frame covering the last 10 years. The variables were specified for three policy fields central to the project: child care, employment and housing.

First, a literature review was conducted. To be sure our information was up-to-date, we also conducted six interviews per country (two in each of the three policy fields, with public officials and professionals), sixty overall.

After we had mapped these national backgrounds to social innovation, we moved to the local level. We chose twenty European cities (two per country) on which we focused our remaining research. The chosen cities were: Münster and Berlin Friedrichshain - Kreuzberg (DE); Zagreb and Varazdin (HR); Amsterdam and Nijmegen (NL); Barcelona and Pamplona (ES); Milan and Brescia (IT); Stockholm and Malmö (SE); Birmingham and Medway area (UK); Warsaw and Plock (PL); Lille and Nantes (FR); Bern and Genève (CH). For the twenty chosen cities, we gathered data about social inequality and exclusion in the local labour market, housing market and child care facilities, as well as more general data on patterns of social cohesion. Specifically, we identified the relative position of age, gender and migrant groups with respect to general patterns of social inequality and exclusion.

Data collection consisted of two parts. The first was an analysis of the Eurostat Database Urban Audit, that includes data for more than 200 European cities, constituted the background for our comparative analysis. The following aspects were analysed: the structure of the labour market (employment by sector, activity rate by gender and age, unemployment rate by gender and age); the demographic structure (changes in the population over the last ten years, the structure of the population by age, proportion of immigrants on the overall population, old age dependency ratio), the inequality structure (gaps in the unemployment rates between centre and periphery, inequalities in the education level of the population,



gender gaps in the activity rate and employment). The second part consisted of 360 intensive interviews, thirty-six in each country (six interviews for each group mentioned above in each city). The analysis was aimed at describing the living conditions of these people experiencing difficult situations and at identifying the strategies they adopt in order to deal with these situations. Special attention was paid to the factors preventing these people from getting social benefits and support from public, private or non-profit services.

Having identified the context of innovations in local welfare in the first part of the project, the project turned to the innovations themselves. In order to do so, a distinction was made between the core ideas behind local welfare and the concrete approaches and instruments through which local welfare is implemented.

The first part of the analysis focused on discourses about social inequality and social cohesion in the three policy fields mentioned above, revealing the core ideas that drive innovations in local welfare. The key methods used were:

- An analysis of documentation, including policy documents produced by the stakeholders in the chosen policy fields; parliamentary protocols produced at the local level discussing choices taken in the policy fields; newspapers articles produced in the local press concerning the policy fields.
- Qualitative semi-structured interviews with stakeholders both within the analysed fields and at the level of general policy, with policymakers, civil servants, representatives of civil society organisations and representatives of our three chosen groups. In total, we carried out about twelve interviews per policy field per country, 360 interviews overall.
- Involving stakeholders in the progress of the research, focus groups were organised in each city to invite policymakers, civil servants, representatives of civil society organisations and representatives of the three groups of interest.

In addition to discourses, we describe instruments and approaches that are used to fight against social inequality and stimulate social cohesion. By virtue of the knowledge accumulated in previous phases of the research, we could assess how instruments and approaches were innovative in their context and whether they would be so in another context. In total, we gathered information about 81 social innovations. This was done primarily through an additional 180 interviews.



## The main results from the WILCO Project take the form of:

- **Various types of publications:** research reports, working papers, policy briefs, position papers, grassroots events reports, and summary of findings.
- **Two edited volumes on social innovation:**
  - > “Social vulnerability in European cities” (2014)
  - > “Social Innovations in the urban context” (2015)
- **An e-book** “Social Innovations for social cohesion 77 cases 20 European cities” (ISBN: 978-2-930773-00-1. Available in PDF, eReader and ePub)
- **A documentary** divided in three individual video pieces was produced at the end of the Project:
  - > Social vulnerability in European cities.
  - > Social Innovations across Europe.
  - > Governance of innovation across European cities.

All the results are available on the WILCO Project website  
[www.wilcoproject.eu](http://www.wilcoproject.eu)

