



## Cities for Active Inclusion



# INVESTING IN AN INCLUSIVE SOCIETY



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## Executive summary

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For five years EUROCITIES, with the support of the European Commission, has worked intensively with a group of ten European cities on the EU's active inclusion agenda. This report distils the key findings from our Cities for Active Inclusion partnership and concludes with five recommendations for the implementation of the EU's recently adopted Social Investment Package (SIP).

City authorities play a strong role in the development, management and implementation of active inclusion policies across the EU, regardless of how member states divide social policy responsibilities across the various levels of government.

The five years of research demonstrate that cities adopt an integrated approach to active inclusion by maintaining a broader, comprehensive focus on prevention and early intervention, social innovation, education and lifelong learning and addressing health issues. Our Cities for Active Inclusion partnership has identified the factors for the success of active inclusion initiatives as being:

- coordinating and integrating policies and services
- focusing on area-based active inclusion initiatives
- working in partnership with all the relevant organisations
- involving service users and the general public in planning and delivering active inclusion initiatives
- working in partnership with other levels of government
- promoting social innovation
- measuring and improving the quality of social services
- prioritising prevention and early intervention, and
- promoting active inclusion as an investment.

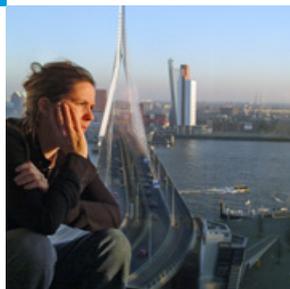
The delivery of active inclusion policies at city level faces three main challenges:

- financial constraints
- increasing numbers and emerging new groups of people at risk of social exclusion and labour market exclusion
- a lack of coordination between different levels of government and departments.

Drawing on the experience of our Cities for Active Inclusion partnership, EUROCITIES has five recommendations to further strengthen the implementation of the European Active Inclusion Strategy:

- maintain a strong focus on active inclusion in the key EU processes, including the National Reform Programmes and the Country Specific Recommendations
- promote activities at all levels of governance to raise awareness, build capacity and provide mutual learning opportunities on the successful implementation of active inclusion
- ring-fence funds for active inclusion in all relevant EU funding programmes, ensuring they are accessible by city authorities
- broaden and mainstream the principles of active inclusion into all SIP measures
- involve city governments as partners in the preparation, implementation and assessment of active inclusion policies.

The results of the Cities for Active Inclusion partnership leave little doubt that our frontline municipalities are key players and can take the lead in supporting and empowering people to become participating members of society. Our many good practice examples demonstrate both innovation and impact. City authorities, if engaged and resourced, will make a critical contribution to implementing the Social Investment Package.



## Introduction

Identifying and disseminating best practice on how to involve the most vulnerable people in society and employment has inspired and motivated the municipalities taking part in the Cities for Active Inclusion partnership. From initiatives that help older people feel safe in their communities, to providing parenting skills to disadvantaged families, through to peer mentoring for secondary school pupils of migrant origin, city authorities have designed and implemented a wide range of innovative active inclusion ideas and solutions.

EUROCITIES has promoted active inclusion for several years. In 2009, we undertook a pilot project with five cities to determine the most effective approach for analysing existing active inclusion practice and sharing examples with other cities.<sup>1</sup> This pilot formed the basis of the five year Cities for Active Inclusion partnership (2009-2013), which focused on promoting active inclusion at city level. Ten cities were involved: Barcelona, Birmingham, Bologna, Brno, Copenhagen, Krakow, Lille Metropole-Roubaix, Rotterdam, Sofia and Stockholm. Cities for Active Inclusion is one element of the partnership between EUROCITIES and the European Commission's DG Employment, Social Affairs and Inclusion, to promote European social policies at the local level.<sup>2</sup>

Through Cities for Active Inclusion we identified factors that can affect active inclusion, including: the quality of social services, the role of the social economy, youth employment, social innovation, demographic change, preventative and targeted approaches, social clauses in procurement and social return on investment. Reports produced by each city highlight the trends, challenges, solutions and good practice for implementing active inclusion at city level. A total of 46 city research reports were written, and these were summarised in analytical reports, factsheets and collections of good practice.<sup>3</sup> Each year, our city partners organised active inclusion seminars to raise awareness among a wide range of stakeholders, such as municipal officials and staff, NGOs, social enterprise organisations, businesses and business associations, education and training providers, and regional, national and European public sector administrations. More than 900 people attended these seminars. Mutual learning study visits also took place in several cities, focusing on topics such as the social economy in Bologna, urban regeneration in Rotterdam, social innovation in social services in Barcelona and preventative approaches to exclusion in Birmingham.

In this report we summarise the key findings identified in the Cities for Active Inclusion research papers, good practice case studies, seminars and study visits.

<sup>1</sup> The 2009 pilot involved Bologna, Prague, Rotterdam, Southampton and Stockholm. It was co-financed by DG Employment, Social Affairs and Equal Opportunities of the European Commission.

<sup>2</sup> The partnership between EUROCITIES and the European Commission is funded through PROGRESS.

<sup>3</sup> For full details of the Cities for Active Inclusion publications, see: [www.eurocities-nlao.eu](http://www.eurocities-nlao.eu).



## 1 The added value of the European Active Inclusion Strategy

### 1.1 The added value for cities

EUROCITIES recognises the importance of a formal European Active Inclusion Strategy, as set out in the 2008 European Commission recommendation.<sup>4</sup> The key principles of the strategy are described in box 1 (see overleaf). We regard it as being highly relevant at the local level for four reasons:

- **maintaining a local focus on active inclusion**

active inclusion principles established at the European level help to maintain a focus on social inclusion policies at the city and neighbourhood levels. This is particularly relevant during times of spending constraints and competing political priorities. The provision of social services across Europe has faced several major challenges since the start of the economic crisis in 2008. Local governments are reporting that budget cuts are putting a strain on the provision of social services and other types of public support for disadvantaged people. In some cities the principles of the active inclusion strategy were incorporated in the local social inclusion plans, for example in Barcelona and Brno. This resulted in more integrated and comprehensive local active inclusion policy development. It has also resulted in allocated active inclusion funds being protected from budget cuts.

- **ensuring that people with complex needs are not forgotten**

the active inclusion of people with complex needs and who are furthest away from the labour market is often side-lined by the focus on labour market inclusion. Although it is important to provide services that help people to enter the labour market, people with complex needs (i.e.: suffering from multiple disadvantages), should also be included in society, even if it is not easy to provide them with employment opportunities. The European Active Inclusion Strategy, with its three interconnected strands, helps to ensure cities maintain a balanced approach so that resources are applied both to labour market activation and to the active inclusion of the most vulnerable citizens.

- **providing inspiration and guidance for local policies and strategies**

the European Active Inclusion Strategy provides inspiration and guidance that supports cities in developing social services, employment support policies and more effective working methods that increase the active inclusion of vulnerable people. The strategy encourages stakeholders to work in partnership. It also promotes the coordination of inclusion policies between different levels of government, city departments and social service providers, including social enterprises and NGOs, such as those providing supported housing or sheltered employment opportunities. Coordinated and integrated approaches help to improve the efficiency, effectiveness and user-friendliness of local social services, for example, by creating one-stop-shops to integrate labour market activation services and social services. Duplication of administrative paperwork can be reduced, and service users can be offered a single access point for fast, effective, personalised support.

<sup>4</sup> The full 2008 EC active inclusion recommendation can be found at: <http://bit.ly/12hWRQL>.

### ■ Improving the quality of social services

one of the three pillars of the European Active Inclusion Strategy is to ensure the quality of social services. This has helped to underpin the improvement of social service delivery at the local level. In particular, Barcelona, Birmingham, Brno and Sofia have used this pillar as a point of reference to develop more specific indicators for assessing the quality of their social services.

#### Box 1

#### The European Active Inclusion Strategy

Active inclusion is an approach for including the most disadvantaged people, who are furthest from the labour market, both into society and into employment. The European Active Inclusion Strategy, as set out in a 2008 European Commission recommendation, calls for an integrated approach based on three interlinked pillars:

1. sufficient income support: combining income support with other policies for economic and social integration
2. inclusive labour markets: helping people to enter, re-enter and stay in employment
3. access to quality social services: providing services for supporting social and economic inclusion, including social assistance, employment and training, housing support, social housing, child care, long-term care and health services.

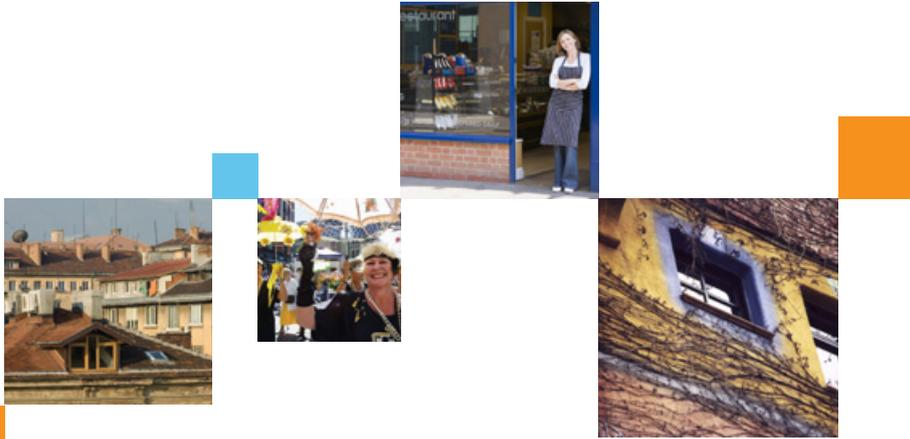
The strategy requires coordinated policies both vertically (local, regional, national, EU level) and horizontally (including all stakeholders in the development and implementation).

## 1.2 Adding value in the future: further opportunities

Our research revealed several opportunities to increase the added value of the European Active Inclusion Strategy. Firstly, it would be helpful to explain the strategy and its core principles in all the relevant social policy documents and funding programmes at the EU, national and regional levels. This would raise awareness of the central importance of active inclusion initiatives. For example, the 2011 and 2012 National Reform Programmes made very few references to the active inclusion concept and core principles. This can easily be remedied in the future.<sup>5</sup>

Secondly, public sector authorities would find it easier to obtain funding for active inclusion initiatives if the European funding programme documents could clearly include information on the European strategy and its principles, as well as how these funds can be used for active inclusion. For example, it was not sufficiently visible in the European funding programmes 2007-2013, and cities reported that it was unclear how these funds could be used for the intended purposes. Furthermore, to ensure sufficient funding is allocated to people with complex needs who are furthest from the labour market, the European Social Fund (ESF) should focus on active inclusion into society, not just into the labour market.

<sup>5</sup> See the EURO CITIES publication 'The Social Dimension of the National Reform Programmes: The cities' perspective' <http://bit.ly/1bLUecj>.



## 2 The role of cities in implementing the European Active Inclusion Strategy

Although government structures and responsibilities vary between member states, city authorities are central in the successful development, management and implementation of active inclusion policies across the EU. They also help to ensure the three European Active Inclusion Strategy pillars are represented.

City governments are helping vulnerable people achieve an adequate income by promoting the uptake of financial benefits through advice and assistance services. Some municipalities are also responsible for the provision of income support.

City authorities also use their regulatory powers to promote inclusive labour markets, for example by introducing social clauses into their public procurement regulations. This is the case for Barcelona, Birmingham, Bologna, Brno and Rotterdam. These social clauses can take different forms. One approach is for the municipality to award public service contracts to third sector social enterprises that directly employ people who have physical or mental disabilities, and who might otherwise be excluded from the labour market. Bologna awarded a contract to the CoPAPS farm, which is a social cooperative that contributes to the active inclusion, economic integration and empowerment of people with disabilities. CoPAPS trains vulnerable people and provides employment for them in agriculture, horticulture and food preparation.<sup>6</sup>

Another approach is to award public social services contracts to local social enterprises. These social enterprises can provide highly individualised social inclusion pathways for people with multiple disadvantages. For example, Bologna's public procurement regulations allow social service contracts to be directly awarded to accredited social cooperatives.

A further option for cities is to use social clauses in procurement to oblige private contractors to employ a specified percentage of unemployed people in carrying out the contracted work. For example, Birmingham, Lille Metropole-Roubaix and Rotterdam use this in construction contracts.

City authorities are also best-placed to monitor the quality of social services and to ensure improvements where needed. A large proportion of Europe's citizens, including the most vulnerable citizens, live in cities. Municipalities therefore have access to information and trends on poverty and social exclusion and are best placed to deal with the territorial dimensions of urban exclusion and poverty. They are largely responsible for providing or commissioning social activation and labour market activation support. This means that cities are capable of developing their own active inclusion policies.

<sup>6</sup> You can read more about the CoPAPS farm here: <http://bit.ly/15y8fjT>.



### 3 Success factors for active inclusion initiatives

Nine key factors were identified by the Cities for Active Inclusion partnership as being important for the success of active inclusion initiatives at city level:

- coordinating and integrating policies and services
- focusing on area-based active inclusion initiatives
- working in partnership with all the relevant organisations
- involving service users and the general public in planning and delivering active inclusion initiatives
- working in partnership with other levels of government
- promoting social innovation
- measuring and improving the quality of social services
- prioritising prevention and early intervention
- promoting active inclusion as an investment.

#### 3.1 Coordinating and integrating policies and services

Policy coordination at city level is vital if active inclusion measures are to be successful in including vulnerable citizens in society and the labour market. Social exclusion and labour market exclusion are complex issues. Excluded people are typically affected by multiple disadvantages. Active inclusion policies must therefore integrate inclusive employment measures, income support and the provision of quality services.

In Copenhagen, the joint strategy agreed between the social, health and employment services offers people with multiple problems a single active inclusion pathway. These include health improvement measures to enable people to access employment. This joint strategy has an ambitious target: to help 75% of people on sickness benefits to get back into the labour market.

Improved policy coordination also allows municipalities to create single access points to their services. Cities such as Copenhagen, Rotterdam and Stockholm have turned their job centres into one-stop-shops. These local centres combine employment support with several other services, including housing advice, health counselling and guidance on minimum income.

One example is Stockholm's Jobbtorg. This integrated and coordinated approach for the active inclusion of young people is described in box 2.

**Box 2****Jobbtorg: a one-stop-shop for young people <sup>7</sup>**

The Jobbtorg centres are part of Stockholm's employment service. They provide young people aged 16-24 years with all the services they need to access the labour market in one place. For example, Jobbtorg offers career guidance, job coaching and education advice, from teams of staff who specialise in working with young people. Jobbtorg also provides six-month training placements within the city's local government administration, which can be followed by a six-month salaried employment contract. In addition, the Jobbtorg service runs an apprenticeship scheme for young people who do not have a secondary school diploma. Jobbtorg also has a team of outreach workers who actively seek out young people in the community who are not in education, employment or training (NEETs). The team encourages these young people to visit the Jobbtorg centre and accompanies them to give guidance and support. This one-stop-shop service is available in all Stockholm's districts.

The Jobbtorg centres also host several ESF-funded pilot projects. These are investigating new methods of supporting young people who are NEETs, by providing, for example, try-out studies, try-out jobs, motivation and confidence building activities and a variety of additional outreach services.

To ensure that the Jobbtorg centres are fully integrated and fully inclusive, they provide active inclusion services for particular target groups such as people with disabilities, refugees, and immigrants. Jobbtorg also partners with other stakeholders to provide training placements for young people with disabilities. Jobbtorg works closely with small and medium size enterprises (SMEs), as these employers have demonstrated more flexibility to meet the needs of young people with disabilities.

### 3.2 Focusing on area-based active inclusion initiatives

High levels of disadvantage and poverty are often concentrated in certain city districts or neighbourhoods. In the past, programmes for area-based regeneration often focused solely on improving the physical infrastructure. This type of intervention can fail to reduce disadvantage and exclusion. On the other hand, neglecting the physical infrastructure of the area and focusing solely on active inclusion interventions, has also often proved ineffective. Some cities have therefore developed integrated urban regeneration strategies. These combine infrastructure improvement (e.g. better social housing, education facilities, business incubators and green spaces), with people-focused active inclusion services (e.g. better social services, education, training, or business support). By combining infrastructure improvements with active inclusion intervention on an area-basis, cities such as Birmingham, Copenhagen, Lille Metropole-Roubaix, Rotterdam and Stockholm have successfully tackled social exclusion in deprived areas.

In Rotterdam, the Rotterdam South urban regeneration programme that targets vulnerable people in the deprived South Bank area is a long-term<sup>8</sup> strategy based on a partnership with 17 stakeholders. These partners include the city of Rotterdam, the national government and local residents associations. The strategy combines physical, economic and social interventions and empowers residents by improving employment skills, job opportunities and educational opportunities.

<sup>7</sup> Further information on Jobbtorg can be found at: <http://bit.ly/JKfuhA>.

<sup>8</sup> The Rotterdam South programme runs until 2030.

### 3.3 Working in partnership with all relevant organisations

It is essential to harness the expertise, knowledge and resources of all the stakeholders that can contribute to the active inclusion of vulnerable people. City governments are in an ideal position to create working partnerships and platforms between the national, regional and local public sector authorities and a vast array of organisations, including NGOs, social enterprises, voluntary organisations, businesses, health providers and educational agencies such as schools, training centres and universities.

For example, most of the Cities for Active Inclusion partners are working with social enterprises for the delivery of social services and employment services, including Birmingham, Bologna, Brno, Lille Metropole-Roubaix, Rotterdam and Sofia.

In many cities, such as Birmingham, Lille Metropole-Roubaix, Rotterdam and Stockholm, partnerships were established with local businesses. Some of these public-private arrangements are designed to guarantee work experience placements for young people, or to ensure that local educational and training opportunities can help match local people with local demand for specific job skills. One example is in Birmingham, where the municipality is working with local and regional businesses to provide apprenticeship schemes that include young people. This example is described in box 3.

#### Box 3

#### **Birmingham Apprenticeship Scheme: working with the business sector**

The Birmingham Apprenticeship Scheme (2010-11) worked with local businesses to create apprenticeship placements for young disadvantaged people living in urban areas of multiple deprivation. This innovative approach had two main aims:

- firstly, to assist young people who have a low educational attainment, a low employability profile and who are furthest from the labour market, to gain job-relevant skills and thus increase their chances of accessing employment
- secondly, to increase the number of apprenticeship schemes in Birmingham and the West Midlands region, mainly in SMEs across a range of sectors, and ensure young people can acquire job-relevant skills to improve the match between skills and labour market needs. This will help increase productivity and competitiveness in the region, and promote economic recovery.

The most innovative element of Birmingham's apprentice scheme was the provision of workplace mentoring for each apprentice. This involved formal mentoring-skills training for each apprentice's supervisor or team leader so they could provide effective workplace support to their apprentice. This mentoring system significantly improved the proportion of young people who completed their apprenticeship and ensured that each young person benefited from systematic skills development. This in turn increased their contribution to the company as well as their chances of finding employment afterwards. The apprenticeship scheme provided formal accreditation for the training, a one-year wage subsidy for each new apprentice position, and, where needed, financial assistance for the purchase of special clothing or equipment. In 2011, the Birmingham Apprenticeship Scheme created 166 apprenticeships, 90% of whom came from the city's most deprived areas, making it an important active inclusion measure.

The success of the Birmingham Apprenticeship Scheme is being replicated in a new programme. Also, as part of the commitments set out in Birmingham's Commission on Youth Unemployment, strategic partners in the city are drawing together a multi-million pound Birmingham Job Fund, including a £2m investment by Birmingham City Council to create jobs for young people in long-term unemployment including financial support to employers and the creation of apprenticeships.

Partnerships to promote active inclusion can also include non-traditional stakeholders such as arts and cultural organisations, the police, universities and religious organisations. Although the primary purpose of these partners is not fighting social exclusion and poverty, they can contribute to improvements in people's well-being, self-esteem and confidence, as well as to their interaction with others and their participation in society.

### 3.4 Involving service users and the general public in planning and delivering active inclusion

Including service users and other citizens in the planning, design and evaluation of active inclusion policies and strategies not only helps to avoid any potential conflicts of interest or tension between groups of people, it also helps to ensure that cities implement active inclusion measures that actually meet the real needs of disadvantaged people.

In many cities, service users and the general public are now consulted on the design and implementation of new services and projects. Authorities in Lille Metropole-Roubaix consulted local residents from a range of cultural backgrounds to help plan and deliver several projects to improve social cohesion and active inclusion in deprived areas. In total, 166 people were consulted ranging from council housing tenants, religious representatives, parents, pupils to senior citizens. The consultation also helped to resolve potential local conflicts between groups of citizens and also between residents and the municipality. To conduct this consultation, Lille Metropole-Roubaix used the SPIRAL method (Societal Progress Indicators and Responsibilities for All). This was developed by the Council of Europe and promotes the concept of shared responsibility for well-being and a shared understanding of its meaning. SPIRAL helps communities to set out specific well-being indicators and use these to help make decisions on community issues.<sup>9</sup> In Lille Metropole-Roubaix, the SPIRAL consultation on active inclusion measures improved the relationship and level of trust between the municipality and its citizens, because the consultation demonstrated the willingness of municipal officials to listen to people's concerns and views and take these into account.<sup>10</sup>

In Brno, extensive consultations with service users as well as NGOs and the municipal administration enabled the city to set up a comprehensive social services walk-in centre and dedicated website. These are being used by citizens to obtain information, advice and assistance on how to access a wide range of social services.<sup>11</sup>

<sup>9</sup> For more information on the Council of Europe SPIRAL method (Societal Progress Indicators and Responsibilities for All), visit: <http://bit.ly/GVtXLv>.

<sup>10</sup> For more information on the application of SPIRAL in Roubaix, see the social innovation case study: <http://bit.ly/14G2KHp>.

<sup>11</sup> For more information on Brno's walk-in social services centre, see: <http://bit.ly/14G2QPb>.

### 3.5 Working in partnership with other levels of government

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City authorities share their statutory powers and responsibilities for the active inclusion of citizens with all other levels of government. Responsibility for social protection ranges across various levels of government depending on the member states governance structure, so cooperation is always essential. To maximise the effectiveness of any active inclusion policies, strategies and initiatives, and avoid overlaps, gaps in service provision, or misunderstandings, it is clearly important for cities to work in partnership with other levels of government and for other levels of government to take the initiative and work with municipalities.

To take one example, to help maximise the effectiveness of the long-term active inclusion strategy for Rotterdam's South Bank, which is the most deprived urban area in the Netherlands, Rotterdam is working in close partnership with the national government.

### 3.6 Promoting social innovation

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Cities are often characterised by a high concentration of vulnerable people who risk exclusion from society and the labour market. The social problems causing social exclusion among these vulnerable groups tend to change over time. City authorities therefore need to constantly adapt and develop new innovative and effective active inclusion solutions, to deliver positive social change. Because local stakeholders at city level and neighbourhood level are often able to identify newly emerging social problems more rapidly than regional or central government stakeholders, successful active inclusion innovation i.e.: social innovation, is often generated and piloted at the local level.<sup>12</sup>

Social innovation is often the result of innovative partnerships. For example, Birmingham City Council developed an innovative partnership with the city's main arts organisations to create its Arts Champions initiative. This offers tailored art-based outreach programmes to vulnerable people living in disadvantaged neighbourhoods. The initiative helps people achieve a better sense of self-worth, improved social skills and a stronger connection with the city's cultural life, therefore including them in society.

Social innovation can generate new ways of addressing the risk of exclusion from society and in delivering services. One example is in the city of Brno, which developed its innovative Senior Academy to teach older people how to be more secure in their homes and on the street. Another example is in the city of Krakow, where the municipal school for @Active Seniors encouraged senior citizens to learn IT skills and to develop their interests and hobbies. These innovative projects help older people to engage in the community as well as to stay mentally and physically active.

Social innovation can also generate new approaches, new attitudes and new perspectives. For example, Rotterdam's community gardens project provides people who are isolated, at risk of exclusion and living in deprived areas, with jobs in the gardening sector. This project not only creates social cohesion but also improves the overall community environment.

<sup>12</sup> The concept of social innovation was originally developed by the UK-based Young Foundation which promotes innovation for positive social change, and which is involved in Social Innovation Europe.

### 3.7 Measuring and improving the quality of social services

Providing social services of high quality is an essential element for active inclusion. High quality services can help people increase their opportunities for inclusion into society and the labour market. To improve the quality of social services, city governments have taken a number of different steps. These include providing personalised and individualised services, decentralising services, using private companies to deliver services and using monitoring tools and indicators to assess the quality and effectiveness of the services. It is also important to ensure that front line social workers are trained to take practical steps to improve service quality, and that all those involved in service provision recognise that ensuring high quality can significantly improve outcomes for disadvantaged people.

Some municipalities have developed their own framework for ensuring and improving the quality of social services, including Barcelona, Birmingham, Brno and Sofia. For example, in 2010, Brno organised 18 workshops where more than 180 service provider personnel and service users were consulted on users needs and the priorities for quality standards.

Another example relating to service quality improvements is in Sofia, where the municipality set up its Assistance for Independent Living scheme to provide personal assistants to people with disabilities. Funded by the municipality, this high quality, highly personalised, user friendly and easily accessible scheme has significantly improved the services available to people with disabilities, and enables them to live, learn, work and develop more independently, according to their desires and ambitions.<sup>13</sup> In Barcelona, the municipality has established specialist teams to improve social service quality: the teams consist of senior public servants from different city departments who have received training on techniques for service modernisation and improvement. They are responsible for training the front line social service professionals on how to improve the standards of social service provision.

### 3.8 Prioritising prevention and early intervention

Prevention of exclusion through early intervention programmes is an important part of active inclusion. Typically, prevention is achieved by investing in services such as early child care, education, family support and health.

For example, Birmingham, Sofia and Stockholm have developed family support centres where support is offered to children and parents at risk of social exclusion. Services include child care, early-years education, adult education, health and employment advice and counselling.

Birmingham City Council's St Thomas Sure Start Children's Centre provides integrated services to families with children aged 0-5 years. This plays a crucial role in early intervention to prevent more intractable problems arising later on.

Sofia municipality's Community Support Centre and its Mother and Baby Unit provide integrated services to support children and parents at risk of exclusion. They promote responsible parenting and offer long-term support for single mothers and prepare them for independent living.

Stockholm's ABC parental support programme helps all parents, with or without a Swedish background, to build positive relationships with their children, helping them create a firm foundation for inclusion into school culture and into wider society.

<sup>13</sup> For more information on Sofia's Assistance for Independent Living scheme, see 'Social Innovation for Active Inclusion – Sofia case study': <http://bit.ly/1aloYWB>.

Supporting young people to complete their education is also important for preventing future exclusion from society and from the labour market, particularly as youth unemployment is currently so high. Completing secondary education clearly improves one's chances of finding employment. Bologna, Lille Metropole-Roubaix, Rotterdam and Stockholm have used active inclusion measures, including personalised support, to help students improve their school performance and to help prevent them dropping-out of school. Rotterdam has also introduced initiatives to reduce truancy from school. Bologna has a particularly successful example of two projects that have helped prevent exclusion among young people with a migrant background. This example is outlined in box 4.

#### Box 4

#### Bologna projects to prevent dropping out of school: 6+ and Two-for-One

Bologna's education department developed two projects for secondary school students with a migrant background, in order to improve their educational outcomes and maximise their future chance of being included into the labour market. The two projects, 6+ (which offers linguistic help) and Two-for-One (which offers peer-mentoring and associated activities), help students overcome the issues that prevent them progressing to the next school year:

- **language barriers:** language courses and intense summer language schools help to eliminate difficulties both with everyday Italian and with the specialist, technical vocabulary used in different academic disciplines
- **educational issues:** support to students in learning methods and extended lessons improve outcomes, whilst workshops and creative and sports activities address confidence and motivation
- **socio-economic difficulties:** monetary rewards are offered for project participation; financial support is given to families, to pay for books, public transport passes, participation in school trips and food in the school cafeteria
- **socio-cultural pressures:** meetings and interviews with families and students help to include them into school life and on-going support services, such as cultural mediation and psychological support, help to mitigate issues as they arise.

The most innovative aspect of these projects is the involvement not only of the students but also of parents and teachers. Parents are trained in how to support their children through at-home activities. Teachers are trained to create an intercultural, inclusive environment at school, by diversifying their teaching activities, enhancing the intercultural content of the curriculum, and promoting parent engagement.

As a result of the 6+ and Two-for-One projects, 58% of the 1 153 participating students achieved a high enough grade to move into the next school year and 28% were provisionally promoted. Only 13% had to repeat the year and 1% dropped out. Since these results are significantly better than the national average, the projects have demonstrably helped to reduce the risk of future unemployment and social exclusion.

### 3.9 Promoting active inclusion as an investment

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Many city authorities now recognise that resources spent on active inclusion initiatives represent an investment. If disadvantaged people can be included into society, and where possible, into the labour market, this generates significant benefits not only for these individuals, in terms of health and well-being, but also for society in general. Some cities are already measuring and demonstrating the value of investing in active inclusion policies. For example, Birmingham's Supporting People programme provides a wide range of housing-related active inclusion services that help prevent homelessness and support vulnerable people to live independently, and where possible, to find employment. Supporting People is a national programme, but is implemented at city level to ensure local needs are addressed. It operates on an 'invest to save' principle. Since the costs to society of homelessness and social exclusion are higher than the costs of preventing these problems, the Supporting People programme encourages municipalities to invest in people at an early stage to avoid higher costs in the future. Birmingham has calculated that in 2011/12, its Supporting People programme achieved an overall cost avoidance of €126.5 million for a spend of €60 million. The savings are achieved, for example, by reducing the need to spend money on services such as emergency housing provision, job-seekers allowances, healthcare, combatting anti-social behaviour and further marginalisation.

Other cities are using Social Return on Investment (SROI) methodologies to assess the value of their active inclusion initiatives. For example, Barcelona has used a SROI tool to estimate the economic benefits of investing in its outsourced home care services for dependent people. This service provides support and assistance to dependent people in their own home, increasing their quality of life. They avoid having to live in an institution and unnecessary hospitalisation. Instead, they can stay included in society, and where possible, in the labour market. As well as providing better quality social services, in line with Europe's Active Inclusion Strategy, it has been estimated that for every €1 invested by Barcelona in this home care service, €3.13 worth of social value is generated. This social return derives from various factors, including public sector savings through not having to pay the high cost of residential care and unnecessary stays in hospital and increased public sector tax revenues derived from the companies providing the care and employing care workers.



## 4 Challenges to implementing active inclusion policies

Each city experiences its own specific challenges in implementing active inclusion measures. Most of these can be overcome at a local level. However, the Cities for Active Inclusion partners have identified three main challenges that cities across Europe are facing. These challenges are limiting the capacity of city authorities to include their citizens, and they cannot be solved by cities alone.

### 4.1 Financial constraints

Firstly, with the continuing economic crisis, financial constraints understandably represent one of the main challenges to implement active inclusion policies. Financial constraints have led to a significant reduction in human and economic resources for cities, including significant reductions in social inclusion and active inclusion budgets.

City services delivering active inclusion are having to find new and smarter ways of operating, including streamlining and prioritising, in order to minimise the impact of budget cuts on service users. However there are obvious concerns that such austerity measures will have a major impact on the provision of social services, on service users, on service quality, on the people working in the social services sector and on the overall effectiveness of social policies and their ability to include vulnerable citizens.

To cope with reduced resources, municipalities have to take difficult decisions to prioritise their spending. For example, Copenhagen municipality has to reduce the intensity and duration of its employment advice services and Birmingham will have to reduce front line services such as youth inclusion services. In addition, with less funding available to deliver social policies, there will be reduced resources for outsourced services and initiatives. It is therefore likely that third sector social enterprises may have to reduce the scope of the services and activities they provide.

A further concern is that, with fewer resources to allocate to inclusion initiatives, there will be more focus on labour market activation, at the expense of active inclusion into society. The risk is that the most vulnerable people in society, who are affected by multiple-disadvantages, and who find it difficult to integrate into the labour market, may be further marginalised.

In addition, as more people are adversely affected by Europe's economic crisis, more people are in need of active inclusion services. This in turn increases the challenge of financial constraints for cities.

## 4.2 Increasing numbers and new groups of people at risk of social exclusion and labour market exclusion

A second main challenge for cities across Europe is the rise in the number of people who are at risk of exclusion from society and from the labour market, due to the economic crisis. By 2011, the number of people at risk of poverty and social exclusion in the EU27 increased to 24.2%.<sup>14</sup>

Not only are the numbers of excluded people rising in the traditional at-risk groups such as homeless people, substance abusers and the low-skilled unemployed, but we are also seeing new groups of people at risk of exclusion. They have varied profiles and may need different approaches to active inclusion. Examples of these groups are:

- young people who have recently graduated
- young people not in education, employment or training (NEETs)
- single parents
- children living in poverty
- ethnic minorities
- people who are migrants or whose parents were migrants
- older people
- people with physical or mental disabilities
- unemployed people aged over 45 years of age
- employed people on a very low income.

City authorities are increasingly recognising these groups as being in need of public sector active inclusion support. For example, in 2012, in Birmingham's Ladywood neighbourhood, 45% of children were identified as living in poverty. In Sofia, between 2001 and 2010, the percentage of children born to or being raised by single mothers rose from 18.5% to 54.1%. These single parent families are at significant risk of exclusion, as the biggest problem facing single parent families is financial insecurity, due to the conflict between care duties and employment. A third example is in Copenhagen, where, from 2008 to 2013, the proportion of unemployed young graduates more than doubled from 6% to 14.5%. Youth unemployment is a growing concern for cities. For 2011, statistics from five cities indicate that youth unemployment was: 29% in Bologna; 25% in Barcelona; 25% in Lille Metropole-Roubaix; 21% in Stockholm; and 16% in Sofia.<sup>15</sup> The fact that young people are now increasingly at risk of exclusion from society and the labour market is one of the most serious challenges for Europe's policy makers.

<sup>14</sup> <http://bit.ly/1ozhfHw>.

<sup>15</sup> These statistics are sourced from each city and are based on each city's definition of youth unemployment. Although they may not be fully comparable between cities, together they indicate the scale of Europe's youth unemployment problem.

### 4.3 Insufficient public sector coordination

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A third major challenge for city governments in achieving effective active inclusion is the continuing lack of coordination between the different elements of the public sector. The Cities for Active Inclusion partners identified the need for active inclusion services to be integrated in order to deliver smarter solutions. In this way, cities can deliver maximum benefit for minimum spend, by avoiding duplication, inconsistency, or other administrative issues, especially at times of financial constraint. This requires strong coordination between all levels of government, and all the various departments. Services can then be designed around citizens' multiple needs rather than around organisational structures. A collaborative, partnership approach is needed.

There are three principal aspects to this challenge of insufficient public sector coordination:

- **lack of vertical coordination between different levels of government: European, national, regional and city level**

Where active inclusion legislation, strategies, funding programmes, policies and evaluation standards are designed at the European, national or regional level, these are not always in line with each other or with the local needs of each city.

To take service quality monitoring as an example, in cities such as Brno, Copenhagen and Sofia, some of the front line professional social services staff perceive the national or regional service quality measurements as being too focused on quantitative indicators and processes. They believe that the focus should be on the extent to which users' needs are met. In Copenhagen, the national success indicator for an employment counselling service is based on the number of job interviews held within four weeks of each citizen's application for unemployment benefits. However, local personnel believe that only taking into account the people who are offered interviews does not provide any useful measure of the real quality of the service, its impact on people's lives or their inclusion into society.

- **lack of city involvement in the development of active inclusion strategies, policies, funding programmes and evaluation standards**

Democratically elected city governments are best placed to understand the active inclusion needs and challenges in their communities. In addition, the aggregated needs and trends provided by regional, national or EU statistics can be very different from specific local needs and trends. Top-down targets and centralised plans mean that cities are often not given the necessary flexibility to address local active inclusion issues.

It is important that national policies take local priorities into consideration. To be effective, European, national and regional strategies and policies for active inclusion should support cities and enable them to implement appropriate measures that are necessary to address specific local active inclusion challenges.

To take one example, current discussions on policies concerning demographic change at national level are often focused on population ageing and the decline in the proportion of people of working age. However, many cities are not only experiencing a growing proportion of older people, they are also seeing an increase in the proportion of young people. In Birmingham, Bologna, Lille Metropole-Roubaix and Rotterdam, the proportion of young people with a migrant background is increasing. Different trends at city level pose different challenges that require different responses. It is important that European, central and regional government administrations collaborate with municipalities to design and develop active inclusion policies that closely match the specific priorities and needs of cities and citizens.

- **lack of horizontal coordination between different government departments: at European, national, regional, local and district level**

Integrating the various public sector services at city level not only requires strong coordination between the different departments in local government and district administrations, it also requires a higher degree of departmental coordination at European, national and regional levels.

Traditional organisational or professional barriers need to be broken down so that public service systems at all levels are no longer characterised by vertical organisational structures or working in isolation.



## 5 Conclusions and policy recommendations

Based on the findings of the Cities for Active Inclusion partnership, we propose the following five policy recommendations for EU institutions, national governments and regional governments. Our view is that implementing these recommendations will further strengthen the European Active Inclusion Strategy.

### 5.1 Improving visibility and integration of the active inclusion principles in key EU programmes

The European Active Inclusion Strategy can help the EU achieve the targets set out in the Europe 2020 Strategy, in particular by reducing poverty and social exclusion, reducing school drop-out rates and increasing employment. Yet, until very recently, the active inclusion approach did not receive sufficient prominence in key official EU employment and social inclusion documents. This has made it difficult to include active inclusion principles in local social inclusion strategies. In addition, there was a lack of awareness and knowledge of how to implement active inclusion strategies and policies among local policy makers and practitioners. In the future, explicit reference to the European Active Inclusion Strategy should be made in the programming and implementation documentation for the next round of EU funding, in particular for the European Regional Development Fund (ERDF), the European Social Fund (ESF) and Horizon 2020.

In addition, member states should be asked to monitor and evaluate their active inclusion strategies as part of their regular National Reform Programme reporting. Active inclusion should also be included in the Country Specific Recommendations.<sup>16</sup> This will help to increase the commitment among policy makers at all levels to implement active inclusion policies and measures, and will also help to improve practitioners' knowledge of active inclusion.

We welcome the fact that the European Commission's communication on the Social Investment Package (SIP), for re-orientating social policies, refers to Europe's active inclusion strategy as a key element of European social policy.

**Recommendation 1:** strengthen the focus on active inclusion in key EU programmes. This includes monitoring and evaluating active inclusion strategies in the National Reform Programmes and incorporating active inclusion into the Country Specific Recommendations.

<sup>16</sup> The recommendations are based on a thorough assessment of every member state's plans for sound public finances (Stability or Convergence Programmes, or SCPs) and policy measures to boost growth and jobs (National Reform Programmes, or NRPs).

## 5.2 Heightening understanding of how active inclusion works in practice and promote mutual learning

There is currently insufficient detailed understanding at all levels, among governmental and non-governmental policy makers and other stakeholders, of how active inclusion measures can be effectively implemented. Raising awareness of successful active inclusion approaches, including mutual learning opportunities, would help improve the successful design and implementation of active inclusion policies and measures. The EU should support measures to improve the understanding of active inclusion among stakeholders and practitioners at all levels, through increased awareness and mutual learning opportunities. These should include active inclusion coaching and training for practitioners, good practice identification and exchanges, peer reviews, study visits and continued research and analysis on the effective implementation of active inclusion.

**Recommendation 2:** activities should be promoted at EU, national, regional and city level, to raise awareness, build capacity and provide mutual learning about how to successfully implement active inclusion policies.

## 5.3 Improving the funding for active inclusion through dedicated ring-fenced funds, at EU, national, regional and city level

Currently, no EU fund is specifically dedicated to active inclusion. In times of austerity, rising unemployment and increasing poverty, it is essential for human and financial resources to be dedicated to active inclusion, to ensure nobody is left out. We welcome the proposal that 20% of the European Social Fund for 2014-2020 should be allocated to social inclusion actions.<sup>17</sup> It is important that local governments have direct access to these financial instruments, to be better able to respond to local needs and to implement integrated approaches at local level.

**Recommendation 3:** there should be dedicated, ring-fenced active inclusion funding at EU level that is accessible by city governments.

<sup>17</sup> At the time of publishing this report, the ESF 2014-2020 was not finalised.

## 5.4 Broadening the scope of the active inclusion strategy as set out in the 2008 European Commission recommendation

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Many city-level active inclusion policies and good practice examples are in line with the 2008 European Commission recommendation on active inclusion. However, our research indicates that there is further potential to maximise the benefits of active inclusion by broadening the scope of the European Active Inclusion Strategy. Active inclusion could be increased by promoting preventative approaches and early interventions, investing in education and family support, integrating health issues and improvements into employment strategies, promoting social innovation, working with the business sector, promoting area-based approaches for regeneration and assessing the return on social investments.

We welcome the fact that all these aspects of active inclusion are now contained in the Social Investment Package, together with the active inclusion principles.

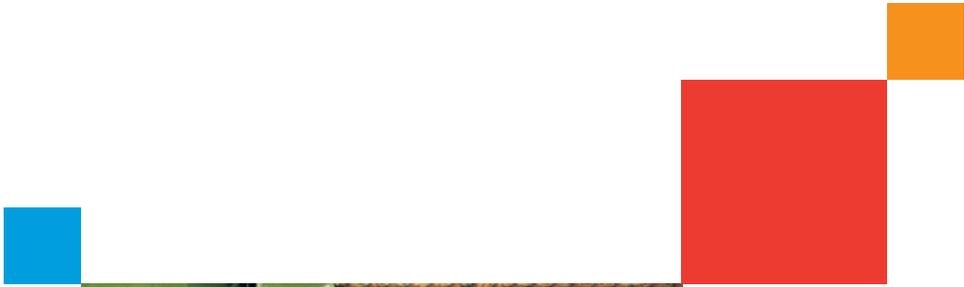
**Recommendation 4: the principles of active inclusion should be broadened and mainstreamed into all the actions put forward by the Social Investment Package.**

## 5.5 Improving the vertical coordination between European, national, regional and local governments

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City governments play a key role in carrying out effective active inclusion policies. They are best placed to know the specific needs of their citizens, and to identify and react to new trends regarding the causes of poverty and social exclusion and possible solutions. Local governments can provide vital first-hand experience, information and evaluation on the active inclusion of citizens, which can help to improve the effectiveness of active inclusion strategies and policies. Local governments therefore need to be involved in the preparation, implementation and assessment of European, national and regional strategies for active inclusion and social inclusion. The public sector must put service users - not provider interests - at the heart of our services.

**Recommendation 5: European, national and regional levels of government should work in partnership with municipalities in the preparation, implementation and assessment of active inclusion policies.**



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For more information see: <http://ec.europa.eu/progress>.

The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.



## **Cities for Active Inclusion**

Cities for Active Inclusion is a partnership of ten European cities – Barcelona, Birmingham, Bologna, Brno, Copenhagen, Krakow, Lille Métropole - Roubaix, Rotterdam, Sofia and Stockholm – each with a local authority observatory (LAO) within its administration. Their aim is to share information, promote mutual learning and carry out research on the implementation of active inclusion strategies at the local level.

The observatories are coordinated by EUROCITIES, the network of major cities in Europe, and supported by a partnership between the European Commission (DG Employment, Social Affairs and Inclusion) and EUROCITIES.