



Visitors' message wall in the European Solidarity Centre

## Gdańsk: 100% social

### Incentivising community actions and public servants for improved service outcomes

Case study on how alignment between sectors, cultures and silos can be boosted by new approaches to managing risks, incentives and resources

Case study based on the CHANGE! study visit held in Gdańsk, Poland, on 4-5 April, 2017

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## I. Introduction: why CHANGE! partner cities met in Gdańsk?

For the majority of the world, Gdańsk, (461 489 inhabitants in 2014), a major Polish city situated on the Baltic coast is known as 'city of freedom', the birthplace of the Solidarity Movement (Solidarność) which, under the leadership of Lech Wałęsa, played a major role in bringing an end to the communist world across Central and Eastern Europe. For the URBACT community, Gdańsk is also known as the Central European city which has already made some preliminary, but significant steps to change and open its governance culture (see below). This is why the URBACT Programme concluded these [initial steps towards responsibility sharing](#) within its last capitalisation process.

So why is Gdańsk so open to new approaches and social innovation? – we asked during the study visit Paweł Adamowicz, the mayor, who is by the way a core actor within the transformation of the local government. *"Perhaps the sea, which opens up the horizon and always means freedom and fresh air. Perhaps the famous port, which provided a constant exchange of ideas, goods and people over the history. And do not forget the Solidarity Movement, which was unique also because during the movement blue collar workers successfully worked together with intellectuals"*. No doubt, this latter is an extremely important heritage while launching new actions to build relational capital between public services and the civil society.

However, the question is more controversial if we take into consideration the fact that Gdańsk lost 95% of its population during WWII. It *"means that the current population is only the second or third generation to live in the city, raising important issues around perceptions and feelings of belonging. Unusually for a European city, this creates an opportunity to reshape the city's destiny, and today the municipality acknowledges the potential for citizens to play a role in its governance"* ([Social innovation in cities, 2015, URBACT Capitalisation Paper](#)).



Whatever is the truth, Gdańsk is a great place to analyse how the public sector can renew to be able to speak with local actors in a different way for better outcomes. *"In order to be able to innovate, a city should start by innovating in its own administration"* - said mayor Paweł Adamowicz.

Nonetheless, the city's administration (similarly to many other European cities, especially in the Eastern part of the EU), has been traditionally operating in a very hierarchical way, for its residents who generally *"count on their superiors to take decisions for them and do not expect to be consulted or involved in shaping these decisions"* (Social innovation in cities, 2015, URBACT Capitalisation Paper). Regarding collaborative government as such, the following key steps were made in the last years in the city:

- The establishment of **Club of Gdańsk**. This is an informal think-tank, bringing together civil servants and NGO representatives to exchange ideas, brainstorm and identify fundamental values for the city in an open and transparent way, with an equal voice for each participant and in a real framework of co-creation.
- **Gdańsk 2030 Plus**, the city's new strategy was co-created with local residents based on the first participative actions and internal, sensitisation trainings. The process was moderated by an external consultant. Citizens were invited to take part in an online survey, in workshops, and children could compete on drawing the future city they wanted. Citizens' inputs were later analysed and shaped into an official strategic document. Gdańsk 2030 Plus is based on a challenge-driven approach, and is not problem or target group oriented, but holistic and horizontal. The strategy has 9 operative programmes, from which 3 are managed by the social development department.
- **Citizen budget, youth and senior fund:** Gdańsk also has great experience on how to capitalise on the vibrant, and growing power of direct involvement of people and communities. The participatory budget scheme has been evolving in Gdańsk in the last years, and it is a key learning point both for the council and local people how to share decision-making, how to enable communities to work with budget holders to define local priorities, identify

available resources and allocate these resources accordingly.

These initiatives are great examples of 'insights' and 'brokerage' within the Collaborative Framework (see below), analysed by the CHANGE! network during its study visit in Amarante (case study report is available [here](#)).

Regarding collaborative public services in Gdańsk, the big question is how to put collaborative commissioning, driven by outcomes and actively engaging citizens, at the heart of the council's operating model. This needs, as prerequisite, a rethinking of the council's decision making process and a re-organisation of the municipal departments, with the demolishing of traditional silos and the creation of 'clusters' around outcomes. This is key approach to build up public services more responsive to local needs and more outcomes-oriented. On a long-term it might lead to radical changes we got to know in [Lambeth](#) (changing the role of cabinet members or even rewriting the council's constitution).

From this aspects, Aarhus' revolutionary policy on citizenship can be a good model for the future of Gdańsk. In Aarhus under the Local Government Act the city established a **Citizenship Committee** that consists of 8 politicians and 8 citizens whose job is to "challenge the municipal practice and inspire a new practice of citizenship". Volunteer citizens have been selected through a long process, in which different stakeholders organised innovative meetings (dinner parties) outside of the city hall to get new voices on board. Among others, committee members' task is to rethink the roles and responsibilities of politicians, administrators and citizens; imagine new cooperation models related to welfare and public services, to revolutionise communication between politicians and citizens.

- Following the actions from Gdańsk, the city also made steps to "redesign" services (as a step within the first pillar of the Collaborative Framework also explained in detail in the previous case study). An excellent example is the **Neighbourhood Houses** that have been set up on the basis of British and Irish experiences as incubators of citizen-driven initiatives. These community meeting places enable the

inhabitants themselves to propose and develop their own ideas, get to know each other and take the initiative to promote neighbourhood life.

Although every action aiming to redesign public services can be and should be analysed through all stages of the Collaborative Framework created by [Collaborate](#), in Gdańsk we focused mainly on the second pillar, which is about incentives, resources and risks (CHANGE! partner cities [explained](#) the different stages, aspects and dimensions of collaboration in public services through 30 inspiring initiatives from the partnership and beyond). Therefore, in addition to the Neighbourhood Houses, the following Gdańsk' initiatives will be highlighted in this case study:

- **Social Development Department:** Club of Gdańsk made it clear that the issues tackled by the education and the social departments were closely interlinked, yet lacked coordination. Based on the civil servants' suggestions, the departments of education and social policy were merged into the social development department.
- **Working Groups:** collaboration is now involved in the design of city policies, mainly in the form of 'working groups', which are dedicated to social issues as well. Three cross-sectorial co-creation working groups are managed by the above department working on local action plans (see below).

Through co-designing conditions where social action can happen in and alongside public services and where citizen engagement can flourish, the focus of the local integrated action plan is to develop a community development model for Gdańsk. This model will activate people' capabilities as well as their ability to share responsibility. "We have to show them (to citizens) that this is the direction, we have to put the energy now into the process to demonstrate that we indeed require participation – this is our task now, our homework. *We have to give the tools, we have to learn how to animate the process better, how to provide the framework in which they can collaborate. The first steps have been made, but what is the next step?*" asked Piotr Olech, Deputy Director of Social Development Department.

## II. How alignment between sectors, cultures and silos can be boosted by new approaches to managing risks, incentives and resources?

Collaborating for better outcomes requires different ways of working together. Collaboration in public administration, especially with regards to public services needs strong and equal partnership among stakeholders. How actors from different sectors, cultures and silos can achieve this?

This was the main question of the study visit, which was firstly explained along the Collaborative Framework by the Lead Expert, using examples from outside the partnership (see them below), secondly highlighted by four CHANGE! partner cities in the form of pitches and related discussions (see the summaries below).

### Having the right composition of local actors with proper incentives is a critical component of successful collaboration

Incentives within collaboration is twofold. Mobilising people and their volunteering actions in or alongside public services can be boosted through incentives. This essential issue was tackled and discussed in detail in London, when CHANGE! partner cities got to know the SPICE Time Credit ([case study](#)). But regarding the reorganization of local authorities to better meet local needs within its operation the key moment is to have shared goals among all stakeholders. Building on self-interest plays a key role in this process, and the challenge for municipalities as brokers is to ensure that this self-interest is negotiated fairly with all involved parties. Key questions for local authorities are as follows and were highlighted during the study visit through the establishment of the WeEindhoven model (see the box in the front):

- How can the municipality manage to involve all relevant stakeholders and have the right mix of partner organizations? How can the municipality achieve that all parties share the core values behind the initiative and self-interest?
- How can the municipality convince different parties and manage conflicts?
- How can the municipality organise the process (local meetings, expert meetings, public meetings, online questionnaire, collecting feedbacks and opinions, etc.)?

**The story behind WeEindhoven:** due to austerity measures, just like many other cities, after the crisis Eindhoven also worked on how to do 'more for less'. We can witness responses all round Europe driven top down, and also many creative answers coming from the bottom, involving people into the delivery. WeEindhoven is a great example of system change, for a top-down framework facilitating local actions within local networks. Based on a request from the city hall, the WeEindhoven model was initiated by a committee consisting of two advisors of the social domain, two lecturers from the university, a social worker and a chairman from the education field.

While building up the radical vision the committee consulted with citizens and NGO's working in the social field (mental care, community work, youth care, addictive care, disability, unemployment, practitioners and policy developers). The conclusion of this first process was the WeEindhoven policy (instead of several specialist, one generalist works with a family concentrating support around a tailored plan). All stakeholders agreed on this basic vision. However, the second phase about the implementation of the model was more difficult. The general idea was to establish one new WeEindhoven organisation instead of heaving all the separate organisations before. Of course this takes time! As a temporary solution the city of Eindhoven asked all organizations involved to transfer their employees including their case-load while still being contracted by the original organisation. During both processes the committee used wide participatory tools to get feedbacks from local communities (street interviews, expert panels, resident platforms, info-evenings).

This participatory process resulted in the "fear" or risk that the WeEindhoven organisation will not be able to deliver the right service. To handle this risk mainly formulated by social workers, all neighbourhood teams are composed by specialists of all disciplines. During a weekly meeting all generalists can discuss their individual cases with specialists in their team. Although the city of Eindhoven completely understands the doubts of local organisations, at a certain point decisions have to be made. Finally all stakeholders agreed on the implementation plan. However there were some organisations against it. But there was also a general agreement behind the model, namely that radical change is needed and thus yet hesitating organisations had been convinced at the end (and thus none of them lost part of their subsidies).

Like in many new policies in this field, the evidence base behind the model is still thin, however based on the first results, citizens are generally happy to see just one "face" at their kitchen table. Most of them "gained back their own life" by taking their own responsibility.

Alignment around shared goals touches two further, rather critical questions:

- In the debate about the public service reform there are also references to the need to *“leverage the resource of business for social goals and encourage a “shared value” ethos that “makes money while doing good”* (Dr Henry Kippin (2015), *Collaborative capacity in public service delivery – Towards a framework for practice, UNDP Global Centre for Public Service Excellence, Singapore*). We should overcome the ethos that civil society must do more for local communities. Regarding this point, Social Impact Bonds were introduced in Gdańsk (see the box in the front).
- The second (evergreen) question is about the mobilisation of local residents. This is key as experience shows that often the most creative answers come from the ground, either from front line officers or citizens. They can often see more clearly than anyone else where resources are being wasted and where new opportunities exist. **Community Foundations are great examples on how to build capacities of local communities to take actions. In times when personal sacrifices are highly needed to tackle burning issues like climate change, fostering a sense of belonging and localism seems an utmost priority.**

The running debate and emerging interest in **Social Impact Bonds (SIB)** indicates that result-based payment can be an effective tool to harnesses private capital for social services. The below summary was made based on the OECD's report on the theme ([State of Play and Lessons Learnt](#), OECD, 2016).

SIB is a contract with the public sector in which a commitment is made to pay for improved social outcomes that result in public sector savings. Within this contract the private sector invests to achieve previously and jointly agreed social goals in a territory and repayment is contingent only upon success. While they operate over a fixed period of time, they do not offer a fixed rate of return. SIBs are not a pure debt investment because the return is contingent on the performance of the service providers (social enterprises, NGOs) in achieving specified social outcomes.

*“In time of austerity measures, a financing mechanism for social policies that promises to mitigate the public sector risk, increase effectiveness and pay for services now while requiring public contributions later, is likely to attract attention”.* SIBs combine three core elements in a single tool: entrepreneurship, innovation and investment and thus they open up the world of social impact to private sector investors and offers the prospect for social enterprises and civil society organisations to become a more significant part of the delivery system.

Since the first one established in the UK in 2010, 43 SIBs have been set up in 11 countries representing an investment of over 200 million EUR (2015) according to the OECD. They are in spotlight mainly where significant parts of the welfare state have already been privatised (UK, US and Australia). In EU countries that retain a more public sector ethos, the uptake has been more modest (after UK the second country is the US, while Germany, Portugal and Belgium has one SIB each and the Netherlands has two. There are many upcoming ideas across the EU.

Similar to Social Impact Bonds **Community Foundations** are also in the spotlight in these days, and the European Commission intends to spread these simple, but effective tool across the EU (see: [communityfoundations.eu](http://communityfoundations.eu)). Community foundations are independent, non-profit and locally operating institutions that mobilize and invest technical and financial resources in a specific geographical area (typically in a city or county). They are foundations of people for people. Their goals are to improve the quality of life of a population, rallying people and organizations to promote community development.

Community foundations are a global phenomenon with 1700 existing around the world of which over 700 are in the US. In the EU for instance they are well-known in Latvia, Italy and Poland, they mean new issue in Hungary and Portugal, and surprisingly not popular in Denmark, Sweden, the Netherlands or Ireland. However Community Foundations are not necessarily about improving local services, they are great to organise local resources and to have shared goals in a territory/community, thus they can effectively contribute to build 'relational capital' between public services and civil society.

## Openness to innovation, risks and failure during answering complex societal challenges is a key characteristic of a socially innovative public body

Nevertheless, collaboration takes time and the evidence base is rather weak in many countries. Public authorities often need some inspiration and strong leadership to be able to take collective responsibility for improving publicly desired outcomes. In Gdańsk, the mayor was innovative enough to take the risk and launch initial projects as well as systematic reorganisation of the local government (see chapters below).

Regarding risks, another issue is that as incentives vary among parties, risk ratings vary as well. This is why encouraging a culture of taking collective responsibility for improving publicly desired outcomes is essential. A core component of such a culture can be fostered by innovation events (hackathons, design thinking workshops, social innovation camps) aiming to redesign services, democratic innovation platforms for citizens and tailored capacity building actions for internal staff and front line officers. An example can be adapted from companies (mainly start-ups), namely that they often use workshop techniques such as Open Space to engage most employees to a new service for example, but also to minimize risks.

During the study visit, Aarhus's *'Long-term unemployed take the lead'* pilot (see the box in front) was explained for partner cities as an example on how to take risks while launching social experiment. However it is worth mentioning that the pilot in Aarhus is partly (50-50%) co-financed by the private Velux Foundation and the municipality. *'Long-term unemployed take the lead'* is a good example for proving what the theory on social innovation suggests: it is better to evaluate local initiatives in the beginning based on citizen satisfaction and not by formal assessment.

**"I've felt completely alive again! You go a bit stale when you are unemployed for a long period. You become something of a couch potato, you don't take the initiative that you should. So, this has been great!"**

Participant – cash benefits recipient

**"Why in the hell has no one done this [Long-Term Unemployed Take the Lead] before? The [employment] system does not work. They do not find jobs for people!"**

Participant – previous cash benefits recipient, now self-employed businessman with production in China

The Danish city Aarhus has been running a ground-breaking social experiment since the beginning of 2016 entitled as **'Long-term unemployed take the lead'**. Jobcentre Aarhus hosts this pilot in which long-term unemployed persons over 30 years of age who have been on cash benefits for at least one year can prepare their own budgets for initiatives aimed at finding employment for them (support is up to DKK 50,000 per participant). The pilot tackles 100 participants in two years.

The participants apply for money for everything right from a driver's licence and upgrading courses to tents and electric bicycles. Funds may be disbursed to the project participants for any given purpose as long as the individual participants can account for how this will bring them closer to employment.

The social experiment is in phase 4 now, in which self-budgeting as a method is tested on randomly selected participants from the target group. From March 2017, 50 participants test a 'best practice' model for self-budgeting. If the testing turns out to be a success, the model will constitute the final self-budgeting concept.

Qualitative and quantitative data have been collected constantly during the process. The final data processing and analysis will be done at the end of phase 5 and at the start of phase 6. And while it is not possible to formulate any general comments about the outcomes of the project at the moment, at the end of January 2017, interviews have been conducted with a total of 34 participants from phases 2, 3 and 4. Based on these some initial, but promising messages can be derived. For example, 14 applicants out of 27 took part in phases 2 and 3 are no longer on unemployment benefits. Based on the interviews participants felt:

- That someone has confidence in them
- A renewed faith in their ability to find a job
- A boost to their personal and vocational self-confidence
- That the job consultant can finally provide them with assistance that they can use

Participants experience that the Long-Term Unemployed Take the Lead project differs from the usual programmes by:

- Being tailored to meet their specific requirements
- Being built on trust from the job consultant, rather than control
- Being based on the participant's own initiative and responsibility
- Resulting in marked personal ownership of the process.

Further information [here](#) and [here](#) on the CHANGE! mini-site.

## Engaging citizens increases the resources available to achieve social goals

To address the current and future challenges in our local communities, we shall create services that are more personal with less funding available, and this requires delivery models that engage citizens more actively.

Engaging citizens in public services means learning how to unlock, use and embed their knowledge, skills and personal experience (the hidden wealth of communities, which is often neglected by traditional top-down structures), and how to create bridges among these by activating their social networks. This means relatively simple, but great potential to make public services more effective! CHANGE! partner cities partly tackled this issue in London ([case study](#)) when they talked about the 'people helping people' approach as well as in Amarante in connection with 'brokerage' ([case study](#)).

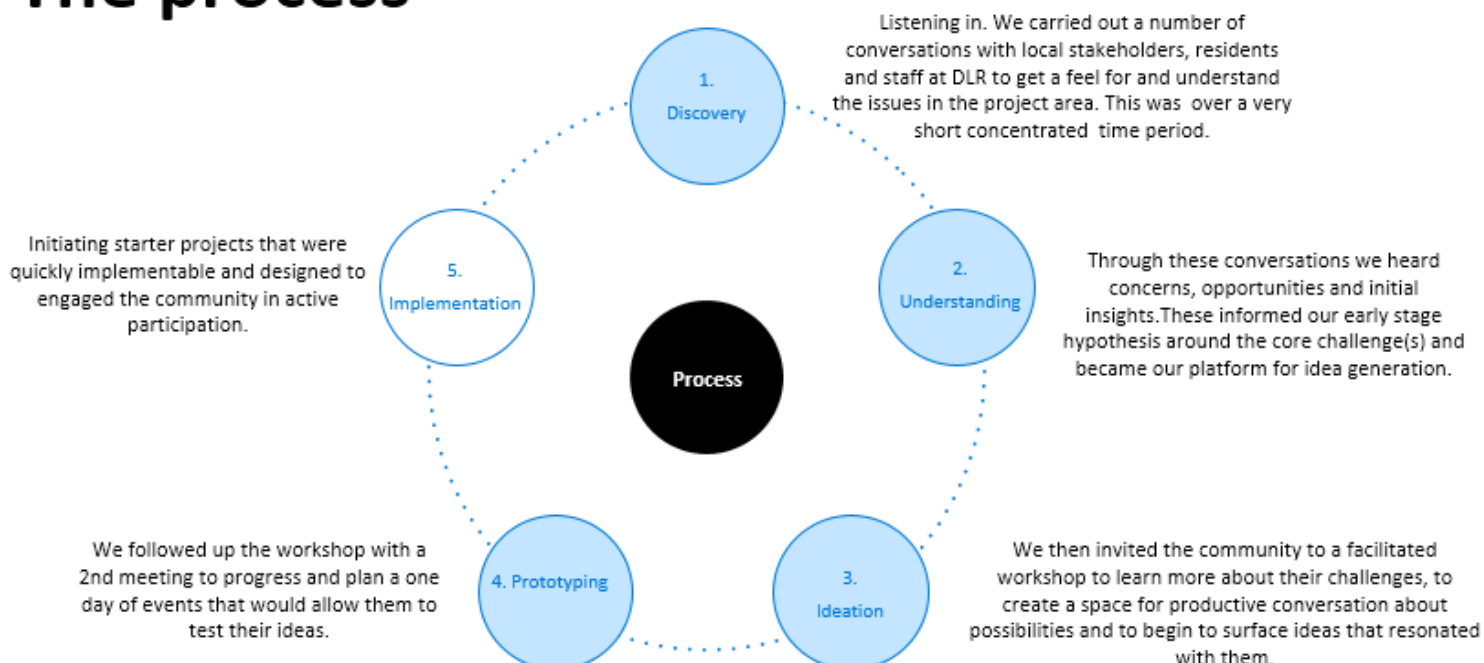
Involving new resources to the delivery of public services however is not necessarily only about how to mobilise people in or alongside public services. Leveraging the resource of business for social goals and encourage a "shared value" ethos both by Social Impact Bonds - that offer making money while doing good - or Community Foundations – that activate localism, the feeling of belonging to a place – are also strong tools to get new resources on board. Local leaders should make steps to reveal the power of new resources through these tools and Integrated Actions Plans provide an excellent opportunity to do that.

And there are many more examples how to activate new resources. **Local societies for instance can be improved through the exercise of rights, not by doing things for them. Giving new rights for society and individuals to act is a key recommendation of the European Commission as well.**

Establishing 'Right to challenge' mechanisms perhaps refers to the national level in most cases (the 'Community Right to Challenge' was also analysed by partner cities in London), but for example creating neighbourhood councils – that are better known among partner cities – or Community Pledgebanks where residents commit a small amount a year to improving local assets or services so long as another hundreds of people commit as well may apply on city level.

During the study visit in Gdańsk, Dún Laoghaire Rathdown County Council contributed to the discussion about "resources" by explaining how they nurture communities for better public spaces through placemaking. Dún Laoghaire Rathdown County Council facilitated a placemaking process in a local neighbourhood called Ballybrack, which is characterized by low community spirit and low levels of social capital (see the process below).

## The process



Regarding 'resources' another issue is how cities can develop new tools to help people organise for themselves in ways that improve their daily lives.

The internet makes this much easier of course than in the past. A practice from Helsingborg (Sweden) prepared the ground for a discussion about how locally owned neighbourhood platforms can mobilise communities.

[www.drottabladet.se](http://www.drottabladet.se) is a local blog-type website originally initiated by the local municipality in a deprived urban area. The municipality only pays the minimal yearly registration fee, otherwise the website has no budget and is owned jointly by the editors, who are responsible for their own articles. Articles are written in Swedish and English as the area is largely inhabited by foreign people as well. Although mainly local organisations operate the site and residents cannot propose ideas, it has a great success in terms of the number of visitors, perhaps because it tackles local issues in a positive way (and not reporting about negative stuff as the media).

Helsingborg's website is a very simple tool to support local communities and nurture self-organisation. Partner cities agreed that more interactive platforms, providing for example space for exchanges, discussion groups and marketplaces could be the single most practical step to change the feel of community life. Such a platform can be – for example - the basis for setting up participative budget schemes or favour banks.

In addition to this, crowdfunding schemes (Kiva.org channeling finance to social projects around the world, starting at 25 dollars), and apps (e.g. 'fix my street' schemes and „my street” apps) have been also introduced by the Lead Expert during the study visit as examples referring to mobilising “resources”.



### III. What we experienced in Gdańsk

In Gdańsk CHANGE! partner cities analysed two key initiatives regarding collaboration in public services.

1. By using British and Irish experiences and several financial sources City Hall of Gdansk and local NGOs, created 12 citizen-led **Neighbourhood Houses**, operated by NGOs, mainly in more deprived urban areas. These community meeting places enable inhabitants themselves to propose and develop their own ideas, get to know each other and take the initiative to promote neighbourhood life. This is a key network for Gdańsk also from the Integrated Action Plan point of view.

CHANGE! partners visited the neighbourhood house in Orunia, which is a neighbourhood characterised by low-income inhabitants, social exclusion, higher poverty rate and infrastructural barriers. The house offers a wide range of services:

- Kindergarten for kids coming from disadvantaged background
- Youth Club for teenagers, also providing informal space for them to gather
- Active ageing activities: Senior Club, Press Corner, IT Support for Seniors, University of the Third Age
- Neighbourhood Council: strong voice of the local residents, inclusion in town management
- Parents Club
- Space for self-organizing groups
- Debates, consultations and organization of the local community
- Cooperation with immigrants: Polish language courses, Integration Support in entering the labour market
- Debate platform for local residents, fast access to public information, expert opinions
- Operation of a local website MojaOrunia.pl
- Culture-led projects improving public spaces (e.g. pedestrian subway repainted), urban gardening
- Residents plan their city (2015)



The main challenge for the Neighbourhood House Orunia is to harmonise and embed its “informal” grass-roots activities to service delivery, to train next generation leaders, to provide more training and tools for community organisers, and last, but not least to extend their focus from single persons to families.

## **2. Local Participatory Public Policy Creation and Implementation**

Municipality of Gdańsk made a special attention to prepare and implement policies in a due co-operative way. The story started with the Annual Program of Gdańsk City Cooperation with NGOs, which has been building together with stakeholders in a co-creative way since 2001.

It is a 5 month long process, characterised by open meetings with NGO representatives and local community leaders (ca. 30 people from NGOs, the municipality and its relevant agencies). They make a progress in working groups and intend to make consensus instead of majority voting.



Since 2012 many other policy fields have been opened for co-creation:

The first was the Gdansk 2030+ Development Strategy (2012-2014), explained in detail by the URBACT Capitalisation Paper as well as by the Baseline Study (see above). Its nine Operational Programs (2014-2015) were also made on the same way: 1. Public Health and Sport; 2. Social Integration and Active Citizenship; 3. Culture and Free Time; 4. Innovation and Entrepreneurship; 5. Investment

Attractiveness; 6. Infrastructure; 7. Mobility and Transport; 8. Public Space; 9. Education

Reflecting on new challenges the city hall prepared an Immigrant Integration Model (2015-2016) during a 1 year long process, involved approx. 120 people including public, civic, private institutions and immigrants themselves. In addition to this the mayor personally contributed to this process.

Program of Economical Safety and Support of People in Debt (2015-2016) was the next step. It took seven months, and about 80 people were involved representing ca. 50 entities. The Program focuses on three thematic areas (working groups): 1. debts; 2. deception, fraud, offences, crimes; 3. economical education.

Last, but not least Gdańsk Program of Social Housing for individuals and families in the risk of social exclusion is being prepared now. In this process around 100 people participate directly, representing ca. 40 entities, working in five thematic working groups: 1. disability; 2. senior citizens; 3. foster care; 4. homelessness; 5. addiction, crisis, domestic violence.

As mentioned above, the key factor here is re-thinking the way how municipal departments operate, and demolishing of traditional silos by the creation of ‘working groups’ around specific policies and related outcomes.



## IV. Bridging the gap between public services and communities – what we can learn from Gdańsk and what recommendations we can make for Gdańsk to further improve local policies?

We know that collaborative public services need ideas from people on the front line, both the providers working in public services, and citizens, volunteers and community groups, as public value is generated at this point. Gdańsk has already made great and honourable steps to open up the floor for collaboration, to share responsibilities both inside the municipality and outside with and towards communities. They made steps to build up trust, which is the glue for collaboration, and political leaders understand that collaborative public operation can create strong political benefits as well.

Regarding this, another key supporting factor in the background is the complex re-organisation of the work of the Social Welfare Office (MOPR). Realising that the level of dependency and inefficiency within the system of social welfare is too high the changes were oriented towards community organization and new role of social workers. In general, social workers spend ca. 70% of their time for handling administrative issues, so only ca. 30% of their work can be directly spent to the development of and negotiation with the client. The new structure will divide social workers into two groups. The key group will spend the majority of the time with clients and community organization, while the other will deal with the administrative management of subsidies and allowances, based on the cooperation of the two groups. In the last years, Gdańsk was also very active in this field, managing several ESF pilot projects, where innovative techniques based on the holistic family approach such as the “family assistance” and “case conference” were tested.

Public servants should do more to leverage the capacity and resources of civil society to better meet local needs while providing services. This needs a new relationship between the state (in this case the city) and the citizen, for example reinforced rights and responsibilities. Gdańsk successfully manages its participatory budget, and however it was not the scope of the study visit, moving forward both to personal budget (see the example from Aarhus) and other type of

community budget schemes (see the below chapter) is a strong recommendation for Gdańsk. The approach of ‘people helping people’ fits to the topic of ‘resources’ and to the local situation very well and indeed Gdańsk found it very useful and already organised capacity building sessions for the ULG within the CHANGE! network regarding this topic. More information about this approach can be found in previously mentioned case studies.

In Gdańsk the local authority made several efforts to consult the city’s strategy (Gdańsk 2030 Plus), to initiate user-led design and empower communities to bring together community ideas and service design. Yet, based on the feedbacks from local leaders (see the quote in the beginning from Piotr Olech, Deputy Director of Social Services Unit) as well as outcomes of the discussions during the study visit, we can surely declare that **local public servants need more capacity building and new structures to foster their out-of-the-box thinking and enable them to find new ideas and scalable initiatives from communities. They need more practice and knowledge to understand communities, pull together different strands of provision, break down internal silos, and build long-lasting reciprocal relationships.**

In the literature we can find several examples of ‘bridge-makers’ between public services and communities, hereby there are some of them since piloting similar initiatives seems a reasonable step for Gdańsk moving forward on its way.

### Installing Local Innovation Brokers

They can be individuals or groups, paid or volunteers, but are always deeply rooted in the local society and thus are great connectors between public services and communities. They can navigate both the formal internal structures as well as the complex networks of community infrastructure and entrepreneurial capital.

There are many examples for local innovation brokers. The Young Foundation calls these people ‘local innovation brokers’ in its key study ([Public services and civil society working together, Young Foundation, 2010](#)). “Whether housed in the community or inside a public agency, they are

*creative and well networked local people with the legitimacy and status to take new ideas forward”.*

To check and perhaps pilot the below models summed up mainly based on the above study from Young Foundation seems an ideal track for the IAP of Gdańsk. Also as the local ULG is very much keen on the WeEindhoven model, these tools provide an opportunity to ‘try’ the basic operational scheme of WeEindhoven in small.

**Social Entrepreneurs in Residence** were developed by the Young Foundation and appointed in London and Birmingham. They aim to help public organisations make the most of the innovative capacity of local social entrepreneurs and their own frontline staff. They sit within public service commissioning bodies and scout for social entrepreneurs with ground breaking ideas that can meet the pressing needs of the public sector. They then provide a mix of coaching support and investment to develop new ideas into sustainable and scalable ventures. This approach is also used in Australia for example (Adelaide Thinkers in Residence).

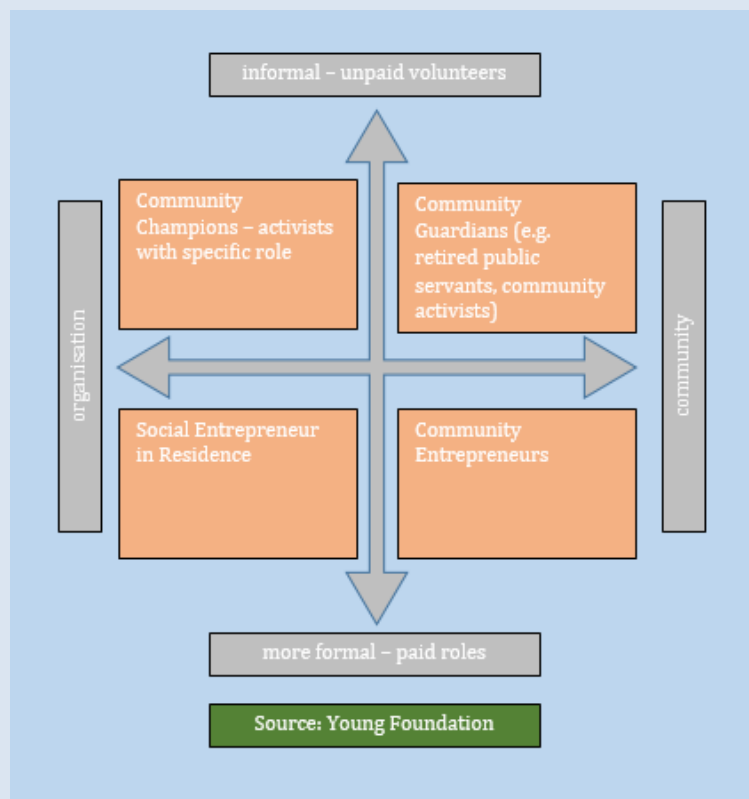
In a pilot scheme in North and South Tyneside (UK) they were called as **community entrepreneurs**. It was a paid position with the local authority to work with up to 20 families to tackle poverty locally. They have become experts in making the links between public sector services operating locally, increasing take up of key benefits and signposting to employment opportunities.

Other examples are about **Community Guardians**. They are typically retired teachers, police officers or doctors, and their informal network aims to utilise their talents as to respond to acute community needs in times of disaster (fire, flood etc). Nearly 30,000 retired people in California contribute their time and talents to a similar scheme called Senior Corps, which also provides mentors and foster grandparents etc.

There might also be a number of part-time roles where advocates are needed – experienced community activists who can help make local connections on the issues of most importance to local people. **Community Champions** may work best when their attention is focused on perceptions, fear or influence of citizen’s in a local neighbourhood (rather than the full time work of liaison officers or community safety officers whose time is stretched by internal pressures and priorities).

Whatever we call these people and the intermediary function they fulfil (see the below chart quoted from the above study), **what it makes especially important for Gdańsk as well as for other partner cities is that these tools do not require significant investment in paid staff.**

These initiatives are rather about utilising untapped resources in the community through skilled volunteers, perhaps with paid expenses or – if exist - through time bank credits or favour banks. Retired people, especially in the mentioned professions are often enthusiastic to get involved in their local area, and this means a hidden source of talent for local services.



Young Foundation provides an in depth analysis related to these models including potential cost and possible savings, here – in line with the mentioned study - we just sum up the key characteristics each model should be based on:

- Bridge-makers shall be embedded within the local community as much as possible. These roles need to operate outside of the usual hierarchy and bureaucratic structures so they can identify unmet needs in the community.
- They should also have a strong and wider support network inside the local authority, providing formal and informal advice,

mentoring, and access to other projects and programmes to inspire new ideas.

- They should be skilled in a range of methods for prompting, prototyping and embedding innovation. They also should have access to a small budget to seed fund promising ideas.

## Community Dividends

The tool of Community Dividends also fits to the issues explained under 'incentives' as well as to the local situation in Gdańsk, and it is also summarised based on the above Young Foundation study. Community Dividends gives a share of savings from the public purse back to the communities that achieve them. Part of their aim is to help public services mobilise community capacities better. *"Community Dividends is an agreement between the state and a neighbourhood where residents take responsibility for making a tangible change to a local problem. If they succeed, both parties get to keep half of the saving generated by new behaviours – for communities, to spend on local activities (e.g. in the form of participative budgets), and for the state, to re-invest in other areas or remove from their expenditure book. Community Dividends are a new reward, intended to bolster existing volunteerism and incentivise new local action, by financially rewarding communities that take action themselves to tackle chronic issues in their local area. For example, if an estate cuts the prescription drugs bill by half, or reduce graffiti tags on street furniture by 75 per cent, then we argue they should be rewarded with half of the saving to the state."*

Community Dividends (see a working example from Young Foundation in the below box) aim to encourage more residents to take a greater role in keeping their streets clean, running local facilities, or minimizing their household waste, making significant savings in the future.

The approach of Community Dividends provides an advanced tool for utilising local mutualism, neighbourliness and citizen collectives. This is particularly true for issues like antisocial behaviour, where the state is largely limited to using penalties to incentivise particular behaviours.

The London Borough of Lambeth, the first "co-operative council" in the UK (CHANGE! partner cities had a masterclass about Lambeth's collaborative practices in [London](#)) was also piloting an **Active Citizen Dividend** scheme, offering a council tax rebate to those involved in community organisations or mutuals that take responsibility for some services. This was based on research that suggests that where both employees and users become involved in the provision of a service, they become far more intolerant of waste and bureaucracy, and significant savings can be made.

This scheme allows service users and local residents to vote on turning local services such as local primary schools and youth clubs into citizen-led mutuals. The council also wants to expand this method, for example by offering tenants more control of their housing estates by setting them up as co-operatives, or setting up "micro-mutuals" for people to use their personalised budgets for care service users.

**Problem:** The total cost to England of mental illness is thought to be £77 billion annually and estimates suggest that the public service could save £3.1 billion a year through improved mental health care. In a ward of 3,000 residents and 1,200 households, where 10 per cent of residents suffer with depression (national average of two per cent), residents decide to take action. Depression is most common in the older sections of the community, and local General Practitioners (GP) report that there is a strong link with social isolation, with growing evidence that mental illness can be treated in a community setting.

**The Agreement:** Working with a local charity the council agree to handover an under-utilised part of their offices to form a community space. The charity will decorate the space and make sure it is appropriately equipped. It agrees to use existing networks to help bring residents into the space for social events, start a walking group, and to put residents in contact with each other as a way of building support networks. Any savings from reduced prescriptions for antidepressants will be split between the council and the charity running the community space.

**Local action:** Over a year the charity sets up the space, starts weekly walking outings to a local nature reserve and facilitates the formation of a local residents' network. At the end of the year the residents' network is in a position to take over the running of the community space and to organise further outdoor activities. The council monitor the prescription rate for antidepressants with local GPs.

**Community dividend:** At the beginning of the year 300 individuals were being prescribed antidepressants, once every six weeks. This totalled 2,600 prescriptions a year. By the end of the year, prescribing had dropped by a third, with 867 fewer prescriptions issued. This resulted in a saving of £8,990.28 £4,495 of this went to the council and £4,495 to the charity, which put some of the money towards the costs of the centre and spent the remainder on supporting a 'grow your own' initiative the residents had started up. It was agreed that any future savings would go to the residents' network that had taken over running the community space. The local GP noted that the experience had changed the way she works and is now using community-led schemes more often.

Simplicity is a key factor to the success regarding Community Dividends. Young Foundation suggests four clear stages:

- residents commit to collective action to tackle a local priority, such as youth crime or poor quality open spaces;
- if collective action results in positive outcomes, communities are given a financial reward for their effort;
- the reward is invested back into the local area, through mechanisms like participatory budgeting, local community group grants or council tax rebates;
- the state saves money as positive outcomes reduce the demand for public services.

### Incentivising public servants

The basic assumption behind incentivising and training the internal staff is the expectation that public servants who are building quality relationships with civil society will be better empowered to make strategic decisions about downsizing some services. For example *“Community Dividends offer a number of pure economies – as they will allow the state to withdraw a service where residents can demonstrate they can deliver the same outcomes for less”*.

Cities are in different stage regarding pushing their administration towards a more collaborative way of working. What is sure that more training for public servants and more tools to access co-production techniques is essential whenever we are in Europe. *“Tapping into Europe's creative potential for innovation in the public sector requires, however, an innovation-friendly environment and culture - not only for businesses and citizens - but in particular for the public sector workforce. This implies the need for approaches which embrace diversity (including age, gender, flexibility, and mobility), and which recognise commitment and accommodate failure. The fear of making mistakes is very rooted in the public sector and can act as a barrier to innovation. The leaders at all levels in the public sector need to recognize that experimenting with new solutions (prototyping) and sometimes making mistakes are opportunities to learn.*

*To have the right incentives and rewarding leaders' and employees' innovation efforts is also important. One way to do this is to re-think the*

*role of human resources departments to make them more strategic and integrate innovation and human resources efforts”* (Powering European Public Sector Innovation – Report of the Expert Group on Public Sector Innovation, DG Research and innovation).

The URBACT Programme itself promoted the Dutch city Amersfoort in the previous capitalisation process on social innovation regarding [collaborative city administration](#).

But there are so many promising initiatives both from private companies and public administration! *Quality circles* for example are a group of employees who voluntarily meet up to identify, analyse and solve work-related problems. They present their solutions to management who are then responsible for implementing these new ideas. The aim is to tap into the experience and insight of front line workers, who are often best placed to identify problems. This approach was pioneered by Toyota and plays an important step in their continuous improvement processes.

Another tool is *user research and participant observation*, including ethnographic approaches such as *user/citizen diaries*, or living with communities and individuals to understand their lived worlds.

*The REFILL Network (URBACT) calls them [in-house intermediaries](#). They are employees of the administration “who deal on daily basis with target groups (e.g. citizens) and their projects. They have various professional and personal profiles: they can be with or without prior working experience in the administration, they are of a wide range of ages, they have a university or vocational background and/or an experience as grassroots activists. Their selection, and way of working, is based on their individuality and personality. They have to be open and curious; to be able to network, moderate, mediate and negotiate; to possess a political sensitivity; to act fast and be creative in identifying (human, financial, technical) solutions; to stimulate and lead processes”*.

As for training for front line officers, the London based **Design Council** offers a three step training programme for instance<sup>1</sup>: 1. introductory training introducing the value of design as a driver for innovation; 2. accelerated cohort-based training improving the understanding of the value of design;

<sup>1</sup> see more: [www.designcouncil.org.uk](http://www.designcouncil.org.uk)

3. intensive, project-focused coaching, which enables teams to define, develop and implement new solutions. Another example is the **facilitative leadership for social change** training organised by the Boston based Interaction Institute for Social Change<sup>2</sup>. This training offers practical skills and tools for tapping the creativity, experience and commitment of those they work with and provides participants with a forum in which to explore their challenges and aspirations as leaders. At the heart of the workshop are powerful leadership practices that enable people to move together from vision to action in new ways.

Innovating the administrative operation the above mentioned paper on service reform highlights the case of **Bilbao: political management based on economic stringency and strategic budgets**.

The city council decided to manage its budget without debt and thus it designed the Governance Plan 2007-2011 and Strategic Budgets based on economic austerity and stringency for its political management: Two key points of this strategy meant transparency and fostering citizen participation and seeking 'zero' public borrowing. As a result, municipal debts were erased and recreational areas increased from 27 to 134 hectares.

To encourage organisational learning in human teams, to create transformative knowledge and innovative awareness in public administration and finally to promote good administration aimed at the common good, **Innovation Fund** in Aarhus is also a good example for Gdańsk as well as for other partner cities.

In 2016 the Innovation Fund was established in Aarhus Municipality by the financial contribution of all municipal departments. Later on all financing departments could apply for projects tackling innovation regarding their own thematic fields. An expert panel evaluated the project ideas and the best ones were supported. This is how a strong network of internal innovators was born and it is a good example on how a city administration can be constantly challenged by local communities.

<sup>2</sup> [www.interactioninstitute.org](http://www.interactioninstitute.org)

## V. Conclusions

There is a big debate on giving financial rewards to volunteers or communities for carrying out local activities. However, incentives have a place because many local people want local actions and local change, but only few of them are committed enough to initiate action. It is also true that while volunteers are normally motivated by compassion and the desire to help others, "*modern day volunteers are also looking for personal reward – skills and experience to improve job prospects or paid expenses, are a common feature of modern volunteering. Financial rewards can increase the number of volunteers – whether cash rewards or credits like the SPICE time bank, which exchanged time given for leisure vouchers and cinema tickets but paying out too much or too little can be more damaging than offering no reward – if participants think of themselves as paid employees*" (Public services and civil society working together, Young Foundation, 2010).

Regarding the second pillar of the Collaborative Framework and thus the study visit in Gdańsk, it is important to underline that many initiatives explained above require some upfront investment, but at the same time mostly need better utilisation of "*resources*", while also generate savings. This is why they provide a strong platform for having quick-wins, which are essential to pave the way for systematic change.

Last, but not least it is worth mentioning that the above tools can be measured through for example Social Network Analysis - already explained in the [previous case study](#) - "*that map the relationships between statutory and community actors in local areas in order to show whether partnerships between local service providers and residents are purely cosmetic or genuinely offer people a share in power*".

While evidence base regarding collaborative service delivery is still thin, mostly because the related initiatives are small and localised, measuring citizens' satisfaction with services are crucial.

## VI. Credits

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