

CO-PRODUCTION OF LOCAL ACTION PLANS

A CENTRAL ELEMENT OF REGIONAL GOVERNANCE IN DEPRIVED URBAN NEIGHBOURHOODS

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In this article experiences and examples from the RegGov network¹ are presented to stress the necessity of exploring new potentials of cooperation and to create synergies within the Local Support Groups that cannot be expected from the traditional working structures. So far, these innovation potentials have only been partially explored. Before implementing long-term integrated plans, a very precise identification of persons, parts of departments, and agencies which need to be involved is a precondition.

Introduction

Across Europe, disadvantaged neighbourhoods in the cities have complex and interwoven problems. However, they also have unrealised potential that can be further developed. The problems include deficits in the physical and environmental structure, as well as in the economic and social

infrastructure. Most areas have low incomes and above-average unemployment rates, often in city economies that have been facing the challenge of economic restructuring and job loss. The co-location of different disadvantaged groups often creates a bad image for the neighbourhood. In spite of these difficult conditions, these neighbourhoods offer niches and possibilities for a huge variety of groups in need of support, and they fulfil an important social function in terms of integration of excluded groups.

The need for common agreements on strategic principles concerning the many facets of integration has been confirmed in three examples presented below:

- ▶ a housing company assuming responsibility for neighbourhood management (Duisburg);
- ▶ community organizing for co-responsibility of the residents (Ruda Slaska);
- ▶ a public-private joint venture for youth unemployment (Södertälje).

The main challenge of **RegGov** has been to foster integrated urban and neighbourhood development policies and to create participatory processes in policy-making and policy implementation:

- ▶ allowing for a lasting and efficient “horizontal and network cooperation” between all relevant actors on the local level and making sure that all key players and organisations in the Local Support Groups contribute to the development and implementation of Integrated Local Action Plans, so that all possible resources are activated and integrated and all possible synergies are realised;
- ▶ with a special focus on the question of how to achieve improved and more reliable forms of “vertical cooperation” from the neighbourhood across the city level to the level of Managing Authorities. The importance of this topic has been raised through the mainstreaming of the urban dimension in European policy. This has given regional authorities all over Europe a new responsibility in the field of integrated urban and neighbourhood development under Article 8 of the ERDF regulation.

Regional Governance was not considered to be a crucial issue. Besides the promotion and support of a catalogue of projects for disadvantaged neighbourhoods based on integrated Local Action Plans and schemes, one key issue still remains unclear in many cases: how to establish long-term perspectives of structures developed within limited projects and the role, the expectations and potentials of private actors in these strategic

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consolidation processes. In North Rhine-Westphalia an analysis on the experiences and potentials of transferability and sustainability of integrative neighbourhood development has been recently published².

Main forms of relationship and actors within the integrated approach

The Local Support Groups set up in all partner cities have contributed to anchoring the integrated approach in the co-production of the LAP and to creating a broad consensual platform on neighbourhood development throughout the city. The variety of stakeholders involved in the LSG stresses the need to identify the “right” constellation of groups and persons involved for each neighbourhood. At the same time, it is the pre-condition for local consensus and co-production.

There are three main types of relationships regarding the improvement of the conditions of deprived neighbourhoods. Some of them are rather institutionalised and established, others have relatively loose connections.

- ▶ *Local horizontal cooperation*: Relationship between different actors within the neighbourhood and between the neighbourhood and the city administration.
- ▶ *Network cooperation*: Relationship and strategic networks between cities within a determined area.
- ▶ *Vertical cooperation*: Relationship between neighbourhoods, cities and Managing Authorities and other regional policy directorates.

An important fourth dimension is the combination or the link between the different types of cooperation, in certain cases developed and run in terms of a multi-level approach.

Consequently, the promotion of all different types of cooperation and relationships means the involvement of actors from different categories and with different interests and competences. For example:

Territorial level of competences, e.g.	Neighbourhood City Region/Intermediate level State European level
Sectors and departments, e.g.	Urban development Economic affairs Social affairs/Welfare Employment Education/Schools Culture, Sports etc.
Public sphere, e.g.	Public Public administration Politicians and decision-makers Public companies Semi-Public Welfare organisations (partially) Housing companies
Private sphere, e.g.	Private economic actors Companies and entrepreneurs not locally based Local business owners (partially) Housing companies Single owners Civic actors Civic organisations representing (parts of) the community: youth/children, migrants/ethnic groups, handicapped, elder people etc. Social enterprises working on active inclusion and service delivery in disadvantaged neighbourhoods Associations of inhabitants Engaged individuals and residents

New alliances: Private involvement and commitment are essential

The **RegGov** partner cities have been facing a broad range of challenges regarding their respective disadvantaged neighbourhoods. Horizontal and vertical cooperation are necessarily linked. The experiences from Duisburg (DE), Ruda Slaska (PL) and Södertälje (SE) are good examples of the involvement of local stakeholders at different levels and with different backgrounds. Action fields such as economic development that are important for neighbourhood



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They all have in common:

- ▶ a preparatory phase of overcoming single or separate activities building trustful relations, testing new alliances and identifying common interests and potential win-win situations;
- ▶ and a consolidating perspective of anchoring and embedding persons and structures in a strategic realm where decision-making bodies are involved and political consensus can be prepared.

Duisburg: A housing company assuming responsibility for neighbourhood management

The City of Duisburg cooperated with one of the big housing companies, with the aim of stabilising the social situation in the disadvantaged neighbourhood in a sustainable way. Even after a series of consistent urban renewal measures, the neighbourhood Dichterviertel still suffered from a problematic image, a low retention of tenants and an above-average vacancy rate. The City of Duisburg and the main landowner, Evonik Wohnen, a big housing company, identified questions of social cooperation, identification with the neighbourhood and integration of migrants as decisive issues for reaching social stability, functioning neighbourhoods and a positive image – and consequently a lower vacancy rate. With a neighbourhood manager present on location, problems in the social realm and emerging conflicts in the public space can be recognised and mitigated at an early stage. Working groups promote civic participation and the common search for solutions for problems identified in the neighbourhood. The education, culture and leisure activities carried out within the neighbourhood management have many positive effects:

- ▶ they offer concrete help;
- ▶ they promote intercultural encounters and dialogue;
- ▶ they raise the appraisal of residents' own living space and the identification with the neighbourhood;
- ▶ they have positive effects on the external image supported by a focussed press and public relations activity;
- ▶ the activities are steps toward an intensive networking in the neighbourhood.

A steering group of the neighbourhood management is working strategically with representatives from the three cooperation partners: the City of Duisburg, the housing company and the Development Agency EG DU. Members of the "Network Dichterviertel" are representatives from different municipal departments, municipal and church institutions, associations and organisations (also of migrants), from the district council and from the City Council of Duisburg.

The key assets of a residential neighbourhood are satisfied inhabitants who live in good social coexistence with low vacancy rates and high amenity value. This means

having strong neighbourhood identification and well-kept dwellings. All activities have to be developed in a way that they can be carried on in a self-sustained way after the end of public funding. The importance of voluntary effort cannot be underestimated. Only the initiative of key persons in the neighbourhood makes it possible to connect residents to the project and encourages them to become engaged for their neighbourhood.

From the beginning, the project was planned as a Public Private Partnership project. The financial promotion within the programme "Urban Restructuring Old Federal States" was only possible because the private partner, the housing company, also became actively (and financially) involved. Meanwhile, only residual funds from the programme are being used. Funds from labour market projects are new elements of co-funding. The housing company has raised its financial engagement within the framework of the cooperation as well³.

Ruda Slaska: Community organizing – Activities of the local community as a shield against deprivation and social difficulties

"Kaufhaus" is an old working-class neighbourhood close to the steelworks dating back to the beginning of the 20th century. Many of the residents are poor and are recipients of public assistance. No significant renovations have been undertaken on the housing stock since its construction. The apartment buildings are heated with coal, and between



Duisburg-Dichterviertel (Photo: EG DU).



Kaufhaus estate: active residents
(Photo: M. Szydlowski).

each floor there are only common bathroom facilities. The first design projects for public spaces are now underway. A social work centre and a daycare centre have been constructed. Residents had lost confidence in municipal activities because many promises had been made, but change is very slow in coming. These were the main challenges when the community work began in the neighbourhood, with the goal of stimulating activity on the part of local residents.

In early 2008, the Municipal Welfare Centre took the opportunity and applied for EU funds. There were two reasons for this: first, there was already a functioning Local Revitalization Programme for the City of Ruda Slaska, with many projects aimed at the Kaufhaus estate. Secondly, there is high concentration of Municipal Welfare Centre clients. The idea was the creation of a sustainable development policy for this area and the reduction of social exclusion.

After more than three years of effort, some first successes have been recorded. From a community point of view, the greatest success is the identification of a few active neighbourhood residents who have great influence on the rest of the community. The opening of a common meeting space in the neighbourhood played an important role. This sprang from the need, as expressed by the inhabitants, for a meeting place. The fact that inhabitants who acted together were able to achieve more results with authorities empowered them. Over time, it became clear that the community can be an equal partner for authorities and institutions. Meanwhile it can be stated that their efforts were viable. There is an active group of inhabitants who want to change something in their lives, their surroundings, and their neighbourhood. Inhabitants, in cooperation with the Welfare Centre and the housing management office,

have renovated some stairwells in the neighbourhood, which has an impact on the standard of living and the image of the estate. At every step we can find evidence of the principle “unity is strength”.

Recently, there has been some dynamic development within the community which at first glance is a positive aspect, but has to do with balances of interests between institutionalisation and a stronger role within local policy on the one hand, and basic activities at neighbourhood level and a consulting role on the other hand. The step planned by some residents taking part in the Local Activity Programme is to build an association to gain more power and political meaning as an NGO. The idea of this NGO is to support the local community and work for the benefits of the Kaufhaus neighbourhood. They see the established Local Support Group as very narrow and underestimate their current role as an advice body and source of information about the neighbourhood towards other actors (house management, municipality, local private sector, schools etc.). At this moment only few of the residents which are part of the LSG want to be further organized. The relationship between NGO and LSG is not clear yet. In terms of governance it will be important to keep the balance and to use the energy and motivation of the active residents not so much on power relationships and the preservation of the institution, but on the concrete issues of their neighbourhood⁴.

Södertälje: The Telge-Model – A socially innovative public-private joint venture

There is a strong need for new solutions to address the multiple challenges of disadvantaged groups. In Södertälje, an integrated form of corporate social responsibility, especially of company-building between public and private, has been established with an explicit focus on unemployment as the key issue in enabling people to feel integrated in society. One of the pressing problems in the city of Södertälje is unemployment, especially of newly arrived immigrants and the long-term unemployed. Usually in Sweden this is a national-level competence and not the responsibility of the Municipality, but the steps taken were simply not sufficient. This is where the analysis at local level came in and the independent search for solutions and the involvement of big companies began.

The City Council Committee of Södertälje decided that the public company Telge should

support the municipal services, especially in the sector of unemployment, but also to cover the needs of construction of new public housing blocks. Negotiations between the Municipality, the public company Telge and nationally active companies within the private sector led to agreements. So far three public-private partnerships have turned into company formations to serve the needs mentioned above.

In terms of social innovation the three business units of Telge Company, the employment agency, the house building and construction company and the temporary staffing agency, are engaged in a new kind of partnership, with big private companies as co-owners working explicitly on the main structural problems of deprived neighbourhoods.

► “*Telge Manpower Jobbstart AB*”, an employment agency co-owned by the international company Manpower.

The target groups are, in particular, newly arrived immigrants and the long-term unemployed. The



Ronna neighbourhood in Södertälje
(Photo: P. Potz).



objective is to “cut unemployment periods from 7 years to 6 months”. Each month, 60 unemployed persons from the target group are enrolled into the programme of this company. The programme sees to it that they are coached and trained individually and that there is one specific contact person helping to find the right job for that particular person. The objective is to get them into regular employment.

► *House building & construction “Telge PEAB”, co-owned with Peab AB, a construction company operating in the Nordic countries.*

Telge Peab is a cooperation between the municipal company and the construction company Peab, with the Municipality holding 49% of the shares. The employees are either long-term unemployed construction workers or immigrants with craftsman experience from their home country. From the Municipality’s point of view, this offers a chance for long-term unemployed persons to establish themselves as skilled workers and to become financially self-dependent. From the view of the Public Housing Company of Telge, this is the chance to begin the regeneration of the housing stock with less investment, since the labour cost would be cheaper during the skills training. During this period, the recruited trainees will be paid by the social benefits system and by the national unemployment benefit system.

► *Temporary staffing “Telge Tillväxt AB” (tillväxt = growth), co-owners are private companies in the sphere of retail, food, banking, trucks, construction, insurance and recruitment. The National Labour Agency is on the company’s board as well.*

The temporary staffing service’s target is a 50% cut in youth unemployment, i.e. unemployed among 18 to 24-year-olds. This activity started in 2011. Young people are both very expensive in terms of public subsidies, and if permanently unemployed they are most at risk of engaging in various criminal activities, black market activity etc. The long-term aim is to ensure employment for the young generation. 150 unemployed and unskilled young people will be hired in 2011, about 10% of the target group, without any pre-selection. During the first three months, they will be employed by Telge to clean up the city, after which point they will be “rented out” to other companies (by the hour or by the day, as needed). There will be appropriate skills training in cooperation with the private companies concerned. During the time span of 12 months, these young people should leave the company after having gained training and some work experience in their field. Funding comes from the companies hiring the youngsters and from the national agency, with money that anybody can receive⁵.

Ten Recommendations: Challenges and Conditions of Good Multi-Level Governance

The work of **RegGov** with the Local Support Groups has led us to proposing ten policy recommendations for how to develop good multi-level governance in urban regeneration.

1. Strengthening regional governance from the bottom to the top: No local neighbourhood projects without integrated city-wide strategies
2. Integrated urban development: Area-based and cross-sector approaches
3. Activating and enabling inhabitants: Short-term successes and long-term visions
4. City networking: Give institutions a face and build up mutual trust
5. Coalition-building: Cooperation as a principle of work
6. Physical and infrastructure investments: Linked to socially integrative activities
7. Monitoring at all involved levels: Early warning system and seismograph of results
8. Special funding programmes: A chance for social innovation input in mainstream policy
9. Bundling where necessary: Stronger integration on programme level
10. Urban agenda: Strong role of cities in the next EU funding period

These recommendations are addressing decision-makers and authorities at all levels drawing the attention to the integrated approach. With these ten principles in mind we see a positive future for the urban dimension. ●

(1) RegGov has been dealing with “Regional Governance of Sustainable Integrated Development of Deprived Urban Areas”. Cf. especially the Final Report: http://urbact.eu/fileadmin/Projects/Reg_Gov/documents_media/Reggov_finalreport_web.pdf

(2) Cf. MWEBWV 2011: Sustainment of Integrative Neighbourhood Development in Disadvantaged Urban Areas in North Rhine-Westphalia. Ministry for Economic Affairs, Energy, Building, Housing and Transport of the State of North Rhine-Westphalia (MWEBWV), Dusseldorf. http://urbact.eu/fileadmin/Projects/Reg_Gov/outputs_media/Handbook_Sustainment.pdf

(3) Cf. RegGov Final Report, Case Study Duisburg, pp. 44-51

(4) Cf. RegGov Final Report, Case Study Ruda Slaska, pp. 77-81. My thanks go to Michal Szydowski for the update (May 2011)

(5) Cf. RegGov Final Report, Case Study Södertälje-Telge, pp. 63-69.

Cover photo (EG DU): Local Action Plan Launch Event at RegGov Final Conference, Duisburg, May 2011



Dissemination of RegGov outputs (Photo: EG DU).



MORE INFORMATION

REGGOV project: www.urbact.eu/reg_gov

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