

# CO-PRODUCTION:

## A NEW PERSPECTIVE ON PARTNERSHIP

BY HANS SCHLAPPA

LEAD EXPERT OF THE SURE THEMATIC NETWORK,  
AND PETER RAMSDEN, THEMATIC POLE MANAGER



**A growing number of practitioners and policy makers use the term “co-production” when they refer to collaborative forms of partnership in the regeneration process. Many of us now frequently use “co-production” in place of “partnership working” without being aware that there are important distinctions in the meanings that these terms have. This article suggests that the concept of co-production offers a fresh perspective on important aspects of partnership working in regeneration contexts. A number of examples from the SURE Network are used to illustrate how core elements of collaborative regeneration practice can be seen in a new light when looking at them through the lens of co-production. The benefits of using co-production rather than partnership working as the terminology to explain and analyse collaborative processes in urban regeneration are then discussed. This article concludes with a discussion of the implications this concept might have for both policy makers and practitioners.**

### Summary

A growing number of practitioners and policy makers use the term “co-production” when they refer to collaborative forms of partnership in the regeneration process. Many of us now frequently use “co-production” in place of “partnership working” without being aware that there are important distinctions in the meanings that these terms have.

This article suggests that the concept of co-production offers a fresh perspective on important aspects of partnership working in regeneration contexts. A number of examples from the SURE Network<sup>1</sup> are used to illustrate how core elements of collaborative regeneration practice can be seen in a new light when looking at them through the lens of co-production. The benefits of using co-production rather than partnership working as the terminology to explain and analyse collaborative processes in urban regeneration are then discussed. This article concludes with a discussion of the implications this concept might have for both policy makers and practitioners.

**The concept of co-production offers a fresh perspective on important aspects of partnership working in regeneration contexts.**

### Introduction

When co-production was identified as a specific concept in the early 1970s, it generated substantial interest in America<sup>2</sup>. Academics and practitioners then suggested that the co-production of public services in areas such as health care, policing, or the management of open spaces could improve service quality and reduce governmental spending at the same time. These suggestions were made at a time when the American government was struggling with severe budgetary constraints and pressures for public sector reform. Today many national and local governments seem to be re-discovering this idea. In Europe in particular, where cities have been hard hit by the economic downturn<sup>3</sup>, the structural funds are increasingly focusing on the collaborative generation of services, jobs and enterprise<sup>4</sup>.

### Reinventing “partnership working”

Contemporary area based regeneration policy and practice puts an emphasis on effective partnership working and an integrated approach towards problem solving. It also includes a strong participative element and emphasises the involvement of local communities in the strategy development and implementation process.

Partnership has been one of the four guiding principles of the Structural Funds since their reform in 1989. In an urban context, the partnership is both horizontal between actors on the ground and vertical, with managing authorities and policy directorates at regional and national level. There are many



forms and styles of partnership ranging from collaborative ventures for different agencies and civil society to tackle complex problems together, to more institutional approaches in which large public and private agencies determine policy priorities and develop strategy.

While partnerships at their best can be shining beacons of collaborative working, there is widespread scepticism about the capacity of partnership structures to facilitate the sharing of power, risk, capabilities and resources between organisations and across sectors. Smaller organisations in particular, which tend to be closest to the grassroots of communities, lack the capacity to engage with partnership processes, and where they are included at the partnerships table they frequently lack the “clout” to influence the decision making process.

These are just some of the reasons why the term partnership has become problematic – especially in the member States that have been working for longest with these participative approaches<sup>5</sup>. This also explains, at least in part, why we are beginning to use different terms, such as co-production, to describe collaborative practice in urban regeneration. Nevertheless, this shift away from “partnership” and towards “co-production” raises the question of what exactly do we mean by co-production. Furthermore, are there compelling reasons to develop a sharper distinction between co-production and partnership working?

### Defining co-production

There are different definitions of co-production. Two of its leading scholars, Victor Pestoff and Tacho Brandsen<sup>6</sup>, have worked on this topic for some time and Pestoff gives a simple definition which includes co-production alongside co-management and co-governance.

► *Co-production* refers to an arrangement where citizens produce, at least in part, the services they use themselves. This can be with or without financial, technical or other support from public agencies. However, at the site of service co-production we frequently find public officials providing direct support to citizens, community groups or small non-profit organisations.

► *Co-management* refers to a situation where different organisations work alongside each other to co-ordinate the delivery of a service or project. For co-management to occur direct user or citizen participation is not

**Co-production refers to an arrangement where citizens produce, at least in part, the services they use themselves.**

necessary, but actors from different sectors and organisations use their respective resources to directly contribute in practical ways to the delivery of a specific project or service.

► *Co-governance* is about the strategic planning of a service or a project. Actors from different organisations and sectors determine shared policy priorities and may translate these into strategic plans. Co-governance comes perhaps closest to what many regeneration partnerships are primarily engaged in<sup>7</sup>.

It is important to note that in the development and delivery of every project or service we are likely to find all of these three dimensions to some extent. However, each of these dimensions is distinct from the other. Directly co-producing a service is different from working closely with another organisation to co-manage its delivery. There is also a clear distinction between co-production and co-management, which are directly concerned with the provision of a specific service or project, and co-governance, which is primarily concerned with strategy and policy-making.

### Some examples from the URBACT SURE network

To illustrate the different dimensions of co-production and to demonstrate that this concept easily relates to contemporary practice in urban regeneration we now provide some examples from the SURE network. SURE includes nine medium sized towns, which came together to learn from each other about inclusive socio-economic regeneration strategies. Each partner is at a different stage of development, and in many cases, it is not clear yet to what extent, their Local Action Plans will involve co-production, co-management or co-governance. One of the SURE partners, Dun Laoghaire Rathdown County Council (DLR), has a long track record of working with local communities and of supporting the establishment of institutional infrastructures, which enable citizens to participate in the provision, management and governance of local services. Hence, it was relatively easy to identify three

examples, which illustrate the different dimensions of co-production in the regeneration process.

### Shanganagh Community Garden: An example of Co-production

The Shanganagh Community Garden came about as a result of the development work done by Dave Lawless. Lawless works for the government funded RAPID programme<sup>8</sup>, which provides community development staff and project funding for the most deprived neighbourhoods in Ireland. In his role as RAPID Co-ordinator, Dave consulted local residents on whether they would have an interest in developing a community garden on a piece of waste ground adjoining their properties. Despite a muted response



from residents living next to the area of land, the municipality improved the ground and provided the basic infrastructure for an allotment, such as fencing and footpaths. Half expecting a very slow take up, Lawless was surprised when requests from local residents flooded in; within a few months, all of the 40 plots had been allocated to local growers. Most of them live directly next to their plots, but some come from a little further away:

*"It was absolutely amazing, the response was fantastic. There are families, but importantly many older men who are engaging in this gardening project. That brings so many health and social benefits to them and the community. This is a real success!"*

Growers pay for all the equipment and materials needed to cultivate their plot and grow their produce while a social enterprise provides horticultural training. Together they have transformed the wasteland into an oasis where fruit and vegetables are grown and where important social contacts thrive. It is now expected that the garden will be extended to give more residents the opportunity to grow their own produce and, equally important, connect with a rapidly growing social network.

This project also reflects a wider and emerging interest in community gardening in Ireland. In neighbouring Dublin, for example, the municipality actively promotes this idea to its citizens across the city<sup>9</sup>.



### **Shanganagh Park House: An example of co-management**

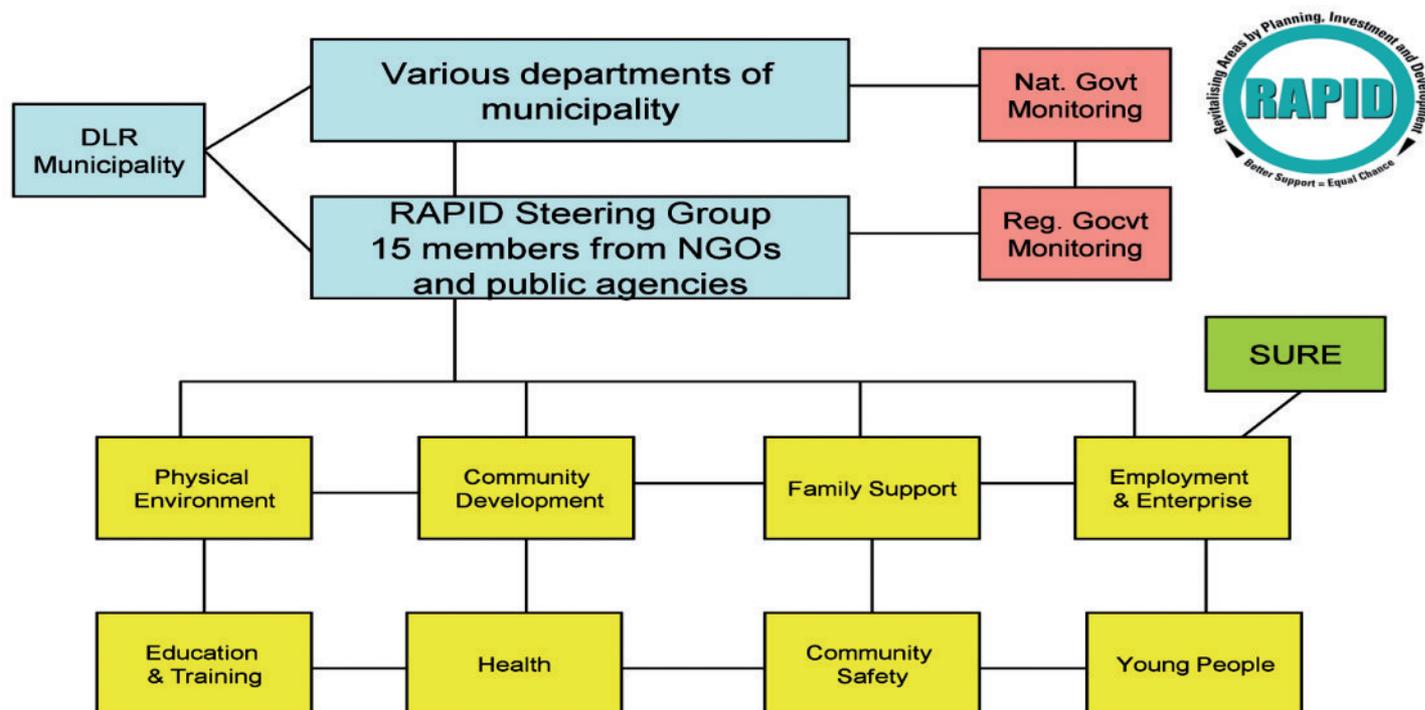
Shanganagh Park House is a local community centre, which provides space for several dozen projects and services. The municipality owns the building and contributes towards its running costs. The community groups pay a rent for the space they use which goes towards the payment of admin staff and running costs of the building. Most of the people you meet in Shanganagh Park House are volunteers. They come to help with the running of crèches for small children, support women who suffer from abuse, or provide sports and educational activities for young people<sup>10</sup>.

The management committee of Shanganagh Park House consists of representatives from the non-governmental organisations, which are using the building, local politicians as well as officers from the municipality. They share responsibility for the management of the facility, in particular making sure that sufficient income is generated without curtailing the range of services local people want to see at Shanganagh Park House. While much of this co-management work is routine, there can be very significant joint initiatives. For example,

only recently, the municipality raised over €1million to refurbish the premises and the organisations using the building did their part by organising fundraising initiatives to obtain equipment and upgrade their service provision: *"When we started in 1977 everything was done on a shoestring. We had no heating and I used to scrub the bare floorboards every week. I look at the house now and think Shanganagh House is a shining example of what can be achieved when local communities and public agencies work together."* (Member of the Steering Group)

### **The RAPID Programme: An example of co-governance**

RAPID (Revitalising Areas through Planning, Investment and Development) is a national programme in Ireland which operates in disadvantaged urban areas. In DLR, the RAPID programme was established in 2001 to tackle socio-economic disadvantage and social exclusion in two neighbourhoods, which also form part of the SURE target area. RAPID is supported by a local co-ordinator, Dave Lawless, who works with eight thematic sub-groups, each prioritising the resources that are available to regenerate the deprived neighbourhoods.



The diagram below shows how local and national government engage with locally determined priorities through the governance structure of the RAPID programme. The RAPID Co-ordinator reports to the Steering Group, which is made up of residents, politicians, non-governmental organisations and public agency representatives. Each of the eight task groups has a similar mix of members and the diagram also indicates how the SURE project fits into the overall programme structure. This structure is typical for regeneration partnerships. What makes RAPID different to many regeneration partnerships is that the co-governance arrangement is not focused on a single funding stream or a single issue. As such, the RAPID structure offers itself as a framework through which decisions on a range of funding opportunities and regeneration priorities can be made. Other partnerships, such as the Southside Partnership, which is an umbrella for a large number of regeneration programmes, also use the governance structure of RAPID to determine joint policy priorities and strategy across a range of issues such as health, housing, employment, crime and so forth. Furthermore, the participation of non-governmental organisations and residents is more than just “lip service” – without them dozens of projects, two of which were described above, would simply not come to fruition.

### ***Parallel Production – a problematic approach***

Parallel production is when civil society organisations, that are notionally part of the regeneration partnership process, end up “going it alone” because relations with public authorities are weak. They work in parallel to public authorities while lip service is paid to “consultation” and participation’ and relationships are often solely focused on funding.

The following example comes from a study of three URBAN II programmes<sup>11</sup>, which focused on the impact of European Union funding on non-profit organisations, which contribute to the regeneration process. This short case study represents a particularly stark example but sadly reflects regeneration practice found in many cities in Europe.

At the time, the URBAN II programme was being drawn up Youth Enterprise (not its real name) had worked in the neighbourhood for over 25 years, employed 250 staff and was running a wide range of services, largely from the properties it had acquired over time. Youth Enterprise wanted to create a community centre and use the URBAN II grant to refurbish a derelict building that had been donated to them by a private individual. It was very difficult for Youth Enterprise to secure URBAN II funding, despite its staff

having significant experience and success in tendering for substantial youth service contracts in the area. Not only because the application process was considered very demanding, there were also criticisms that the project selection and approval process was biased towards the interests of public agencies which dominated the URBAN II partnership:

*“The URBAN Steering Committee gave preference to projects put forward by public agencies. ... Very few third sector organizations were given a chance.”* (Project Officer)

Once Youth Enterprise had secured some funding, the monitoring and reporting requirements put significant strain on staff, in part because the organisation had not used European Union funding before. Staff also felt that the programme management team offered very little support both in helping them respond to the monitoring requirements or in dealing with other problems, they encountered in delivering their project:

*“The programme manager shows no interest whatsoever in what we are trying to achieve here. They only show up when they have official delegations who want to see an integrated youth training project.”* (Project Officer)

Officials from the municipality who were responsible for the programme management team, consultants that had been recruited specifically for the implementation of

URBAN II, saw no reason why they or the programme management team should be expected to provide additional support for service providers such as Youth Enterprise.: *"I don't know in detail what their problem is. I can't get involved in all the URBAN projects. The question is if they do have substantial problems what are they going to do about it? That's their problem, isn't it?"* (Official of municipality)

While Youth Enterprise had a highly successful track record in securing funding from public agencies, the director and his colleagues had learned to minimise the influence public officials would have on their work: *"I am glad when they don't get involved in our work. That always creates problems. We develop solutions with residents, not with public agencies."* (Director)

Clearly real co-production goes way beyond the normal contracting that takes place in traditional programme management relations between funders and recipients.

## Implications for regeneration policy and practice

Regeneration is a complex process and all the partners have to contribute for it to work. It is often impossible to say why, when and where the collaborative process unwinds and turns into something that is adversarial and competitive. As the case of Youth Enterprise shows, partnership structures in themselves – especially those structured around funding opportunities - do not always provide any assurance that services or initiatives will be created in a collaborative and mutually supportive way. Despite the Structural Funds regulations insisting on the partnership principle and collaboration between public agencies and local communities, this often does not go beyond a simple funding relationship. Financing social enterprises and civil society organisations is of course an important pre-condition for the co-production of a service, but frequently obtaining and accounting for funding is anything but a collaborative process.

One of the key benefits of thinking about regeneration practice in terms of co-production, co-management or co-governance is that our attention is drawn to the interaction of the actors. There are different expectations associated with officials responsible for the development of policy priorities in time limited regeneration programmes compared to officers who engage with volunteers to create a new project or support the delivery of a service. Nobody should be expected to deal with all aspects of regeneration practice, but the term "partnership working" has become synonymous with all manner of processes, actions and structures typically associated with the development of integrated solutions to urban problems. The terminology of coproduction, in contrast, helps us make important distinctions about different, and often highly complex, aspects of partnership working.

Focusing on the practical actions of individuals has further advantages. For example, when trying to encourage the adoption of social innovations in different European countries, policy makers and practitioners frequently struggle to convince their colleagues that such approaches can be made to work in their local contexts. While there may indeed be many legal and institutional barriers to the adoption of practices from abroad, it is probably easier to change the behaviour of regeneration practitioners than to change the regulations, which govern the way in which public agencies operate. Identifying effective behaviours supports the transfer of good practice because behaviours can be learned, copied and adapted in ways, which respond effectively to the institutional context in which they take place.

Moreover, when we talk about how a project has been co-produced or co-managed our attention is focused on the benefits as well as challenges, which resulted from the actions taken, by funders and providers of services. This allows us to move beyond simply blaming the regulations, the institutions or the strategy for the lack of collaboration and instead helps us focus on the elements that matter in the creation of sustainable regeneration interventions, namely: constructive and task orientated collaborations between public agencies and local communities.

Developing some simple indicators of co-production, co-management and co-governance could be the first step towards creating new benchmarks for effective collaborative regeneration practice, which could energise the now largely tired debates about partnership working.

## Conclusion

Unpacking co-production has advantages over conventional discussions of partnership. It allows us to reflect more clearly on the purpose of the collaboration and on the relationships that are involved. The approach in this paper separates production, management and governance of a service or policy. In the context of urban areas, these distinctions can give us a better set of tools for understanding the processes at work than the broad concept of partnership. This approach allows us to ask the question "partnership for what?" and look at the inner workings of regeneration partnerships that make all the difference between success and failure.

The concept of co-production offers a fresh perspective on important aspects of partnership working in regeneration contexts. ●

- (1) <http://urbact.eu/en/projects/disadvantaged-neighborhoods/sure/homepage/>
- (2) For a historical overview see: Brandsen and Pestoff, 2008, Co-production, Routledge
- (3) Soto et al., 2010, Cities Facing the Crisis: Impact and responses, URBACT [http://urbact.eu/fileadmin/general\\_library/Crise\\_urbact\\_\\_16-11\\_web.pdf](http://urbact.eu/fileadmin/general_library/Crise_urbact__16-11_web.pdf)
- (4) The latest such initiatives is the Social Innovation Europe programme: [http://ec.europa.eu/enterprise/policies/innovation/policy/social-innovation/social-inno-event\\_en.htm](http://ec.europa.eu/enterprise/policies/innovation/policy/social-innovation/social-inno-event_en.htm)
- (5) For a contemporary analysis and discussion of the topic see: Seitanidi, 2010, The Politics of Partnerships
- (6) Brandsen and Pestoff, 2008, Co-production, Routledge
- (7) Pestoff, 2011, New Public Governance, Co-production and the Third Sector, Routledge
- (8) <http://www.dlrco.ie/rapid.htm>
- (9) [http://www.dublin.ie/uploadedFiles/City\\_Development\\_Board/RHS\\_Panel/FINAL%20City%20Guide%20to%20Community%20Gardening.pdf](http://www.dublin.ie/uploadedFiles/City_Development_Board/RHS_Panel/FINAL%20City%20Guide%20to%20Community%20Gardening.pdf)
- (10) <http://www.shanganaghcdp.ie>
- (11) Schlappa, 2009, The Impact of European Union Funding in Cross-National Perspective, Aston University



### MORE INFORMATION

SURE project: <http://urbact.eu/sure>

**Lead Expert: Hans Schlappa**  
h.schlappa@herts.ac.uk

**Thematic Pole Manager: Peter Ramsden**  
peterramsden2@gmail.com

**Dun Laoghaire Rathdown County Council:**  
**David Lawless**  
dlawless@dlrcoco.ie

**One of the key benefits of thinking about regeneration practice in terms of co-production, co-management or co-governance is that our attention is drawn to the interaction of the actors.**

# CO-PRODUCTION OF LOCAL ACTION PLANS

## A CENTRAL ELEMENT OF REGIONAL GOVERNANCE IN DEPRIVED URBAN NEIGHBOURHOODS

**PETRA POTZ**

LEAD EXPERT OF THE REGGOV THEMATIC NETWORK



In this article experiences and examples from the RegGov network are presented to stress the necessity to explore 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 and parts of departments which need to be involved is a precondition.

### **Introduction**

In this article experiences and examples from the RegGov network<sup>1</sup> are presented to stress the necessity to explore 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 and parts of departments which need to be involved is a precondition.

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

**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 a local consensus and co-production on par with each other.**

consolidation processes. In North Rhine-Westphalia an analysis on the experiences and potentials of transferability and sustainability of integrative neighbourhood development has been recently published<sup>2</sup>.

### **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 a local consensus and co-production on par with each other.

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:

<b>Territorial level of competences, e.g.</b>	Neighbourhood City Region/Intermediate level State European level
<b>Sectors and departments, e.g.</b>	Urban development Economic affairs Social affairs/Welfare Employment Education/Schools Culture, Sports etc.
<b>Public sphere, e.g.</b>	<b>Public</b> Public administration Politicians and decision-makers Public companies <b>Semi-Public</b> Welfare organisations (partially) Housing companies
<b>Private sphere, e.g.</b>	<b>Private economic actors</b> Companies and entrepreneurs not locally based Local business owners (partially) Housing companies Single owners <b>Civic actors</b> 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 is 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

**Action fields such as economic development that are important for neighbourhood development usually extend beyond the borders of a quarter or neighbourhood. The perspective has to include all levels necessary and involve both elected levels of government and other agencies and NGOs.**

development usually extend beyond the borders of a quarter or neighbourhood. The perspective has to include all levels necessary and involve both elected levels of government and other agencies and NGOs.

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.

### **Example 1: 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 well<sup>3</sup>.

### **Example 2: 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 20<sup>th</sup> 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 each floor there are only common bathroom



**Duisburg-Dichterviertel (Photo: EG DU).**



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

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 in the neighbourhood began, 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. An important role in that has the opening of a common room in the neighbourhood. 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 from some of the 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 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 organized more. The relation between NGO and LSG is not yet clear. 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 neighbourhood<sup>4</sup>.

### **Example 3: Södertälje: The Telge-Model – A socially innovative public-private joint venture**

There is a strong need for new solutions to address the multitude of 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 Municipality 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 objective is to “cut unemployment periods from 7 years to 6 months”.



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

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 receive<sup>5</sup>.

### **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](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](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](http://www.urbact.eu/reg_gov)

**Lead Expert: Petra Potz**  
potz@location3.de