ESIMeC COOKBOOK II
SKILLED PEOPLE FOR TOMORROW’S ECONOMY – MORE RECIPES

Alison Partridge, March 2015
Short on time but interested in cooking up demand-led workforce development strategies in your city?

Check out the ESIMeC take away menu and find out what key ingredients and utensils are needed to develop innovative and integrated action plans to promote skills and employment development in your city.
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Over 26m people are unemployed in Europe - one in ten of the economically active people does not have a job. Most countries are in a sustained period of slow economic growth. There have been signs of recovery but it seems that, if it comes, this will be an unequal recovery with some winners and some losers.

There is also a massive increase in temporary or precarious employment in some countries. In Spain, for example, over 60% of young people in employment are on short term contracts against the EU average of just under 40% for young people. At the same time employers continue to report recruitment difficulties and a shortage of talent in the labour market so we are, in some countries, in a seemingly contradictory situation where unemployment and vacancies are both on the rise.

The ESIMeC II project focused on the unique position of medium sized cities. It is one of the three so called URBACT ‘delivery pilots’ funded to test whether transnational exchange and learning continues to be useful during the implementation of Local Action Plans. The pilots were delivered from early in 2014 to March 2015.

It builds on the first phase of ESIMeC during which 8 medium sized cities explored innovative approaches to economic recovery, growth and resilience and concluded that people were at the heart of the solution. So, cities need to adopt a demand-led approach to workforce development to ensure that their people have the skills needed both now and in the future. To do this they need to put long-term workforce development strategies in place in their cities, placing equal emphasis on the demand side of the labour market (what employers want from workers now and in the future) as on the supply side (how to ensure that people are prepared for 21st century jobs). A first ESIMeC Cookbook was produced and contained a series of recipes on partnership working, skills forecasting, preparing young people for the world of work and integrated approaches to skills and and employment development.

One of the key outputs of the first phase of work was the co-production with local stakeholders of a Local Action Plan in each of the cities. Five of the original partner cities have now had an opportunity to continue to work together whilst delivering their Local Action Plans. At the beginning they investigated and agreed a number of common challenges and barriers to delivery. These included:

- The macroeconomic context which means that cities in many cases simply do not have enough jobs to go around - how can they grow jobs in this context?
- Difficulties maintaining multi stakeholder engagement - how can cities foster effective and ongoing involvement from local stakeholders in the delivery of Local Action Plans?
- A lack of momentum, motivation or even credibility after EU funding (URBACT) had ended - how can this be maintained amidst other competing priorities and in the context of reduced resources?
• Effective data collection and measuring impact - how do we define the change we seek to achieve through our LAPs? How do we ensure that the data we collect is effective, relevant and meaningful?

• A lack of human and financial resources - linked to the contraction in the public purse and exacerbated by the fact that delivery started as most EU funding programmes were ending - how can cities do more with less; what are the ‘smart’ solutions?

A series of transnational events was organised to explore these questions in more depth. These brought together local and international experts and this second ESIMeC cookbook collates the main learning of interest to other cities.

EACH RECIPE PRESENTS:
• The occasion - EU policy context
• Ingredients - WHAT is required
• Utensils - HOW to use the ingredients
• Good food guide listing - good practice
• Takeaway menu - links to further, more detailed information

THIS SECOND COOKBOOK INCLUDES 5 RECIPES:
1. Governance, Leadership and Stakeholder Engagement
2. Employer engagement
3. Measuring impact
4. Smart financing
5. Growing jobs through entrepreneurship

For more information on ESIMeC, go to www.urbact.eu/esimec2

Happy cooking!

Daniel Garnier
ESIMeC Lead Partner
daniel.garnier@basingstoke.gov.uk

Alison Partridge
ESIMeC Lead Expert
alison@aurora.ltd-eu
**Basingstoke**
Promoting skills and employment development to meet employer needs and support the local economy

**Bistrita**
Development of the Bistrita South Industrial Park and linking it to the skills and jobs agenda

**Debrecen**
Economic recovery and growth through research, development and innovation – preparing a skilled workforce

**Gävle**
Changing attitudes towards education in order to make it more relevant to the labour market and reach a higher level of education in the population

**Sabadell**
Supporting business: a comprehensive perspective including workforce development and skills
THE LOCAL CONTEXT: ESIMeC II LOCAL ACTION PLANS
GOVERNANCE, LEADERSHIP AND STAKEHOLDER ENGAGEMENT
Recipe one
GOVERNANCE, LEADERSHIP AND STAKEHOLDER ENGAGEMENT

The occasion: The URBACT approach to integrated sustainable urban development often requires cities to explore and test new and different ways of working towards a long term goal and a series of objectives and actions which make up their local action plan.

ESIMeC cities concluded in the early stages of their Delivery Pilot, that governance, leadership and stakeholder engagement make a huge difference to potential impact when delivering local action plans.

“A large part of the success of integrated development projects depends on the governance framework within which they operate and on the capacity to involve all scales and tiers of government”.

“Good practices (....in participatory processes....) are those that succeed in sowing the seed of change and in engaging public authorities in reflection on the effectiveness of public participation in local micro projects as well as in governance more broadly”

Both of these statements are taken from DG Regio’s Study “Urban Development in the European Union. Fifty Projects supported by the European Regional Development Fund between 2007 and 2013” which includes many examples (both good and bad) of integrated project delivery and is just one of the large body of research, literature and rhetoric which exists on these interlinked themes.

But how meaningful and practical are these findings in the context of local action plan delivery in the ‘average’ European medium sized city? How many municipalities, for example, actually systematically reflect on their ‘governance mechanisms’? Would it be appropriate for them do to so in the current context of limited public sector budgets or would they be better concentrating their scarce resources on delivery of public services on the ground? How would it go down in your city hall if you suggested setting up a ‘multi level governance task force’? Would anyone even understand what this means?

So, what are the key ingredients needed to optimise the conditions for effective governance, leadership and stakeholder engagement?

Key ingredients for effective governance, leadership and stakeholder engagement:

Do you and your partners have the following ingredients in your food cupboard? If so, you are well on the way to cooking up an effective approach to governance, leadership and stakeholder engagement which are prerequisites of success for the effective delivery of local action plans in medium sized cities.
Here is a list of ingredients to help you prepare your mixture and ensure that your local action plan is cooked to perfection and ready to contribute to your cities’ smart, sustainable and inclusive growth.

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<tr>
<th>Ingredients to add to your shopping list</th>
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<tr>
<td>A willingness by all to move from ‘government’ to ‘governance’ which supports integrated approaches and forces all to see the whole picture</td>
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<td>Acknowledgement that delivery of integrated local action plans is a complex challenge and requires time, patience, resources and new and different ways of thinking and working</td>
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<td>Strong (collaborative) leadership and trust which is generated by people-to-people contact and takes time</td>
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<td>A willingness to consider ‘the salmons’ (those swimming against the tide) and reflect upon how to engage them in action plan delivery, governance and leadership</td>
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<td>Introduction of new structures which facilitate inter-departmental or inter-agency communication, coordination and cooperation (e.g. inter departmental steering groups, cross sectoral working groups)</td>
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<td>Cultural changes within organisations where individuals move away from traditional, sectoral or professional roles and structures and introduce new tools to support integrated policy development and delivery</td>
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<td>The ability to come together in a safe forum and honestly consider obstacles and barriers to local action plan delivery - what is working and what is not - and then to adjust the plan accordingly</td>
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<td>Consideration of the new skills and capacities required to bring about change e.g. communication and mediation skills</td>
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<td>Shared clarity of the challenge / problem to be addressed and ideas on how it could be addressed with different structures and approaches</td>
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<td>Use of URBACT and other (visual) tools to map and understand different stakeholders better and then to facilitate participative approaches to delivery</td>
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<td>Open and honest discussions on who is benefitting from different actions being delivered - identification of ‘winners’ and ‘losers’ together</td>
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<tr>
<td>Delivery of a combination of short term gains within a clear, shared roadmap leading to concrete long term results</td>
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organisations who are charged with local action plan delivery. It is therefore important to regularly analyse and review stakeholders - perhaps to physically ‘map’ them according to the concepts and objectives in the local action plan. Cities should also be prepared to think ‘outside the box’ when considering stakeholders and to be honest when reflecting upon whether participative approaches are genuine or hollow. They need to think about who has been left out and who is missing and to consider the ‘unusual suspects’. The URBACT stakeholder influence / interest matrix is a useful tool to help this process.

HorIzonTAL InTEGrATIon
The effective delivery of integrated local action plans requires strong horizontal integration in the form of greater and better interaction and cooperation between people, sectors and organisations working in the same city at the same level. There are lots of barriers here, not least the deeply embedded traditions in professions and sectoral thinking: economists and planners for example come from different academic backgrounds and rarely habitually reflect upon the impact of their actions on each other.

So cities need to consider institutional change leading to new decision making structures within which different departments and agencies reflect upon and proactively consider the impact of actions on all stakeholders and on all levels. To kick start the process cities may, for example, set up a new cross sectoral or cross departmental working group. They could organise a series of informal events (brown bag lunches; lunch and learns, etc.) where people share their approaches to different city challenges. Cities may also consider more radical approaches e.g. departmental mergers to enable stronger exchange; a job rotation programme to help people better understand each others’ roles; a central funding pot to which all stakeholders contribute to deliver integrated actions or even ringfenced budgets for a common purpose.

STAKEHoLDEr AnALySIS AnD rEvIEW
Cities and the local action plans they deliver are ever changing bodies. As the socio-economic, policy and legislative context changes, so too must the city’s people and organisations who are charged with local action plan delivery. It is therefore important to regularly analyse and review stakeholders - perhaps to physically ‘map’ them according to the concepts and objectives in the local action plan. Cities should also be prepared to think ‘outside the box’ when considering stakeholders and to be honest when reflecting upon whether participative approaches are genuine or hollow. They need to think about who has been left out and who is missing and to consider the ‘unusual suspects’. The URBACT stakeholder influence / interest matrix is a useful tool to help this process.
NEW FORMS OF LEADERSHIP
Leadership does not have to be a single, monolithic structure. Within the context of an integrated local action plan, perhaps collaborative leadership approaches are a better fit. So, when analysing and mapping stakeholders, it is also useful to consider whether they have the capability and capacity to lead parts of the local action plan. Leadership needs to be redefined as a key public service and this requires new ways of looking at challenges and finding solutions through collaborative working on shared strategies and integrated approaches.

STRUCTURED REFLECTION
What is clear when considering these inter-linked themes is that change will not happen overnight. Neither will it be an easy or natural process. Structured reflection will be a prerequisite of success and the URBACT framework and suite of tools provide an excellent opportunity for people and organisations to do this.

Above all, success will require time, trust and patience.

Cook’s tip:
“I am a politician but I am not a beast; Some of us have our feet on the ground”
“Collaboration is a muscle and needs training”
“Public administration needs to change its role. The music today is different so the dance needs to change”

Angels Chacon, Deputy Mayor of Igualada, Catalonia and Lead Partner of the URBACT network 4D Cities

With thanks to:
Nils Schoeffler
URBAN Expert
Laura Colini
URBAN Expert and Co-Author of DG Regio’s Fifty Cases Study
Angels Chacon
Deputy Mayor of Igualada, Catalonia and Lead Partner of the URBACT network 4D Cities
**Good food guide listing*:**

The Socially Integrative City (Soziale Stadt) is a German national programme, partially financed from the ERDF, that promotes participatory sustainable urban development at neighbourhood level, using a design that combines a tight spatial focus, local participation, and the integration of policies and human and financial resources.

This federal programme decentralises decision-making, by delegating responsibility for small-scale projects to residents living in deprived areas. The city of Berlin has refined and extended the original programme’s ideas. A distinctive para-institutional structure known as Neighbourhood Management is created in each selected neighbourhood, and manages five types of Neighbourhood Funds, each covering a different size and type of project and working with the direct involvement of residents. The Neighbourhood Management teams provide a platform for networking and interaction, enabling groups and actors to debate and identify local needs, values and responses.

One of the anticipated effects of the programme is the empowerment of citizens, through collaboration and cooperation on projects.

*Taken directly from Urban Development in the European Union. Fifty Projects supported by the European Regional Development Fund between 2007 and 2013*
EMPLOYER ENGAGEMENT

dialogue, communication, training, employer, mentoring, engagement, education, co-operation
Recipe two

EMPLOYER ENGAGEMENT

The occasion: ESIMeC cities agree that working with employers in all aspects of economic and workforce development makes a huge difference to potential impact when delivering local action plans. Indeed, how would it be possible to consider issues such as job creation and business support at city level without the effective engagement of employers?

Strengthening employer engagement is the theme of a recent OECD briefing (2013) as part of their skills strategy spotlight series. It examines the main barriers to employer engagement before setting out the priority areas for action to strengthen it, through actions by government and employers themselves. Employers are urged to identify leaders and brokers who can raise awareness and promote skills investment within the SME community (e.g. sectoral skills councils, local business associations, chambers of commerce). Quality apprenticeships which are valued by youth and employers alike, along with more work experience, placements and internship opportunities, are also encouraged. The briefing suggests that employers of all sizes could - and should - play an active role in steering and actively supporting local skills development. Key success factors include sharing concrete examples of good practice in employer-led skills investment and leveraging public funding for employer-led skills development to secure equivalent levels of sustainable business investment, while ensuring accountability for results. Employers can also help to strengthen recognition, status, career pathways and bridges to higher education thereby promoting excellence in vocational education and training.

Clearly cities have a role to play in this agenda. Having simple and stable policies and public funding available for employer-led skills development is cited as one area where government can make a difference. They can also provide direct support (particularly to SMEs) and ensure that all young people have the basic foundation skills of literacy and numeracy which are expected in the workplace. Promotion of excellence in vocational education and training (VET) to strengthen recognition, status, career pathways and bridges to higher education are all equally important. Cities can also include employability as one of the performance measures by which education and training institutions will be assessed. Qualification frameworks need to be intelligible and meaningful for employers and, with education normally being a national policy competence, local flexibility within this framework is key to meeting the skill needs of local employers.

So, what are the key ingredients needed to optimise the conditions for effective employer engagement?
**Key ingredients for effective employer engagement:**

Do you and your partners have the following ingredients in your food cupboard? If so, you are well on the way to cooking up an effective approach to employer engagement which, in the long term, will support resilience and growth built on economic and workforce development.

Here is a list of ingredients to help you prepare your mixture and ensure that your local action plan is cooked to perfection and ready to contribute to your cities’ smart, sustainable and inclusive growth.

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<th>Ingredients to add to your shopping list</th>
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<td>Acknowledgement by all stakeholders that employers, of all sizes, play a vital role in economic and workforce development</td>
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<tr>
<td>A coordinated approach to needs analysis leading to a shared understanding of the skills that employers want and need</td>
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<td>A professional and coordinated approach to employer dialogue avoiding duplication and overlap</td>
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<td>The ability to speak a ‘business’ language, to avoid jargon and to understand and work in an employer friendly manner</td>
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<td>A willingness to talk, listen and act in a timely manner</td>
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<td>A shared vision of what success will look like</td>
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<td>Long term clarity in terms of what support is on offer and how it can be used and stability in terms of policy framework</td>
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<td>Sustained dialogue between all relevant stakeholders and employers to explore and clearly define the business case</td>
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<td>Development of useful material and/or events through which successes can be shared e.g. through peer to peer networks</td>
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<td>Acknowledgement that businesses are not a homogenous group - they are all different and therefore engagement techniques need to be customised</td>
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<tr>
<td>Consideration of allocating local resources to support an employer-led approach to skills development</td>
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employers need to be made aware of what is on offer and then their interest needs to be built so that they start to want to work with you to achieve an outcome which benefits all involved.

Channels and methods of communication need to be appropriate to the desired outcome. For example whilst emails and letters may start to raise awareness, there is probably no substitute for face to face meetings and networks when it comes to actual action. It is important to work through existing channels and networks and to maximise peer-to-peer, that is to say employer-to-employer commitment. Social media also has a role to play.

**LEAD BY EXAMPLE**
Local authorities are often large employers in their own right and therefore it is important that they consider the different contributions they can make to economic and workforce development in the city that they serve. They can, for example, host work experience placements, internships and apprenticeships. They can adopt a living wage or work (through procurement) to support buy local campaigns and local supplier initiatives.

**DEFINE THE BUSINESS CASE**
The business case needs to be absolutely clear. Companies speak about how engaging with cities on the employability agenda can challenge their usual approach to work. Some employers also say that taking on young people as interns or for work experience placements contributes to diversity in the workforce and brings a new and fresh perspective to their activity. Internships and apprenticeships also give employers an opportunity to ‘vet’ potential job candidates in a real work environment and over a significant duration. In some cases, often with larger companies, real skills shortages can be addressed by employers working with local training and education providers. At the same time companies in some countries may have a genuine interest in contributing to the local economy. So, social responsibility can also be a driver.

**STRATEGIC CAMPAIGN OR APPROACH**
Businesses expect a business like approach and a long term strategy. A campaign with simple messages which are regularly reinforced is likely to be more effective than short term or one-off activities with long periods of nothing in between. This sustainable long term approach also helps employers to own the agenda.

As part of this strategy, cities need to consider whether it is better to engage with large numbers of local employers and potentially making quite a ‘thin’ offer or to offer a smaller number of employers a more extensive and probably more impactful experience (‘thick’).

It is also useful to connect to employers when they are considering change anyway - for example when they are changing their strategy or considering new market opportunities.
Good food guide listing:

At the ESIMeC transnational event in Gävle, Sweden in June 2014, several examples of successful employer engagement initiatives were discussed. These include:

**SWEDBANK - Young Jobs**

“It is clear to me that youth unemployment is one of the most important challenges of today” (Michael Wolf, CEO, Swedbank).

Swedbank started its Young Jobs programme in 2009 in cooperation with the national public employment office. The initiative is a structured internship programme which offers 90-day positions to young people to help them gain work experience, references and that much needed line on their CV. It is a national programme which is adapted to the local context. The bank’s clients are also encouraged to use the model and since the programme started over 6000 internships have taken place of which more than 5000 are with the bank’s clients rather than the bank itself. 40% of the internships have led to employment.

One of the main success factors is said to be the ‘speed meetings’ which the bank organises between young people and its clients. This is seen to be the vital first step in breaking down some of the attitudinal barriers and enables the companies and young people to get to know each other.

**SALAR - leading by example**

SALAR is a member organisation for local and regional authorities in Sweden. Given that their members have their own tax revenues, they often have more autonomy for local initiatives than in other member states. SALAR’s members are facing a skills crisis in the health and social care sector. It is anticipated that 330 000 new workers are needed purely to keep up with the large number of people retiring. At the same time the sector itself is growing, employing around 20% of the whole workforce.

In response to this, SALAR has launched a four year communications campaign called “Sweden’s most important jobs” which aims to raise interest in working in this sector. Part of the campaign is to collect facts about attitudes towards jobs in these sectors and to create tools with employers to break down any barriers identified.
CO-OP Work integration scheme
This is a three year undergraduate course at Gävle University with a fourth year added for work placements which are broken down into four ten-week blocks during which students are paid a normal salary. It operates in the areas of mechanical engineering, engineering systems and environmental engineering.

According to the university this model has been successful in engaging employers in the university offer and getting graduates into good jobs in the region. The initiative has a work-first approach so that companies see the students as employees first and pay them a normal salary (normally just over the national student loan). Students are encouraged to use their work based experience to challenge their lecturers to teach things that are genuinely relevant in the work place.

The first programme started in autumn 2010. Today there are four engineering programmes and to be part of the cooperative education initiative demand by companies is a prerequisite.

Cook’s tip:
“Those people who do get a job would never have been employed without Young Jobs. They simply would not have made it to interview. We would never have met them and they are great”.
Linda Förare, Swedbank

Takeaways:
SALAR - www.skl.se
Land Survey - www.lantmateriet.se/en/

With thanks to:
Professor Mike Campbell OBE, Skills and Employment Expert
Lena Jutdal, Researcher, Swedish Association of Local Authorities and Regions
Linda Förare, Swedbank
Annelie Höberg, Swedish Land Survey
MEASURING IMPACT
Recipe three
MEASURING IMPACT

The occasion: ESIMeC cities are in the process of implementing their Local Action Plans (LAPs). During the Summer of 2014 they each undertook a ‘triage’ of the actions which were originally agreed when developing the LAP and considered more in depth how they would monitor and measure performance and impact.

The expectation from the European Commission is that the new Operational Programmes for the European Social Fund (ESF) and the European Regional Development Fund (ERDF) for 2014-2020 will use a new ‘results oriented intervention logic’. This includes a clear articulation of the specific objectives with a strong intervention logic demonstrating how these objectives meet clearly defined needs and lead to results in the form of a ‘change’ on the ground. The new programmes include result indicators with definitions and measurable targets. This result orientation sets out the broad framework of what is intended to be achieved, recognising that there can be other contributing factors which can affect the result.

ESIMeC cities are keen to use the principles within this new framework to inform the way they monitor and measure the performance and impact of their LAPs.

So, what are the key ingredients they need to bring together to effectively do this?
Key ingredients for effectively measuring impact:

Do you and your partners have the following ingredients in your food cupboard? If so, you are well on the way to being able to measure and monitor the performance and impact of the local action plans and strategies which are being delivered in your city.

Here is a list of ingredients to help you prepare your mixture and ensure that the performance framework of your local action plan is cooked to perfection and can be ready to contribute to your cities’ smart, sustainable and inclusive growth.

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<th>Ingredients to add to your shopping list</th>
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<tr>
<td>An identified development need which has been analysed and agreed with stakeholders</td>
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<td>Cooperation to (co)define the action(s) that can be taken to solve this need</td>
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<td>Agreement on which monitoring and measurement model will be used</td>
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<td>Agreement of a fixed set of terminology with clear definitions which all stakeholders use</td>
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<td>Definition of specific objectives which clearly express the effect you wish to achieve</td>
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<td>Specific Objectives which use a description that expresses change (often an active verb)</td>
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<td>Indicators at every level</td>
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<td>Result indicators to capture the change in the situation addressed by the specific objective (against an established baseline)</td>
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<td>Output indicators that capture what your resources will be spent on</td>
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<td>Performance indicators that capture the direct effects of your intervention</td>
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<td>Consideration of existing or new data sources which can be used to support monitoring and measurement of progress</td>
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<td>Consideration of subjective methods of measuring progress</td>
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**Utensils:** So now you are clear about the ingredients, what utensils do you need to blend them together and effectively monitor and measure the effectiveness of your Local Action Plan?

**COMMON UNDERSTANDING OF WHY IT IS IMPORTANT TO MEASURE**

There are many reasons to accurately measure performance. In the most effective models stakeholders use the findings to better understand if actions are actually succeeding in addressing needs. Management information can also be useful to inform applications for future funding and is often a requirement of external funders who are accountable for the money they allocate. In URBACT projects there is also a desire to better understand if LAPs are being delivered in an integrated way that accounts for social, economic and environmental factors. We also want to understand the impact of working in partnership and the impact of transnational work on local delivery. Finally, it is human nature to work towards performance targets which means it is absolutely vital that the measure is right.

**CONSIDERATION OF SUBJECTIVE METHODS**

Monitoring and measurement systems can collect quantitative and qualitative information. Both are useful for collecting and assessing projects. It is useful for project partners to consider a range of different methods and tools which includes subjective methods such as surveys, focus groups, interviews, expert opinions, document searches and observation. These are particularly appropriate for capturing diffuse or the slightly intangible effects of actions such as capacity building or awareness raising. Story-telling and anecdotal evidence can be particularly powerful ways of demonstrating the impact of an action on an individual.

**EMBEDDING OF PERFORMANCE FRAMEWORK THROUGHOUT**

The Commission’s new emphasis on results-oriented interventions has informed the development of all the ESF and ERDF Operational Programmes for 2014-2020. It is not something that can be added on at the end of project or strategy development. Rather it is a system that requires stakeholders to start at the end and work backwards, embedding all elements of the performance framework throughout the project or action plan delivery. Management information collected through the system will be used to inform and improve service delivery throughout current and future implementation. It enables you to keep track of progress, to understand cause and effect, to check assumptions and to better analyse the contribution of your intervention.

**DECISION ON WHICH FRAMEWORK TO USE AND ADAPTATION**

Clearly it is not always appropriate to use every element of any given framework. The key thing is for partners and stakeholders to talk a common language when it comes to measuring performance and to be absolutely clear from the outset how this will happen. Whichever framework is used, it needs to be adapted for scale, context and needs. Whilst there are a range of options available, it may well be useful for cities wishing to apply for EU funding to use the Commission’s framework - and language - as this will help actions and projects to fit into the EU mould.
Good food guide listing:
At the ESIMeC transnational event in Basingstoke, UK, in September 2014, several examples of interesting performance frameworks were discussed. These include:

Results based accountability
According to the Fiscal Studies Policy Institute in the US, “Results-Based Accountability”, also known as “Outcomes-Based Accountability”, is a ‘disciplined way of thinking and taking action that communities can use to improve the lives of children, youth, families, adults and the community as a whole. RBA is also used by organisations to improve the performance of their programmes or services. Developed by Mark Friedman, RBA is being used throughout the United States, and in countries around the world, to produce measurable change in people’s lives’. It is also thought to have informed the Commission’s new results-oriented intervention logic.

The main feature is that it uses a data-driven decision making process to help organisations to focus on taking action to solve problems rather than focusing on the problems themselves. It is very simple and basically means that you start by defining the difference you want to make. The next step is to develop actions to make this difference happen. Finally, you will need to set indicators to measure and monitor what difference you are making. It asks three simple questions to get at the most important performance measures:

- How much did we do?
- How well did we do it?
- Is anyone better off?

USAID - Framework for Measuring Institutional Capacity
USAID has many useful resources for measuring organisational capacity. It uses these to demonstrate and report on progress and to inform its interventions. Its models assess performance in a wide range of areas including administrative and support functions, technical and programme functions and structure and culture. There are a range of tools, including scoring systems or scorecards, and questionnaires or focus groups. Others use external evaluators or self assessment and problem solving techniques. The table below is an example from the financial management section of the Institutional Development Framework which uses a development continuum to review progress.

<table>
<thead>
<tr>
<th>Resource Characteristic</th>
<th>Key Component</th>
<th>Criterion for Each Progressive Stage (the Development Continuum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Management</td>
<td>Budget as Management Tools</td>
<td>Budgets are not used as management tools. Budgets are developed for project activities, but are often over- or under-spent by more than 20%. Total expenditure is usually within 20% of budget, but actual activity often diverges from budget predictions. Budgets are integral part of project management and are adjusted as project implementation warrants.</td>
</tr>
<tr>
<td>Cash Controls</td>
<td>No clear procedures exist for handling payables and receivables. Financial controls exist but lack a systematic office procedure. Improved financial control systems exist. Excellent cash controls for payables and receivables and established budget procedures.</td>
<td></td>
</tr>
<tr>
<td>Financial Security</td>
<td>Financing comes from only one source. Financing comes from multiple sources, but 90% or more from one source. No single source of funding provides more than 90% of funding. No single source provides more than 40% of funding.</td>
<td></td>
</tr>
</tbody>
</table>
# Elements of an Intervention Logic for Local Action Plans

<table>
<thead>
<tr>
<th>Specific objective</th>
<th>Expression of the change a Local Action Plan aims to achieve in an existing situation - the intended result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Increase the volume of locally generated energy from renewable sources in the metropolitan area</td>
</tr>
<tr>
<td></td>
<td>• Increase the rate of business creation in the high-tech sector</td>
</tr>
<tr>
<td></td>
<td>• Increase qualified health care workforce</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Result indicator</th>
<th>A measure to capture the change in the situation addressed by the specific objective</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Also called: Population Result Indicator</td>
</tr>
<tr>
<td></td>
<td>• Volume of energy from renewable sources generated locally (kWh)</td>
</tr>
<tr>
<td></td>
<td>• N° of start-ups in the high-tech sector</td>
</tr>
<tr>
<td></td>
<td>• % of start-ups in high-tech sector still active after 2 years</td>
</tr>
<tr>
<td></td>
<td>• N° people employed in health care</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance indicator</th>
<th>A measure to capture the direct effects of an action or intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Called Result Indicators in ESIMeC LAP template</td>
</tr>
<tr>
<td></td>
<td>Also called: Performance Result Indicator</td>
</tr>
<tr>
<td></td>
<td>• kWh of renewable energy generated locally by participants</td>
</tr>
<tr>
<td></td>
<td>• % of participant’s energy use that is generated locally</td>
</tr>
<tr>
<td></td>
<td>• N° &amp; % supported high-tech start-ups still active after 2 years</td>
</tr>
<tr>
<td></td>
<td>• N° participants enlisted in health care education</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Output indicator</th>
<th>A measure to capture what the resources of a programme are spent on – ‘what the money buys’</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• N° of energy cooperatives created</td>
</tr>
<tr>
<td></td>
<td>• N° of solar panels installed</td>
</tr>
<tr>
<td></td>
<td>• N° of high-tech start-up enterprises supported</td>
</tr>
<tr>
<td></td>
<td>• N° participants in health career events</td>
</tr>
</tbody>
</table>

## LOCAL ACTION PLAN

- **Specific objectives**: Intended results
- **Result indicators**
- **Performance indicators**
- **Output indicators**
Cook’s tip:
“Not everything can be counted... but that does not mean it can’t be measured. When developing a Local Action Plan it is really important that stakeholders have a common understanding of the challenges and needs they are seeking to address and then come together to co-create actions to address these. A performance framework which includes quantitative and subjective and qualitative measures should be embedded in development and delivery”.

Tako Popma, EU Programmes Expert, Link-EU

Takeaways:
http://resultsaccountability.com/about/what-is-results-based-accountability

With thanks to:
Tako Popma
Link-EU
INNOVATIVE FINANCING FOR LOCAL ACTION PLANS
Recipe four

INNOVATIVE FINANCING FOR LOCAL ACTION PLANS

The occasion: ESIMeC cities are in the process of implementing their Local Action Plans (LAPs) and one of the challenges they face is securing resources. At the same time, the traditional grants culture is gradually changing and a variety of new financing mechanisms are being developed and introduced. Sustained austerity within public finances means that cities need to think differently about how to fund their activities. This is in part driven by a need to do more with less but is also in recognition of the fact that a grants culture can create dependency whereas other more innovative financing methods may lead to greater and more sustainable impact.

Linked to this, cities want to be able to develop longer term approaches to sustainable urban development. Short term projects, which are reliant on grants from external bodies, often lack the coherence required to deliver long term strategies like those included in URBACT Local Action Plans. The situation is mirrored at an EU level with financial instruments being a key feature of the new Cohesion Policy programmes for 2014-2020. Clearly cities will not be replacing their current funding strategies completely. Rather they are starting to look at new and different ways of funding their programmes which complement and add value to the more traditional methods.

“Looking at the socio-economic impact, it has been interesting to observe how the organisations that have used alternative finance have generally performed well after fundraising, with the majority of them reporting increases in employment, volunteering, turnover or profit”. (Understanding Alternative Finance’, NESTA and University of Cambridge, 2014)

So, what are the key ingredients that cities need to consider innovative finance methods so that they can resource their local action plans?
**Key ingredients for innovative financing of local action plans:**

Do you and your partners have the following ingredients in your food cupboard? If so, you are well on the way to being able to develop a new approach to financing the local action plans and strategies which are being delivered in your city.

Here is a list of ingredients to help you prepare your mixture and ensure that the funding of your local action plan is cooked to perfection and can be ready to contribute to your cities’ smart, sustainable and inclusive growth.

<table>
<thead>
<tr>
<th>Ingredients to add to your shopping list</th>
<th>✓</th>
<th>✗</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity about the specific actions and projects for which funding is sought</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Shared understanding about the type and scale of financial and non-financial resources required to deliver the various actions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clear picture of the human resources available from stakeholder organisations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capacity and preparedness at city level to explore new financing methods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness and understanding of the different forms of finance available including crowdfunding, peer to peer models, timebanks, local exchange trading systems, financial instruments, public-private-partnerships, city challenges, social clauses in public procurement, microfinance and more</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to resources, information, intelligence and expertise to turn ideas on innovative financing into reality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Understanding of regulatory, monitoring and compliance requirements and capacity to meet them</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dialogue and exchanges with others who are using new funding methods to learn from their experiences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability to effectively couple new funding sources with more traditional models</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Utensils: So now you are clear about the ingredients, what utensils do you need to blend them together and effectively consider new and different ways of financing your Local Action Plan. What new financing arrangements may be applicable in your city?

INNOVATIVE APPROACHES TO EXISTING FUNDING SOURCES
There are many reasons to explore new and different funding mechanisms but it is also important to ensure that cities are getting most value out of existing programmes. European programmes feature financial instruments more and more and it is a good idea to look at whether, and how, these are being used in your city. For example, you may be able to develop an Urban Development Fund or use Community Led Local Development or Integrated Territorial Investments. To find out more have a look at the Operational Programmes which cover your city and talk to your Managing Authorities.

EXPLORATION OF NEW FINANCIAL METHODS
Set out below are just a few of the new forms of finance which may be relevant when exploring funding for local projects and activities. Cities need to take a long term approach to fund raising. There is no quick fix. Raising money takes time but often reaps rewards way beyond the money itself.

So, some of the options you might like to explore include:

A) FINANCIAL INSTRUMENTS
Financial instruments aim to recycle funds over the long term and thereby to mobilise additional public or private investments. They tend to target projects with potential economic viability such as investment in start ups or small companies, urban infrastructure, heritage or cultural sites, redevelopment of brownfield sites, creation of new commercial floor space, university buildings, renewable energy and energy efficiency improvements.

They provide support for investments by way of loans, guarantees, equity and other risk-bearing mechanisms, possibly combined with technical support, interest rate subsidies or guarantee fee subsidies within the same operation.

B) PUBLIC-PRIVATE-PARTNERSHIPS
PPPs are medium or long term contracts between the public and private sector for delivery of a public service or infrastructure project. The main innovation is that the public sector defines what it wishes to achieve and the private sector is given some freedom to come up with how it will meet this expectation. In addition, some of the risk in terms of delivery is transferred from the public sector to the private sector. This method fits between traditional procurement and full privatisation of services or works.

C) SOCIAL IMPACT BONDS
In some ways Social Impact Bonds are like PPP for non capital projects in the field of social inclusion. No actual bonds change hands. Rather there is a contract between a provider of services and the public sector in which a commitment is made to pay for improved social outcomes that result in public sector savings. Payment is usually only made when outcomes actually meet public sector expectations, often years after the service is actually delivered.

D) SOCIAL CLAUSES IN PUBLIC PROCUREMENT
Over recent years there have been developments in the interpretation of the policy and legal frameworks surrounding public procurement that have made it possible to consider incorporating community and social benefit into public contracts. The insertion of ‘social clauses’ can enable cities to stipulate that contractors employ certain vulnerable groups in delivering works or services thereby increasing employment potential.
E) CROWDFUNDING

Crowdfunding is where a project is financed by raising funds from a large number of people, typically via the internet. There are 3 main types of crowdfunding:

- Equity based crowdfunding - the sale of a stake in a business to a number of investors in return for investment
- Loan based crowdfunding - funds are borrowed from lots of people online rather than from a bank
- Rewards based crowdfunding - individuals donate towards a specific project with the expectation of receiving a tangible (non-financial) reward or product at a later date in exchange for their contribution

As well as raising funds, this approach also helps to validate an idea or project and generates enthusiasm amongst the ‘crowd’ creating valuable advocates and project champions.

STRATEGIC, LONG TERM APPROACH

Fund raising is not a short term project. It is something that needs to be carefully considered, scrupulously planned and executed with precision. There is sometimes a temptation to go for early wins as stakeholders can be impressed by successful applications for funding. However any tendency to dash for cash is best avoided. The best fund raising plans are clear about what funds are needed for from the outset and have resources coming on-stream in a timely and coherent way that facilitates an integrated approach to delivery.

MODELS OF CROWDFUNDING

PEER-TO-PEER (P2P) BUSINESS LENDING

Debt-based transactions between individuals and existing businesses which are mostly SMEs with many individual lenders contributing to any one loan.

INVOICE TRADING

Firms sell their invoices at a discount to a pool of individual or institutional investors in order to receive funds immediately rather than waiting for invoices to be paid.

COMMUNITY SHARES

The term community shares refers to withdrawals share capital; a form of share capital unique to co-operative and community benefit society legislation. This type of share capital can only be issued by co-operative societies, community benefit societies and charitable community benefit societies.

REWARD-BASED CROWDFUNDING

Individuals donate towards a specific project with the expectation of receiving a tangible (but non-financial) reward or product at a later date in exchange for their contribution.

DONATION BASED CROWDFUNDING

Individuals donate small amounts to meet the larger funding aim of a specific charitable project while receiving no financial or material return in exchange.

PEER-TO-PEER (P2P) CONSUMER LENDING

Individuals using an online platform to borrow from a number of individual lenders each lending a small amount; most are unsecured personal loans.

EQUITY-BASED CROWDFUNDING

Sale of a stake in a business to a number of investors in return for investment, predominantly used by early-stage firms.

PENSION-LED FUNDING

Mainly allows SME owners/directors to use their accumulated pension funds in order to invest in their own businesses. Intellectual properties are often used as collateral.

DEBT-BASED SECURITIES

Lenders receive a non-collateralised debt obligation typically paid back over an extended period of time. Similar in structure to purchasing a bond but with different rights and obligations.

Extract from “Understanding Alternative Finance”, NESTA and Cambridge University, 2014
**Good food guide listing:**

At the ESIMeC transnational event in Bistrita, Romania, in November 2014, several examples of innovative financing were discussed. These include:

**Yorkshire Key Fund**

The Yorkshire Key Fund uses ERDF to finance social enterprises and entrepreneurs. Established over a decade ago, the total fund size is now over €30m with 50% being ERDF. It provides grants, loans and equity finance packages to social enterprises and other groups in the third sector. As a social enterprise itself, it aims to help social business ventures unable to access mainstream finance and to boost business creation in socially deprived areas. Part of its role is to encourage the model of social enterprise.

Between January 2011 and May 2012, the Key Fund made 65 loans up to €30K; 15 between €30k and €120k and 1 over €120k. Delinquency rates are low and 70% of Fund investments are into organisations located in or that reach into the top 20% most deprived areas.

The Key Fund provides a highly effective service that balances responsiveness and relationships with the locality with sound investment principles. Its innovative blend of grant and loan has simplified business start-up and growth for social enterprise and provided a keen business imperative. Several stakeholders believe that the model provided by the Key Fund is transferable outside the region, and the example it sets, of nurturing social enterprise with a mixture of grants and loans, is one that should inspire a spectrum of instruments to promote financial inclusion.

**Workshop Schools, Cadiz, Spain**

Located in the south of Spain, with a (shrinking) population of around 120,000 Cadiz has one of the highest levels of youth unemployment in the EU with more than half of its young people out of work. One of the projects which has helped both the city economy and its young people in recent years is called Workshop Schools which was funded by the Region of Andalucia. Municipalities, not for profit organisations and public bodies are asked to propose public projects which can be used as paid on-the-job training and work experience programmes. Most of the projects are in sectors where there is evidence of high demand for skills by employers and the focus is on the sustainable economy. What results is a win-win situation where public projects are developed, jobs are created and young people gain invaluable skills and experience. Since 2010, at regional level, 1900 jobs have been created (project managers, trainers, support staff, etc). Over 8000 young people have benefited of which at least 30% have gone on to sustainable jobs in their host employers. 58 ‘workshop schools’ were established and projects completed.

**Crowdfunder UK**

Crowdfunder - as the name suggests - is a crowd funding platform which aims to help people turn their ideas into a reality. A good example of their work is the Leeds Bread Coop which successfully raised £8,690 from 114 backers to buy a bread that would be at the heart of their co-operative bakery. The founders had been turned down by high street banks and were able to use the money raised through crowdfunding to give other investors confidence.
It is also possible to develop a crowdfunding platform at city level (or at another geographical level). This would bring together different funders and city stakeholders to create a dedicated platform. A good example is Crowdfund Cornwall which has raised more than €0.5m to fund over 50 successful projects in the county.

**ADIE**

ADIE is a large and successful microfinance operation which lends to unemployed people and those unable to obtain a bank loan to help them to set up in business. They have had support from mainstream ESF and from EQUAL. They have stuck to their mission of helping entrepreneurs, but also developed specialist business support, accounting, insurance and marketing services under EQUAL. ADIE has an extensive network across France with 130 regional offices and 190 contact points. As of December 2010, ADIE has 463 staff members, of which 382 are on the field, and 1,708 volunteers involved mainly in business development services.

**JESSICA in The Hague**

In response to the need for increased investment in integrated urban development in the face of diminished public resources, the Hague decided to use the EU JESSICA financial instrument (Joint European Support for Sustainable Investment in City Areas) to develop two Urban Development Funds. The first revolving fund invests in retail space and the other focuses on investments for improving and expanding district heating and cooling networks from renewable sources. Tackling state aid, regulation, governance and technical assistance challenges, the Hague has been able to invest in projects which have revenue generating potential but not enough to attract commercial investment.

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1. Taken from Urban Development in the EU: 50 Projects supported by the ERDF during the 2007-2013 Period, AEIDL.
2. Taken from ‘Innovative financing and delivery mechanisms for tackling long term unemployment’, Peter Ramsden, 2013.
Cook’s tip:

“Community crowdfunding platforms are an exciting and empowering tool for local communities. They bring together lots of different stakeholders that want to make things happen in their community and to turn their ideas into reality”.

Graeme Roy, Marketing Manager, Crowdfunder.

Takeaways:

www.thekeyfund.co.uk
www.crowdfunders.co.uk
www.adieconnect.org
www.urbact.eu/csieurope

With thanks to:
Graeme Roy
Crowdfunders UK
Ton Overmeire
City of The Hague and partners in URBACT CSI Europe
Emilie Barendregt
Rebel Group
Sally Kneeshaw and Peter Ramsden
Thematic Pole Managers, URBACT
GROWING JOBS THROUGH ENTREPRENEURSHIP
The occasion: ESIMeC cities are in the process of implementing their Local Action Plans (LAPs) and one of the challenges they face is a lack of jobs. They believe that developing an entrepreneurial culture is key to business creation which in turn will lead to more jobs.

The Europe 2020 strategy acknowledges the importance of entrepreneurship and self-employment in achieving smart, sustainable and inclusive growth. For more than a decade, the European Commission has actively promoted entrepreneurship in response to the fact that fewer Europeans start or grow businesses than their main global competitors.

Commission efforts in this area have included supporting business start-ups amongst unemployed people and disadvantaged groups as well as promoting social entrepreneurship. They have also sought to improve business innovation, growth and sustainability rates. The importance of entrepreneurship is reflected in the Commission’s proposals for the 2014-2020 Cohesion Policy where it is considered in at least half of the thematic objectives. Alongside this, the Commission’s Entrepreneurship Action Plan reinforces the need for improvement in key areas including entrepreneurship education, access to finance and reduced regulation.

Improving rates of entrepreneurship – in both the commercial and social spheres – are considered vital for Europe’s economic recovery. Cities have a key role to play in creating ecosystems that promote and support enterprising attitudes and activities.

So, what are the key ingredients that cities need to effectively grow new jobs through entrepreneurship?
Key ingredients for effective job creation through entrepreneurship:

Do you and your partners have the following ingredients in your food cupboard? If so, you are well on the way to being able to develop a new approach to job creation through entrepreneurship.

Here is a list of ingredients to help you prepare your mixture and ensure that your city can embed entrepreneurship into your local action plan so that in turn it can be cooked to perfection and ready to contribute to your cities’ smart, sustainable and inclusive growth.

<table>
<thead>
<tr>
<th>Ingredients to add to your shopping list</th>
<th>✓</th>
<th>✗</th>
</tr>
</thead>
<tbody>
<tr>
<td>A long-term entrepreneurship policy accompanied by a suite of tools and support measures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clear understanding of the value of investing in entrepreneurship both for new business creation and to develop a skilled workforce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clear objectives, indicators and monitoring, based on a shared understanding amongst all stakeholders of the ultimate goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Explicit acknowledgement that return on investment in entrepreneurship takes time, and that the return is social as well as economic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coherence between different actors working within the same city to help achieve an integrated approach and a clear offer to entrepreneurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tools to measure impact of support interventions - metrics which include better analysis of survival or growth rates of all businesses including social enterprises</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clarity about the definition of social enterprise and understanding about its multiple potential benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promotion of school-business links and initiatives</td>
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<td></td>
</tr>
</tbody>
</table>
All of this needs to be backed up by good communications to inspire a positive culture of entrepreneurship and counteract negative perceptions and fear of failure. Cities need to find ways to articulate the benefits and impact of entrepreneurship policy and practice in a way that each audience understands.

A BUSINESS-FRIENDLY ENVIRONMENT

As well as taking action to promote job creation through entrepreneurship, cities need to make sure they are good – and easy – places for businesses to start, grow and thrive. A business-friendly approach to regulation, planning and taxation needs to be mixed with the conditions needed to encourage businesses to start up e.g. the provision of affordable business space, business advice and support, shared spaces, incubator units, access to finance, etc. Added to this the quality of place is important – an environment with efficient ICT and transport infrastructure is much more likely to be one where sustainable businesses will grow.

A CULTURE OF ENTREPRENEURSHIP AND ENTREPRENEURSHIP EDUCATION

Even within the EU there are large variations in entrepreneurial culture. Many cities believe that long-term investment in entrepreneurship education, at all levels, is vital if attitudes to entrepreneurship are to change. Entrepreneurship education is seen as a strategic tool to equip young people from the earliest age with enterprising skills and attitudes. It is best used as an integral part of education rather than a bolt-on. Cities can work with teachers in the school system, motivating them to work more closely with businesses. Entrepreneurship education does not only prepare people to start their own company, it also creates a better workforce generally, instilling skills that are widely sought after by mainstream employers, such as teamwork creativity and problem-solving (increasingly referred to as “intrapreneurship”).

CONSIDERATION OF SOCIAL ENTREPRENEURSHIP

It is easy to forget the importance of social entrepreneurship. Social enterprise accounts for 11 million EU jobs or 6% of total employment. There is also evidence to suggest it is counter-cyclical – i.e. that it grows when other parts of the economy are in decline. 1 in 4 of the businesses set up each year in the EU are social enterprises. Social enterprises also aim to achieve community benefit which often means they address multiple public policy agendas as well as promoting a sense of social responsibility at local level. Social franchising and consortia offer opportunities for growth.
**Good food guide listing:**
At the ESIImeC transnational event in Debrecen, Hungary, in February 2015, several examples of cities growing jobs from entrepreneurship were discussed. These include:

**Munich business plan competition (DE)**
Operational since 1997, The Munich Business Plan Competition (MBPW) guides founders and start-up entrepreneurs in developing a business plan and implementing it. The MBPW selects the most promising business plans submitted by university technology-oriented would-be entrepreneurs. Intense training and individual coaching are offered. The best business ideas are awarded cash prizes and all participants have the chance to become members of the Evobis network where they will get additional support to facilitate the implementation of the plan as well as access to financing (venture capital, business angels, and subsidies). There are eight staff members and in 15 years, over 700 enterprises have emerged from the Munich Business Plan Competition. About 4,250 new jobs have been created and over €554 million seed to growth capital has been invested in these companies (2008 data).

**Team Academy**
‘A Team Academy is a learning community created with the specific aim of giving young adults the skills, knowledge and personal qualities required to run their own businesses while at the same time getting a university degree’. It originated in Finland in 1993 – a time of high unemployment and industrial decline. It offers an undergraduate degree programme but there are no classrooms, no lectures and no exams. Within the first two weeks of enrolling in the programme, teams of 20 students are formed and given the task of developing real businesses which will generate income. Working on a variety of projects – anything from organising events to running retail outlets – the students learn finance, marketing, leadership and strategy. Team Academy has expanded across the EU and indeed globally and operates in one of ESIImeC’s partner cities, Debrecen.

**Expedition Forward (SE)**
Starting in January 2010, this initiative offers free growth training for business leaders. The primary focus is on strategic growth and the “expedition” includes three stages: business analysis, growth plan, and TUNE (which categorises the potential growth level). Every member company is assigned a key account person who follows the company during its growth journey. This person decides at which stage the company will begin and works out a growth plan together with the company. The charging structure is quite innovative: companies are members and there is a menu of options for services. Some are paid for by the hour, others by course. There are 14 members of staff and customer satisfaction is very high and very closely monitored.

**Lyon – City of Entrepreneurship (FR)**
Lyon Ville de l’Entrepreneuriat is a network of 44 partners offering a full range of common services with shared resources, for every stage of a business start-up, takeover or transfer process. Services cover everything from the project maturity phase to the actual execution phase, helping entrepreneurs to deal with the issues of markets, accommodation, funding and more. A single brand is used which guarantees visibility of support services in the Greater Lyon area. This has resulted in 18.2% more start-ups in Lyon than in its host region / country. In 2004 44% of business owners reported difficulties accessing information and support for start-up. In 2012 this had reduced to 14%.
Union Gewerbehof (DE)

In Dortmund, at the eastern end of Germany’s Ruhr industrial area, when a steelworks closed in the early 1980s, unemployed workers squatted in the semi-disused building. The steel company agreed to give them a contract to use premises to set up a value-based enterprise centre and the city supported the initiative. The local people renovated the building and the city offered funding. It now rents out 5,000 square metres of workspace, supporting 70 tenants and 250 jobs. It is financially self-supporting and forms the nucleus of a neighbourhood renewal scheme which could see it double in size over the next three years.

Xarxa Onion (ES)

Red Onion is a network of micro-enterprises in Sabadell, Catalonia. It promotes business cooperation between SMEs and freelancers, in order to help them to consolidate and grow. It engages members through a “win-win” philosophy, providing networking opportunities, business meetings, business to business links and access to different suppliers.

Demola (HU)

Demola is an open innovation platform in Budapest. It offers students action-oriented education and an opportunity to work on real cases, which demand new ways of thinking and new solutions. It brings together students, businesses and universities in multi-disciplinary teams to work on real business challenges.

EKON (PL)

EKON is a social enterprise which is located near Warsaw’s airport. It employs 1,200 people, 90% of whom have learning disabilities. It is 60% funded by sales, and 40% by wage subsidies. It estimates that its activity saves the health service around €1.6m a year. Its first line of business, employing 900 people, is as a personnel agency that hires out permanent workers to businesses such as the Carrefour and Auchan supermarket chains. Its other and more visible activity is sorting and recycling waste. It has a contract for the kerbside collection of waste which is pre-sorted by residents into different coloured sacks. Its 300 workers – affectionately known as ‘ants’ (mrówki) because of their yellow high-visibility jackets – collect some 300 tons a month.

Takeaways:

http://www.young-entrepreneurs.eu
www.imageen.eu
http://www.xarxaonion.org/
https://en-gb.facebook.com/teamacademydebrecen
http://budapest.demola.net/
https://www.youtube.com/watch?v=sTNGHarMRdl
http://www.union-gewerbehof.de/
http://www.ekon.info.pl/
www.aeidl.eu
www.socialeconomy.pl

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Laszlo Bacsa, DEMOLA Budapest
Cook’s tip:

• “Enable dialogue with social enterprises by establishing a co-ordinating unit or function in the authority, which embraces both economic and social development. Use social impact measurement as a way to show the benefits for different policies and departments.

• Make surplus buildings available for community use, through a community asset transfer scheme. One such use might be an innovation hub.

• Consult other authorities addressing similar issues about whether there are any suitable social franchises you could take up.

• Create a mixed funding system combining grant, loan and guarantee, and accompany financial support with business support.”

Toby Johnson, AEIDL
URBACT is a European exchange and learning programme promoting sustainable urban development.

It enables cities to work together to develop solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal challenges. It helps them to develop pragmatic solutions that are new and sustainable, and that integrate economic, social and environmental dimensions. It enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe. URBACT is 300 cities, 29 countries, and 5,000 active participants.

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