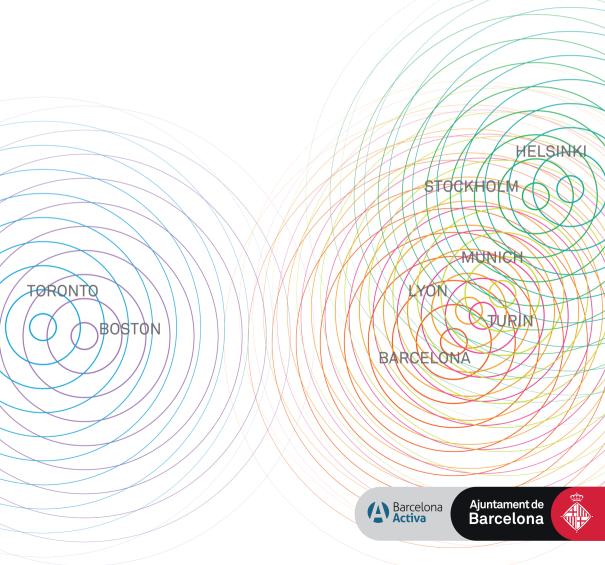
REFLECTIONS FOR A NEW LOCAL ECONOMIC POLICY



REFLECTIONS FOR A NEW LOCAL ECONOMIC POLICY

	Contents	
1.	Introduction	002
2.	Case studies	006
	2.1. Selecting the case studies and the methodology used	007
	2.1.1. Phase 1. Identifying the stakeholders	007
	2.1.2. Phase 2. Planning the trip	009
	2.1.3. Phase 3. After the visit	009
	2.1.4. Visiting the cities	009
	2.2 The North American Cities	012
	2.2.1. The Boston case	012
	2.2.2. The Toronto case	029
	2.2.3. Summary table of the North American city case studies	048
	2.3. The Nordic cities	050
	2.3.1. The Stockholm case	050
	2.3.2. The Helsinki case	066
	2.3.3. Summary table of the Nordic city case studies	082
	2.4. Other cities in central and southern Europe	084
	2.4.1. The Lyon case	084
	2.4.2. The Munich case	098
	2.4.3. The Turin case	108
	2.4.4. Summary table of the case studies of other cities in central and southern Europe	114
3.	Lessons, reflections and discussion points	116
	3.1. Lessons	116
	3.1.1. Promoting employment	117
	3.1.2. Social inclusion measures	118
	3.1.3. Support for businesses and entrepreneurship	119
	3.1.4. Governance	121
	3.2. Reflections	122
	3.2.1. Common background of city strategies	122
	3.2.2. Different types of agencies	123
	3.2.3. Integrating services and demand-oriented approach	124
	3.2.4. From delivering services to leading the intervention	125
	3.2.5. A firm commitment to communication and service quality	126
	3.2.6. Open questions	126
	3.3. Strategy discussion points	128
4.	Annexe	130

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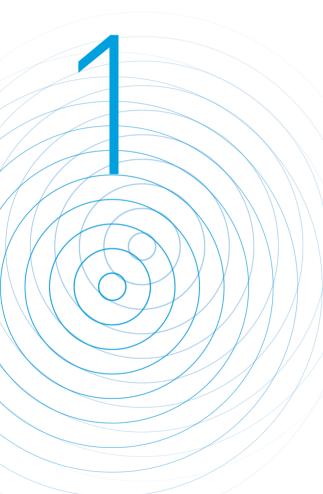
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# INTRODUCTION

The traditional idea of development as a synonym for constant economic growth underwent a rethink that began at the end of the 1970s, due to the globalisation of the economy, which directly affected the public sector and national and local economies. On the one hand, public policies were faced with a process of industrial restructuring and the privatisation of public sector companies. And on the other hand, companies began a process of cost restructuring and production flexibilisation. Thus the 1980s saw companies subcontract or outsource more of their production, while in the 1990s they speeded up the relocation of their production plants to developing countries. This dynamic resulted in production being outsourced abroad and a large part of the productive base of many industrialised municipalities being relocated to other countries.

In this context of a loss of industrial capacity and increasing global competition, new theories about local development came to the fore. It was a question of identifying the territorial advantages that would facilitate maintaining the industrial base and local economic growth.

Initially, in the 1970s, the advanced local economies concentrated on finding a comparative advantage based on producing products or services where they had a cost advantage. In line with that objective, public policy sought to help companies in the municipalities to achieve lower production prices by reducing costs, either through labour, raw materials, energy, reducing taxes and charges, or providing infrastructure.

Later, beginning in the 1980s and especially in the 1990s, the trend gradually shifted towards looking for a competitive advantage. This competitive advantage meant that growth came to be based on more effective use of a territory's human, natural and institutional resources. Viewed from this perspective, the territory began to be seen as a business and, gradually, a territorial planning strategy was adopted resembling a business one.

That led to a whole number of initiatives which, over time, spread across Europe and other developed countries around the world. These initiatives comprise measures implemented by towns, cities and regions as well as national government programmes designed to facilitate local flexibility and decision-making, and provide political support through links with local bodies.

It should be noted that local development is not meant to be understood simply as a range of actions taken locally, or as a series of policies that seek to exploit endogenous resources, but as a way of integrating different policies and programmes on a local level, releasing synergies and improving coordination as a way of improving local governance by involving local stakeholders and networks in policy formulation and development.

On an international level, many local, regional and national governments have innovated organisationally in the last 30 years by creating new development tools, in particular development agencies and other bodies with specific tasks for tackling their development agendas and territorial strategic planning.

Development agencies are not an entirely new phenomenon, as the first ones were established in Europe following the Second World War in response to the crises caused by war damage, industrial collapse and abandoned factories. Later, in the 1960s and 70s, the first agencies were set up in North America to help redefine classical industrial cities and promote new economic futures for whole cities.

However, their numbers really started to grow in the 1990s and the existing ones were reassessed and given a broader mission. With the transition towards an economy based on innovation and knowledge in a context of globalisation, territories competed with each other to attract investment, talent and innovative capabilities. Faced with the new leap forward in the shape of the digital economy, cities renewed their capacity for organising development policies, for example, by promoting entrepreneurship and innovation, attracting investment and

positioning themselves internationally. Then, at the turn of the century, development agencies began to set up in developing countries, based on the experience of other agencies.

Consequently, there are now a large number of development agencies that have been created for different reasons, with different legal set-ups and organisational models, and which intervene in a wide variety of fields with different tools and approaches, as reflected in a study published in 2010 by the OECD: Organising Local Economic Development - 16 case studies. This study examined a number of important issues in setting up development agencies, based on a detailed analysis of 16 agencies in 13 cities, and in drawing up OECD-LEED projects for reviewing existing development agencies. It also addressed some fundamental questions on how agencies work and, among other things, classified agencies according to five types:

- 1. Development and revitalisation agencies (lead urban development processes).
- Productivity and economic growth agencies (lead employment, entrepreneurship and innovation processes).
- 3. Integrated economic agencies (integrate a wide range of interventions)
- 4. Internationalisation agencies (focus on international positioning or promotion).
- 5. Visioning and partnership agencies (focus on long-term strategy making).

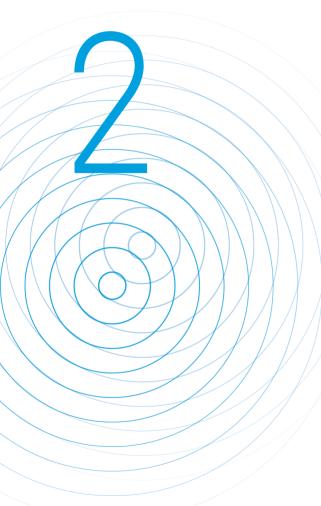
Despite the great diversity of agencies, they could be defined as instruments or institutions, generally public or of a public-private nature, that respond to the needs identified by the local players in a specific territory or region, in order to implement a development strategy, coordinate and manage action and provide comprehensive services to local development initiatives, companies and other entities. Their main function is, therefore, to promote the design and manage the implementation of the strategic plan and local development programmes.

On a Catalan level, the first local development agency appeared in the 1980s. That was in 1986, when Barcelona decided to create Barcelona Activa. It was set up in the context of a crisis, referred to above, characterised by the deindustrialisation of cities as a result of companies relocating to developing countries. That produced a post-industrial decline in Barcelona due to the economic restructuring caused by massive factory closures and high rates of unemployment. Faced with this situation, the local authority decided to encourage entrepreneurship as a way of creating companies and employment. Barcelona Activa was thus initially conceived as a business incubator with 16 projects installed there. As time passed, the agency gradually increased its activity and became the city's economic development driver, designing and implementing employment policies for the general public and promoting the development of a diversified local economy.

Now, 30 years after it was set up as an economic development agency, Barcelona Activa wants to keep moving forward and evolving so that it can improve its contribution to creating more and better jobs, by applying effective, practical and innovative policies and strategies on a local level. In this context, the agency finds itself

immersed in a process of reflection. A process that started with some internal sessions involving experts and agency technical staff to see what ideas might come out of them, and which it intended to follow up with an external reflection process based on knowledge of other experiences. This international comparative study of local development agencies is the result of that external process.

For Barcelona Activa, the purpose of the study was to examine how local development agencies in other European and world cities are organised, how they work and how their policies have evolved in recent years. The study focuses its analysis on the mission, instruments and operating characteristics of the agencies or departments that have the task of implementing local development policies in a number of international cities. This analysis will serve to provide new elements for the strategies, policies and organisation of Barcelona Activa as a local development agency, with a view to improving its contribution to the city's economic development and creating more and better jobs.



# CASE STUDIES

In this chapter we present the case studies carried out. It begins with an explanation of how the seven cities were selected and the methodology used. Each of the cities analysed is then presented. The same method is followed in each case. First. a short introduction on the local economy, and on how the local authority and the institutions/ agencies responsible for employment promotion and promoting the economy are organised. Then, the mission, goals and strategic vision of the institution analysed (municipal government and department) or of the agency or both, depending on the city, are outlined. Thirdly, we look at the organisational model of the institutions/agencies involved in the city's local development, as well as the human resources they have at their disposal and their funding. Fourthly, we comment on the main areas the city's institutions/ local agencies intervene in and what the main services they offer are. Fifthly, we highlight some features (services, units, projects/programmes) that could be of interest to us. Sixthly, we comment on those aspects which relate to analysing and forecasting trends and elements for adapting to change in each city. And, finally, we outline the future outlook and challenges they face in terms of local development. It should be noted that the cities are grouped by region and their presentation is followed by a comparative table for each region summarising the main aspects.

#### 2.1. SELECTING THE CASE STUDIES AND THE METHODOLOGY USED

The initial choice of the cities for the case studies was based on the demands of Barcelona Activa as expressed in the terms and conditions for contracting the study. However, in the first meeting between the team responsible for carrying out and following up the study, that initial choice was revised and adapted to the criteria proposed by Barcelona Activa and some recommendations from the technical implementation team based on knowledge of some interesting experiences in the field of local development in various cities. The final choice, following this exchange of impressions and with the aim of analysing a variety of practices and territorial spheres, led to the incorporation of Helsinki and Stockholm, to see how local development is tackled in the Nordic countries; Toronto and Boston, as examples of the North American model; Munich, as a Germanic example; Lyon, because of its similarities with Barcelona; and Turin, as another Mediterranean reference point.

Once the final choice of cities had been made, a start was made on the case studies using a qualitative methodology based on analysing website information and another based on interviewing key people. The case studies were carried out in three stages: identifying the stakeholders, planning and visiting the cities, and the visit follow-up.

#### 2.1.1 Phase 1. Identifying the stakeholders

This first stage involved carrying out the tasks required for identifying the agencies or bodies leading local development in each city and the key people with whom interviews would have to be arranged.

The first task was to carry out a website analysis in order to identify the development agencies in each of the cities. This analysis revealed the different types of agencies referred to in the OECD study, mentioned above. One was the agencies mainly engaged in promoting the city abroad in the tourism sector, attracting investment and raising the city's international profile. These included Invest Stockholm and Visit Stockholm (which belong to Stockholm Business Region), Only Lyon and Toronto Global. A second type of agency were those intervening in large-scale housing, office and city-centre development operations, as well as offering premises rental services. Among these were the Boston Planning & Development Agency and Build Toronto. While the first type of agency was found in European cities, the second was detected in the North American cities.

A third type detected were the agencies engaged in offering business services and entrepreneurial initiatives, which include <code>NewCo</code>, in Helsinki, and ADERLY, in Lyon. A fourth type was identified in Turin: <code>Torino Strategica</code>, an agency-association tasked with designing and planning the future vision of the metropolitan region by drawing up various strategic plans. This initial analysis showed that in the cities selected there was no experience similar to that of Barcelona Activa or, at least, an agency working in the same fields as Barcelona Activa. Despite that, it served to identify the main agencies linked to local development that would have to be analysed, as well as establish who were the most appropriate people to contact with regard to arranging interviews.

#### Summary table of the agencies identified, according to type<sup>1</sup>

Cities	Development and revitalisation agencies	Productivity and economic growth agencies	Integrated economic agencies	Internationalisation agencies	Visioning and partnership agencies
BOSTON	Boston Planning & Development Agency				
TORONTO	Build Toronto			Toronto Global	
HELSINKI		NewCo			
STOCKHOLM				Invest Stockholm Visit Stockholm	
MUNICH					
LYON		ADERLY		Only Lyon	
TURIN					Torino Strategica

The second task consisted of analysing who was leading the employment and business promotion services in the cities and what role the local authority was playing. So an analysis of the city government websites was carried out to see how economic and employment promotion were organised in each city. This analysis also served to ensure that no agency or any other organisations had been missed in the first analysis, based on key words. Broadly speaking, this showed that the two aspects were handled by different departments, divisions or units, with different leadership, depending on the situation in each city, as will be explained in each case. This study also enabled us to identify the key people who needed to be contacted to arrange the visits to the cities and the interviews required.

#### Summary table of the city departments identified

Cities	Entrepreneur and business services	Employment promotion			
<b>BOSTON</b> Economic Development Division		Mayor's Office Workforce Development			
TORONTO Economic Development & Culture Division		Employment and Social Division			
HELSINKI Business Services Unit		Employment Services Unit			
STOCKHOLM		Labour Market Administration (Jobbtorg)			
MUNICH	Department of Labor and Economic Development	Labour Market policy del Department of Labor and Economic Development			
LYON	Grand Lyon	Grand Lyon Pôle Metropolitaine			
TURIN	Department of Employment, Productive Activities. Promotion and Tourism	Department of Youth, Integration and Equal Opportunities Policies Employment Services Unit of the Department of Employment, Productive Activities, Promotion and Tourism			

Finally, after identifying the different institutions/agencies and to ensure they were the most appropriate, we consulted local experts that Notus works with on a regular basis..

#### 2.1.2. Phase 2. Planning the trip

Once the various agencies and local government departments had been identified, we decided on the most interesting for the study with a view to approaching the key people and planning the city visits. First a protocol for contacting these people was drawn up, which consisted of making initial contact by email with a letter presenting the study, an explanation of the issues to be addressed and the interview script. On receiving the first reply, the person making the visit to the city introduced themself and suggested some dates for the interview. In some cases, the persons contacted referred us to others better suited, given the subject matter of the study, or included members of their team in the meetings so they could provide more detail on the programmes being implemented.

Once the visits had been planned, the websites of the agencies and institutions with whom meetings had been arranged were analysed again. The aim of this second, more in-depth analysis was to identify the main services and programmes with a view to having prior information and support for conducting the interviews. It also enabled us to learn more about the various online resources they have and know more about the institution or agency, which helped each researcher to prepare a more detailed, customised script so as to be able to obtain more detailed information.

All the interviews were conducted in person at their head offices. They lasted between one and a half and two hours and were recorded in nearly every case so as not to lose any relevant information. In some cases the interviews were supplemented with a tour of the facilities, which provided an opportunity to ask for or pick up documentation.

#### 2.1.3. Phase 3. After the visit

At the end of the visit, each Notus researcher had a standard fact sheet for extracting the most useful information for compiling the case study report. Thus, on the basis of the interview notes, the audio recordings, the documents collected and the institution/agency fact sheets, the city case studies were drawn up. As regards aspects where it had not been possible to go into detail or which were not touched on during the interviews, supplementary information was requested afterwards or the information sources indicated by the interviewees themselves were consulted.

#### 2.1.4. Visiting the cities

There follows a summary fact sheet of each city containing the dates they were visited and the people interviewed.

#### **BOSTON VISIT**

Dates of the visit: 25 and 26 May 2017

Meetings arranged with:

- Mayor's Office Workforce Development. Interview with the deputy director of the Office, plus managers and staff of the programs they run.
- Economic Development Division. Interview with members of various departments and managers of some
  of the programs they run.

>>>

<sup>&</sup>lt;sup>1</sup>Types taken from the study published in 2010 by the OECD, Organising Local Economic Development - 16 case studies.

#### People interviewed

#### Mayor's Office Workforce Development

- Peggy Hinds-Watson, Assistant Deputy Director.
- Freddie Velez, Deputy Director, Youth Options Unlimited (YOU).

#### **Economic Development Division**

- James Colimon, Manager of International Partnerships, Global Affairs.
- Innovation Economy and Startups: Rory Cuddyer, Startup Manager.
- Small Business Unit: Stephen Gilman, Program Director of Boston Main Streets, and Prayas Neupane, Neighborhood Business Manager and Food Trucks Program.
- Procurement: Shaina Aubourg, Program Manager.
- Economic equity and mobility:

Economic Equity Agenda: John Smith, Policy Analyst.

Worker Cooperative Initiative: Jason Ewas, Mayor's Office of Policy.

#### SUMMARY FACT SHEET OF THE TORONTO VISIT

Dates of the visit: 29 and 30 May 2017

#### Meetings arranged with:

- Economic Development & Culture Division
- Employment & Social Division.

#### People interviewed

- Economic Development & Culture Division
- Mike Williams, General Manager of Economic Development & Culture Division.
- Patrick Tobin, Director of Arts & Culture Services.
- George Spezza, Director of Business Growth Services.

#### **Employment and Social Division**

Ricardo Tranjan, Manager of Poverty Reduction Strategy and Social Policy, Analysis & Research and some
of his team of collaborators.

#### STOCKHOLM VISIT

Dates of the visit: 24 and 25 May 2017

#### Meetings arranged with:

- Representatives of the corporation Stockholm Business Region and Invest Stockholm.
- Representatives of Stockholm City Council's Labour Market Administration.

#### People interviewed

Representatives of the corporation Stockholm Business Region and Invest Stockholm.

— Olle Zetterberg, Chief Executive Officer Stockholm Business Region.

#### Labour Market Administration

Linda Truvered, Manager Jobbtorg Stockholm Strategy Office.

#### **HELSINKI VISIT**

Dates of the visit: 22 and 23 May 2017

#### Meetings arranged with:

- Helsinki City Council's Employment Services Unit, and management and planning technical staff of the National Health and Welfare Institute, with whom they collaborate on innovative projects.
- Head of Helsinki City Council's Business Services Unit.

#### People interviewed

#### **Employment Services Unit:**

- Marko Harapainen, HANDU Project Manager and Employment Services Unit officer.
- National Health and Welfare Institute, attached to the Ministry of Health and Social Affairs: Anna-Maria Leogrande, Project Manager, and Riika Forss, Head of Planning.

Employment Services Unit-Helsinki Enterprise Agency-Newco:

Tommo Koivusalo, Head of Unit, Helsinki Enterprise Agency and Newco.

#### SUMMARY FACT SHEET OF THE LYON VISIT

Dates of the visit: 28 and 29 May 2017

#### Meetings arranged:

Six meetings with various Grand Lyon department managers.

#### People interviewed

- Juliette Cantau, Direction de l'attractivité et des relations internationals.
- Laurence TARDY, Director of Resources at the Délégation Développement Économique Emploi et Savoir.
- Anne Laure Beaudoin, in charge of Unité Partenariats-Info Économique.
- Raddouane OUAMA, Project Manager Entreprenariat / Service Développement Local et Proximité.
- Olivier Rouvière, in charge of Service Mobilisation des Entreprises & Accès à l'Emploi.
- Isabelle Faivre, in charge of Nouvelles Filières & Ecosystème de l'Innovation.

#### SUMMARY FACT SHEET OF THE MUNICH VISIT

Dates of the visit: 5, 6 and 7 June 2017

#### Meetings arranged:

Two meetings with Munich City Council department managers.

#### People interviewed

- Bernhard Eller, Deputy Director of the Business Promotion Unit.
- Magdalena Ziolek, in charge of Labour Market Integration Programmes.

#### SUMMARY FACT SHEET OF THE TURIN VISIT

Dates of the visit: 13 and 14 July 2017

#### Meetings arranged:

— Four meetings with Turin City Council department managers.

#### People interviewed

- Claudio Tocchi, in charge of Intercultural Policies in the Deputy Mayor's Office for Youth Policies, Integration and Equal Opportunities.
- Franca Sedda, in charge of the Youth Policies Unit in the Office of the Deputy Mayor for Youth Policies, Integration and Equal Opportunities.
- Fabio Marangon, in charge of Employment Services in the Office of the Deputy Mayor for Employment, Productive Activities. Promotion and Tourism.
- Paola Pisano, Deputy Mayor for Smart City and Innovation.

#### 2.2. THE NORTH AMERICAN CITIES

#### 2.2.1. The Boston case

Boston is one of the oldest and most important cities in the United States. The presence of a number of prestigious universities and education centres position it as an international centre of higher education, especially in Law, Medicine, Engineering and Business. Another notable feature of this city is its commitment to innovation, technology and the business spirit, with a high rate of new business creation. Thus, the Boston economy is mainly based on education, health, finance and cutting-edge technology.

On a political level, the city is organised around a City Council with 13 members elected every two years, and the Mayor's Office. The City Council's functions include approving the municipal budgets; monitoring, setting up and closing down city agencies; taking decisions on land use (urban planning); and approving, amending or rejecting other legislative measures. Its president serves as acting mayor. The Mayor, an office held since 2014 by Democratic Party member Martin Joseph "Marty" Walsh, has extensive executive powers.

The organisation of local development in the city must be understood in terms of the administrative structure for running cities in the USA. As mentioned above, the decision-making powers are split between the City Council, equivalent to Barcelona's Full City Council (*Ple Municipal*) and the Mayor's Office, equivalent to the executive (*equip de govern*), with the difference that it is not the Full Council, by means of a majority of seats, that decides the executive, which is voted by the general public. Thus it is the Mayor's Office which is responsible for running the city and managing its local development policies.

Boston's instrument for developing a large part of the city's local development policies is the Boston Planning Development Agency. Its origins date back to 1993 when Thomas Menino, the mayor at the time and the predecessor of the current mayor, merged the Boston Redevelopment Agency (BRA) and the Economic Development and Industrial Corporation (EDIC) into a single agency. This new agency kept the name BRA, although the old one was initially set up in 1957 to buy and sell land, promote investment and develop the central part of the city with a view to reversing its decline and promoting retail and residential development. EDIC was essentially a public body responsible for promoting local development activities in Boston industrial properties close to the sea, among them two former military zones, in accordance with a city economic development plan. This plan sought to create employment, get rid of areas in a state of decline, attract new industry, and create economic and job opportunities<sup>2</sup>.

More recently, following his victory in the 2014 elections, the current mayor decided to initiate a review and reform process at the BRA which concluded in the middle of 2016 with the drawing up of an action plan and a change of name to the Boston Planning Development Agency (BPDA). This renewal process also meant some internal restructuring with some divisions or departments being redefined, notably the Office of Jobs and Community Services, which became the Mayor's Office of Workforce Development (OWD). So, the present-day BPDA is the result of transforming the different corporations that Boston had and which, despite their integration, retain a certain autonomy on a structural and funding level, as will be seen later on.

#### 2.2.1.1. Mission, goals and strategic vision

The BPDA Action Plan defines the agency's mission as planning the city's future, respecting the past and working with the community, to guide physical, social and economic change in Boston's neighbourhoods while seeking to achieve a more prosperous, resilient and vibrant city for everyone. In that sense its goals are to:

- Increase the city's tax base, boost the private jobs market and train the city's workforce.
- Encourage new businesses to set up in Boston and existing ones to expand.
- Plan the future of the neighbourhoods with their communities, identifying height and population density limits, charting the course for sustainable development and resilient building construction.
- Advocate multi-modal transport that responds to the city's changing population.
- Encourage research on the city while ensuring it retains its distinctive character.

The agency's strategic vision is linked to that of the city. Boston is currently experiencing vigorous economic expansion, largely driven by the construction sector and very low unemployment, with a rate close to 4%. However, it has one of the highest economic inequality rates of any American city, which has given rise to a strong strategic commitment to work for inclusion. That means the city has a powerful Economic Inclusion and Equity Agenda³ which covers many intervention areas, including jobs and a living wage, education and capacity building, or business development with the focus on people and communities with lower incomes, as well as equal opportunities.

A significant aspect of this inclusion agenda takes the form of the Boston Jobs and Living Wage Ordinance (LWO), approved in 1997. The aim of this ordinance is to establish living wages in the city and ensure that all workers employed on important contracts earn an hourly wage that is sufficient for a family of four to live at least at the federal poverty level. This kind of city minimum wage is calculated every year.

#### 2.2.1.2. Organisational model

On a legal level, the BPDA is a singular entity, legally separate from the city government, constituted as a corporate body. Its main governing body is the Board of Directors comprising five members, four of whom are appointed by the mayor and confirmed by the City Council, while the fifth is appointed by the Governor of Massachusetts. Its organisational structure is as follows:

<sup>&</sup>lt;sup>2</sup>If you want more information on the history of these two agencies, we recommend you consult the following site: http://www.bostonplans.org/about-us/bra-history

<sup>&</sup>lt;sup>3</sup>The document can be found at the following link: https://www.cityofboston.gov/pdfs/economicequityinclusionagenda.pdf

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Source: BPDA Action Plan, April 2016 version In brackets, number of full-time workers or equivalent.

Although the BPDA has a centralised management, it consists of five business units or areas of activity. In addition to the aforementioned BRA and EDIC, there is the Boston Industrial Development Finance Agency (BIDFA), Boston Local Development Corporation (BLDC) and Friends of Youth Opportunity Boston (FYOB). These units are tasked with developing and implementing various programs, activities and services.

As regards funding, the BPDA is self-sufficient and became an economically independent body in 1987. That means it funds its operations independently without any economic support from the city's General Fund. Nevertheless, it should be noted that it receives significant amounts of income from various intergovernmental sources (grants), which may only be used for capital projects under its responsibility, and that it also has access to the budget allocated to infrastructure in order to invest in the economic development of the city's urban areas. The Agency's main sources of income come from renting or leasing its real estate, selling land and buildings, donations and grants.

Below is a summary of its budget:

BPDA Combined Budget Summary (Millions)								
REVENUES	FY16 Actual	FY17 Budget	FY17 Projected	FY18 Budget				
RENTAL, LEASES & PARKING	\$31.04	\$32.57	\$38.46	\$32.88				
SALE OF REAL ESTATE	\$2.69	\$3.43	\$3.54	\$3.85				
EQUITY PARTICIPATION	\$2.65	\$2.20	\$1.30	\$1.40				
GRANTS & DONATIONS	\$21.20	\$23.01	\$25.27	\$23.54				
INTEREST & OTHER INCOME	\$0.31	\$1.03	\$1.55	\$1.00				
TOTAL REVENUES	\$57.89	\$62.24	\$70.12	\$62.68				

EXPENSES	FY16 Actual	FY17 Budget	FY17 Projected	FY18 Budget
PERSONNEL	\$18.85	\$19.54	\$19.98	\$19.73
EMPLOYEE BENEFITS	\$8.36	\$10.04	\$10.24	\$9.38
ADMINISTRATIVE EXPENSE	\$1.36	\$2.09	\$1.60	\$2.49
CONTRACTUAL SERVICES	\$19.44	\$17.50	\$23.82	\$22.48
PROPERTY MANAGEMENT & DEBT SVC.	\$9.27	\$12.47	\$6.52	\$8.14
TOTAL EXPENSES	\$57.28	\$61.65	\$62.16	\$62.23
NET SURPLUS/(DEFICIT)	\$0.62	\$0.59	\$7.96	\$0.45

#### 2.2.1.3. Its main spheres of action and the services it provides

The BPDA has two main spheres of action. One is urban planning, which means planning the design and growth of the city based on zoning, constructing buildings and creating infrastructure such as public libraries, civic centres and schools. The other is socio-economic, focused mainly on the city's economic development and reducing inequalities, thanks to better inclusion. This second sphere is developed jointly by the Agency and some government departments in the city of Boston. The services offered can be grouped into three areas.

#### A. Economic development

Here the BPDA works with the Boston city government's Economic Development Division, developing two lines of work targeted at businesses and entrepreneurial initiatives. The first is offering assistance to businesses and entrepreneurial initiatives so they can relocate and/or expand in the city, helping them to find suitable spaces for their needs (zoning). This service is also available to companies that want to locate their business in the city. The **Back Streets Program** is a notable example. This is designed to guide and support industrial businesses in their search for sectors of the city where they can locate or relocate, to find suitable premises, obtain loans or find workers that meet their needs.

The second line of work focuses on small companies and the entrepreneurs of small businesses. The Economic Development Division has an Office of Small Business which runs various services and programs for small businesses. The main ones are:

- The Food Trucks program, which offers guidance on how to set up catering spaces, has experts who can
  advise entrepreneurs or help them complete the formalities so they open their own food truck. More
  information will be provided on this program later.
- A program for retail businesses offering advice and help in designing shop fronts (Storefront improvements) and a guide on how to do it.
- An energy efficiency and sustainability initiative, where they created a group for buying electricity<sup>4</sup> that small businesses can join, offering energy advice for renovation and alterations to premises.
- Onsite technical assistance program, an initiative designed to offer technical assistance from
  professional consultants to business people in their own business, with a view to improving different
  aspects of their daily activity. This can range from drawing up plans for growing and expanding the
  business to improving the inventory system, drawing up or improving a communication plan, or improving
  financial administration.
- Women Entrepreneurs Boston<sup>5</sup> program, which gives support to Boston's businesswomen by providing them with the skills, technical assistance and networks they need to boost and grow their businesses. The program unites and gives an impetus to businesswomen, whether they have a start-up, a home business or an established company. It is run in association with the Center for Women and Enterprise<sup>6</sup>, which provides business training in various parts of the city to businesswomen, regardless of their socioeconomic position. They also offer grants to women so they can take part in eight-month courses at the Women Innovating Now (WIN) Lab<sup>7</sup>, taught by the Babson College Center for Women's Entrepreneurial Leadership. The WIN initiative is specifically designed for rapid-growth women entrepreneurs who want to accelerate their careers, and recognises that women build businesses differently. By means of innovative programs, the Lab invests in developing the participants, allowing them to experiment and innovate. Once they are ready to grow, the Lab offers them a roadmap, experience, inspiration and a network to enable them to scale their projects.

One of the Economic Development Division's programs not found in any of the lines of work mentioned, but which shows the strategic value of the city's equality, equity and inclusion approach, is the **Boston Residents Jobs Policy®**, which focuses on the construction sector. Created in 1983 and amended two years later, the

ordinance that regulates it establishes that all private construction projects of more than 50,000 square feet, as well as all public construction projects, have to comply with the following:

- At least 51% of the work hours of skilled workers and those of apprentices must go to Boston residents.
- At least 40% of the work hours of skilled workers and those of apprentices must go to people of colour.
- At least 12% of the work hours of skilled workers and those of apprentices must go to women.

This is a job pool residents can sign up to which receives job offers from projects promoted, carried out or monitored by the BPDA. The pool puts residents looking for work in contact with companies looking for workers

#### B. Employment development

The Mayor's Office for Workforce Development, which is part of the BPDA, is responsible for developing different initiatives and policies for the career advancement of young people and adults in the city, guiding them towards careers that bring financial security by placing the emphasis on learning and training. The job seeker services are based in two centres in the State of Massachusetts: the Boston Career Link and the JVS Career Solution. The services they offer include advice on how to write a CV, guidance on how to approach job interviews and help with actively looking for work.

The Mayor's Office also works with various social and community non-profit organisations, providing financial support for their initiatives to improve the employment skills and training of people at risk of social exclusion. Programs worth mentioning among these initiatives include the youth education programs, the trade apprenticeship programs, the programs for combating poverty, the work skills programs and those creating jobs for young people.

As well as providing economic support for various social initiatives, they also carry out their own:

- Neighborhood Jobs Trust. The next section gives more details on this program.
- Wage Theft & Living Wage Division. There is more information on this program below.
- Youth Options Unlimited (YOU) Boston. More information is provided on this program in the next section.
- Boston Adult Literacy Initiative, by means of which immigrants are taught English to facilitate their social integration in the city.
- Boston Tax Help Coalition<sup>10</sup>, which offers a free service for filing income tax returns and ensuring it is
  filed correctly, thus sparing people with fewer resources the administration costs.
- Greater Boston American Apprenticeship Initiative<sup>11</sup>, a project for fostering apprenticeships in the local
  construction industry and hotel trade.
- Office of Financial Empowerment<sup>12</sup>, where people are offered financial advice to improve their economic independence, and they are given help in preparing pathways for finding work through group and coaching sessions. It has two centres: the Roxbury Center for Financial Empowerment and the Jewish Vocational Service Center for Economic Opportunity. The Office is also responsible for providing the service at the Boston Tax Help Coalition and works with the Boston Saves program, which promotes saving tools and mechanisms for children attending public-run schools from low-income families so they may go to university in the future.

<sup>4</sup>Further information available at http://bostonbuyingpower.com/

<sup>&</sup>lt;sup>5</sup>For more information, visit the following site: http://we-bos.com/

<sup>&</sup>lt;sup>6</sup>You can consult information on this centre on their website: http://www.cweonline.org/

<sup>&</sup>lt;sup>7</sup>More information on the WIN Lab programme is available on their website: http://www.thewinlab.org/

<sup>&</sup>lt;sup>8</sup>Some statistics on its implementation can be found at the following link: https://www.boston.gov/departments/economic-development/boston-residents-jobs-policy-construction-projects

<sup>9</sup> or you would like more information on the program, you can find it on their site: http://ali.boston.gov/

<sup>&</sup>lt;sup>10</sup>Further information at http://www.bostontaxhelp.org/

<sup>11</sup>There is more information on the program at this link: https://owd.boston.gov/gbaai/

<sup>12</sup>Should you wish to obtain further information, the office website is http://ofe.boston.gov/

<sup>&</sup>lt;sup>13</sup>There is more information on the program at the following link: http://www.bostonpublicschools.org/bostonsaves

- **Read Boston**, a reading program for children.
- Tuition-Free Community College Plan, a grant plan to enable students from public sector schools to go
  to university.
- Write Boston, a program for developing the writing skills of children in the city.

Thus a notable feature of the OWD's activity is its focus on people in a situation of risk or social exclusion and the fact it is geared towards their social inclusion and finding work, adopting a holistic perspective and a comprehensive approach to serving their needs. Consequently, its services are very varied and run from education to digital, linguistic and financial literacy, as well as access to decent jobs capable of lifting people, especially young people, out of poverty and social exclusion and, in that way, seeking to prevent the cycle of poverty passing from generation to generation.

#### C. Innovation Policy

The innovation policy has been very active in the city since 2010, when the previous mayor, Menino, launched the Innovation Boston program, which seeks to take advantage of the city's existing knowledge base to foster collaboration between the general public and various players (universities, businesses, institutions, etc.) and provide public spaces to stimulate creative spaces. This idea of providing spaces where different stakeholders (people and players) could collaborate gave rise to various initiatives:

- The Innovation District, an initiative to turn south Boston into an area of innovation, of collaboration between tech firms, of law, education, the creative economy and social enterprises. Since 2010, the Innovation District has generated 200 new companies and some 4,000 jobs<sup>14</sup>.
- The *District Hall*, the world's first civic innovation centre and a programming platform for Boston's innovation community, designed in collaboration with the Cambridge Innovation Center. This facility provides over 13,000 square feet of collaboration and innovation space for events, a public work space and a programming centre, designed to bring people of all levels together. Since 2014 it has organised over 3,000 events in which some 300,000 people have taken part.
- The Roxbury Innovation Center, created in 2014 on the premise that innovation was an integral part of the city that had to be taken to all the neighbourhoods. Located in the centre of Boston, it is run by non-profits (Venture Café Foundation), has a FabLab, organises Learn Lab workshops (sponsored by Microsoft) that cover a wide range of subjects linked to technology and skills development, hires out coworking spaces, etc<sup>16</sup>.

#### 2.2.1.4. Pick of the programs, services and initiatives

#### **Small Business Unit**

#### Introduction

The local administration in Boston has a long tradition of promoting and protecting small businesses to stop them relocating outside the city centre, believing this would be dangerous for the city because it would blight this sector. As a result of this tradition, at the start of its term of office the new administration began to draw up the Small Business Plan. Nine gaps or challenges have been identified that need working on and 20 initiatives are proposed to overcome them.

As the Small Business Plan<sup>17</sup> notes, small businesses are an important part of the city's economic and business community as there are 40,000 of them. While 85% have fewer than 10 workers (and a turnover under \$500,000 a year), the total turnover of these businesses is \$15 billion (representing 37% of the city total) and they employ 170,000 workers (44% of the city's workforce). Another notable aspect is the important role of the ethnic minorities, with 32% of small businesses in their hands, and women, with 35% owners. Small businesses therefore represent an economic, labour, social inclusion and equity opportunity.

Given all that, the Unit's aim is to support the start-up, development and maintenance of small businesses in the city.

#### Main activities

The Small Business Plan establishes the framework for the activities and initiatives undertaken as part of the Small Business Unit's activity. But more than the initiatives that are launched, it should be noted that the Plan represents a change of focus in the Unit's work of supporting small businesses, with a holistic approach based on people and businesses. So, the first question when attending to a small business is what does it need, with a view to providing the right service. In that sense, the Unit has seven managers who act as business support consultants. Each manager is assigned a sector of the city to work in and given the task of guiding companies in that area through the City Council procedures, the permits they have to obtain, the resources available to them, the programs the Unit offers and so on.

Among the main activities, some of which have already been commented on in the previous section with regard to the Small Business Office, the following stand out:

- The Small Business Center, the first initiative proposed by the Plan with the aim of improving navigation and guiding small businesses through all the existing support mechanisms and everything they might need. The Center has a physical headquarters that businesses can go to and contact, an internet portal for finding information, and a helpline with operators trained in helping and guiding small businesses and business organisations. In addition to that, they are planning to set up a network of centres in the neighbourhoods.
- The Onsite technical assistance program, which offers free assistance that includes advice from a professional consultant on matters such as planning, attracting customers and customer retention/loyalty; communication, with techniques for improving the sale of their products or services, promoting their business or help in designing (including alterations) their premises and improving their shop fronts through Storefront Improvements; stocktaking; improving customer experience; and the financial management of their business. Businesses can also get help to become more sustainable by improving their energy efficiency.
- Recently the Unit has started to develop a social economy line in terms of improving the wellbeing of workers, the community and the environment. That means activities to support the creation of worker cooperatives, and to their ... in business ownership. People who are interested have access to the general programs for business people, which are backed up with workshops and days dedicated to worker cooperatives. Barcelona Activa took part in one of these to present Barcelona as an example for developing this sector in Boston.
- They also take part in the Women Entrepreneurs Boston program, described in the previous section, due
  to the importance of businesswomen in small businesses, more than a third of the total.
- Finally, they develop three programs, namely Food Trucks, Main Street and Public Procurement which it
  was felt, given their interest, should be dealt with separately with a fact sheet to introduce them.

<sup>&</sup>lt;sup>14</sup>The Intersector Project offers a critical review of the initiative in the following document: http://intersector.com/wp-content/uploads/2015/10/The-Development-of-Bostons-Innovation-District.odf

<sup>&</sup>lt;sup>15</sup>Should you wish to know more about the initiative, they have their own website: http://districthallboston.org/

<sup>&</sup>lt;sup>16</sup>For further information, consult their website http://roxburyinnovationcenter.org/

<sup>&</sup>lt;sup>17</sup>You can consult the document at the following link: https://www.cityofboston.gov/images\_documents/160330%20 Boston%20Small%20Business%20Full%20Report%20-%20Web%20(144dpi)\_tcm3-53060.pdf)

#### Interesting features

One of the most notable features of the Unit's experience is its recognition of the value small businesses have in the city's urban, social and economic fabric, of how they create employment among groups that, initially, present certain difficulties, such as women and the ethnic minorities. This ties in with the city's strategy of working for social inclusion and equality.

Another interesting aspect is its holistic focus and how it provides services tailored to businesses. In other words, not just presenting a service charter and seeing what can be adapted to their demands, but seeing what their needs are and responding to them.

A third aspect it works on is the idea of the neighbourhood as a sphere of action, which is reflected in the presence of the seven managers, each one working in a specific neighbourhood. This enables them to adopt a more individual and personal approach with companies, as well as establishing a reference point for the area. Developing the Small Business Center network on a neighbourhood level is another example of their willingness to work at that level.

#### Results/impacts

The Small Business Plan, on which the initiatives being implemented from the Unit are based, was published in 2016, so there has been no time to start talking about results and impacts or evaluate its activity. However, they are working on that now.

#### Design features and evaluation tools

The Small Business Plan is the main design feature of the activities carried out by the Unit. It resulted from an analysis of the situation which identified a series of problems and challenges that needed working on, and generated a series of initiatives for solving them.

As regards evaluation tools, the priority since 2017 has been to launch and develop the initiatives that came out of the Plan. Recently, though, they have started work on evaluating them. A set of quantitative indicators (number of businesses, turnover, jobs, etc.) are being drawn up that will be supplemented by others that better reflect the impact of the programs, such as indicators for business confidence, any increase in sales or in the number of customers. At the same time work is being done with 12 organisations that offer support to business people, to ensure all the players share the same language, the same way of collecting data and the same vision of what has to be monitored and evaluated. The base line methodology will be used to analyse the trends in the indicators.

#### Department responsible for managing it

The Small Business Unit is a separate department within the Economic Development Division called Small Business Development.

#### Person in charge

Karilyn Crockett, karilyn.crockett@boston.gov, 617-635-0355

#### For further information

https://www.boston.gov/departments/small-business-development

#### Office of Workforce Development

#### Introduction

The Office of Workforce Development (OWD) is a unit set up to promote the employability of people, especially those groups with low levels of employment and high levels of inequality and social exclusion. This unit has a more social, integral approach, focusing its work on a process of improving people's work skills, of training and generating job opportunities. During this process, the support given is that which is best suited to their needs, such as transport subsidies or paying for childminders, so they can attend activities.

This office takes advantage of construction projects for buildings, commercial zones and industrial zones promoted, supervised or participated in by the BPDA to obtain funds and/or train potential workers who might work on these building projects. This aspect is linked to the Boston Residents Jobs Policy ordinance, which establishes minimum participation levels for workers living in the city. Apart from this fund, the OWD also receives funding through federal and state grants, city contributions and donations. The funds it gets enable it to carry out two types of actions:

- a) Own actions. They run a series of services and programs designed mainly to improve the economic capacity of people so they can invest in their training, to generate job opportunities for those with more difficulty finding work and improve the future job opportunities of young people through access to training.
- b) External actions. They give support to different projects or initiatives linked to improving the employability of Boston residents that are run by various city organisations and they collaborate with these organisations to develop projects which are clearly beneficial to the city. These projects are the youth education programs, the trade apprenticeship programs, the programs for combating poverty, the work skills programs and those creating jobs for young people.

#### Main activities

The OWD, therefore, implements a wide range of programs and projects. The most significant and of most interest are:

- The Neighborhood Jobs Trust (NJT), a non-profit fund set up in 1987 to enable large construction projects (infrastructures, commercial zones, industrial areas, etc.) to benefit city residents with lower incomes as well. The NJT gets money from the big projects and uses it to finance jobs, training and activities for improving employability.
  - Because the promoters of building projects in excess of 100,000 square feet have to pay a \$1.67 fee for every square foot above that. They can pay it in two ways:
- Creating jobs. The money raised is allocated to training workers who will be hired on permanent contracts once the building work is completed and the project starts up.
- Contributing directly to the NJT funds.
- In 2016, the NJT funded 17 projects of various NGOs to the tune of \$1.2 million, which went to 340 people. It is worth noting that 83% of the people taking part in the programs funded by the NJT find work, enabling them to be paid an average of \$14.9 an hour, which is above the city's minimum wage, and means a 123% increase in the income of the people taking part<sup>18</sup>.

 $<sup>^{18}</sup>$ You can consult a report on the program for 2015 at the following link: https://20289-presscdn-pagely.netdna-ssl.com/wp-content/uploads/2016/07/FY15\_NJT\_ImpactReport.pdf

- II. Youth Options Unlimited (YOU), a program based on individualised management of cases of 14 to 24 year-olds with a criminal background and a criminal record who are difficult to place in the labour market. The program provides guidance and support services for developing their work or professional career, and support to help them break ties with the criminal youth gangs. Every year they attend to 300 young people who mainly live in the city neighbourhoods with the highest rates of poverty and violence.
- III. Operation Exit and Professional Pathways, a program that helps people who come out of prison, and works to get them reintegrated into society. Through the 12 construction sector unions, these young people are offered training and jobs in the sector. Fifty-four young people took part in them between 2014 and 2016, 41 of whom have found a job, started an apprenticeship and improved their salary. Jeffrey Velez, who runs the program, suggests t the key is the intense and comprehensive focus on the individual, and especially on the possibility of finding a job that pays more than the city's minimum wage.
- IV. Wage Theft and Living Wage Division This is the place where workers whose company 'robs' them of part of their wage can go to file a wage theft complaint. It should be noted that 'robs' or wage 'theft' is understood to mean they do not receive the pay they are due, whether it is part of the tips, their overtime or they are paid a lower rate, a wage below the city minimum (\$11 an hour or \$14.23 if the company has a contract of more than \$25,000 with the city), etc. The worker can file the complaint anonymously using an online form. According to a study carried out in 2008, two thirds of workers on low wages were victims of wage theft, estimated at some \$50 million a year. Once the complaint has been received, the action protocol varies depending on whether the company has a city permit for its activities (selling food, alcoholic drinks, bowling alleys, etc.) or not. In the first case, the company receives a visit to check the truth of the complaint and check the pay slips. If it is true, the municipal department that issues licences is notified and it may fine the company. In the second case, the victim is given support and informed of the legal actions he or she may take.

#### Interesting features

One of the most interesting features of this Office is its strong focus on diversity and equality in one of the cities with the highest inequality indices in the USA, a holistic focus centred on people's needs, with a great variety of programs conceived for young and elderly people, immigrants and minorities. Many share existing tools and the key is attending to people and their needs through individual case management, combining the most suitable available resources with the needs of each person.

As in the case of small businesses, each person is offered what they need to pass the program satisfactorily: transport subsidies, childcare or care for dependent people while they take part in the program, one-off grants when they are needed and so on.

Generally speaking, the model is a micro-scale intervention on the needs of each person, in order to improve their situation of inequality, but planning is on a city level to equip the various resources required for personalised intervention.

Another interesting aspect, reflected in the NJT ordinance, is that big city projects have an impact on disadvantaged people as well. In one way, it can be seen as a redistribution of a small part of the wealth these projects generate, a redistribution aimed at improving people's training and employability rather than giving them a payment (guaranteed income).

#### Results/impacts19

A number of positive results obtained have been mentioned in the various programs and initiatives that have been presented, for example, 300 young people a year attended to by the YOU, 41 young ex-prisoners that

have found a job, 340 participants in the 17 projects subsidised by the NJT, and the higher salary that participants in one of the NJT programs receive.

#### Design features and evaluation tools

Generally they do not use specific design or evaluation tools, apart from the annual activity and audit reports presented to the BPDA. They also publish a summary-report every year on their website, with the main results and impacts obtained on their programs, for public information. Some specific programs do include some design and follow-up mechanisms.

#### Department responsible for managing it

The Mayor's Office of Workforce Development manages itself, even though it is part of the BPDA.

#### Person in charge

Trinh Nguyen (Director), trinh.nguyen@boston.gov, and Peggy Hinds-Watson Assistant (Deputy Director), peggy.hinds-watson@boston.gov, 617-918-5248

#### For further information

https://owd.boston.gov/

#### **Boston Main Streets Program**

#### Introduction

This program was launched in the city in 1995 but it is part of federal program initially conceived for smaller cities (Main Street), which was successfully adapted to Boston. It is a public-private partnership formed by the city and 20 non-profits that have come out of the program in the 20 commercial districts of the city where it is working.

Its initial aim was to revitalise the commercial districts of the neighbourhoods. The first call to select non-profit organisations comprising business people, home owners and members of the general public who wanted to come together to work for their neighbourhood was organised in 1995. Ten organisations were formed in that first call, while in 2016 there were 20.

#### Main activities

Each organisation decides what it wants to do with the community's support. The city funds its structure with \$75,000 a year, which it has to justify. The structure consists of an office with a single paid person. That person is the director of the organisation's board, consisting of 12-15 community members in each neighbourhood (business people, residents and local institutions).

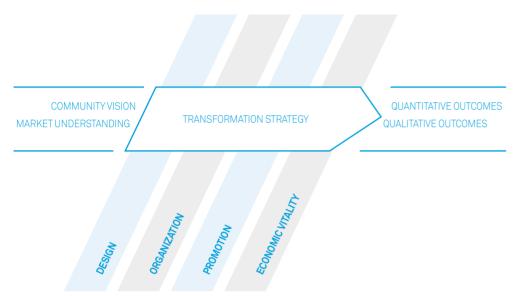
Their organisation is the same as that of the Main Street program and is based on four working committees, which cover four areas, and are composed of local citizens who want to promote, revitalise and improve their community. The working committees are design, organisation, promotion and economic development.

The latter usually has the job of obtaining extra funds so the organisation can carry out its actions and activities. Sometimes these extra funds can reach \$100,000 or \$200,000 on top of the initial \$75,000. Obtaining

<sup>&</sup>lt;sup>19</sup>You can consult the summary-report on their activity in 2016 at the following link: https://owd.boston.gov/wp-content/uploads/2017/01/DES92-0WD\_Annual\_ReportF.pdf

them is a requirement imposed on these organisations by the contract they sign with the City Council. The city (the Mayor's Office and/or the Council) can provide financial help for essential public works to be carried out, with specific support programs for businesses in the community where the organisation is active.

#### Conceptual diagram of the Main Street program



Source: http://www.mainstreet.org/main-street/about-main-street-america/the-main-street-approach.html

#### Interesting features

This is a relatively economical program, since only a minimum structure needs funding for each organisation, which generates community belonging and social cohesion, improving the neighbourhoods by involving the general public, the business community and associations in designing and managing it. So it is an easy program to manage that has produced some very encouraging results in the last 15 years. Moreover, it is compatible with and can be linked with other grants given out by the City Council for economic promotion, business creation and better jobs.

#### Results/impacts

In the 15 years this initiative has been running, the neighbourhoods that have implemented it have improved a lot, becoming more habitable and safer. The figures published on the program's website show that, in 2015, 91 businesses were set up along and 565 jobs were created, while volunteers invested 28,000 hours of work and 494 events were organised.

The latest available figures show that between 1995 and 2016, a total of 1,394 new businesses and 8,176 new jobs were created, while volunteers invested 373,680 hours of work.

The evaluation of the impact on a federal program level is that for every \$ invested, the average return obtained is \$3.

#### Design features and evaluation tools

Besides the economic justification that the organisations have to present, they must report monthly to the department/body responsible for managing the program the figures for company creation/destruction, jobs, events that have been organised, the number of businesses attended to, and the extra funds that have been raised (number and amount). Furthermore, the BPDA produces an annual report on the program's results.

#### Department responsible for managing it

Responsibility for the program lies with the Small Business Unit.

#### Person in charge

Stephen Gilman, stephen.gilman@boston.gov, 617-635-0076.

#### For further information

https://www.boston.gov/departments/small-business-development

#### **Food Trucks Program**

#### Introduction

This program was launched in 2011 to support the start-up, development and maintenance of catering businesses based on the Food Trucks street food model.

The initial aim was to generate business ideas for producing quality, healthy fast food that would meet adequate health standards and serve the city's various neighbourhoods while creating jobs. In short, business ideas that were economically sustainable and would become established over time, either by opening a restaurant or increasing the fleet of food trucks.

#### Main activities

A first call for three food truck licences was announced in 2011 and the awardees could choose where in the city they wanted to park their trucks to sell their products. Since then a total of 90 licences have been awarded, a success in popular and business terms.

The Small Business Unit offers anyone interested personal, individualised support throughout all the processes involved in opening a food truck business. They run from processing the municipal licences to searching for places to park the trucks, either public (by means of competitions) or private (by means of agreements with the owner), managing the hours for serving the public, the regulations and funding access requirements.

#### Interesting features

Food trucks are a very popular business in the United States. They also represent a trial run for the catering business owners themselves, who can start their business and see how their products are received. In many cases these food trucks have served as incubators for business ideas that have subsequently become established as restaurants, in approximately 30 cases. At the same time, these business people have opted to expand their food truck business, acquiring new trucks and expanding their fleet.

Finally, some restaurant owners take advantage of the 'trial-run' character of the food trucks to markettest new products before including them on their menus.

#### Results/impacts

The most significant result is the truck licences they have managed and the 90 food trucks that have opened in the last 6 years.

#### Design features and evaluation tools

There is no particular design feature or evaluation tool. The program is monitored through the requests for help and the number of food trucks.

#### Department responsible for managing it

Responsibility for the program lies with the Small Business Unit.

#### Person in charge

Prayas Neupane, prayas.neupane@boston.gov, 617-635-0343.

#### For further information

https://www.boston.gov/economic-development/food-trucks

#### Support for small businesses in public procurement

#### Introduction

The BPDA discovered that only 7% of public procurement in Boston was done by local small businesses, in particular women- and minority-owned businesses. So they decided to include this initiative in the 2016 Small Business Plan.

The aim is to improve transparency, accessibility and support for small suppliers in order to increase their participation in public procurement in the city. This initiative is also in line with the city's strategy for improving social inclusion and equity.

#### Main activities

So, with the aim of increasing the number of small businesses awarded contracts, especially minority-women- and immigrant-owned ones, every time a municipal department puts the provision of services or products out to tender, this initiative ensures these types of businesses can take part. They contact the businesses, inform them of the call and encourage them to put in their bids.

They have also created a central contact and information point, which offers suppliers systematised information, classified in categories, on the planned and open tenders.

As well as offering better access to information they also provide specific training to interested suppliers. This is so they understand the public procurement process better, such as the administrative language used or the documents they are usually asked for, and can prepare their bid better. They also hold group sessions where they can talk to some city departments about their procurement processes, and some "success cases" are presented that can serve as an example.

Finally, they are also working on the possibility of a more flexible certification option so these businesses can submit a bid.

#### Interesting features

This is a very interesting mechanism for supporting small businesses and particularly vulnerable or under-represented groups in entrepreneurial ecosystems that have a lot of potential.

Translated to a more European level, this mechanism is compatible with inserting social clauses in public procurement contracts and would supplement them.

It is also a mechanism that would help small businesses from the social economy to be more competitive in public contract tenders. In that regard, a very interesting aspect is the active contact with small businesses, both to inform them of the specific possibilities of taking part in tenders, as well as the training designed to let them know how to get contracts in the public sector.

#### Results/impacts

This initiative is too recent and the results and impact it is having have not yet been evaluated. It will need to run for a few more years first.

#### Design features and evaluation tools

They do not have any particular design feature of evaluation tool. The follow-up evaluation they use is very conventional, based on the number of suppliers they maintain contact with. With regard to evaluating the result, we will have to wait and see if, in the coming years, there is a higher percentage of public procurement with these suppliers.

#### Department responsible for managing it

Responsibility for developing this initiative lies with the Procurement Department, although they work with other departments, such as Economic Development or Small Business Development.

#### Person in charge

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#### For further information

https://www.boston.gov/contracting-city

#### 2.2.1.5. Change management

Boston has various tools and mechanisms for predicting and detecting new trends, and working on adopting measures that will enable them to adapt to the new changes registered. Various stakeholders take part in these tools and mechanisms and different methodologies are used for the analyses.

The most important tool directly related with the BPDA is its own Research Division, which focuses on analysing the city's economic environment. The Division is responsible for producing various reports on the city, some regular, others occasional. These are based on statistical analyses of the databases they have access to. There are different types of reports:

- a) Annual economic reports and reports on trends in the city economy, focused on economic growth, employment, salaries and the real estate market. The 2017 report included a comparative analysis of Boston's economic environment in relation to a group of 25 cities across the United States.
- b) Regular reports that analyse the situation in the city's neighbourhoods.

128 International compar**ative study o**f local development agen**cies** 029

c) Reports on particular subjects, with varied content, relating to new trends based on projections, such as the situation regarding the population or the immigrant population, the development of the creative economy, the health sector or the technology sector, or past and future labour market trends for city residents and non-residents.

It also has two other tools or mechanisms worth pointing out. One is strategic planning through public consultation. The other is based on the city's international relations and creating collaboration networks:

- With regard to the former, 2015 saw the launch of an initiative called Imagine Boston 2030, a public consultation on how they believe the city will change and how they would like it to change, in which more than 14,000 residents have already taken part. The aim is to produce the final version of the plan "Imagine Boston: expanding opportunities" by the summer of 2017. A draft version of the plan<sup>20</sup> was ready in May 2016, with an extensive report analysing the main trends in the city, past and future, and proposals for adapting and changing these trends.
- II. As regards the latter, collaboration with other cities is carried out through a twinning program. This program seeks cultural exchanges with other cities for mutual learning. In other words, by means of an exchange, the city can learn from the experiences of other cities, enabling it to spot trends and successful programs and policies that are already being carried out. Boston is currently twinned with 10 cities, one of which is Barcelona.

#### 2.2.1.6. Future challenges and prospects

The last Economic Report from the BPDA's Research Division contained the main future challenges that will need to be tackled in the coming years. Those are:

- Slowdown in economic growth In recent years the City of Boston and State of Massachusetts have
  experienced strong growth in wages and jobs. This year more moderate growth is forecast and the
  projections suggest a gradual slowdown until 2020.
- Ageing workforce They estimate that the proportion of Boston's population aged 65 or over will rise to 14% in 2030. This is significant considering the importance of the education sector, which entails receiving young students, a large number of whom stay in the city to develop their professional career.
- Finding work for the immigrant population. Boston's growth is determined by the arrival of new
  residents. With significant population growth forecast and a moderate growth in the number of jobs,
  there could be problems with unemployment.
- Skilled workers for the jobs of the future. Forecasts show that a lot of work will be created in industries with high added value in knowledge. That means there will be a need for a highly skilled workforce. Which explains why the OWD puts such emphasis on programs that will enable the youth of families on modest incomes to study.

Besides the Imagine Boston 2030 process, it is worth highlighting the challenge posed by the high levels of inequality in the city, with significant disparities in education, own housing, travel time, access to food, access to health care and other factors. Other aspects are very closely related to health outcomes and wealth gaps between races and neighbourhoods. Therefore, working for social inclusion by reducing inequalities is an important challenge on the social agenda and in which the local development policies have to intervene.

#### **Boston highlights**

- The priority given to social inclusion, clearly shown by the creation of a powerful Economic Inclusion and Equity Agenda, is reflected in various measures such as the establishment of a minimum wage (Decent Jobs and Wages Ordinance), the employment policy for residents in the construction sector, the special tax for large-scale urban development operations to fund social inclusion and better employability for people from the disadvantaged neighbourhoods, various programs of the Office of Workforce Development that target people with low employability levels or foster entrepreneurship among women and the ethnic minorities as a means of social inclusion.
- The specialised support they give to small businesses.
- The various services and resources they have for fostering women's entrepreneurship.
- Promoting public procurement among suppliers of local goods and services.

#### 2.2.2. The Toronto case

Toronto is Canada's most populated city and its main financial centre, the place where its main stock exchange, and the world's seventh biggest, is located. Besides being a financial centre, it is also an industrial and commercial centre, which explains why it is considered to be Canada's economic capital. It has a strong, diverse economy based on various sectors, such as business services, telecommunications, transport, the media, art, cinema, medical research, education and tourism.

City government in Toronto is organised on several levels. First, Toronto City Council, with 45 councillors chosen in 45 electoral districts. Second, the chairpersons of the four standing committees, who are appointed by the City Council, and the City Manager, i.e. the mayor, voted directly by Toronto's citizens. The City Manager forms an Executive Committee that he or she chairs, three deputy mayors and the chairs of the six standing committees chosen by the City Manager. This committee is responsible for setting the city's priorities, financial and budget management, and the general functioning of the City Council (human resources). It also makes recommendations to the City Council on various matters. Apart from the Executive Committee, civil society participates in the decision-making process through 11 thematic committees responsible for gathering information and reporting to the City Council, and four area-based Community Councils that have decision-making power over local issues (parking, economic revitalisation areas, local boards, and so on).

On an executive level, the areas of city government are organised into three groups of activities that are managed by the respective deputy mayors, or deputy city managers.

- The first group of activities is linked with economic, cultural and social development and employment, with services for children and the long-term sick, among others (parks and gardens, justice, housing, etc.).
- II. The second group combines activities associated with infrastructure (water, waste, facilities, municipal buildings, etc.), urban transport, emergency services and city planning.
- III. The third group is directly related with city government itself (citizen helpline, financial planning, intervention, etc.).
  - Furthermore, the City Manager also has responsibilities, including equality, diversity and human rights.

With regard to the focus of attention of this report, centred on local development in Toronto, the first group of activities is the most interesting. And two divisions that stand out in the city administration are Economic Development and Culture, and Employment and Social Services.

<sup>&</sup>lt;sup>20</sup>The document can be consulted at: http://20222-presscdn.pagely.netdna-cdn.com/wp-content/uploads/2017/05/Ib2030%20Vision%20Report%20Spring%202017%20B00K%20issuu\_pages.pdf

#### 2.2.2.1. Mission, goals and strategic vision

The city government's mission is embodied in the document *City of Toronto. Strategic Actions 2013-2018*<sup>21</sup>, which states that Toronto's local authority champions the city's economic, social and environmental vitality. Thus, the city must:

- Be capable of offering high-quality and affordable services that respond to the needs of local communities, and investing in infrastructure to boost construction in the city.
- Lead the way in identifying issues that are important for the city and looking for creative ways of responding to them.
- Promote and maintain a responsible system of government where the interests of individuals and communities are balanced with those of the city as a whole.

In addition, public participation must be an integral part of the city's decision-making processes. The strategic vision is based on four points:

- 1. Toronto as a people-friendly and caring city.
- 2. Toronto as a clean, green and sustainable city.
- 3. Toronto as a dynamic city.
- 4. Toronto as a city that invests in quality of life.

Based on all the above, the strategic goals of the city government's intervention are grouped around six themes:

- 1. City building, with four specific goals: to create infrastructures for a successful city that ensures the wellbeing of individuals and the community and which attracts investment; public service excellence, with high-quality, well coordinated and easily accessible services; smart, well-planned urban growth with efficient, accessible, integrated services and transport; and city quality through art, culture and heritage that improve its quality of life and international image.
- 2. Economic vitality, with four specific goals: to ensure the active population has the training, skills and knowledge demanded by a constantly evolving and competitive economy; generate high-quality employment and a broad range of opportunities; create a dynamic economic base with diverse companies and jobs based on competitive advantages through excellence in education, research, entrepreneurship and innovation; and promote the city's international image as an attractive place to live, work, visit, invest and locate businesses in.
- 3. Environmental sustainability, with three goals: environmental awareness by means of active public participation; environmental sustainability through a balance between human activity and consumption and the environment's capacity to absorb their emissions and impacts; and promoting the health of the city's residents.
- 4. Social development, with the following specific goals: to strengthen the capacity of the community so it has a sense of belonging and contributing to the city, and the capacity to take part in the city's social, political, economic and cultural life; promote people's welfare, so they have access to adequate levels of income, health, food, housing and clothing; promote and celebrate access, equality and diversity, so there are resources and opportunities for responding to the particular needs of different communities; and ensure public safety.
- **5. Good governance,** with four specific goals: civic engagement by means of open and democratic decision-making processes, and inviting people to establish an effective dialogue to contribute to

the city's wellbeing with their ideas, opinions and energy; to strive for organisational excellence, with an appropriate legislative authority, financial tools and organisational structures and processes that support its responsibilities and help to achieve its goals; partner other players in intergovernmental matters; and, in terms of international relations, ensure the city is an international benchmark for other cities and benefits socially, culturally and economically from its international links.

**6. Fiscal sustainability,** with two specific goals: administering the city's heritage and resources by means of sound financial planning; and organising financial sustainability mechanisms.

In this context it should be noted, in relation to the city's economic development, there is a joint focus on sectors considered key for the city and they work on developing them. Those sectors are culture and art; industries linked to shooting films, music and the entertainment industries, such as tourism; design and fashion; education; food; the life sciences, and financial services.

Another notable feature, also strategic for the city, is the Fair Wage Office and Policy<sup>22</sup>. This policy prevents the city government from hiring companies that discriminate against their employees. The Office is responsible for investigating complaints and forcing companies that have not paid the required hourly rate to do so. This policy affects five sectors connected with the construction industry, such as the construction of facilities or institutional buildings; building public infrastructure, such as roads or related with water; heavy construction; building factories, and some services – security, office cleaning, etc. The goals pursued are to:

- Achieve stable industrial relations and avoid conflicts.
- Achieve greater balance between the salary differences in jobs organised around unions and those that are not.
- Protect workers against exploitation.
- Change the city's reputation to one that promotes fair and ethical business.

Finally, mention should be made of TO Prosperity: Toronto Poverty Reduction Strategy<sup>23</sup>, which highlights three worrying trends that are common to many big cities:

- 1. The difficulties people in work have making ends meet, due to the disparate trends in the price of basic goods and services (rents, food, energy, transport) and wages.
- The precarious nature of employment, with interrupted or unfinished careers (growth in unwanted parttime work).
- 3. Systemic poverty, with an increase in poverty and the number of poor people.

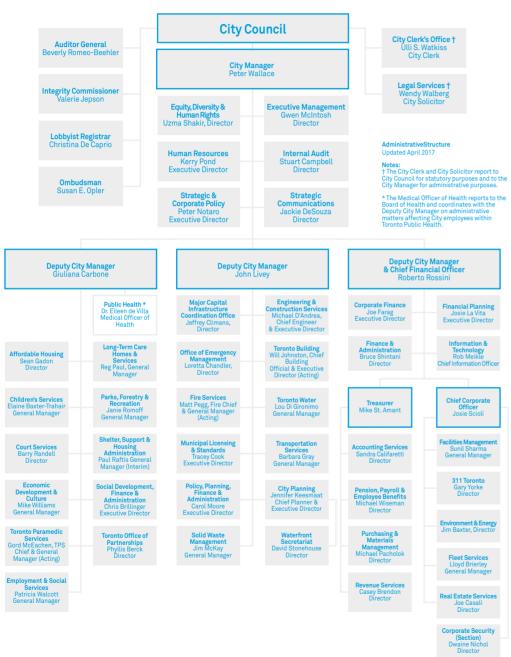
The city has set three goals to meet these challenges: to satisfy the immediate needs, design pathways to prosperity and promote a systemic change.

<sup>&</sup>lt;sup>21</sup>More information at this link: http://www1.toronto.ca/City%200f%20Toronto/City%20Manager's%200ffice/Files/StratActionsBklt\_Tags.pdf

<sup>&</sup>lt;sup>22</sup>Further information available at: https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=f66a2ec86f43b510VgnVCM10000071d60f89RCRD

<sup>&</sup>lt;sup>23</sup>The document is available for consultation at the following link: http://www1.toronto.ca/City%200f%20Toronto/Social%20Development,%20Finance%20&%20Administration/Strategies/Poverty%20Reduction%20Strategy/PDF/TO\_Prosperity\_Final2015-reduced.pdf

#### 2.2.2.2. Organisational model



Source: City's Organisation Chart

The city's Organisation Chart shows the situation of the two divisions that bear the weight of local development in the city: Economic Development & Culture, which manages economic promotion policies and measures, and those aimed at boosting the business community and the city; and Employment & Social Services, responsible for policies designed to promote employability and personal social development. It should be noted that the city does not have a particular agency for economic development, although it does have specific agencies, such as transport, police, health and libraries, among others.

Both divisions are funded by the municipal budget<sup>24</sup>. The 2016 and 2017 budgets for the programmes of each division are shown below.

		2017	Change from 2016 Approved Budget		2017	2017 CN 017 Approved		rom 2016 d Budget
(In \$000's) \$	2016 Budget	Base Budget	\$ Incr / (Dcr)	%	New / Enh. Budget	Operating Budget	\$ Incr / (Dcr)	%
Citizen Centred Services "A"								
Affordable Housing Office	1,201	1,170	(31)	(2.6%)		1,170	(31)	(2.6%)
Children's Services	78,122	79,523	1,400	1.8%	3,458	82,981	4,859	6.2%
Court Services	8,545	9,246	701	8.2%	(11)	9,235	691	8.1%
Economic Development & Culture	58,941	61,321	2,379	4.0%	180	61,501	2,559	4.3%
Toronto Paramedic Services	78,922	78,189	(732)	(0.9%)		78,189	(732)	(0.9%)
Long-Term Care Homes & Services	48,493	47,323	(1,170)	(2.4%)		47,323	(1,170)	(2.4%)
Parks, Forestry & Recreation	316,085	316,662	577	0.2%	1,993	318,654	2,569	0.8%
Shelter, Support & Housing Administration	348,415	401,062	52,647	15.1%	6,000	407,062	58,647	16.8%
Social Development, Finance & Administration	32,023	32,194	172	0.5%		32,194	172	0.5%
Toronto Employment & Social Services	137,743	110,551	(27,192)	(19.7%)		110,551	(27,192)	(19.7%)
Sub-Total Citizen Centred Services "A"	1,108,490	1,137,240	28,750	2.6%	11,620	1,148,860	40,371	3.6%

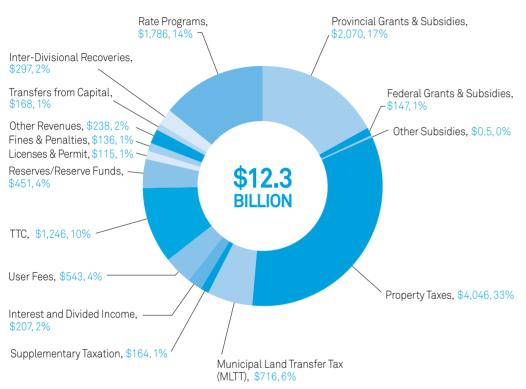
Source: Toronto 2017 Budget. 2017. Presentation to the City Council (Council Approved Version)

<sup>&</sup>lt;sup>24</sup>The full city budget can be consulted at: https://www1.toronto.ca/City%200f%20Toronto/Strategic%20Communications/City%20Budget/2017/PDFs/2017%20CN%20Approved%20Budget%20(0p%20%20Cap)%20%20Position%20Summary%20(%20final%20June%2013).pdf

The second figure shows Toronto city government's main funding sources.

#### WHERE THE MONEY COMES FROM

2017 Tax and Rate Supported Operating Budget (\$ Millions)



Source: Toronto 2017 Budget. Presentation to the City Council (Council Approved Version)

Finally, there is no detailed information on human resources available for the divisions. On a general level, as of March 2017, the city employed 33,462 people, not counting those in the different agencies (Transport, Police, Libraries, Health, Community Centres, etc.). Although there are no details on the staff employed, there is the information in the following table:

Full-time		Full-time V			
Permanent contracts	Temporary contracts	Part-time contracts	and leisure sector Recreation workers	Other	Total
19,928	2,142	3,495	7,821	76	33,462

<sup>&</sup>lt;sup>25</sup>For further information on the city budget we recommend you visit the following site: https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=bf2cf02ab1208510VgnVCM10000071d60f89RCRD

#### 2.2.2.3. Its main spheres of action and the services it provides

In the sphere of local development in Toronto, four lines of work need highlighting:

- Business Service. The aim of this service is to promote and strengthen Toronto's business environment, and give support to business people and businesses so they can develop and grow. It offers a series of services, notably the:
  - Business Growth Service, to help businesses grow and expand through customised support, depending on their needs and priorities.
    - Corporate Calling Program: a direct line of communication between small and mediumsized businesses and the service to solve the different problems or needs that arise. It is worth pointing out that the service has a different contact person depending on the four territorial areas that form the city's administrative structure.
    - II. Imagination, Manufacturing, Innovation, Technology (IMIT): support programme for constructing and/or expanding city buildings, in certain sectors of the city or for certain business sectors. in the form of tax benefits.
    - III. The Gold Star Program, designed to give support to and speed up new building projects or areas of business by treating each case individually and providing assistance during the building project approval process.
    - IV. Export Development Advice, an information, guidance and training service to help companies with exporting to new markets, the regulations and processes associated with exporting and access to representatives of the nine cities with which Toronto maintains formal relations in the economic development sphere: Chicago (USA), Chongqing (China), Frankfurt (Germany), Ho Chi Minh City (Vietnam), Milan (Italy), Quito (Ecuador), Rio de Janeiro (Brazil), Sagamihara (Japan), Warsaw (Poland) and Kiev (Ukraine).
    - V. Toronto Signature Sites Collection, an inventory of outstanding industrial and commercial sites in Toronto that are for sale.
    - VI. Business Opportunities Bulletin Board, a marketplace that brings investors, buyers and sellers with business and investment opportunities together, with information on businesses for sale, businesses looking for investment, joint venture and licensing opportunities, investors looking for acquisition possibilities, etc.
  - Entrepreneurship Service, which helps with business plans; advises on the bureaucratic
    procedures that need to be followed (registering the company's name, government regulations,
    permits and licences); provides training in the form of seminars, forums and short courses; has a
    directory of incubators, coworking spaces and organisations which help business development.
    Further information is given below.
  - Business Improvement Areas (BIA), programme that helps improve commercial districts and business premises. Also presented in more detail in the next section.
- 2. Art and Culture Service. This service has a sectoral focus, helping businesses involved in activities associated with art and culture to grow. It offers financial support to art and individual artists, and organises large-scale cultural events as well as inclusive art programmes. It also partners community organisations and bodies, as well as artists in designing and implementing community programmes and cultural opportunities. Finally, it manages four city-owned cultural centres and art galleries.
- 3. Toronto Film, Television & Digital Media Office<sup>26</sup>. This Office is in charge of coordinating and granting licences for shooting films in Toronto (over 3,000 permits each year for more than 1,300 film, TV and

<sup>&</sup>lt;sup>26</sup>Should you require further information, visit the office website http://ofe.boston.gov/

commercial projects). It also offers support to the live and studio music industry and producers of events in the city.

- 4. Employment & Social Services. They have 19 centres around Toronto, where they help people in different ways: looking for work (job offers, training); access to financial benefits through the Ontario Works programme; and links with other services, including health, housing and childcare. The main resources worth highlighting are:
  - Work Centres and Social Services More information on this programme will be provided in the next section.
  - Education & Training, which advises people who have studied outside Canada on translating and validating their qualifications, as well as offering adult education and training, especially in English, linked to provincial training programmes or Ontario Works.
  - Toronto Employment & Labour Market Information (TELMI), which is an information bank on existing resources, programmes, studies on professions, etc., for companies as well as workers.
  - Partnership to Advance Youth Employment (PAYE)<sup>28</sup>. A programme that promotes job placements for young people at risk. More information is provided on this programme below.

#### 2.2.2.4. Pick of the programmes, services and initiatives

- Partnership to Advance Youth Employment (PAYE)28.

#### Introduction

This programme seeks to promote youth employment and get people aged 18 to 29 in the city's disadvantaged communities into work. It is a joint initiative between private sector companies that offer jobs and the city of Toronto, which was launched in 2009. It deals mainly with young people ready for work who are no longer at school and are unemployed. However, it also provides help to youngsters with lower levels of employability, giving them training to find work and access appropriate programmes offered by the city.

#### Main activities

The main activities contemplated in the programme are one-to-one support and guidance to participants; mediation between companies and participants; coordination and joint work with the businesses taking part in the programme, as well as other organisations involved in the programme.

In 2015, over 2,100 young people received individual attention or coaching and were able to access work and training networks through PAYE. In contrast to other programmes, apart from guidance and individual coaching, young people receive specific job training through events organised with the businesses that are part of the programme.

In all, more than 140 Toronto companies have joined the programme which facilitates intermediation with those businesses, facilitates identification and contact with skilled young people from various backgrounds, such as postgraduates who have recently arrived in the city and youth from the various neighbourhoods who reflect the company's local customers.

The PAYE programme also runs and coordinates the work between businesses and the various participating organisations such as the Youth Employment Partnership (YEP), Toronto Immigrant Employment Council (TRIEC), Ontario Job Opportunity Information Network (JOIN), and the organisations that deliver services to the first-nation communities.

#### Interesting features

The most striking aspect is the partnership network achieved with the businesses. They participate in the programme for the benefit it offers them in finding skilled young workers that meet their needs. At the same time, they feel a sense of responsibility towards the community and in return offer young people jobs and work experience.

Another notable feature is the fact that the Toronto Immigrant Employment Council (TRIEC) has just joined. Its role is to find suitable work for the immigrant population by providing city companies with training in interculturalism. Among other things, TRIEC has developed an intercultural index in companies and carried out various studies on the economic impact of underemployment among immigrants.

Finally, it is worth highlighting how the individualised coaching these people receive is combined with training activities in collaboration with businesses, thus adapting the labour force to the needs of the job market.

#### Results/impacts

The main result that stands out is the fact that in 2015, more than 2,100 young people took part in the programme and 1,100 were taken on. What's more, there are 140 companies involved in the initiative.

#### Design features and evaluation tools

There is no particular design feature or evaluation tool beyond monitoring the number of people they attend to, the number of young people who join the labour market and the number of businesses that are part of the project partnership.

However, one design feature with distinguishes it from other programmes is the personalised coaching focus, training each person for a specific job and the access to company networks, through events organised with partner companies, which has been referred to on a number of occasions.

#### Department responsible for managing it

The Employment & Social Division is in charge of managing the program.

#### Person in charge

Jennifer Posthumus, jposthu@toronto.ca, (416) 397-0722

#### For further information

https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=9911234a8263b410VgnVCM10000071d60f89RCRD

<sup>&</sup>lt;sup>27</sup>More information on the program at http://www.mcss.gov.on.ca/en/mcss/programs/social/ow/ <sup>28</sup>For more information, go to the following link: https://www1.toronto.ca/wps/portal/ contentonly?vgnextoid=9911234a8263b410VgnVCM10000071d60f89RCRD

#### **Business Improvement Areas (BIAs)**

#### Introduction

The aim of this programme is to promote Toronto's neighbourhoods economically and culturally by creating public-private partnerships between business people, property owners, the general public and local government bodies in the city's neighbourhoods and local communities.

The programme is regulated by Chapter 19 of the Toronto Municipal Code, which sets out their definitions, the procedures for establishing a BIA, the budget and so on. The goals defined are to:

- Improve and maintain municipal land, buildings and structures above the standard level for the city and generally at the expense of the municipality.
- Maintain the improvements carried out by the BIA businesses.
- Maintain the BIA as a business, employment, tourist and shopping area.
- Offer graffiti and poster removal services, respecting façades visible from the streets, to all BIA members.
- Implement safety and security initiatives.
- Implement the strategic planning required for tackling BIA issues.
- Defend the BIAs interests.

Finally, it is worth highlighting the fact that all the existing BIAs in Toronto belong to the Toronto Association of BIAs (TABIA)<sup>30</sup>. Promoting collective negotiation by the city's BIAs, *TABIA* actively furthers the interests of its members. It operates at all levels of government to further the business interests of the improvement areas and create an environment in which its members may prosper, whether it is a question of parking problems, rubbish collection, safety and security, taxes or BIA legislation.

#### Main activities

The main activities of the programme include:

- a) Façade Improvement Funding Program. This offers funding to owners of commercial or industrial property to redesign, renovate or restore them. The improvements include brick cleaning, restoring walls or emblematic features, improving wheelchair access, signage, windows and displays, lighting and tiling or any other masonry features. Funding covers half the cost, with a minimum limit of \$2,500 and a maximum of \$10,000. Another requirement is that the premises are part of a BIA and over five years old.
- b) Streetscape Improvement Program. Every year more than 80 infrastructure improvement projects are carried out with a \$3.5 million budget. The project budgets are between 10,000 and a million dollars, and the expenses are usually distributed evenly between the city and the BIA. As a rule, the projects involve improvements to pavements, lighting, roadside trees, urban furniture, open spaces and so on. Besides improving the city's urban image, these projects help to revitalise the economy and create safe, attractive areas that help BIA members to maintain and grow their businesses.
- c) Outdoor Mural and Street Art Program. BIAs can get up to \$5,000 to carry out projects or hold open-air events to promote a local theme and boost the neighbourhood's commercial identity. This program helps businesses and local communities to create an attractive and positive identity for their shopping areas. The projects:
  - contribute to community and business pride.
  - promote a unique community theme.

- leverage partnerships (business contributions, funding through donations, services in kind and voluntary resources).
- attract customers to commercial areas.
- provide benefits for the community, in terms of economic development, community development, youth participation and local arts, among other things.
- involve and encourage businesses, residents and other community representatives to take part in the project.
- d) In addition to all the above, various materials and tools have been produced for BIAs for any of their development stages and needs, ranging from the first steps in setting up a BIA (procedures, business plan, budget), governance (established in their regulations), guidance for BIA administrators, to interacting with the community, finding volunteers and hiring staff.

#### Interesting features

In general this is an economic program with a high return on investment, as it is capable of mobilising significant private investment in improving the neighbourhoods on the basis of little public investment. Investment which can easily be linked to other aid or investment in infrastructures the city is already making, or other programs and services designed for economic promotion, business creation and creating jobs.

Also interesting is the idea of creating an identity, improving community cohesion and bringing about social improvement in the neighbourhoods by involving the general public, the business community and the associations in designing and running the activities on a local level, activities that are linked to local art, which generate points of interest in the neighbourhoods and can give an outlet to new talent and forms of art that emerge in the community.

Finally, it is a program that has been active since 1970, showing good results and generating lots of resources from the considerable accumulated experience in the form of different materials. That means capitalising on the accumulated knowledge to design similar programs and projects, both in Toronto and other cities around the world.

#### Results/impacts

The first BIA was set up in Toronto in 1970 and since then the BIA initiative has been copied by other cities internationally, though Toronto is the one with the biggest number of BIAs in its urban centre. That means it is an initiative with nearly 50 years of experience, which is still active and which has been replicated elsewhere, showing the major impact it has had and continues to have.

The main data for the Toronto initiative are:

- The 82 BIAs currently in the city, which are a dynamic and influential part of the city's economy and culture.
- The BIA members employ over 400,000 people, full or part time.
- Over 7.4 million people attended more than 160 events and street festivals organised by the BIAs in 2016.
- Every dollar invested by the Toronto local authority in the BIAs mobilises 10 dollars of private investment for marketing, promotion, festivals and projects to improve the urban image of the city's neighbourhoods.

<sup>&</sup>lt;sup>28</sup>Available for consultation at: http://www.toronto.ca/legdocs/municode/1184\_019.pdf

<sup>&</sup>lt;sup>29</sup>Further information available on their site: http://www.toronto-bia.com/

<sup>&</sup>lt;sup>31</sup>There is a repository of all the documents at the following link: http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=610e54ae91cda510VgnVCM10000071d60f89RCRD

#### Design features and evaluation tools

The most important data are monitored periodically, for example, the number of businesses in each BIA, the private investment achieved, the public investment made, and so on. With regard to public and private investment, mention should be made of how they calculated an indicator that measures the capacity to generate private investment with public investment, which can be interpreted as a neighbourhood cohesion indicator.

The Ontario BIA Association (OBIAA) and TABIA recently commissioned a BIA evaluation study called Return ON Investment of BIAs Consultation Report, which was presented in February2017<sup>32</sup>. This study contains the result of a broad consultation of the BIA stakeholders in the province of Ontario, where Toronto is situated. The aim of the consultation was to identify the success factors common to all BIAs, businesses and governments, in order to establish indicators and benchmarking and measure the development and progress of BIAs consistently. Consequently, four basic objectives have been identified and a series of indicators have been designed for each one. All the BIAs will therefore be measured with the same indicators, which will make it possible to compare them all and produce useful comparisons with these four objectives:

- I. Streetscape: physical conditions of the streets and their buildings, and visitor experience.
- II. Economic development: jobs, investment, economic impact studies.
- III. Support for local businesses: impact on businesses, visits, marketing.
- **IV. Community building:** Participation of BIA members (including volunteers), collaboration with the city government, collaboration with the community, safety and security.

#### Department responsible for managing it

The Program Office is attached to Economic Development & Culture, more specifically the BIA Office.

#### Person in charge

Mike Majors, mike.majors@toronto.ca, 416-392-1291

#### For further information

http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=986a54ae91cda510VgnVCM10000071d60f89RCRD

#### **Entrepreneurship Toronto**

#### Introduction

The program is designed to offer support to business people in the process of setting up and establishing their businesses. It seeks to expand and improve the city's productive fabric, creating new businesses, helping existing ones grow, transform and, above all, adapt to change. In this way they seek to create job opportunities in sectors of the future.

#### Main activities

The program offers different tools and services to support businesses and business people at different stages (designing and developing their idea, setting up their business, consolidation, expansion, etc.) The services consist of the following:

http://www.toronto-bia.com/images/stories/PressReleases/OBIAA-ROI-Consultation-Report.pdf

- **Business Start-ups** There are more than 60 incubators and accelerators in Toronto offering support to businesses in various sectors, such as the digital sector, health, food handling and commerce. The program has an inventory of the existing initiatives and is tailored to people and businesses according to the characteristics of their business idea and sector of activity.
- Small Business Centres. There are three offices that act as one-stop shops for business people. These
  centres offer different services:
  - o Drawing up a business plan. Here they can take part in seminars (Business Plan Boot Camp) and webinars (online), as well as receive customised advice.
  - o Mentoring program, where they get advice from experienced business people.
- o Growth Wheel Business Expansion. This service helps businesses expand by providing professional consultants who work with interested businesses. They carry out an in-depth study of their operations and, together with each business person, develop their goals, strategies and plans for actions to grow the company. Two types of support are offered: group or individual.
- The Starter Company Plus initiative works on entrepreneurship in a number of sectors which the city government wants to boost. Grants ranging from \$2,500 to \$5,000 (depending on the sector) are offered, together with one-to-one guidance, mentoring and full-time training to untrained, unemployed city residents who are interested in starting a business in the following sectors:
  - o Art (Starter Company Plus Creative Arts), where applicants are offered up to \$2,000, plus \$1,800 for signing up to the Artscape Daniels Launchpad<sup>33</sup> for a year to start their art and design business. This program provides a multidisciplinary environment of tools, equipment and technology; entrepreneurial programs and activities; and a market place of services, resources and opportunities.
  - o Digital transformation for BIAs (Starter Company Plus Digital Main Street). This is geared towards businesses in Toronto's 82 BIAs and aims to ensure that businesses develop their own digital transformation plans. Grants of up to \$2,500 are awarded for implementing these plans and businesses are offered support in the form of training, technical assistance and lower prices when buying digital services via the online Digital Main Streets<sup>34</sup> platform.
  - o Fashion (Starter Company Plus Fashion). In collaboration with Toronto's fashion incubator<sup>35</sup>, this program subsidises any interested persons up to \$5,000 for one year's residency in the incubator.
  - Food (Starter Company Plus Food Venture). In this sector they work with Food Starter<sup>36</sup>, the sector's business incubator, offering up to \$5,000 as funding to use the incubator's various services, as training and technical assistance.
  - o Technology (Starter Company Plus Technology Start-Up). Here the collaboration is with The Founder Institute<sup>37</sup> business accelerator, which focuses on recently established businesses so they can develop their business concepts on a 14-week training and mentoring program, with a grant of up to \$5,000 on offer.
- In addition, the technical staff offer support to business people they collaborate with and are able to go
  out to answer the queries of customers or members of these organisations, if the minimum of six per visit
  is reached.

<sup>32</sup>Available at the following link:

<sup>33</sup> If you want to find out more about the centre, their website is http://www.artscapedanielslaunchpad.ca/

<sup>34</sup>The platform's website is www.digitalmainstreet.ca/

<sup>35</sup>Fashion Incubator: http://www.fashionincubator.com/

<sup>36</sup>Their website is http://foodstarter.ca/

<sup>&</sup>lt;sup>37</sup>Further information available on their site: http://www.toronto-bia.com/

 Start Up Here in Toronto<sup>38</sup>, an initiative designed to attract talent from outside the city by offering support and helping entrepreneurs from other urban centres to locate their businesses in Toronto.

Summer Company, which is organised every summer to promote an entrepreneurial spirit among young
people aged 15 to 29. Instead of a summer job, the students with an idea and a business plan have the
opportunity to be their own boss and try it out. They receive training from business people, financial help
of up to \$3,000 dollars and the chance to see if they could become business men and women, and if their
business would be a success.

#### Interesting features

One of the most interesting aspects is the broad range of support tools and resources offered by the program, especially the business incubators and accelerators.

Another is the thematic character, adapted to certain sectors, of the support provided to business and entrepreneurial initiatives. The sectors are ones they want to foster and whose presence in the city they want to boost (creativity, food, technology) but also sectors that require a certain adaptation to technological changes (businesses that are part of the BIA).

Finally, a third very notable feature is the collaboration with organisations, bodies and platforms with a thematic focus that are already established in the city. In that regard, it is not a question of duplicating facilities or services by creating local ones but rather boosting existing ones by facilitating their access to it by means of small grants that seem to offer a triple advantage. First, because it is more economical than creating new services with their associated costs; second because they ensure more professional support adapted to the sector, based on the existing platforms; and third, because they revitalise and boost existing endogenous resources in the city that could serve as an attraction.

#### Results/impacts

The Economic Development & Culture Division produces an annual report on its activity. The 2016 report, *Making Toronto a place where business and culture thrive*<sup>39</sup> points out that entrepreneurial services (consultancy, incubators, training and workshops) were offered to 30,000 potential entrepreneurs and established microenterprises, and 315 young entrepreneurs were supported by the Summer Company initiative.

#### Department responsible for managing it

The Economic Development & Culture Division is in charge of managing the program.

#### Person in charge

Chris Rickett, chris.ricket@toronto.ca, 416-395-7474.

#### For further information

http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=9c3ad9dc1151a510VgnVCM10000071d60f89RCRD

#### **Work Centres and Social Services**

#### Introduction

The Employment and Social Service has a network of 19 integrated centres that attend to Toronto's citizens. They aim to improve the economic and social wellbeing of people in their communities by providing employment services, economic benefits and social services based on a joint intervention between the people attended to, local businesses, community partners (organisations, associations, other entities) and Employment & Social Division technical staff. The goal of this network of centres is to offer a social assistance service focused on helping Toronto residents to:

043

- a) Find work or the training they need to find work.
- b) Get access to the economic benefits of the program run by the provincial government, called Ontario Works.
- Contact and connect with the health, housing, childcare and dependent persons services, as well as the city's other social services.

#### Main activities

Each of the 19 centres that form the support network has a technical staff of qualified professionals who specialise in employment issues. They also have specific information for offering support and guidance to people who go there to achieve their training and employment goals. It should be added these are free services and they do not require prior appointments. The main tools and resources available at the various centres are as follows:

- Coaching and guidance in looking for work, with information and support on how to write a CV, how to do
  interviews, job seeking tools, networking, reports on different occupations, etc.
- Access to computers, internet, printers, a fax machine and a phone.
- Access to Career Cruising, an online tool that enables users to explore training and employment pathways in an easy and understandable way.
- Professional career development seminars and job-search fairs.
- Books and other printed material.

Moreover, the people who go to these centres can also get information on:

- The cash benefits and help available from the employment and social services.
- The community and city government resources.
- Professional career planning.
- The situation in the labour market.
- The availability of work experience and volunteering.
- The possibilities of training and skills acquisition.
- Support for workers.

While all the centres have a minimum number of services and resources on offer, others provide additional services, such as attending to service users in French.

#### Interesting features

The main interest in these centres is that they deliver employment services, economic help and social services in the same space, thus promoting active inclusion. In addition, the municipal resources combine with

<sup>&</sup>lt;sup>38</sup>You can find more information on their website: http://startupheretoronto.com/

<sup>&</sup>lt;sup>39</sup>Document available for consultation online at:

http://www.toronto.ca/legdocs/mmis/2017/ed/bgrd/backgroundfile-101580.pdf

those provided by the provincial government. That means all the services and resources available to people, both employment and assistance, are centralised in the same place. Something which helps disadvantaged people to find out about and gain access to those resources.

Although everyone, regardless of their level of vulnerability and employability, can go to the centres, the integration of employment and social services makes more sense for people with a low level of employability and a high risk of social exclusion. This denotes a social inclusion approach through employment, which is another very interesting aspect.

The specialisation and professionalism of the centre staff, with their comprehensive approach to working with people, especially the most disadvantaged, is a final interesting feature of this experience.

#### Results/impacts

The main data on the activity of these centres is as follows:

- They receive over 400,000 visits a year.
- They attend to 75,000 families and individuals a month with regard to cash benefits.
- Every year they handle 50,000 applications for assistance from the Ontario Works program.
- They carry out 15,000 training and intermediation actions a year.
- They help around 30,000 people a year in their transition towards employment.
- They have signed 59 collaboration agreements with various agencies and organisations in the various city communities to develop employment programs.

#### Design features and evaluation tools

With regard to evaluation tools, it should be noted that Toronto has a compliance measuring system for all its divisions and policies that has a series of city indicators and comparative indicators with other cities, about which more will be said in the following section. The data are periodically updated, enabling the trends to be observed.

In the specific case of the employment and social services there is a Social Service Assistance<sup>40</sup> Report, which has a set of comparative indicators, such as shortcomings in the social and economic sphere of the city. Linked to that, they also have data on, for example, the cost of social services and the average length of time people are on social assistance, which enables the quality of the services offered to be evaluated and compared, or those of Wellbeing Toronto, a tool that shows the level of wellbeing in the city's different neighbourhoods by means of a map.

#### Department responsible for managing it

The employment and social services centres are directly responsible to the Employment and Social Division.

#### Person in charge

Patricia Walcott, patricia.walcott@toronto.ca, 416-392-2956.

#### For further information

https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=a5c3d08099380410VgnVCM10000071d60f89RCRD

#### 2.2.2.5. Change management

Toronto has various tools and mechanisms available for analysing trends, making forecasts and identifying changes, which enable measures to be adopted for adapting to new changes and evaluating the impact of the adaptation measures being implemented. In that regard, the city is very active in the area of strategic planning and especially in using data and indicators. They use linear data analysis (how they have evolved over the last few years), which allows them to periodically revise the strategic planning and compare the trend with regard to other cities.

One of the mechanisms with which they work on strategic planning in the city is the Strategic Initiatives, Policy and Analysis Division, which is in charge of designing pioneering policies based on research covering different spheres, such as land use, housing, the economy and community services. One of the main initiatives they have developed is the Official Plan and Municipal Comprehensive Reviews<sup>41</sup>. The Plan contains the vision of where the city wants to go and how it wants to grow up to 2031. As that is a very extensive period, there are periodic reviews to ensure the Plan is working adequately to comply with its vision. Apart from those, they are undertaking a municipal comprehensive review focused specifically on designated areas of employment in the Plan.

Another initiative worth highlighting is TELMI, referred to above. This is an information tool on labour market trends (demography, employment, unemployment, wages), active employment policies, existing resources to help unemployed people and businesses, as well as information on data, research and analyses for designing strategic plans or programs.

Besides TELMI, the city has another information tool, the Toronto Progress Portal<sup>22</sup>. This portal has indicators and measurements for identifying those spheres where the city is making progress in line with its strategy and others where it is not. It also includes international comparisons, with other cities around the world. Toronto's Dashboard enables access to data and information for evaluating the trends in and directions of key indicators for the city in general, and for the city services in particular. Periodically they also draw up the Performance Measurement and Benchmarking Report, which includes indicators on city services and activities, as well as the results of the 36 areas of government (city finances, building, cultural services, hotels, childcare services, justice, procurement, transport and so on) referring to the last 10 years. And, thanks to Municipal Benchmarking Networking Canada, they also have nearly all those indicators for 15 other Canadian cities.

A final information instrument Toronto has is Wellbeing Toronto, which has a map display tool that helps to evaluate community wellbeing in the city's neighbourhoods with a series of factors that include crime, transport and housing. This software enables a series of data to be selected and combined that reflect neighbourhood wellbeing with the results appearing in maps, tables, graphs and charts. It is also possible to see the location of schools, community centres, police stations and other facilities.

Besides the various information and data analysis tools, there is also a program for working on international relations with other cities, called the International Alliance Program. This is an additional tool for establishing economic contacts, expanding the business of local companies and communicating with other parts of the world. Advantage is taken of the formal relations established with cities that are part of the program to organise cultural exchanges and swap knowledge and experiences.

<sup>40</sup>Available for consultation at: http://www1.toronto.ca/City%200f%20Toronto/City%20Managers%20Office/Toronto%20 Progress%20Portal/Files/pdf/PMBR%20Reports/2014%20Service%20Areas/29-Social\_Assistance\_Services\_V2.pdf

<sup>&</sup>lt;sup>41</sup>For more information, visit the following site: http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=7ac5d58db2581410VgnVCM10000071d60f89RCRD

<sup>42</sup>The portal can be found at the following link: https://www1.toronto.ca/wps/portal/contentonly?vgnextoid=c90dbdedeffbf310VgnVCM10000071d60f89RCRD

<sup>43</sup>Available for consultation at: http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=13edbdedeffbf310VgnVCM10000071d60f89RCRD

&vgnextchannel=2258dce9014df310VgnVCM10000071d60f89RCRD

46 International Compar**ative Study o**f Local Development agen**cies** 

Finally, mention should be made of the Economic Development Council, one of the 12 Thematic Councils that report information to the City Council. Its role is to monitor Toronto's economy and formulate recommendations for strengthening and improving the city's investment climate.

#### 2.2.2.6. Future outlook

Toronto faces challenges in various fields. On a general level, when the current mayor took office in 2014, he stressed the city faced three big future challenges.

- Traffic and congestion in the city.
- Housing and homelessness, due to the presence of very high rents and the scarcity of social housing.
- A high level of poverty, with 29% of children living in poor homes.

In local economic development terms, the latter challenge would be the most important. Poverty is a problem that is of particular concern to the city government. That is shown by the fact that it has drawn up a city strategy to reduce poverty, which highlights three worrying trends that represent future challenges:

- The increase in poverty among people who are working. What stands out is the difficulties many people in
  work have of making ends meet, due to the disparate trends in the price of basic goods and services and
  their wages.
- Greater job insecurity, with an increase in part-time contracts and, therefore, in the vulnerability people face given their lack of income. The strategy points to a shift from full-time continuous employment to part-time precarious jobs.
- Systemic poverty, suffered by a significant part of the communities and people living in the city. The number of poor people is growing and they find themselves in more extreme poverty.
   So, with regard to poverty and greater insecurity, the city proposes to:
- Work with local vulnerable groups and communities to improve their inclusion and reduce the existing
  inequalities, another challenge they face. In that regard, some of the programs being implemented are
  particularly sensitive to the indigenous population.
- Fight for fairer wages, so people who are in jobs receive the money they are entitled to, especially in the construction sector.

Another challenge the city has set itself, and which it is working on at an economic promotion level, as we have been able to see in various services and programs it is running, is to raise its international profile and become a global benchmark These days cities compete with each other. This competition poses the challenge of turning Toronto into a pole of attraction for investment and talent.

#### **Toronto highlights**

The priority the city gives to fighting against and reducing poverty, exemplified by the Toronto Poverty
Reduction Strategy, with different measures, including the Fair Wage Office and policy or the integration
of social and employment services.

047

- The services and resources for businesses and business initiatives, specialised by sector, which are
  offered by the city government in collaboration with private stakeholders.
- The various tools and mechanisms for monitoring city data in order to follow up and evaluate the city government's actions.

049

### 2.2.3. Summary table of the North American city case studies

BOSTON	Mission and objectives	Main areas of action	Services	Organisational model	Funding
BPDA	To plan Boston's future by:  —Increasing the city's tax base, boosting the private job market and training the city's workforce  —Encouraging new businesses to locate in the city and existing ones to expand  —Planning the future of the neighbourhoods with their communities, identifying height and population density limits, charting the course for sustainable development and resilient building construction  —Advocating multi-modal transport that responds to the city's changing population  —Encouraging research on the city while ensuring it retains its distinctive character	— Urban planning     — Real-estate activities     — Infrastructure development     — Promoting employment     — Fostering social inclusion	- Building infrastructure, facilities and housing - Promoting innovation services - Career development support for adults and young people to ensure their economic independence - Work experience programmes for groups at risk - Funding community initiatives that seek to improve the job opportunities of people at risk of social exclusion - Scholarship programmes for young people in disadvantaged neighbourhoods - Monitoring the city's economic situation	Publicly-owned corporate body that brings together various city public corporations. Of the 5 members that make up its Board of Directors, 4 are appointed by the Mayor, and confirmed by the City Council, and 1 is appointed by the Governor of Massachusetts.	It is an independent autonomous body. Its revenue comes from public funds (subsidies), its own income (land and building sales and rentals own taxes) and private donations.
Economic Development Division	To promote policies that help city businesses to grow, encouraging economic inclusion and equality by:  —Supporting businesses and business people in all of Boston's industries to help them keep, expand or relocate their business in Boston.  —Offering a technical support and accompaniment service to small businesses	—Creating new businesses     —Supporting business     growth     —Helping businesses locate     in the city	Support for entrepreneurs and setting up small businesses  Maintenance and growth assistance for small businesses  Guidance and support for large and mediumsized businesses locating or relocating in the city	It is a City Council department but coordinates its work with the Mayor's Office and the BPDA.	Its funding depends directly on the municipal budgets.
TORONTO					
Economic Development & Culture Division	To make the city a place where businesses and culture prosper by:  — Contributing to the growth of the city's economy, promoting employment and investment opportunities  — Encouraging the city's cultural vitality by means of cultural expressions and experiences  — Partners participating in planning and developing the city's economic and cultural resources	—Creating new businesses     —Supporting business     growth     —Training     —Boosting and promoting     culture	<ul> <li>Training courses for entrepreneurs</li> <li>Guidance and support for new business initiatives</li> <li>Support for business growth</li> <li>Specialist sector-oriented services for new business initiatives</li> <li>Support and accompaniment in business-related construction projects</li> </ul>	This is one of the working divisions run by one the city's three deputy mayors. It is attached to the mayor's office that appears to cover the people-care services.	Its funding depends on the municipal budgets.
Economic & Social Services	To increase the economic and social wellbeing of city residents in their communities by:  — Helping people to find work and/or the training they need to get a job  — Facilitating access to the available benefits and financial assistance  — Ensuring people have links with other assistance services, such as social, housing and education services	—Active job seeking —Job placement — Promoting employment — Training — Fostering social inclusion	Advice and guidance for job seekers Employment intermediation Protection for workers' wage rights Access to and processing of various benefits and subsidies Training courses Work experience and apprenticeship programmes Access to other people support services	This is one of the working divisions run by one the city's three deputy mayors. It is attached to the mayor's office that appears to cover the people-care services.	Its funding depends on the municipal budget.

#### 2.3. THE NORDIC CITIES

050

#### 2.3.1. The Stockholm case

Stockholm is the most populated city in the Nordic countries, and is the cultural, political and economic centre of Sweden. The region alone accounts for over a third of the country's GDP, while about 40% of Swedish companies with more than 200 employees have their head office in the city. Most of the city's residents work in the service sector. It is worth highlighting that, in the last few years, there has been a significant increase in jobs linked with high-tech companies and that the Kista district is one of Europe's most dynamic sectors as regards information and communication technologies. Likewise, tourism is becoming an important economic activity in the city.

The city government, as can be seen in the outline below, is organised around the City Council, which nominates a City Executive Board formed by elected members from all the parties represented in the Council. The Board plays a vital role in following up the application of public policies in the city. In turn it has an office, the City Executive Office, which is in charge of policy implementation and informing the Executive Board and the City Council of the results. The areas of work are split between divisions, fronted by a deputy mayor, which 16 specialist committees are attached to. The heads of each area and the mayor make up the Council of Mayors, which draws up the Executive Board agenda.



In one of the work areas there is the Labour Market and Sports Division, to which the Labour Market Committee is attached. All the committees have a political leadership (a member of the majority) and technical staff to carry out their functions. The Labour Market Administration is what interests us most. Linked to this is *Jobbtorg*, a youth body set up in 2008 as a city initiative to centralise and standardise the municipal employment

services (which supplement the central public employment services). Up to that point, responsibility for employment had been in the hands of the city's 14 districts, which have considerable autonomy and powers over other areas of social cohesion, such as social welfare and emergency grants. That led to a situation where the services offered to the general public differed, depending on the district they lived in. With the process initiated in 2008, centralised structures were created for managing the services, as well as providing tools for standardising those services.

As regards the city's economic promotion, one aspect that stands out is the Stockholm Business Region (SBR). This is a public company wholly owned by the city of Stockholm and part of Stadhus AB, a municipal corporation set up in 1991 that brings together 16 active municipal companies.

#### 2.3.1.1. Mission, goals and strategic vision

The city's strategic guidelines, established in the 2016 budget, were maintained in the city's strategy document "Vision 2040 – Stockholm". This document sets out the vision of how the city wants to grow, faced with the challenges posed. A vision which will be submitted to public scrutiny and debate for two years and covers four aspects that should characterise the city of the future:

- 1. A cohesive Stockholm. Public wellbeing means a basic quality of life and the safety and security of the city's inhabitants throughout all the stages of their lives. To achieve this the city will have to:
  - Provide everyone with a good education.
  - Provide good levels of welfare that offer equal opportunities in life.
  - Offer a broad range of sports, culture and leisure.
  - Be a city where everyone can live.
- 2. A smart strategy for Stockholm's climate. Nature is very important in the city. So it is necessary to find smart solutions that allow its residents to live in harmony with the environment. In that regard, the city will have to:
  - Provide sustainable construction.
  - Make it easy to live in an environmentally friendly manner.
  - Offer climate-friendly transport.
  - Offer a clean and attractive city environment.
- 3. An economically sustainable Stockholm. Stockholm will be the centre of a new way of thinking, with an innovation-oriented focus so people and companies can prosper. The diversity of the business sector and lifelong learning must give all its inhabitants the freedom to pursue and realise their dreams. Stockholm will be a central node in a global network of successful cities, a city that attracts international business people, students and visitors. That means it will have to:
  - Offer unique opportunities for work.
  - Make lifelong learning easy to access.
  - Be a global smart city benchmark.
  - Be a leading knowledge region in the world.
  - Be an obvious choice for a big variety of companies.
- **4.** A democratically sustainable Stockholm. Stockholm will act as a model for protecting human rights and equality for everyone, as an accessible city for everyone. To get to that point it will have to:
  - Offer a vibrant democracy throughout the city.
  - Be free of discrimination.

- Be a safe and secure city.
- Be an accessible city for everyone.
- Be a model employer.

Apart from this general vision of the city, on a more specific level, the Labour Market Administration has set a number of objectives, namely to:

- Offer support to people switching from the welfare system to the labour market, employment and training or education.
- Open doors for new arrivals and young people to increase their chances of finding and keeping a job.
- Offer people opportunities to develop professional careers, improve their vocational training and achieve an adequate level of education.

More specifically the *Jobbtorg* service focuses on the first of these objectives, as its mission is to foster personal autonomy so people can join and stay in the labour market. The emphasis on the concept of autonomy can initially be explained by the fact that their target public was limited to people in receipt of welfare benefits. The goal, therefore, was to help them to stop drawing benefits and join the labour market, with autonomy and sustainability. A possible explanation for this focus is that the city districts handle both areas (social welfare and social benefits on the one hand, and employment policies on the other). For four years now, that focus has ceased to be as intense and other public targets have been added to *Jobbtorg*'s priorities, such as young people and those who have arrived in recent years, especially refugees. Nevertheless, 75% of the people *Jobbtorg* deals with are in receipt of benefits.

As regards the SBR, its mission consists in promoting and developing the city of Stockholm as an international benchmark for attracting foreign investment and tourism under the "Stockholm, Capital of Scandinavia" brand. It is a corporation tasked with promoting the city's economy and raising its profile with a view to attracting talent and investment.

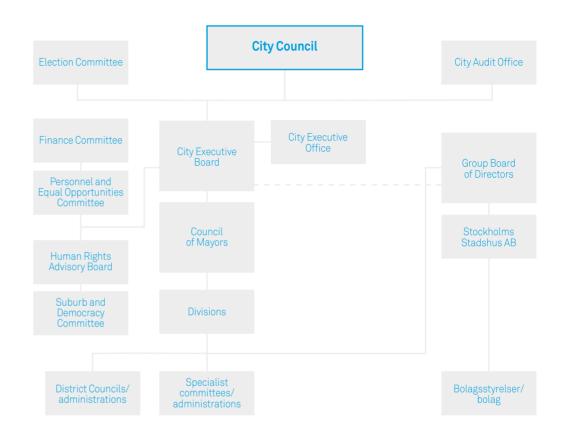
#### 2.3.1.2. Organisational model

Below is a summary of the organic composition of Stockholm City Council in the form of the following diagram:

Until 2016, the Labour Market Administration was composed of three areas that attended to 44,000 people:

- Adult education, including the implementation of lifelong learning policies (Ongoing Vocational Education and Training) and training for people with special needs. This service attended to over 21,000 people.
- Office for learning Swedish (SFI Swedish for Immigrants), which over 19,400 people passed through in the course of 2016.
- Jobbtorg, which dealt with some 6,600 people.

In 2016, the areas of adult education and learning Swedish were unified as part of a process intended to reduce the time immigrants need to enter the labour market. *Jobbtorg* is organised into 9 Local *Jobbtorgs*, which inherited the old district offices and have their own management. Of the nine, four have been turned into offices that deal specifically with young people. These offices work closely with the Swedish Public Employment Service and, in fact, there are plans to open the first joint office of the two services in November 2017.



This cooperation between the local Jobbtorg and the national Public Employment Service is reflected on two levels:

- Strategic, given there are periodic meetings between the management offices of the two institutions to
  establish action guidelines. It needs to be borne in mind that *Jobbtorg*'s target public does not include
  all the potential targets of the national Public Employment Service (PES) but is restricted to people in
  receipt of municipal social benefits and, more recently, young people and immigrants.
- At a local Jobbtorg level, to coordinate action between the local Jobbtorg PES representative.

The local *Jobbtorg* offices also work very closely with the district social services, even sharing premises. Whether the district social services pay out social benefits depends, among other factors, on whether the applicant is following the work plans agreed with *Jobbtorg*. From a technical point of view, that requires effective coordination between the district social welfare services and staff at the *Jobbtorg* offices. In fact, the reception procedures and initial interview are shared, so the responsibilities of each service are determined from the outset.

As regards funding, the Labour Market Administration had a budget of 851 million Swedish krona (SEK) in 2016, about €87 million. On top of that, a further 195 million SEK (about €20 million) are administered by the

districts for measures that have an impact on the labour market. All action related to active policies are funded by the municipal budgets, except tor experimental and pilot projects, which are often funded by European Social Fund projects run by the Ministry of Employment.

As regards human resources, the Labour Market Administration employs 773 people and approximately 350 of those work at *Jobbtorg*. Some 80-90 of the latter work in the centralised units and the rest (between 260 and 270 people) work at the local offices. Each of those has a manager and deputy manager.

The basic mission of the centralised units is to maintain a uniform level of quality between the offices. For that they have a:

- Public Relations Unit
- Economic Management Unit
- Development Unit. Eighteen people work in this unit which provides management support and is responsible for research and development, as well as drawing up reports for management and the various supervisory bodies.

In relation to the SBR (Stockholm Business Region AB), the city's mayor chairs the Board of Directors of the corporation as well as that of the *Stadhus AB Corporation*. The SBR is run by a Chief Executive Officer who reports directly to the Board. At the same time, the SBR has 2 subsidiary companies:

- Invest Stockholm, dedicated to attracting investment to the city and its area of influence.
- Visit Stockholm, the city's tourist promotion agency.
   Each of these in turn is led by a Chief Executive Officer.

The SBR is wholly publicly funded and a very significant part (not specified) comes from the municipal budgets. Other revenue comes from the representation contracts it has with other councils in the metropolitan area. The SBR's total budget in 2016 was 247 million krona ( $\leqslant$ 24 million) and the outturn of its activity was 4 million krona (around  $\leqslant$ 400,000) EBITDA. The same year they employed 65 people, 9 fewer than the 74 they had in 2013.

#### 2.3.1.3. Its main spheres of action and the services it provides

As has been shown in the previous sections, there are two initiatives in terms of development in Stockholm, one inside the municipal structure (*Jobbtorg*), and the other outside it, in the shape of a public company (SBR) that works on the city's labour activation policies and economic promotion policies. Besides these two initiatives, there is third area, devoted to entrepreneurship, that is less dependent of the city and more on private stakeholders or the State. Below we present the main programmes in these areas:

#### A) Labour activation and fostering employment

It is *Jobbtorg Stockholm* that implements the labour activation policies in the city for people in receipt of municipal social benefits (who numbered 23,655 in 2016), together with young people and immigrants, target groups incorporated in the last few years (remember that 75% of its targets were still people receiving municipal social benefits in 2016). Currently 41% of these people have only elementary education.

The incorporation of other target groups has also led to diversification in the gateways to *Jobbtorg* services Whereas before access was restricted to referrals from the District Social Welfare services (which manage social benefits), now it is possible to access them directly through the employment services in the case of the other priority groups. The groups incorporated in the last few years are:

- People rejoining the labour market after a long time or who need rehabilitation services, as well as people with a physical, intellectual or psychological disability. The aim for these people is geared towards their inclusion in the ordinary job market using the Supported Employment method, although there are mechanisms for incorporating people into the world of work in protected environments (Sheltered Employment), both in the public sector and in private companies.
- Young people between 16 and 19 who have finished compulsory education but are no longer in the
  education system and are neither working nor doing any training. The work done with this group is
  described in more detail in the following section.
- Programme for young people aged 20 to 29 who are neither working or studying, nor actively seeking
  employment or following a training-employment pathway, and who are not in contact with any other
  authority or programme, thus increasing their risk of being excluded from the job market.

Given they focus on these groups, the municipal services of *Jobbtorg Stockholm* are seen as supplementing those of the Public Employment Services. They provide additional support for groups with special needs and have a stated aim of reducing the costs that social benefits mean for the City Council.

Compared to the State Public Employment Service, the *Jobbtorg* services offer more direct and more frequent contact with the people requesting them, as can be deduced by the special needs of the specific groups attended to. The services that claimants can access when they register with *Jobbtorg*, and which are delivered through a network of local offices, include:

- One-to-one coaching in drawing up individual plans for access to the labour market, a professional career or a training pathway.
- Support from Job Matchers, technical staff who have direct contact with companies to identify suitable
  job opportunities.
- Educational pathway advisers and training counsellors.
- Training courses. Compared to the courses offered by other city stakeholders, Jobbtorg's are short (maximum three months) and very specific.
- Employment rehabilitation services. Support for people doing rehabilitation when returning to work.
- Group activities for looking for work.
- In-company training and paid work experience programmes.
- Work in municipal services (maximum six months for the long-term unemployed). The intention of the Stockholmjobbs project is that the experience of working in the city administration will help identify the professional fields the claimant wants to orient their career towards and, ultimately, give them the tools that will enable them to be self-sufficient and not depend on the benefits of the social welfare system. In 2016, 894 people took part in these experiences, which are supplemented with the support of a counsellor as part of the integration pathway.

Most of the activities described are carried out directly by the *Jobbtorg* services. However, the services of private organisations are also used, especially training services.

With regard to the activity of the Central Units that have an impact on employment, it should be emphasised that the Development Unit referred to above includes a section that works on building partnerships with the business sector by signing collaboration agreements. This Unit also lends support to the municipal strategy of public procurement social clauses, offering advice on which clauses to include and contacting

businesses to encourage them to include these clauses. This is a project in progress that has only started recently but it has already generated a lot of jobs since last year. It is based on two systems, one of requirements and one of integration commitments that must be fulfilled by companies awarded contracts.

#### B) Business and entrepreneurship

As part of its services, the City Council provides information on existing resources in the city for supporting business initiatives (incubators, business centres, innovation centres linked to universities, etc.) and access to existing online resources such as guides on opening a business, the ways of registering the business, regulations, and so on. In fact, the local authority does not play a direct leadership role in this field, where basically its efforts revolve around collaborating with a range of specialised public and private players. In other words, the municipal website is more like an inventory or repository offering the different resources available.

One of the most important resources in this area is the Enterprise Agency (*NyföretagarCentrum*<sup>44</sup>), the office of the Swedish Jobs and Society Foundation in which the State is involved. This office provides its services in 200 of Sweden's 290 municipalities and it is funded by the central government and business organisations, who provide more than 50% of the funds. Here entrepreneurs and businesses have access to various services, including guidance, advice, validation of their business idea and an introduction to the local and sectoral networks. The Agency has three offices in Stockholm.

Another notable resources is *Start Up Stockholm*<sup>45</sup>. This is a non-profit foundation in which Invest Stockholm (owned by the City Council and a subsidiary of the SBR) has a stake and business organisations (Entrepreneurs City of Stockholm), coworking centres (SUB 46) and financial entities (SEB) are also represented. All its services are free for entrepreneurs, subject to registration as a client, and since 1987 it has been working with the *NyföretagarCentrum*. It offers advice and one-to-one coaching services for entrepreneurial initiatives under construction, as well as initiatives in a process of consolidation and growth, based on a catalogue of over 40 public and private collaborators. It also offers:

- Seminars in various city neighbourhoods on aspects of setting up and running a business (business idea, business plan, finance, taxes, protecting intellectual property, data protection, marketing, sales and so on)
- Business management courses, open to the general public but free to people registered as clients.
- Travelling information and publicity initiatives such as the Business Truck. This acts as a mobile public
  information point.

The city has also opted for these public-private partnerships to develop the network of business incubators and accelerators. For example, Stockholm Innovation and Growth (STING)<sup>46</sup> is an accelerator set up by the Electrum Foundation, whose Board of Trustees includes Stockholm City Council. Ericsson, ABB and the Royal Institute of Technology (KHT). Over the last 10 years it has promoted more than 150 new initiatives with two programmes:

- STING Incubate, which lasts 18 months
- STING Accelerate, an intensive, 20—week programme.

There is also some activity in the districts to promote business activity. In particular, together with the Stockholm Business Region, they have developed information and guidance services for new businesses (startups as well as those that locate to the city from elsewhere) which includes speaking to the various services and departments of the local authority to facilitate the procedures relating to the operations that affect job creation and economic activity.

#### C) Economic promotion outside the city

The SBR's efforts to attract investment revolve around "Stockholm, Capital of Scandinavia", the brand launched 12 years ago which seeks to highlight the vital role the city plays in the Scandinavian context, even though it is a long way from Europe's decision-making centres. This positioning has created some difficulties with neighbouring cities including those in the Scandinavian geographical sphere (Helsinki and Copenhagen) but it has finally been accepted.

Despite its dependence on Stockholm City Council, in the course of its activities the SBR also represents the interests of 52 municipalities and cities in the metropolitan area (in a radius of 200 km). This system is based on five-year contracts by means of which those cities delegate to the SBR their representation at international events for attracting investment and promoting tourism. In return the cities assume two commitments:

- They contribute to the SBR's budget, their contribution depending on the size of their population and the services they request.
- They always act under the "Scandinavia, Capital of Sweden" brand and agree not to take action to promote or attract investment on their own.

This collaboration has proved to be very useful for all the parties involved, as demonstrated by the fact that only one city has decided to abandon the brand since its creation and that was for economic reasons.

The activities carried out by the SBR in 2016 through Invest Stockholm include:

- Campaigns to attract talent, including running a Twitter account (@movetostockholm) which now has 4.000 followers and receives contributions from 44 businesses with their head office in Stockholm.
- Organising international events in the city, such as the STHLM Techfest, the biggest event in Sweden for start-ups that brought 4,000 people together, or the Stockholm Song Writing Contest held in collaboration with the ABBA Museum, to attract up-and-coming young musicians.
- Promoting the setting up and development of private coworking spaces in the city. Support for setting up
  the first Fintech Hub, which opened in November 2016.
- Organising fairs, working breakfasts or lunches (such as the Stockholm Luncheon, the Stockholm Luncheon Scholarship or the International Business Meeting) attended by the city's Chamber of Commerce and international companies.
- Publishing a quarterly report on the socio-economic situation in the city (Stockholmskonjuncturen<sup>47</sup>) for investors and businesses.
- Collaborating with businesses and government bodies to develop and promote investment projects in infrastructures and developing clusters and business areas (such as Kista Science City<sup>48</sup>, Hagastaden or the new area Hogdalen-Cleantech).

<sup>&</sup>lt;sup>44</sup>More information available at the following link:

http://www.nyforetagarcentrum.com/in-english/about-swedish-jobs-and-society/.

<sup>&</sup>lt;sup>45</sup>Their website is www.startupstockholm.se.

<sup>&</sup>lt;sup>46</sup>For more information see www.stockholminnovation.com

<sup>&</sup>lt;sup>47</sup>Some of these reports can be consulted at https://www.stockholmbusinessregion.com/facts-figures/

<sup>&</sup>lt;sup>48</sup>Their website is http://www.kista.com/

- Collaborating with the Business Truck, an initiative of the Start-Up Stockholm Foundation to inform
  potential entrepreneurs in various city neighbourhoods about the support options for initiating a new
  business initiative.
- Promoting the relocation of the European Medicines Agency after it left London due to Brexit.
- Organising events of special interest to the city, even though they are outside its natural sphere of intervention, such as organising Eurovision 2016.

The SBR also contributes financially to the activity of Nyföretagarcentrum and Innovation Stockholm.

#### 2.3.1.4. Pick of the programmes, services and initiatives

#### Youth Service - AIM

#### Introduction

This project is designed to get young people aged 16 to 19 into work or back into the education system who:

- Have finished compulsory eduction (up to 16).
- Are living in Stockholm.
- Are not following any education pathway, doing any training, working or actively looking for work.

Work with this group is a recent priority of *Jobbtorg*'s, arising from the city's recognition that it has a serious problem with young people who drop out of school at the end of compulsory education and do not immediately start work, becoming NEETs.

The aim of the project is get these young people back into the education, training and work circuits that are best for them and most suited to their interests, while respecting their capacity to decide.

#### Main activities

The project starts by calling or emailing every young person who has finished compulsory education but is outside the education, training and work circuits. For that, coordination and cross-information mechanisms have been established with the administration responsible for the education system. If the initial contact is unsuccessful, the young people are visited at their home.

The purpose of these visits is to inform them of the possibilities the programme offers and the benefits taking part can bring, to increase their motivation and get them to take part voluntarily.

The programme is managed from the *Jobbtorg* offices specifically for young people by specialist technical staff. These offices also hold drop-in activities, group information sessions to find out about the programme, prior to registration.

Once a young person has registered they are assigned a coach and, together, they identify the objectives and the activities to achieve them. These might include:

- Motivation and training actions.
- Job-seeking actions.
- Actions to foster work experience (placements, part-time work, work try-outs, etc.).

The programme is also backed up by action targeted at these young people's immediate circle, in particular their parents or guardians, to make them active participants in their professional development (for example, the "mums and dads café")

In addition, information channels have been set up through social media, and group activities (such as short cinema courses) are organised to increase the young people's motivation, links and sociability.

#### Interesting features

The first interesting thing to note about the proactive work is the fact that they go out and look for the young people without waiting for them to come to the office. That way they act before it is too late. Arising from this there is another interesting feature, namely that these youth are detected through information and coordination mechanisms with the city's education authorities. That makes it possible to identify them and plan a course of action with them.

A final interesting feature is that, apart from the activities targeted at the young people themselves, there are others for their parents or guardians designed to give them information and tools for supporting the efforts of their sons and daughters in the return process, as well as exchanging experiences and building mutual support networks for dealing with the problems linked to inactivity.

#### Results/impacts

As the main result, *Jobbtorg* point out that 50% of the youth completely outside the circuits return to school after taking part in the programme.

#### Design features and evaluation tools

Jobbtorg carries out periodic assessment of its actions through its Development Unit. Among other things, these measure how many young people return to education and training, and how many join the labour market.

As laid down in the evaluation system, there are also systems for measuring the increase in the participants' independence and "self-sufficiency" or the drop-out rate from public support programmes after a certain time (generally 12 months).

#### Department responsible for managing it

Responsibility for running the programme lies with Jobbtorg.

#### Person in charge

Karin Tillhagen, karin.tillhagen@stockholm.se, 076-123 59 89.

#### For further information

http://www.stockholm.se/Arbete/Ung-utan-jobb/16-19/ (only in Swedish)

## YFI project. Vocational training with integrated language learning for immigrants – a faster path to a job

#### Introduction

The purpose of the programme is to improve the pathways to work of adults born outside the country with insufficient command of Swedish, especially new arrivals. So, the focus is on people in the aforementioned group who need to access vocational training for employment to improve their chances of entering and staying in the job market.

The project seeks to develop systems that integrate vocational training for employment with learning the native language for adults born outside the country. The idea is to design a quicker way into the job market for people whose command of the country's language is not good enough, by integrating learning of the language into the design and development of pathways into the job market.

#### Main activities

The YFI is a collaboration project between adult education centres, the Swedish for Immigrants (SFI) Office (part of Stockholm's Labour Market Administration) and the city's vocational training schools.

The project stems from the realisation that the pathways to jobs for newly arrived adults with little knowledge of Swedish, who need vocational training to improve their skills and adapt them to the needs of Swedish businesses, are too long. In line with the Swedish system, they first have to complete the SFI courses and then study Swedish in adult education schools before they can take vocational training for employment courses. This process can take up to seven years.

To avoid that, the project integrates both types of training into a single chain. This reduces the time they need to acquire all the skills they aspire to but also increases each person's motivation and involvement in developing their own path.

In the YFI project, participants can access four areas of vocational training:

- Hotel and catering.
- o Construction.
- Nursing assistant
- o Road transport.

The YFI focuses on those people who have already completed the basic SFI courses and need to continue learning Swedish while doing vocational training at the same time. To ensure these are integrated and not merely parallel processes, the project places special emphasis on work with the teachers in both areas, encouraging them to cooperate and overcome the barriers that can arise between professionals, who may even work in different locations and for different authorities.

The participants do part of the initial Swedish course with classmates whose aim is to work in the same professional field. As they acquire more knowledge, they combine this training with participation in regular vocational training courses in their chosen area, with students not involved in the project and which are taught in secondary schools. They also do short placements for their first contact with the world of work.

Once this preliminary training is over, they go on to regular vocational training courses in secondary schools lasting 18 months. Throughout this period they can rely on the support of their SFI teacher, who helps them find answers to their questions, learn more specific vocabulary in their chosen speciality and coordinates with the teachers in that speciality to resolve any incidents that might affect a participant's progress. At the end of this process, they receive a secondary education certificate.

#### Interesting features

What stands out most about this experience is the collaboration between the two fields, education and work, not just in designing the project and the pathways, but also in the monitoring and support work done by the professionals in both fields. They approach their task from an integrated perspective, focusing on the needs of the new arrival, with regard to education in the language that will enable them to integrate better, as well as training that will give them more employment opportunities and enhance their prospects in the labour market. What

stands out, therefore, is how the social inclusion of new arrivals starts with knowledge of the language and joining the labour market.

#### Results/impacts

The project only started recently so no cycle has finished yet. The current situation is that the participants have completed the introductory courses and started regular vocational training. However, continued attendance at introductory SFI courses has been better than on similar courses under the old format, with fewer people dropping out. Moreover, the teachers' assessment is that the students are taking more advantage of the training and learning more. The participants are also showing higher levels of satisfaction than on the traditional courses.

#### Design features and evaluation tools

No evaluation tools are specified beyond the follow-up indicators of periodic activities carried out by the *Jobbtorg* Development Unit. The Unit also requires an economic justification as this is a project financed by the European Social Fund and run by the Swedish Ministry of Employment.

#### Department responsible for managing it

The Labour Market Administration is in charge of running the programme.

#### Person in charge

Björn Hjukström, bjorn.hjukstrom@stockholm.se, +46 761-29 15 59.

#### Summer work for young people

#### Introduction

This initiative is targeted at young people aged 16 to 19 who are studying. The idea is that summer jobs can give them their first contact with the world of work, giving them work experience and motivating them to go for a career that might be linked to the services for people run by the local authority. Therefore, these jobs are usually offered in services provided by the city administration, which hires other companies, or in companies it has contracts with that are interested. They are usually related with services provided in the districts, so young people can have the chance to work in their district and their community.

#### Main activities

A call for applicants is announced at the end of February where young people have to register. The call ends in mid-March and the candidates are notified at the end of May if they will have a summer job and where it will be. It is worth pointing out that summer jobs are mainly allocated by a draw.

Once a young person has been assigned a job, they are assigned a period and length of time, with a maximum of three weeks. The most common time periods are usually weeks 24 to 26, 27 to 29 and 30 to 32. It should be noted that minors need the consent of their parents or legal guardians when they sign the contract. Every year a salary is established for each job, depending on the age of the young person concerned when they start work. These salaries are paid by the local administration (districts). The salaries set for 2017 are:

- 16-year-olds, 85 SEK per hour.
- 17-year-olds, 95 SEK per hour.
- 18-year-olds, 105 SEK per hour.
- 19-year-olds, 115 SEK per hour.

The employers' obligations are as follows:

- Each young person must have a supervisor on their job.
- To ensure the time sheets for the hours of work done are correctly filled in.
- Holidays must not replace work days.
- The working day will be 6 hours.
- The young people must not stand in for regular staff (holidays).
- The work environment must be safe and comply with regulations.

#### Interesting features

First, how summer jobs are an opportunity for working with young people on aspects such as autonomy and responsibility based on carrying out tasks in a workplace.

Second, how these summer jobs represent a work experience that might help young people decide where their professional future could lie and direct them towards suitable training. Moreover, by signing up for a job, these young people are already showing a certain interest in the labour market and taking the first step to finding work.

A third aspect is the fact that many of these jobs are in areas to do with services for people, which means a certain benefit for the community as well as instilling in the participants certain values and a sensitivity towards making this a better society.

#### Results/impacts

In the course of 2016, some 8,000 young people took part in this initiative.

#### Design features and evaluation tools

There are no specific design features or evaluation tools, apart from monitoring the people taking part and the work they do to ensure compliance.

#### Department responsible for managing it

This is a Labour Market Administration initiative, although it is managed by the *Jobbtorg* offices specifically for young people and the city's districts.

#### Person in charge

Karin Tillhagen, karin.tillhagen@stockholm.se, 076-123 59 89.

#### For further information

http://www.stockholm.se/Arbete/ (only in Swedish)

#### Stockholm Business Alliance

#### Introduction

The purpose of this project is to capture and attract foreign investment to Stockholm's metropolitan area, formed by 55 municipalities. In other words, to increase the possibility of attracting foreign investment, the participating municipalities have decided to unite under a common strategy for creating resources to promote and raise their profile abroad. This project is led by Invest Stockholm, a subsidiary of the Stockholm Business Region, with political representatives and people in charge of promotion from all the participating municipalities.

#### Main activities

The project is based on the possibilities offered by the "Stockholm, Capital of Scandinavia" brand for promotion abroad and, at the same time, the advantage of having a large, diversified region for accommodating a range of investment projects. Apart from the region's resources and human capital, its success in attracting new investment depends to a large extent on the quality of the support services that promoters find when they consider investing. The project has therefore developed a model for measuring the follow-up of support services for business, entrepreneurship and investment in each of the participating municipalities. These are evaluated and receive a rating (used to draw up a ranking), with any need for improvement identified.

The project as a whole sets a quality target, mainly measured by the Customer Satisfaction Index (CSI) and establishes the improvements for achieving it. The services are offered as part of the exterior promotion campaigns that Invest Stockholm conducts, as well as in the events and fairs it participates in.

#### Interesting features

The agreement between various municipalities in the metropolitan area to jointly promote themselves as an investment destination, each offering their resources, is a feature of special interest, which shows Stockholm's commitment to the city's sustainable growth, with the understanding that this not only depends on the city but also on the attraction spreading throughout the metropolitan area.

The second feature of interest lies in the establishment of a common system which evaluates and endorses the business support services and investment initiatives, and which, apart from the evaluation, does a follow-up and points out areas for improvement. At the same time, this system gives the services a certain seal of quality for possible investors.

#### Results/impacts

In the course of 2016, there were 270 direct foreign investments recorded in the Stockholm metropolitan area, which represents an increase of 12% on the figures for the previous year.

Invest Stockholm and its partners were directly involved in 31 of those initiatives, 42% of which were classified as being of special added value. The calculations of the promoting body indicate that the activity of the Stockholm Business Alliance generated 200 jobs and investment worth 990 million krona (approximately €95 million) in 2016.

#### Design features and evaluation tools

It has not been possible to get access to the tools used for evaluating the municipal investment support services. However, they are based on internationally recognised systems (the CSI, mentioned previously).

#### Institution responsible for managing it

The programme is driven by the municipal corporation Stockholm Business Region and led by its subsidiary Invest Stockholm.

#### Person in charge

Anna Gissler (Investment Stockholm CEO), anna.gissler@stockholm.se, 850 82 80 51, and Elisabeth Sjögren, elisabeth.sjogren@stockholm.se, 850 82 80 64, Project Manager

#### For further information

http://www.stockholm.se/Arbete/ (only in Swedish)

#### 2.3.1.5. Change management

As mentioned at the beginning, the City Executive Board plays a vital role in monitoring the application of public policies in the city, while the City Executive Office is responsible for implementing the policies and reporting on the results. This means that, periodically, the various areas of work in the city have to produce reports on their activity which they submit to the City Executive Office and the City Executive Board. These reports are based on a series of indicators used to monitor and evaluate the policies being implemented. So, this periodic follow-up of the activity of the different municipal areas is the first step intended to detect any shortcomings or trends that will enable some policies or actions to be reformulated. One example of that is *Jobbtorg*, which has a number of general systems that are turned into quarterly reports to the City Council (City Board and City Executive Office). There is an example of a table of indicators used by the Development Unit on the following page.

A second element the city has to enable it to adapt to possible changes is the planning strategy. This is applied both on a general, city level, as in the case of "Vision 2040 – Stockholm", and in more specific cases, as in the case of the e-sthlm, which consists of a strategy for improving online access to different services offered by the city by means of communication technologies.

A third element the city has for analysing trends is the reports of its socio-economic situation produced by Invest Stockholm. Although these reports are designed for capturing investment, they provide economic information that shows how the Stockholm region is developing and compares it with other parts of the country. That enables city and regional trends to be identified with a view to planning some action.

A fourth element that enables the city to develop and try out new activities and tools are the projects that receive European funding, which present opportunities for innovation. However, they have to be in line with the municipal strategy.

A fifth element for identifying future forecasts and adapting to them is the collaboration with various economic and social players. Here it is worth highlighting the agreements signed with business organisations so they can work together on identifying present and future training and skills needs on a sectoral level so they can be more competitive and continue to be so in the future. There is also a collaboration process with the universities, for example, with Karolinska University on studying the job market, how it is evolving and the changes needed to adapt to that.

Finally, we should mention the cooperation work carried out, not only with neighbouring cities but on an international level too, especially in the Nordic sphere. Here, one example is the cooperation with Helsinki to capitalise on international events, such as Slush Helsinki (an event for tech start-ups), or with Copenhagen to attract Chinese tourism. Other cooperation initiatives include attending international meetings, joining informal networks and establishing international contacts to exchange experiences.

#### 2.3.1.6. Future outlook

Apart from the challenges pointed out in "Vision 2040 – Stockholm" regarding different aspects that the future city will have to deal with, one of the main challenges raised in the interview is linked to the rapid changes in the job market in the last three years. The improvement in the latter means those who remain under the umbrella of social services (a priority target group for *Jobbtorg*), have complex problems that need a comprehensive focus and more stakeholders involved than there are at present (the health service, for example).

The job market, meanwhile, demands ever higher qualifications as the city is positioned in knowledge-intensive sectors. That represents a double challenge: first, how to incorporate those people with a low level of employability, who are under the umbrella of social services; and second, how to foster the employment of young people by getting them to achieve adequate levels of training so they do not become part of the group of people under the protection of social services.

Indicator	Annual target	Total	Outcome Women	Men	Goal attain- ment	Comments
Percentage of people receiving financial assistance in relation to the population as a whole	1.9%	1.6%	1.6%	1.6%	Met in full	
Percentage of adults with long-term financial assistance in relation to the adult population as a whole	1.2%	1.1%	1.1%	1.0%	Met in full	
Number of job seekers who received municipal temporary employment	750 pcs.	943 pcs.	460 pcs.	479 pcs.	Met in full	
Number of places provided for municipal temporary employment	800 pcs.	1,013 pcs.	_	_	Met in full	
Number of young people who obtained summer work arranged by the City	8,000 pcs.	8,156 pcs.	4,065 pcs.	4,091 pcs.	Met in full	Young people were also employed during the Christmas and autumn breaks.
Number of places provided for holiday jobs	10,000 pcs.	9,328 pcs.	_	_	Met in part	The goal of providing places is achieved in part. However, the target for the number of young people who received a job is achieved in full.
Number of placement opportunities carried out in the City's operations by the candidates matched by Jobbtorg Stockholm	500 pcs.	514 pcs.	_	_	Met in full	
Percentage of jobseekers who concluded 12 months after entering the Jobbtorg Stockholm programme, excluding those readmitted	75%	78%	74%	81%	Met in full	
Percentage of jobseekers who are self- supporting six months after leaving the Jobbtorg Stockholm programme	81%	79%	78%	80%	Met in part	A number of jobseekers received activity compensation to be able to participate in projects, which affects the statistics.
Percentage of jobseekers up to age 29 who are self-supporting six months after leaving the Jobbtorg Stockholm programme	87%	83%	81%	85%	Met in part	The percentage who are self-supporting decreased compared with earlier years.
Average registration time for the target group of people with financial assistance longer than ten months who received work/studies through Jobbtorg Stockholm	10 months	8.4%	10.1%	6.4%	Met in full	
Average registration time for the target group of young people (aged 16—24) who received work/ studies through Jobbtorg Stockholm	5 months	4.5%	4.2%	4.7%	Met in full	
Percentage of young people offered a job, education or a trainee position within 90 days	100%	65%	70%	63%	Not met	New indicator. Preparation time for sustainable efforts that were not discontinued is often longer than 90 days. The measurement method is adjusted for 2017.

The arrival of refugees poses another challenge in the middle of a discussion on what action the local authority should take. Currently, the new arrivals are covered by the public employment service's inclusion programme for two years. After two years, they will come under the social welfare system and, consequently, become part of *Jobbtorg*'s target public. That means from this year there is a possibility of a very big increase in the number of people applying for *Jobbtorg*'s services which, at present, it is not prepared for.

In the last two years, the new municipal government has made the inclusion of gender in evaluating public policies a strong priority. In fact, this year the Unit has to measure gender equality in *Jobbtorg*'s service provision. Among other aspects, they will study whether the offers made to candidates by employment service technical staff vary according to gender.

Finally there is the challenge that the city has set itself to become a global benchmark. That means for Stockholm, becoming a pole of attraction for talent and investment, which will turn it into a global reference point in different sectors, is a fundamental goal. In that regard, in recent years it has relied on the potential of new arrivals, people who, in some cases, have brought a strong entrepreneurial character with them (especially from Iran). One of the main obstacles to consolidating this process of attracting talent is housing, which is extremely expensive in the city.

#### Stockholm highlights

- The work of the municipal public employment services (*Jobbtorg*) alongside that of the (national) Public Employment Service and in coordination with the social services, intended to improve the efficiency of social benefits by means of the employability of the most vulnerable people.
- The proactive approach with young people.
- The public-private partnership for developing a network of resources and services for businesses and business people.
- Combining learning Swedish with designing and developing pathways into the job market for new arrivals.
- The metropolitan vision on attracting talent and investment (Stockholm Business Alliance).
- The inclusion of a gender perspective in the city's public policies.
- The municipal strategy of including social clauses in public procurement contracts, in collaboration with the business sector.

#### 2.3.2. The Helsinki case

Helsinki is the biggest political, educational, financial, cultural and research centre in northern Europe, as well as one of the most important cities in this area. Its economy is mainly based on services, which have gradually displaced heavy industry. Most large Finnish companies have their head offices in the Helsinki metropolitan area, as do 70% of foreign companies operating in the country, which have established themselves in the region thanks to its international connections, logistics networks and available workforce. The information technologies and finance sectors are the backbone of the city's economy.

Helsinki City Council's organisational structure is in the final stages of a redefinition process, which includes grouping the Council's operations and services in four large sectors led by a deputy mayor (Education, Urban Environment, Social Services, and Culture and Leisure), as well as a central structure which depends directly on the mayor. The structure described below is, therefore, the one in force from 1 June 2017.

The areas which remain under the direct responsibility of the Mayor's Office are:

- Financial Services
- Internal Auditing
- Administration
- Human Resources
- Legal Services
- International Affairs
- Planning
- Information and Communication Technologies
- Economic Development

#### Organisational Chart

#### **Central Administration**



These areas are managed by the City Executive Office, with the rank of department, and directly subordinated to the Mayor's Office. It is organised into six divisions, including the Economic Development Division which is the one responsible for developing economic policy, city promotion, tourism, international relations, employment, integration policy, and promoting the creation of economic activity. One of the instruments this Division is equipped with is the Helsinki Enterprise Agency, which provides public services for entrepreneurs and new businesses.

# 2.3.2.1. Mission, goals and strategic vision

The strategic orientation of the Economic Development Division in the last few years has been defined by the City of Helsinki Strategy Programme 2013 – 2016<sup>49</sup>. This Programme established four areas of work: Wellbeing for the residents of Helsinki, Helsinki full of life, Functional Helsinki, and Well-balanced economy and good management.

Within the framework of the first area, specific objectives and measures were defined that relate to the work done by the Economic Development Division. Among others:

# Specific objective "More space for young people to be heard and to shine". Measures:

- Implementation of a social and educational guarantee for young people.
- Setting-up of a group to bring together the different operators (businesses, among others) to push for that guarantee (Dunni Group).
- Fight against youth unemployment with the support of the Future Desk (*Tulevaisuustiski*, a
  guidance service for young people aged 15 to 17 who, having completed basic education, have not
  gone on to higher education or joined the job market.
- Implementation of the REPSA guarantee service, which offers professional coaching and guidance services to unemployed young people aged 18 to 29, as part of the National Youth Guarantee Programme.

#### Indicators

- Proportion of students who continue studying after compulsory basic education.
- Number of young people outside the education and work circuits.

# Specific objective "The city has the most positive attitude towards entrepreneurship in Finland". Measures:

- Development of a business area plan that includes all the city's districts.
- Inclusion of a measure of the business community's impact on the decision-making process.
- Increase in the operational skills of micro, small and medium-sized enterprises (Kaapeliitalo Model).

# • Specific objective "The city of capable people".

# Measures:

- In cooperation with the universities and the business world, encourage international students to settle in Helsinki and increase their chances of finding work.
- Improve settlement services for foreign workers and their families from a customer-oriented perspective.

### Indicators

- Percentage of young people regarded as being socially excluded.
- International graduates in higher education institutions who find work in Helsinki.
- Percentage of young immigrants who do higher secondary education (compared to the total number of young immigrants).

This is the framework in which the Economic Development Division has established its strategic orientation, identifying:

- Vision: Helsinki will become the most important city in Europe in the economic sphere
- Mission: To improve the city's competitiveness and it capacity for creating new businesses and new jobs.
- Goals:
  - o More businesses, more work, more investment.
  - o To turn Helsinki into the best business and innovation centre in Scandinavia
- Priority thematic areas:
  - Life sciences
  - International events
  - o Design
  - o Digital economy
  - o Green economy and clean-tech

At the time of the visit to Helsinki, the city was drawing up a new strategy (2017-2020 which, obviously, might imply changes in the Economic Development Division's orientation strategy. It will also have to fit in with the Six-City Strategy 2014-2020 $^{50}$ , a sustainable strategic planning document funded by the European Regional Development Fund (ERDF) which includes the six main cities in Finland and is structured around three basic pillars:

- Open Innovation Platforms
- Open Data
- Open Participation

# 2.3.2.2. Organisational model

The Economic Development Division is responsible for local development policy in the city of Helsinki. The Division is organised into four units:

- City Competitiveness Unit, which is in charge of international promotion, urban innovation and economic development. Coordinating and managing European projects as well.
- City Communication Unit, the purpose of which is to create an image of an open, attractive city that
  facilitates business for investors, professionals, businesses and the general public.
- Employment Services Unit, responsible for designing and implementing local employment initiatives, reducing unemployment and improving the work skills of the unemployed population.
- Business Services Unit, which provides support for setting up new businesses and helps established
  ones to grow.

The Business Services Unit has some particular features which need to be highlighted. While the Service has functioned as a Unit of the Division since 1992, the *NewCo Helsinki brand*<sup>51</sup> was created in 2014 which covers the Unit's own work as well as that of the Helsinki Enterprise Agency.

The Helsinki Enterprise Agency is a joint venture without a legal character of its own that brings together the Unit and the other private stakeholders linked with entrepreneurship, such as the Chamber of Commerce, plus the businesses that provide services for entrepreneurial initiatives (ranging from consultancies to information technology companies and business incubators). They have a twin objective:

<sup>&</sup>lt;sup>49</sup>Available for consultation at the following link: https://www.hel.fi/helsinki/en/administration/strategy/strategy

<sup>&</sup>lt;sup>50</sup>More information available at the following link: http://6aika.fi/in-english/

<sup>51</sup>Their website is www.newcohelsinki.fi

- On the one hand, to create a platform for cooperation between public and private stakeholders working
  to support entrepreneurship, to facilitate collaboration in actions of common interest, share information
  and avoid overlapping actions. That is particularly important in a city which, despite being small, has
  many support mechanisms for entrepreneurship
- On the other hand, to ensure a sufficient level of quality in the services provided by the public and private stakeholders for entrepreneurial initiatives. This stated aim appears to have fewer mechanisms for achieving it, as no controls are established beyond signing a commitment sheet and the feedback of users themselves.

Tommo Koivusalo is Head of the Business Services Unit and Director of the Helsinki Enterprise Agency. The Head of the Economic Development Division is Marja-Leena Rinkineva.

As regards human resources, in 2015 the City Executive Office employed 597 people out of a total City Council staff of approximately 37,000. In the Economic Development Division, the human resources were split as follows:

- 26 at the Competitiveness Unit (11 of whom work on International Affairs).
- 10 at the City Marketing Unit.
- 30 at the Business Services Unit NewCo Helsinki:
  - o 4 are marketing staff who organise events and information sessions in the city.
  - o 15 provide technical support for entrepreneurs
- The number allocated to the Employment Services Unit is to be confirmed.

As regards funding, the City Executive Office had a budget of  $\leq$ 201.52 million out of a total municipal budget of  $\leq$ 4.575 billion (2016 figures). Of that,  $\leq$ 34.53 million was allocated to employment policies and  $\leq$ 61.59 million to staff costs and sustaining the Office.

# 2.3.2.3. Its main spheres of action and the services it provides

The Economic Development Division's main areas of action are promoting employment through the Employment Services Unit and providing business services to improve economic activity in the city. As already mentioned, these services are delivered through the Division's other three Units, in particular the Helsinki Enterprise Agency.

### A. Employment services

The employment services have an annual budget allocation which is managed by the Economic Development Division so they can develop employment programmes, training and coaching programmes, and provide advice services to job seekers, associations and businesses, as well as develop products for promoting employment.

The main services they offer include:

- Advice and guidance for young people which can include information and referral to job-search
  activities, training or help with specific problems (guidance services), or intensive services (on demand)
  where a worker is assigned to draw up, with the claimant, a plan for achieving the objectives sought
  (finding work, returning to the education system, skills training, etc.).
- Advice and guidance for people over 30, who have been unemployed for more than 300 days, or over 25 who have been continuously out of work for more than 12 months. These services are delivered through he TYP Helsinki project and to access them you need to be referred by the public employment service or social services. The TYP Helsinki project offers users multidisciplinary support provided by

intermediation experts, social workers, health service and dependency service staff, psychologists and training specialists, all under one roof, with follow-up and coordination from a personal guidance counsellor assigned to the person concerned<sup>52</sup>. Another project targeted at people who are unemployed and over 30 (specifically at people in long-term unemployment over that age) is the *Työrasti* project. This was launched in 2016 and financed by the city with the aim of promoting better qualifications and autonomous job-seeking using information and communication technologies.

- Support and help with hiring, where work experience is found in municipal departments ("work tryouts") with the aim of letting unemployed people design their professional career by carrying out different tasks (suitable for their training level) in municipal departments with a flexible schedule (1 to 6 months, working 4 to 6 hours a day). During this period, participants in the programme can take part in training intended for public sector employees in their category.
- Specific services for getting immigrants into work, with programmes for learning Finnish, as well as specific programmes such as "At work in Finland", which is described in the project section.

Among the personalised approaches to job seeking for those who have access to it is the so-called "Helsinki Benefit", a project for hiring people from the priority groups, which is also described in the next section.

#### B. Business services

As pointed out earlier, the Business Services Unit carries out its activities under the "NewCo" brand, which also covers the activity of the Helsinki Enterprise Agency It has, in the words of its Head of Unit Tommo Koivusalo, a considerable degree of autonomy in designing and programming its activities, although its action plan is discussed and coordinated with the other Units in the Division, among them the City Communication Unit. The common denominator of these activities is the objective of **boosting economic activity in the city by supporting new business initiatives and already existing businesses** 

To achieve that, the Unit has set up a formal collaboration network with potential suppliers, and stakeholders, in the development of business initiatives (the aforementioned Helsinki Enterprise Agency) as well as an informal network with 40 stakeholders identified as key figures for promoting business initiatives and business development in the city. NewCo gives support to the initiatives of these entities (which include universities, business organisations, business incubators and private coworking spaces) by providing resources (human, technical and publicity).

It should be noted that **attracting big investors and promoting the city** (such as the tech entrepreneurial event Slush Helsinki<sup>53</sup>, a leading event in Europe) are not handled by this Unit, although it may take part in leading potential entrepreneurial initiatives and investments that might come out of that. As regards international entrepreneurs, the Unit intervenes at a later stage, when the former already have a basic project for their initiative in the city.

In general terms, the Unit's services are as follows:

— Information and promotion campaigns. The Unit has a team of four whose task is exclusively to design and carry out entrepreneurship information and promotion activities. These tasks, which run from general information talks (in Finnish, Russian, Arabic, Spanish and Italian) and seminars on a specific subject of interest to potential entrepreneurs, to activities targeted at a specific public, such as those held at the city's universities.

 $<sup>^{52}</sup> Further information at https://www.hel.fi/helsinki/en/administration/enterprises/employment/advice-and-guidance-forthose-aged-over/helsinki-typ-adult-services/$ 

<sup>53</sup>Further information on their website: www.slush.org

- **Services for new business initiatives.** The Unit has 10 counsellors in this service, who must have experience of running a business. The service's spheres of action include:
  - o General guidance on new initiatives. This can be booked through the website and by completing a form beforehand with the basic information on the idea. Open to anyone, regardless of how developed the idea is or what sphere it is in. To ensure this is an intensive service, the counsellor is limited to four sessions a day.
  - Pool of providers. The Helsinki Enterprise Agency puts a pool of service providers at the disposal
    of the entrepreneur, providers who have signed an agreement with the Agency to provide quality
    services.
  - o Training. Offer of seminars and courses on various basic aspects of entrepreneurship.
  - o Assistance in managing grants. As part of this service, help is offered in defining the project and applying for the Start-Up Grant handled by the Public Employment Service (TE Office).
  - Coworking facilities at the Unit's head office and in the new Maria 1.0 facilities (see project section).
  - Business incubator for those initiatives that get through the project planning stage and start their activity. Located at the Unit's head office and the new Mari 1.0 facilities.

There is a notable difference in the use of the various services offered to new business initiatives. Whereas the counselling service is used a lot (as demonstrated by the current waiting list), the coworking facilities and business incubator are not swamped. The reasons for this partial use can be explained, on the one hand, by a situation where the facilities are perceived by potential users as being a long way from the centre and, on the other hand, by the growing public and private competition in the supply of facilities for entrepreneurial initiatives, which gives them access to more central, better-equipped facilities. All the activities in this service are free for entrepreneurs.

- Services for growing businesses. This service is geared towards new business initiatives or established businesses that are developing and growing. It is provided by a group of 10 coaches (different from the 10 counsellors of the new business service), who are also required to have previous experience of managing a business. The team specialise in different sectors so they can attend to initiatives in various sectors. The actions included in this service are:
  - o Pre-start-up services. These are free and open to all small companies and entrepreneurs. They include counselling and assistance in conceptualising the idea and the development plan, access to the Helsinki Enterprise Agency (HEA) pool of providers, specialised training and access to the Helsinki services (see next section).
  - o Start-up services. These could be pay services. They include coaching by a business development coach and theme-based training (workshops) as well as use of the coworking facilities and the incubator. Initiatives that need an international profile and are interested can take part in the Acceleration Programme. It lasts between 6 and 12 months, depending on the characteristics of the initiative and its needs. Likewise, these start-ups can request Growth Support Vouchers from NewCo Helsinki, which enable them to finance up to 70% of the cost of the external professional services that the initiative requires for its internationalisation process, with a limit of €10,000. The companies that provide these services must be included in the pool of providers. This grant is funded by the Helsinki Innovation Fund (municipal funds).

# 2.3.2.4. Pick of the programmes, services and initiatives

# Hankinnoista duunia (HANDU) - Creating employment through public procurement

### Introduction

The HANDU project is an initiative of three cities: Helsinki, Vantaa and Espoo (all in the Helsinki urban area). It has been funded by the National Institute for Health and Welfare, attached to the Ministry of Social Affairs, which also coordinates the project, with resources from the European Social Fund (25% cofunded by the cities). The project is led by a project planner from each of the cities, plus another from the National Institute for Health and Welfare. In each case the project planners are from the economic development offices (in the case of Helsinki, the Economic Development Division) but the project is implemented by the procurement of various departments. It began in 2015 and has ended in 2017.

The idea of the project is to boost job creation by means of specific inclusion clauses in the public procurement processes in the different municipalities. To achieve that, the planners set the following operational objectives during the project's execution:

- To develop an operational model for creating jobs for disadvantaged groups by means of public procurement.
- To train and inform the different levels of the local authority about public procurement's potential for creating jobs and the feasibility of using it.
- To improve the cooperation between cities for exchanging models and experiences in job creation with public procurement.
- To include hiring vulnerable groups in the business strategies of businesses that interact with the local authority.

### Main activities

The project has developed an intervention model for creating jobs by including specific requirements in the public procurement processes. This model, which includes the units involved in the procurement process, has been validated by designing and implementing pilot procurement projects in five Finnish cities, including Helsinki. The resulting model consists of the following stages:

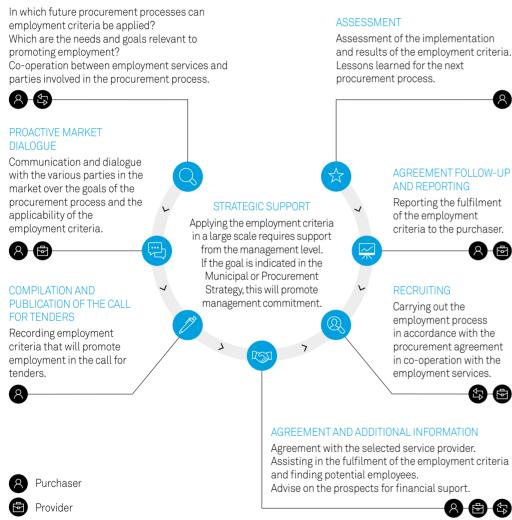
- Study of the City Council public procurement processes. First, a study is carried out of the Council's
  public procurement processes (which departments and people intervene, what tender processes are
  held and how it is possible to find out about them beforehand, in what areas employment clauses can be
  included). Then the people identified as key in this process are informed and trained.
- 2. Market research. Initial phase of dialogue with City Council suppliers to identify the best ways to contemplate job creation in public procurement.
- 3. Designing the clauses and their inclusion in the public procurement processes. This stage is carried out by the department responsible for procurement with the help of the project planner. Depending on the type of procurement, they have been included as requirements for bidding or criteria for evaluating the bids. In some cases other types of labour relationship have been considered, such as work experience, rather than contracts. In general, the resulting specifications have included follow-up systems to check compliance with the obligations assumed and penalties in the event of non-compliance.
- 4. Once the supplier has been selected, the agreements, follow-up systems and potential sanctions are included in the contract. The supplier is also offered an advice service on ways to comply with the requirements.
- 5. Hiring unemployed people who match the profile stated in the requirements. Check.
- 6. Follow-up Review of compliance with the job creation obligations is included in the periodic follow-up meetings and official reports

7. Evaluation. Inclusion of evaluation tools for the employment services, the services that have taken part in the procurement process, as well as the businesses and the unemployed people.

### MODEL OF PROMOTING EMPLOYMENT WITH PROCUREMENT

# REVIEW OF PROCUREMENT PROCESSES

Employment services



The operating model has been produced as a part of the Hankinnoista duunia (Jobs through Public Procurement) project, 02/2017.

### Interesting features

The most reticence has been shown by the municipal organisation, especially the departments most directly involved in the tendering processes. Training and information have been vital in overcoming this reticence. Companies, on the other hand, have adopted a positive, or at least, pragmatic attitude. The results of the project will probably be included in the new City Strategy (2017-2021) at the design stage of the permanent lines of work along these lines

The HANDU project will also carry on in another experimental project called SIEPP<sup>54</sup>, which is promoted by the Institute for Health and Welfare, and which started in 2017 and is scheduled to conclude in 2019. SIEPP's objective is to validate innovative ways of creating jobs by means of public procurement, such as Social Impact Bonds.

### Results/impacts

Due to the project finishing in 2017, there is still no evaluation of its impact. So far, there have been 46 pilot tender processes (9 in Helsinki), most in the social services and health sector but in others as well, such as construction. With regard to jobs, it is estimated that 211 new posts have been created.

# Design features and evaluation tools

The Intervention Model is a guide that takes into account the design features of the intervention and identifies the evaluation tools. It will be published in English in the near future.

### Department responsible for managing it

The City Council's Economic Development Division is in charge of running the project.

### Person in charge

Marko Harapainen, marko.harapainen@hel.fi, +358 (0)40 6205571.

### **Further information**

https://www.hel.fi/helsinki/en/administration/enterprises/employment/employment-services

### Helsinki Benefit

### Introduction

The "Helsinki Benefit" is a project designed to encourage employers to hire people from the priority groups by means of personal benefits or subsidies. This discretionary system for creating employment was set up and is run by the Economic Development Division, and funded from the municipal budget. The discretionary character is reinforced by the fact that the people whose employment it is intended to promote receive vouchers that are documents the companies have to use for the application. The aim behind this is for the unemployed person to use the voucher as a way of getting the job and it can be a means of empowering a person in a situation of unemployment.

### Main activities

The programme envisages two types of activity, which consist of two types of subsidy (recruitment and employment), which are compatible with those offered for the same processes by the public employment service (TE Office).

<sup>&</sup>lt;sup>54</sup>The document can be found at the following link: https://ec.europa.eu/esf/transnationality/TPI-211

076 International compar**ative study o**f local development agen**cies** 077

### Recruitment subsidy

Any employer operating in the Helsinki area can apply for this. Its purpose is to encourage employers to recruit more staff by funding the costs, except salaries, that flow from hiring them (adapting the facilities and equipment, orientation in the workplace, etc.), provided they are not funded from other public sources.

In order to be eligible for this subsidy, the person employed must belong to one of the following groups:

- o Helsinki residents aged 18 to 29 who have been unemployed for at least six months.
- Helsinki residents over 30 who have been receiving the employment subsidy (managed by the public employment service TE Office) for the last 300 days or have been unemployed for 24 out of the previous 28 months.
- o Beneficiaries of the comprehensive guidance services (TYP Helsinki).

The working week must be at least 30 hours (or 25 in the case of work experience). The amount of the subsidy is  $\le 500$  a month and it lasts from 1 to 10 months. At the end of that period the subsidy can be supplemented by the so-called "recruitment bonus". This is a one-off payment of  $\le 1,500$  for which employers are eligible if the job continues under the same conditions for six months after the end of the initial subsidy. The minimum wage for being able to opt for the recruitment bonus is  $\le 1,300$  a month.

### II. Employment subsidy

This can be applied for by businesses and non-profit organisations that create long-term jobs for people with a disability and who have been beneficiaries of a Public Employment Service (PES) subsidy that covers 50% to 100% of the salary costs. The aim is to cover the wage costs of the people employed, provided that, together with the PES subsidy, it does not exceed 100% of those costs. The amount of the subsidy is €800 a month and it lasts from 1 to 10 months. It is compatible with the recruitment bonus, which can be applied for under the same conditions as the recruitment subsidy already mentioned.

### Interesting features

One of the most interesting is the competitive advantage it gives the job seeker using their voucher when looking for work. They have a certain negotiating power thanks to the economic help the company can get for hiring them. The fact that this subsidy is compatible with other, national recruitment subsidies is another notable feature.

Finally, given this is a municipal subsidy, the criteria for who can benefit from it can be adapted to the needs identified by the municipal employment services.

#### Results/impacts

There are currently no figures available regarding the number of people who have benefited from this programme nor the number of jobs created.

### Design features and evaluation tools

No special design features or evaluation tools have been noted. On a design level, though, it is worth pointing out how this is for the main groups targeted by the Employment Services Unit, in line with their intervention strategy. This subsidy also fits in with the other subsidies available on a national level to provide incentives for recruitment, which are supplemented in the city by municipal funding. A change in the design was made recently, on 1 March 2017, when a number of modifications to the programme were introduced, notably, lengthening the time of the subsidy to 10 months, the recruitment bonuses and associated times (subsidised periods), and expanding the range of people eligible for it.

# Department responsible for managing it

The Employment Services Unit is in charge of managing the programme.

### Person in charge

Antti Lakanen, antti.lakanen@hel.fi, +358 (0)50 366 9191.

#### For further information

https://www.hel.fi/helsinki/en/administration/enterprises/employment/job-seeking-support/helsinki-benefit/

### Helsinki Growth Alliance

#### Introduction

The aim of the programme is to collectively promote entrepreneurial initiatives that come out of Greater Helsinki. Helsinki, Vantaa and Espoo are the cities taking part in the project. Aalto University is also involved. The project is funded by the European Social Fund and the city councils of the three participating cities.

#### Main activities

The project has established an ongoing programme of activities to drive entrepreneurial ideas in these cities. Given that some of theses ideas come from foreign nationals with a different language to Finnish or Swedish (the two official languages in the city), it is worth noting that some of the activities that take place are in English.

The activities programmed include:

- Team advisory, a coaching service offered to teams of entrepreneurs for their internationalisation. This
  programme is in Finnish and English.
- Workshops to define the business model. Business Canvass workshop, Start-Up workshop (intensive, 2 days), Lean Start-Up workshop (intensive, 1 day).
- "In Search of Co-founders", a workshop to put entrepreneurs with a project idea in touch with people who want to take part in it from the start.
- "In Search of Team Members", a workshop for putting people with different skills and areas of interest in touch with each other where they might complement each other and go on to create a business idea.
- Information seminars on collaboration agreements targeted at those people who are considering joining a team or participating in a joint project to launch an idea.
- Business Clinics. Free consultancy sessions with different professionals working for one of the leading companies in the fields of information technologies, design, marketing or legal advice.

To supplement the face-to-face activities, the project has created a Start-Up Community by means of a restricted-access network.

### Interesting features

The aspect of most interest about the project is the partnership the three cities have established with the University, through their business services, to work together on the economic promotion of their urban area. The other feature that stands out is the programme's focus on the foreign population as human capital for boosting the business community and local development in the participating cities.

It attaches great importance to attracting and making the most of them through business projects.

### Results/impacts

Apart from the face-to-face activities they run and the Start-Up Community they have created, they have no more data, for example, on the number of businesses set up or the number of people who attend their sessions every year.

### Design features and evaluation tools

There is no particular design feature or specific evaluation tool, apart from the requirements related with justifying the programme to the European Social Fund and the final evaluation when the project has finished. One evaluation tool they use is the opinion of the participants and their evaluation of the activities, and an online form for people who use their services where they can leave their opinions.

### Department responsible for managing it

The Business Services Unit in the Economic Development Division of Helsinki City Council is in charge of managing the programme.

### Person in charge

Tommo Koivusalo, tommi.hietavuo@hel.fi, +358 40 730 7761.

### For further information

http://www.newcohelsinki.fi/index.php?cID=473

### At work in Finland

# Introduction

The aim of this project is to increase the employability of foreign nationals resident in Helsinki by developing and coordinating integration and promotion services. Basically this means working on the social inclusion of newcomers by getting them into work.

The project is funded by the European Social Fund (ESF) and participants include the cities of Helsinki, Vantaa and Espoo, the Chamber of Commerce, the central organisation of the trade unions (SAK), a multicultural association (Monihely ry) and the Public Employment Service (TE Office). It is intended to design a new service model for helping immigrants look for work, based on integrating the services offered by all the relevant stakeholders (public and private) under one umbrella. This is called International House Helsinki and it aims to be a reference point, both for job seekers and companies thinking of hiring immigrants.

### Main activities

Besides designing and building the service model, the project is organised around various sub-projects, each one developed by the participating organisations in accordance with the specific needs identified in each sphere.

- The city of Helsinki is responsible for piloting the International House Helsinki service model, for
  integrating and finding work for immigrants with an initial skill level, which focuses on basic studies.
- The Helsinki Region Chamber of Commerce, on the other hand, concentrates on facilitating the incorporation of foreign workers by encouraging the internationalisation processes of SMEs in the

Helsinki region. It also provides information and advice services for businesses on the processes involved in hiring foreign workers and coordinates a mentoring project for these workers (under the "Entry Point" scheme).

- The Espoo sub-project is responsible for validating the model, working with highly-trained Chinese
  people and improving their links with the native business community, who need these workers for their
  internationalisation in China.
- The Vantaa sub-project focuses on increasing the employment and self-employment skills of Russianspeaking residents.

### Interesting features

The main feature that stands out is the design, construction and launch of a service integration model by applying it to various groups, a model validated and applied by various key stakeholders in different cities of the Helsinki region.

### Results/impacts

The project began in March 2016 and will finish on 31 August 2017. So it is currently in the middle of its development stage and, at present, there is no evaluation of its impact.

### Design features and evaluation tools

There was no mention of any particular design feature or specific evaluation tool, apart from the requirements related with justifying the programme to the European Social Fund and the final evaluation when the project has finished.

# Department responsible for managing it

The city's Economic Development Division manages it through its Employment Services Unit.

# Person in charge

Elina Nurmi, elina.nurmi@hel.fi, +358 (0)40 621 4790.

# For further information

https://www.hel.fi/helsinki/en/administration/enterprises/employment/job-seeking-support/at-work-in-finland/

# 2.3.2.5. Change management

The city's main efforts to spot trends are concentrated in its planning strategy. To this end, it has two tools: one for the city, currently being updated, which is the Helsinki City Strategy 2017-2021; and another for the main Finnish cities, the Six City Strategy 2014-2020. In addition, the City Council works with other stakeholders, such as the Public Employment Service and the TE Office or the Institute of Health and Welfare in designing programmes and pilot projects for getting people into work and creating employment. These are innovative projects funded by the European Social Fund which serve to test and validate new service models.

They involve other key stakeholders involved in adapting policies, those who have taken part in the city strategy planning process (such as the universities or the Chamber of Commerce), but their effective role in identifying trends and proposing policy changes does not appear explicitly in the interviews or the documents.

Finally, an interesting aspect is the collaboration with players outside the city, such as the new Six City Strategy, through which innovation and knowledge development policies are coordinated between Finland's six main cities (three of which are in the Helsinki metropolitan area) in an initiative funded by the central government, which it seems will be expanded in the coming years to cooperation with Tallinn, the capital of Estonia, in order to create a joint pole of development.

### 2.2.3.6. Future challenges and prospects

The city of Helsinki is currently experiencing a process of accelerated growth due to the arrival of people from other parts of Finland and also from other countries (mainly Russian speakers and Arab refugees). After years of growth, unemployment is rapidly returning to levels similar to those before the global crisis.

In this context, the people interviewed, who belong to two units (Employment Services and Business Services), share the idea that in the coming years the city faces the challenge of attracting, retaining and taking advantage of these new residents. The arrival of new people (with mainly average skill levels) is seen as an opportunity in a small city, on the outskirts of Europe, but which has the stated aim of becoming a European benchmark as regards entrepreneurship and social innovation.

On a strategic level, they see a need to achieve a "critical mass" in terms of population and activity, in order to be able to act as a talent-attracting centre. The first steps have already been taken to promote initiatives on a city level (mainly with the neighbouring cities of Vantaa and Espoo) but, more recently, efforts seem to be focused on overcoming the administrative limits and creating a more powerful pole by means of joint strategies with Finland's most populous cities (Six City Strategy) and with others where there is a special link (such as Tallinn, with whom there are very important commercial, cultural and population mobility links it is intended to strengthen by building a tunnel under the Baltic Sea which, among other aspects, would improve Helsinki's rail connection).

On a more operational level, a significant part of the Economic Development Division's active policies are geared towards effectively incorporating this newly arrived population:

- o Specific programmes to give the foreign population access to the job market (At work in Finland).
- Programming information, reception and training in the native languages of this population (linked to joining the job market and entrepreneurship). Cross-cutting consideration of resources for learning Finnish.
- Organising international events (such as Splash Helsinki to attract highly qualified young people with an entrepreneurial spirit.

The impulse given to local (and national) policies and their results has led, especially in the case of entrepreneurship and business development, to the consolidation of a public and private support network. Consequently, the municipal services now see a need to reformulate their role, leaving these initiatives as the main implementers in the sectors where they operate, and two in particular:

- o Entrepreneurship with a high degree of technological development and R&D (where the university entrepreneurship support centres are very active).
- Entrepreneurial initiatives undertaken by people without special needs, which are attended to by a significant number of public and private resources, such as business accelerators, business nurseries, coworking facilities, etc.

The work of the Business Support Unit from now on should focus on defining the strategies for entrepreneurial development in the city and dealing with those sectors of the population that are not "profitable" for private initiatives, such as entrepreneurs with special needs.

# Helsinki highlights

- The joint delivery of business and entrepreneurial services with private stakeholders.
- The intervention model for creating jobs by including specific requirements in the public procurement processes.
- The subsidies for recruitment, empowering the job seeker and rewarding the consolidation of a job.
- The integration of services for immigrants.
- The metropolitan partnership for promoting entrepreneurship.
- The joint strategy between the country's six main cities.

# 2.3.3. Summary table of the Nordic city case studies

STOCKHOLM	Mission and objectives	Main areas of action	Services	Organisational model	Funding
Jobbtorg	To empower people so they can access and stay in the labour market by:  — Offering support to people switching from the welfare system to the labour market, employment and training/education.  — Opening doors for new arrivals and young people to increase their chances of finding and keeping a job.  — Offering people opportunities to develop professional careers, improve their vocational training and achieve an adequate level of education.	— Active job seeking  — Promoting employment  — Training  — Fostering social inclusion	— Guidance for people (re)joining the labour market  — Employment intermediation  — Group jobseeking activities  — Training courses  — Work experience and apprenticeship programmes	It is a working unit attached to the Labour Market Administration and is part of Stockholm City Council's Labour Market Division.	Its funding depends directly on the municipal budgets. However, it also receives European funding for collaborating in pilot projects funded by the European Social Fund and the Youth Guarantee Fund.
SBR	To promote and develop the city of Stockholm as an international benchmark for attracting foreign investment and tourism under the "Stockholm, Capital of Scandinavia" brand by:  — Promoting the city of Stockholm and its metropolitan region abroad  — Capturing talent  — Attracting foreign investment	—International promotion and branding     —Attracting and retaining investment	— Publicity campaigns  — Organising events  — Presence at international meetings  — Organising fairs and meetings with foreign businesses and local players  — Monitoring the city's economic situation	Public corporation comprising 16 municipal companies. The city's mayor chairs the Board of Directors.	Its funding is 100% public. Most of its revenue comes from the Stockholm City Council budget but it also receives money from the Stockholm metropolitan area.
HELSINKI					
Economic Development Division	To improve the city's competitiveness and it capacity for creating new businesses and new jobs by:  — Ensuring it creates more businesses and more jobs  — Attracting investment  — Turning the city into the best business and innovation centre in Scandinavia.	<ul> <li>International promotion and branding</li> <li>Attracting and retaining investment</li> <li>Promoting employment</li> <li>Creating new businesses</li> <li>Supporting business growth</li> </ul>	<ul> <li>Organising events</li> <li>Publicity campaigns</li> <li>Presence at international meetings</li> <li>Advice and guidance for unemployed people</li> <li>Support and guidance for entrepreneurs and businesses</li> <li>Training courses</li> </ul>	This is one of the 6 divisions that form the Executive Office, which answers to the Mayor's Office.	Its funding depends on the municipal budget.
Employment Services Unit	To improve the employability of city residents, in particular those who are unemployed, by:  — Designing and implementing local employment initiatives  — Reducing unemployment  — Improving the unemployed population's work skills	<ul> <li>Active job seeking</li> <li>Job placement</li> <li>Promoting employment</li> <li>Training</li> <li>Fostering social inclusion</li> </ul>	Advice and guidance for people (re)joining the labour market Employment intermediation Recruitment subsidies Training courses Work experience and apprenticeship programmes	Work unit attached to the Economic Development Division	Its funding depends on the municipal budget. It also gets central government and European funding for collaborating in pilot projects.
Helsinki Enterprise Agency — NewCo	To boost economic activity in the city with support for new business initiatives in the city and already existing businesses by:  — Creating a collaborative platform among public and private stakeholders who are working in support of entrepreneurship  — Ensuring a sufficient level of quality in the services provided by the public and private stakeholders for entrepreneurial initiatives.	Creating new businesses     Supporting business     growth     Attracting and retaining     investment	— Training courses for entrepreneurs  — Guidance and support for new business initiatives  — Support for business growth  — Coworking spaces and idea incubators	Joint venture with no legal status of its own which brings together the Employment Services Unit of the Economic Development Division and a number of private stakeholders linked with business and entrepreneurial services.	The services offered by the Business Services Unit depend on the municipal budget. Those provided by private stakeholders are funded from their own resources and by delivering services.

# 2.4. OTHER CITIES IN CENTRAL AND SOUTHERN EUROPE

# 2.4.1. The Lyon case

Lyon is France's third-largest city, after Paris and Marseilles, with a population of just over half a million inhabitants. It is part of a unique "territorial collectivity", *Grand Lyon* (Greater Lyon), aka the *Métropole* (metropolitan region), which groups together 59 municipalities and has a population of 1.3 million inhabitants. Covering 538 km², it is the second-largest urban area in France, while its geographical location gives it a competitive advantage as a well-connected city that is attractive for investors as well as weekend tourists.

The *Métropole*'s economy, currently in an expansion phase after overcoming the effects of the global crisis, is based on its solid industrial structure, which accounts for 18% of salaried employment and is the number one industrial agglomeration in France. The sectors linked with health, the digital economy and cleantech are those of the future in a metropolitan region that aspires to be a key reference point in Europe.

Greater Lyon is the product of a strategic vision based on collaboration between the municipality and the department (similar to an English county) and it has a unique status in the local panorama of France. To understand its unique nature, we need to go back to the decentralisation begun by the French government in 1982, when the municipalities were granted legal and financial autonomy. In 1995 the government strengthened "intermunicipalism" by allowing voluntary associations of municipalities and later, in 2010, metropolitan areas were recognised. Of the three big metropolitan areas with a special statute (Paris, Aix-en-Provence/Marseilles and Lyon), Greater Lyon is the one that has gone the furthest in integrating municipal powers with those of the same metropolitan area, in order to create a new local administration that can face up to future social and economic changes. This situation makes it unique in French territory.

The Lyon Métropole was created on 1 January 2015 by the merger of the Communauté Urbaine de Lyon and the Conseil Général du Rhone, with the 59 municipalities that make up the territory of Greater Lyon. Its powers<sup>55</sup> come from those exercised by the municipality and the department, and those that may be delegated to it by the State, region or municipalities. Its current powers are focused on the following aspects:

- Policies in favour of children and families
- Solidarity
- Housing
- Transport
- Water
- Energy and the environment
- Planning urban development and the major urban projects
- Recycling
- Employment and economic development
- Knowledge and culture
- Attraction and projection abroad

Greater Lyon is governed by an assembly of 165 councillors chosen on a second level from municipal councillors but they will be directly elected as of 2020. The Council Assembly has a standing committee, while a metropolitan conference of mayors draws up the Metropolitan Coherence Pact at the start of each mandate to establish the central lines of territorial consensus. Greater Lyon has been fully operational since May 2017.

 $Lyon\ City\ Council\ retains\ some\ local\ powers, such\ as\ the\ ones\ to\ do\ with\ trade\ and\ commerce,\ crafts,$ 

schools, culture and associations.

In addition, Greater Lyon is part of the syndicate of municipal associations (*Pôle Métropolitaine*), which unites the associations of municipalities of the big metropolitan region round Lyon, and which has powers over areas of transport and major mobility infrastructures, such as the airport.

There are also other important stakeholders in the region that should be mentioned, namely, the brand ONLY LYON *Gouvernance économique métropolitaine*, a forum and lobby for the major economic and social stakeholders in the region, and the Economic Development Agency ADERLY, which specialises in attracting new businesses.

# 2.4.1.1. Mission, goals and strategic vision

The creation of Greater Lyon responds to different strategic objectives, geared towards positioning Lyon and its metropolitan area among the global cities that decide the major issues and challenges of the future, on the one hand, and improving governance by removing one level of the administration and combining powers previously dispersed on different levels, on the other. Another objective is to better meet the needs of ordinary citizens, by integrating policies around them in the aspects that affect their daily lives, mainly urban planning, social inclusion and labour market itegration.

From the outset, special attention was paid to integrating, for example, housing and labour market integration policies, or social and employment policies. The Insertion and Economic Development Plan was approved in 2015 to define the objectives of integrating social, economic and urban policies, and to make a firm commitment to environmental and innovation issues.

The Economic Development Programme for 2016-2021 plans to:

- Welcome 100 new businesses a year and create 2,000 jobs.
- Promote 1,000 business projects with high potential.
- Involve 1,000 companies committed to integrating welfare claimants.
- Maintain the 18% industrial employment in the area
- Promote the marketing of 300,000 m<sup>2</sup> of office space a year.

Quality of life (culture, sport and openness to the world), economic driver and quality services (education, housing, transport, solidarity) constitute Greater Lyon's strategic areas.

# 2.4.1.2. Organisational model

Greater Lyon's technical organisational model consists of a president ,who has a technical support office, and a directorate-general, with departments that cover all its responsibilities. The five departments are:

- Economic development, employment and knowledge
- Solidarity development and housing
- Urban development and environment
- Territories and participation
- Resources

Greater Lyon's metropolitan character is notable for its relationship with the municipalities, with an organisation of single contact persons for each municipality and each service area The municipalities have four contact persons depending on the different services:

• For urban services, streets, cleaning and rubbish, the territorial director of urban services.

<sup>55</sup>To consult Grand Lyon's powers, see:

https://www.grandlyon.com/fileadmin/user\_upload/media/pdf/institution/20141218\_gl\_competencesmetropole.pdf

- For urban development services (planning, urban studies and projects, and city policy), an urban development person.
- For the social services and public health services, the territorial director of the "Maisons de la Métropole" (the places from where these services are delivered).
- For economic development and business support services, an economic developer.

There is also a territorial coordinator for the four service area coordinators, and a gateway to all the other services (employment, integration, culture and sport, housing, education, etc.).

The Economic Development, Employment and Knowledge Department covers seven areas:

- **Innovation and economic action.** Responsible for local development and proximity, installation services and company head offices, innovation promotion and relations with the universities and students.
- Attractiveness and international relations. It deals with international relations, (international
  partnerships, decentralised cooperation and European affairs), promoting attractiveness (tourism and
  big bids, marketing and promotion, partnership and economic information.
- Integration and employment. Has two services: integration pathways and access to activity (access
  to rights, quality of integration pathways), mobilising companies and access to employment (support
  mechanisms for integration and employment, developing integration for employment).
- Culture, sport and associations. Functions include cultural life and public reading (cultural policies, Fouvière Gallo-Roman Museum and Ruins, public reading), sports and associations.
- Vallée de la Chimie (Chemistry Valley chemical sector cluster project).
- Digital innovation and information systems. Has four services: architecture and governance, relations
  with beneficiaries and operations, users, digital services and information systems.
- Resources, financial management, human resources, legal and other services.

Greater Lyon has a workforce of 8,900 people, split between 11 main offices and 57 delegations or branches in the regions (*Maisons de la Métropole*). This total includes 8,521 local government officers, a special branch of the national civil service. The other 379 belong to the public health service. Of these, 46.69% are women, and 53.31% are men. These are divided into three large categories: The most qualified category, "C", represents 61.07% of the total staff; category "B", 22.39% and "A", the least qualified, represents 16,53% of the total. The breakdown by area is as follows: 25.5% administrative, 59.17% technical, 0.,55% cultural, 14.75% public health, and 0.02% animation. The average age is 45.2.

# 2.4.1.3. Its main spheres of action and the services it provides

Out of all the spheres of action and programmes, we have identified several of interest. The main ones refer to the integration programmes, promoting entrepreneurship and innovation.

# 1. The Programme Metropolitain d'Insertion pour l'emploi 2016-2020 (PMI'e)

In the area of integration, one of the key ideas in the Greater Lyon strategy is integrating policies around value chains in order to guide them towards satisfying the needs of the population. Housing, integration and economic development policies are inter-related. Greater Lyon has all the powers in urban development and housing matters but not over employment, which is in the hands of the central government. However, it does handle basic income support (RSA – Revenue Solidarité Active). And it is the key player in economic development. The inter-relationship between these three areas of jurisdiction is one of the basic lines of political action in Greater Lyon.

The integration policy revolves around RSA claimants and is part of the economic development strategies for involving businesses in the region in labour market integration measures. In that regard, housing policies are also inter-related with those of administering RSA.

The aim of the people in charge of integration policies is to move away from supporting integration to a policy geared towards access to employment and covering the needs of businesses. In other words, from a supply focus to a demand focus. But this is a slow transition faced with difficulties. In general, they have received a good number of job offers and offers of collaboration from businesses but they are having problems involving the people in receipt of RSA. Among other things, they believe there is a problem with employment service staff adapting, as they no longer pass on company job offers to their users because they do not believe the latter are capable of meeting the requirements of those offers.

The RSA has a budget of  $\le$ 215 million, funded by the *Métropole*, which affects 39,133 user families. In addition, they have  $\le$ 6.5 million for supporting users. These budgets have fallen sharply in recent years. In 2014 they amounted to  $\le$ 240 million, with  $\le$ 20 million for integration, and 53% came from the central government. The integration strategy proposed is to support RSA user families to help them find a job that will give them an income which will enable them to come off income support (RSA). With this aim in mind, it is proposed to involve 1,000 businesses in the integration programme.

In order to make the integration mechanisms more effective, the 2016-2020 *Programme Métropolitain d'Insertion pour l'emploi* (PMI'e – Metropolitan Insertion for Employment Programme) has been drawn up. As part of this Programme there are plans to promote a Territorial Pact for Employment, in order to agree the strategies of each of them with the other stakeholders.

In addition, it is planned to build 9,000 homes a year, 4,000 of which will be social housing, in order to facilitate the social inclusion of RSA users.

The contents of the integration programme are explained in the corresponding fact sheet.

### 2. Lyon Ville de l'Entrepreneuriat

As regards entrepreneurship, their view on promoting entrepreneurial initiatives has been changing in recent years as a result of more private initiatives in this area and the budget restrictions during the crisis. It appears that fostering entrepreneurship is a joint task involving all the socio-economic players in the region. Their current strategy is based on promoting and coordinating a network of public and private services for entrepreneurs, rather than directly managing entrepreneurial services. The universities in particular, but other stakeholders too, have developed support services for start-ups, such as mentoring programmes, incubators and so on. Moreover, the explosion in private coworking initiatives has led to a rethink about belonging to the incubation programmes. The aim is to turn the incubators into "pôles empresarials" (business hubs).

A support network has been designed for entrepreneurship and setting up LVE (*Lyon Ville de l'Entrepreneuriat* businesses involving the key players in this field, in particular the Chamber of Commerce and the universities, but also social organisations. LVE mobilises all the existing business-creation support structures in the area around a joint plan of action to boost the quality and effectiveness of the entrepreneurial services. This network includes 50 players, 200 experts and attended to 17,000 projects in 2016. It is governed by a working methodology of joint work and joint management instruments. Its management revolves around three people, two from Greater Lyon and one from the Chamber of Commerce. It is coordinated by a Board comprising the main partners in the project.

Greater Lyon's role is to lead and organise the network, as well as fund part of its activities. It contributes some €4 million to a €14 million budget, the rest coming from the region, the central government and Europe.

At present, they are involved in a process of reflection on the future orientation of the network in order to consolidate Greater Lyon's leadership, fearing the loss of their central role as a result of the big expansion of initiatives around start-ups and coworking, and also to incorporate the Social and Solidarity Economy. The aim in the future will be to make the network and the pathways more flexible and to integrate more private players. It is proposed to evolve from a partner-focused network to a more user-focused one. In this regard, they want to open up the network's coordinating body to entrepreneurial initiatives because, at present, it is too focused on the partners who, in the end, are judge and part of the project.

Another aspect of the reflection process is the fact that the network's public image is too closely related with the problem of social integration and getting people into work, and they believe it needs to be shifted more towards creating businesses. They want it to be a general, universal instrument and not one exclusively for priority groups. The network also provides assistance to existing businesses, to help them grow, and not just new entrepreneurial initiatives.

They believe Greater Lyon's role has to be less one of service or funding providers and more one of leadership, coordination and support. They want to increase mutual awareness within the network, with periodic meetings at each point of entry to exchange experiences and good practices.

Internally, they have set up an innovation service involving all the technical staff who deal with entrepreneurship from the various Greater Lyon services. This is a network of 10 people organised around a joint project for improving coordination, innovating services and maintaining an ongoing internal reflection on the evolution of the project. The LVE services are supplemented by those of ADERLY, the Lyon Region Economic Development Agency, which specialises in locating and supporting businesses in the region. It comprises the main economic and institutional stakeholders in the region.

### 3. Lyon Métropole Intelligente

Given its determination to become a global benchmark city, Lyon invests in innovation and the digital city from an integrating and participatory perspective. They have faith in innovation as the answer to the challenges of the energy transition as well as urban, economic, technological, democratic and social transformation. They have established priorities in the fields of urban mobility, energy and the digital economy to achieve a more agile, balanced, human and creative city.

For each of these they have brought together the initiatives, stakeholders and existing proposals to give them support and offer them the city as a space for experimenting and trying out ideas. They devote a lot of their efforts into promoting, disseminating and awareness-raising, and generating appeal to position themselves as a cutting-edge city in this field. Projects such as TUBA and ERASME are working along those lines.

# 2.4.1.4. Pick of the programmes, services and initiatives

# Metropolitan Inclusion Programme for Employment 2016-2020<sup>56</sup>

#### Introduction

Greater Lyon states its determination to make employment the structural instrument of its region and regards access to employment as the key to social inclusion. Although responsibility for employment lies with the central government, Greater Lyon wants to be its partner by helping to facilitate access to employment: for RSA (income support) recipients, which it is responsible for.

Following a consultation process in 2015 of all the region's economic and social stakeholders, an initial diagnosis was agreed along with some suggestions for reformulating the integration mechanisms, their relationship with economic development, the governance structures and user participation. This set of measures make up the "Programme Métropolitain d'Insertion pour l'emploi 2016-2020" (2016-2020 Metropolitan Insertion for Employment Programme).

The Programme is based on three strategic guidelines:

- Developing the supply of insertion opportunities through businesses:
  - o Objective 1: To mobilise 1,000 companies for integration.
  - o Objective 2: To develop a range of business services for work integration.
  - o Objective 3: To give support to the integration for economic activity sector.
  - Objective 4: Develop a network of integration professionals and economic development players.
- Creating a range of services geared towards providing RSA (income support) recipients with access to work:
  - Objective 5:To develop the instruments and types of support to better adapt to the diverse range of situations.
  - o Objective 6: To boost the pathways for actions that compliment support.
- o Objective 7: To develop people's employability.
- o Objective 8: To ensure justified access to the law.
- · Promoting a joint project for an exemplary metropolitan region:
  - o Objective 9: To rationalise and exploit the observation and evaluation instruments.
  - o Objective 10: To use the lever of metropolitan public procurement.
  - Objective 11: To base action on all the metropolitan powers for developing the supply of inclusion opportunities.
  - Objective 12: To develop a shared strategy for all the parties involved.
  - Objective 13: To involve the key players and optimise the resources at the service of a more visible metropolitan project.
  - o Objective 14: To communicate, highlight good practice and transfer it to all the stakeholders involved.

#### Main activities

The Programme is being implemented through the *Structures d'Insertion par l'Activité Économique* (SIAE – Organisations for Insertion through Economic Activity) whose mission is to help people find work and support them in the process. There are various types of SIAE:

- Integration companies
- Temporary work integration companies
- Intermediary associations
- Integration workshops

The priority targets for the SIAE are the long-term unemployed, people on welfare such as income support (RSA), young people under 26 with considerable difficulties and workers with disabilities.

<sup>&</sup>lt;sup>58</sup>See *Programme Metropolitain d'Insertion pour l'emploi 2016-2020* PMl'e (https://www.grandlyon.com/fileadmin/user\_upload/media/pdf/insertion/20151201\_gl\_prog\_metro\_insertion\_emploi\_2016\_2020.pdf)

To get companies in the region to support the integration programme, a campaign has been launched to get them to sign up to it, whereby the signatories commit themselves to developing one of the actions put to them, or others along the same lines at their initiative. In other words, they sign up à la carte. Each company that signs up receives a diploma and programme logo.

The actions most often proposed are:

- Presenting the company's professional profiles to job seekers.
- · Taking interns.
- Taking young people or adults on training practice.
- Hiring a worker in the process of integration.
- Hiring a worker through an integration company, an integration workshop, a temporary work integration company or another local integration mechanism.
- Supporting an association that helps people getting back into work.
- Mentoring young and adult job seekers.
- Mobilising their professional sector or network of subcontractors.
- · Entering a joint bid in a tender with an integration company.
- · Including integration clauses in contracts.
- Other.

In order to facilitate the relationship between businesses and integration companies, simplify the processes and make them more transparent, the position of *Chargé de mission de liasion entreprise emploi* ((CLEE – Enterprise-Employment Liason Officer) was created in 2016. The logistics, hotel and catering, digital and construction sectors have developed comprehensive strategies for meeting their manpower needs. Subsidising contracts is another measure that has been adopted and, in the last year, some 110 contracts have been signed, although that is fewer than was expected or forecast.

Making the most of public procurement's potential and extending social clauses is a further measure that has been contemplated. Between 5% and 10% of the hours of work contracted by Greater Lyon must be for people in the process of integration, either directly of through the integration organisations. In that regard, local integration committees have been set up on a territorial level to coordinate and develop collaborative networks between all the services in the same area, municipality or district.

### Interesting features

The most interesting feature is the relationship between social services policies on income support (RSA), employment measures and work integration support. The key concept is regarding employment as the main tool for the social integration of vulnerable people.

Another feature that should be highlighted is the willingness to involve businesses in social integration through a flexible, à la carte form of collaboration. A third is the ad hoc sectoral arrangements set up to satisfy the labour needs of some sectors that have difficulties finding workers, by looking for vacancies that could be filled by local employment services.

The wide range of integration organisations or instruments is also noteworthy. They cover many of the needs of vulnerable people and are all geared towards integrating people in the labour market. Yet another aspect to be borne in mind is the effort put into social clauses in public procurement. The key benchmark instrument of all the measures is the PMI'e Programme, notably the attempt to fit employment measures into the framework of the area's economic development and the coordinated involvement of all its stakeholders.

# Results/impacts

There are still no data available on the impact of the PMI'e.

In the last year 200,000 hours of work have been secured through integration contracts by means of social clauses, and a budget of €1.5 million has been allocated to reserving procurement for integration organisations. The SIAE offers around 1,600 full-time equivalent jobs a year.

### Design features and evaluation tools

The PMI'e includes an evaluation plan for measuring the social return on investment, in order to improve its overall suitability: accessibility of information, quality and dynamism of the support, the progress made by each person on their integration pathway, access to activity, and access to employment.

### Department responsible for managing it

The integration and employment department in the "Développement économique, emploi et savoirs" area is in charge of employment policies in Grand Lyon

### Person in charge

Florence DEBOUT and Olivier ROUVIERE, or ouviere@grandlyon.com, are the two people responsible for the department's two services.

#### For further information

https://www.grandlyon.com/metropole/insertion-et-emploi.html

# Lyon Ville de l'Entrepreneuriat<sup>57</sup>

### Introduction

Lyon Ville de l'Entrepreneuriat (LVE – Lyon City of Entrepreneurship) is a brand promoted by the economic governance body "Grand Lyon, l'Esprit d'Entreprise", a forum which brings together the area's economic stakeholders (Grand Lyon, the Lyon Chamber of Commerce and Industry, the Rhône Chamber of Trades and Crafts, the MEDEF Lyon-Rhône (business association), the CGPME Rhône (association of small businesses) and the University of Lyon). It unites 50 stakeholders, 35 operational structures of entrepreneurship services and 15 institutional members and its main mission is to help entrepreneurs develop their business project. The operational partners cover the network's various services and include city chambers of commerce, funding organisations, support organisations, incubators, testing facilities and economic services.

The network's objectives are to:

- Promote entrepreneurship.
- Simplify the business creation processes.
- Make entrepreneurs aware of the opportunity for ongoing support to ensure their success.
- Propose a range of services geared towards all forms of entrepreneurship, regardless of the people concerned, the types of projects or levels of wealth created, or the kinds of legal structures to be developed.
- Professionalise the network and improve the entrepreneurship services.
- Identify Lyon as a European benchmark for entrepreneurship.

<sup>&</sup>lt;sup>57</sup>For further information, consult the document: 10 ans d'engagement partenarial au service des entrepreneurs. Lyon Ville de l'Entrepreneuriat.

In 2001 the European PACEREL project laid the foundations for structuring a network of local support for entrepreneurship. Three years later, in 2004, the LVE brand was created, and a working methodology was established along with a management structure. An executive committee defines the strategic lines, promotes new ideas for services and a joint declaration is signed by all the members of the network. There is a formal process for joining the network with an auditing process for using the brand and being part of the network. They have also developed their own quality system, with protocols, service quality control mechanisms with self-assessment mechanisms, "fake customer" visits, pentesting security audits and external audits.

The network operates on the basis of territorial working groups (municipalities or districts), cross-cutting project groups and function groups. Five function groups have been created:

- · GM1: informs and guides people and project ideas.
- GM2: Validates the person/project idea relationship.
- · GM3: Supports the person and their project.
- · GM4: Funds the person and their project.
- GM5: Supports the head of the company and their company.

The thematic groups revolve around specific problems:

- Female entrepreneurship.
- Social and Solidarity Economy.
- · Funding for innovative businesses.

Periodic meetings of the entire network are held in each of their areas in order to foster a spirit of collaboration and belonging to the network, and to share good practices. They have also drawn up a plan for defining the professional profiles and skills of the network's professionals, and a plan for improving the latter's professional skills.

The network has a shared database for following the pathway of each entrepreneur (LVEPRO), with detailed information on all network services plus information and guidance tools and action protocols. At present they have a reception and guidance protocol at all the entrance points (gateways).

### Main activities

The services offered to entrepreneurs are organised around a particular type in seven stages, which generate pathways for the development and maturation of each project. Entrepreneurs can enter the circuit through any of the gateways, basically the chamber of commerce and the *Grand Lyon* area offices. These gateways have to be capable of accepting and advising on all kinds of queries and offering people a support circuit. But the system is flexible, so entrepreneurs can contact the network from any point. Each network service has in-depth knowledge of the whole method and is capable of advising on the best pathway in each case.

The circuit methodology is adapted to three types of entrepreneur: freelancers with a self-employment project; entrepreneurs with a small business project; and entrepreneurs with a more ambitious project that has more potential.

So various circuits have been defined depending on the characteristics of each entrepreneur. For example, an innovation circuit or a circuit for buying or selling a business, or another for another kind of entrepreneurship.

The customised services offered are designed to cover the following needs:

- Setting up a business
- Buying, selling or transferring a business

- Requests for support
- Innovating
- · Installing a business
- · Investing in the property sector
- Getting involved in local development
- Developing a network
- Organising and event

Specific circuits have also been defined for the most strategic sectors for the territory:

- Life sciences
- Clean-tech
- Digital
- Creative industries
- Retail trade
- Hotel trade

Besides the personal services there are also group activities, such as workshops and training courses. The service catalogue has also be supplemented by various initiatives:

- "Parrainage d'entrepreneurs", mentoring programme that mobilises established business people to support new entrepreneurial initiatives.
- "Partenaires pour entreprendre", programme to help find partners for new projects.
- "IMAGEEN", programme financed by European funds to promote exchanges between entrepreneurs and good practices on a European level.
- · "Lyon start up", programme for spotting and developing projects with potential.
- "Nocacité", programme for supporting businesses in their early years.
- "Pépites", programme for monitoring and supporting innovative businesses with strong growth potential.
- "Bourses d'échanges", exchanges for buying or selling businesses.
- Organising prizes for entrepreneurs (students, young people, best project).
- · Organising events and activities on entrepreneurship.

Since 2010, there has been a virtual gateway to the network via an internet platform with specific information and guidance instruments<sup>58</sup>.

### Interesting features

The *Grand Lyon* LVE programme has a number of interesting features: First, the reflection on the local administration's role as the main driver of a network of local services. Apart from its role as a service provider or funding provider, it is interesting to see the effort it puts into creating, stimulating and leading a quality network of the main entrepreneurship service operators in its area.

Secondly, the networking approach to overcoming the problems associated with rivalry between the network's members, and becoming a space for collaboration and common projects.

<sup>&</sup>lt;sup>58</sup>See http://www.economie.grandlyon.com/

Thirdly, the effort to achieve quality services and the customer satisfaction focus, with a refined methodological approach of working with common protocols and shared tools and instruments. And, fourthly, the dedication to improving the professionalism of the network's technical and professional staff.

### Results/impacts

Around 50% of all the businesses set up in *Grand Lyon* pass through the circuit every year. Some 17,000 were set up through it in 2016, which is a lot compared to the 8,000 in 2008. Two thirds of these businesses are freelancers and the other third are formal businesses. In 2011, 70% were still going after three years and 55% after five. In 2015, 14,141 people visited the network and 89.3% said they were satisfied with the service they received.

Of all the service actions, 70.9% involved reception, information and guidance at the network gateways; 21.9% putting together and formalising the project; 21.4% training actions; 6.6% requests for finance; 6% testing and validating the project; 5.3% clarification of the idea; 4.7% starting up and developing the young company; 0.7% implementation.

In 2015, 98 young businesses received mentoring, while there were 200 candidates for the start-up programme and 46 businesses took part in the  $p\acute{e}pites$  programme, with a turnover of  $\leqslant$ 300 million and over 2,000 collaborators. They had 5,000 visitors to their website, 3,600 self-analyses via the online portal, 1,550 followers on Twitter and 2.370 fans on Facebook.

In each quarterly "bourse d'échange", organised by the Chamber of Commerce, there was an average of 276 offers for buying or selling businesses. And throughout 2015 there were 1,074 business transfer-purchase offers

### Design features and evaluation tools

Two aspects that seem interesting are the process protocolisation methodologies and the quality control system to ensure a high level of network labelling.

### Department responsible for managing it

The Développement Local et Proximité service of the Innovation et Action Économique department of the Développement économique, emploi et savoirsarea is responsible for coordinating LVE.

### Person in charge

Raddouane Ouama, rouama@grandlyon.com

### For further information

http://www.economie.grandlyon.com/
Plein cadre sur Les porteurs de projet. Rapport d'activité 2015. Faits et chiffres. Lyon Ville de l'Entrepreneuriat.
Start Book 2016. Petit guide pour grans projets. Lyon Start up

(http://www.lyonstartup.com/)

### Innovation59

#### Introduction

Lyon's innovation strategy seeks to use the area's existing capacities to create an environment conducive to innovation with the collaboration and participation of as many social and economic players as possible. Around four strategic guidelines for achieving a more agile, balanced, human and creative metropolis, they have brought together a large number of initiatives working in different spheres of action:

- Urban mobility solutions
- Traffic management
- Urban logistics
- Access to urban services
- New jobs
- Smart networks
- Water
- Cleaning
- Air quality, climate and noise
- Urban projects
- Health
- Solidarity and autonomy
- Education
- · Culture
- Augmented city
- Light
- Reinvented city

# Main activities

In the line of making life easier for everyone, for a more agile city, they have 7 projects at the conceptualisation stage, 8 at the experimentation stage and 14 at the development stage.

Notable among these is the one-stop shop for accessing the city's services, the network of coworking centres, the NAVLY experimental project with autonomous driverless vehicles, and the OPTICITIES programme, which has given rise to various smart mobility initiatives. The www.data.grandlyon.com site has a large number of open databases for public access.

In the line of making a more balanced city, they have 3 projects at the conceptualisation stage, 16 at the experimentation stage and 11 at the development stage. This includes projects for improving air quality management, energy saving, water quality and waste collection management.

In the more human, fairer and inclusive city line, they have 2 projects at the conceptualisation stage, 8 at the experimentation stage and 9 at the development stage.

Notable among these are the digital culture classes, to equip schools with digital services; the PASCALINE project for managing coordination between medical, health and social services; a project to improve accessibility to public spaces for people with mobility problems; and a game for learning about integrated transport in the city.

<sup>&</sup>lt;sup>59</sup>See: Inventons ensemble. Une métropole co-intelligente! Only Lyon, la Métropole (http://www.economie.grandlyon.com/fileadmin/user\_upload/fichiers/site\_eco/20161117\_gl\_lyon\_smart\_city\_metropole\_intelligente\_plaquette\_fr.pdf)

In the creative city line, you can find 6 projects at the conceptualisation stage, 2 at the experimentation stage and 11 at the development stage.

Here ERASME stands out, an open innovation laboratory that has developed an innovative methodology for reinventing urban spaces in a participatory way. The person behind this project is Yves-Armel MARTIN. Also worth highlighting are La iGirouette, a programme on urban tourist signs, and digital artistic creation programs.

Recently they have created TUBA, a space open to the general public to put data users in touch with data producers. It is managed by a consortium of big companies in the sector and universities

# Interesting features

What needs highlighting about the innovation initiatives is their integrated focus, seeking to involve all the public and private stakeholders while looking for participatory formulas that see the general public as the main users of the city's digital strategy.

### Results/impacts

The data available refer to projects that are already at the development and application stage but there is no overall data collection for the strategy as a whole.

### Design features and evaluation tools

Each department has its own indicators for evaluating results.

# Department responsible for managing it

The responsibility for the programme lies with the innovation service in the Innovation and Economic Activity Department.

# Person in charge

Isabelle FAIVRE, in charge of Marketing, ifaivre@grandlyon.com

### For further information

http://www.economie.grandlyon.com/innover-et-experimenter-dans-le-grand-lyon-53.html

# 2.4.1.5. Change management

The body responsible for making forecasts to identify the changing trends is the OPALE (Observatoire Partenarial Lyonnais en Économie), a body attached to the Urban Development Agency with a broad range of partners, some 20 major economic and social stakeholders in the region. In 2015 OPALE was asked to produce a socio-economic analysis of the Lyon urban area. The final document "Mutations et nouveaux moteurs de l'économie lyonnaise – 10 ans d'évolutions socio-économiques" traced the main lines of renewal of the regional strategies to face the challenges of change at a worldwide level that were affecting the Lyon metropolis.

In the course of 2016, a number of working groups agreed the broad lines of the 2016-2021 Economic Development Programme, which was not only conceived as a working programme for Greater Lyon but also as the consensus for cooperation between the main economic and social stakeholders in the region.

The Programme is based on four core strategies:

- Lyon, a metropolis that learns
- · Lyon, a metropolis that attracts
- Lyon, a metropolis that manufactures

· Lyon, a metropolis that trains

The broad range of projects and measures put forward by this plan can be summarised in the main result indicators proposed:

- Welcome 100 new businesses a year and create 2,000 jobs.
- Break the 6 million overnight stays barrier.
- Market 300.000 m<sup>2</sup> of office space.
- Keep the industrial employment share of total employment at 18%.
- Mobilise 1,000 businesses for the integration of RSA users.
- Help 200 "pépites" grow and 10 new Lyon ETIs emerge.
- Exceed 10 million passengers at Lyon-Saint Exupéry airport.
- Help 1,000 high potential entrepreneurial projects emerge
- Host 15% foreign students in Lyon.

Despite the innovation in political and administrative governance that Greater Lyon's ambitious plan implies, it also creates tensions with other institutional stakeholders, for example, the Auvergne Rhône-Alpes region, with which it has to sign a programme contract for implementing some of the measures proposed.

# 2.4.1.6. Future challenges and prospects

Some of the future projects being worked on are linked to the most recent trends in economic activity.

- Promoting the circular economy as an opportunity for innovation and creating local jobs.
- Promoting the Social and Solidarity Economy, especially in the neighbourhoods with the most problems.
- Promoting innovation factories to promote new initiatives in the strategic sectors.
- Attracting the smart netech chemical sector.
- Setting up KM 0 warehouse in the city.
- Promoting university internationalisation.
- Opening up the training centres of large companies to cooperation with small businesses.
- Reaching agreements on regulating the collaborative economy, especially with AIRBNB.

# **Lyon Highlights**

- The innovation of creating a metropolitan service management administration.
- The inter-relationship between housing, integration and economic development policies, particularly around income support (RSA) users.
- The network of public and private players working on putting people in work and providing services for businesses and entrepreneurs on the basis of protocols, and a common methodology led and driven by the public administration.
- Subsidising contracts and public procurement to boost employment.
- The commitment to innovation and the digital city based on open data.

<sup>&</sup>lt;sup>60</sup>For more information, see: 2017 as a business location. Facts and figures. http://www.wirtschaft-muenchen.de/publikationen/pdfs/factsandfigures\_2017\_e.pdf

#### 2.4.2. The Munich case

Munich, with 1.52 million inhabitants, is Germany's third-largest city and the capital of the Free State of Bavaria. It covers 310 km² and has a population density of over 4,900 inhabitants per km². Its metropolitan region encompasses six million people, nearly half the population of the Bavarian  $Land^{60}$ .

Munich and its metropolitan area form one of Europe's most economically dynamic regions and constitute a prosperous region with a high level of wellbeing. The city had a GDP of €99.76 billion in 2014, and its inhabitants had a per capita purchasing power of €30,901 in 2016, the highest of all German cities. In 2015, municipal budget income was €5.637 billion, with a surplus of more than €12 million.

It has a very diversified economic structure, but what stands out are the industries and services linked with the knowledge economy and cutting-edge technologies. It is worth noting that 31.4% of its employed population has a university qualification. The city plays a leading role in all the 4.0 and innovation economy. The medical systems, environmental engineering and aerospace sectors, information and communication technologies, and the automobile sectors occupy a dominant position. With regard to services, the insurance sector and business services also stand out. The latter is the sector with the most weight in employment in the city, accounting for 24.5%. Next comes commerce, transport and catering, with 18.1%, followed by the manufacturing industry, with 11.9%. The health and social sector employ 11.3% of the population, information and communication 8.6%, and finance 7.3%, while the public administration employs 5% and education 3.6%. The city's unemployment rate, about 4.3% in 2016, is very low and one of the lowest among Germany's big cities.

Munich is a city that feels well-positioned for the future, currently expanding and an attractive destination that has gained a lot from globalisation. Its priority today is ensuring it manages this privileged situation well, seeking to maintain the traditional balance between cohesion, the population's wellbeing, respect for the environment and innovation, with balanced growth which it aims to ensure is as orderly as possible.

It should be borne in mind that Munich has a long tradition of Social Democratic government, practically since World War Two, today supported by the Greens. They are very aware that the political stability of the city's government breeds confidence and is a factor in its strength. Given this position, its strategy is to respond to new challenges while maintaining a balance with its social background.

In addition to its economic fabric, the city also has a powerful knowledge infrastructure formed by 15 universities and research centres, some highly renowned, which attract over 115,000 students, 16.5% of which are foreign students.

Another indicator of the city's appeal is the constant increase in overnight stays, which topped 14 million in 2016. Its airport is Germany's second largest, with 42.3 million passengers in 2016.

It occupies fourth place in various aspects of several international rankings, notably quality of life and potential for growth.

Among the arguments for explaining this success, what stands out is their confidence in the future, in the face of the challenges and problems it might pose them. They are convinced that they will be able to find the right balance to overcome them. They also value the creative capacity of their ecosystem. Their level of wealth enables them to invest in creativity and innovation, creating a culture of investment in R&D, both public and private. They state that this culture is deeply ingrained in the city's social and economic fabric. Companies know that by investing, even if it brings no immediate return, they are enriching their social and economic environment, and that this will benefit them. This attitude is what helps us to understand that companies invest in training, even if

it is not for their own operatives (dual training), because they are convinced that this way they are facilitating the development of the population's overall skill base and that they will be repaid when they are looking for skilled staff.

# 2.4.2.1. Mission, goals and strategic vision

In 1998, Munich drew up an urban development strategy called *Perspective*<sup>61</sup>. Then, in 2012, they renewed their strategy by defining the main challenges and strategic guidelines, holding a broad participatory process involving dialogue with the general public and the city's main stakeholders. A year later, a new strategy was approved based on four guidelines:

- · Foresight and Cooperative Management
- Open Atmosphere and Attractive Appearance
- · High-Quality and Characteristic Urban Spaces
- Caring and Committed Urban Society

The concept of balancing interests is the guiding principle of the strategic options for 16 thematic objectives, 10 areas of action and all the planned programmes and measures.

The city's strategic vision is based on creating a quality environment for living conditions in order to empower its citizens. In order to achieve this objective, they regard collaboration with the metropolitan area and the region as being vital to boost the city's attractiveness. They have a responsible attitude and are aware of the environmental limits to growth, which they believe should be based on the values of creativity, variety, innovation, solidarity, adaptability, openness, commitment and engagement. In line with this vision, the role of the local authority is to help create the conditions that will enable people and their capacity for initiative to develop to the full

# 2.4.2.2. Organisational model

The city does not have a specific agency for economic promotion. Instead, the City Council's Department of Employment and Economic Promotion assumes responsibility for it. The current head of that department is the city's deputy mayor, who has a first-class political profile and carries a lot of weight.

The Department has a workforce of 200 and their remit, apart from strictly economic matters, includes control over specific holding companies The most important are those of energy and electricity, as well as transport, which is 10% owned by the City Council. Besides these competences it has those relating to relations with business, employment and training, and European relations.

Economic promotion is organised around two sections: business development, which is responsible for business promotion (entrepreneurship, start-ups, support for businesses, attracting investment, innovation and new technologies) and training policies and local employment. In the former there is an Economic Development Policy Unit, with a team of eight members, which specialises in carrying out studies and drawing up reports.

# 2.4.2.3. Its main spheres of action and the services it provides

In the area of business promotion, its commitment to start-ups, support for businesses and technologies stands out. In the area of employment policies, the focus is basically on the macro-programme for qualifications and employment, MBQ (München Beschäftigungs und Qualifizierungsprogramm). It is also important to highlight the AMIGA programme, targeted at integrating immigrants.

<sup>&</sup>lt;sup>61</sup>For more information, see: Future perspective. Strategies, Guidelines, Projects. https://www.muenchen.de/.../PM\_Magazin\_en\_web.pdf

The idea behind the business area is to give support to businesses and work with the other public and private stakeholders to promote new initiatives. That means collaborating with the central and regional governments in particular, and also the universities. They believe the region and the universities have to lead in this field and that their role is one of support. It should be remembered there are some powerful university infrastructures that promote the creation of start-ups with strong regional participation. On the other hand, they also recognise that this capacity of the universities for initiative and innovation is very closely linked to some key people that have assumed a leadership role.

Munich is strongly committed to positioning itself as a benchmark city for creating start-ups. Its policy takes the form of giving support to the initiatives of the main stakeholders in this field: the Chamber of Commerce, universities and start-up support platforms, whether they are German, European or international.

An example of this collaboration is the opening this summer of a new incubator to accelerate start-ups in the retail trade. The City Council has backed a MediaMarktSaturn and Plug and Play initiative to install the new retail hub especially for testing new products with customers<sup>62</sup>.

Another example is the recent creation of a specialised coworking hub for the creative industries, an initiative of the Creative Industries Working Group in collaboration with the German section of the international platform Startnex<sup>83</sup>.

As regards coworking, its role is to promote and make the city's coworking spaces known by publishing all the existing ones and publicising them<sup>64</sup>. The same policy is followed with start-up centres and tech centres.

The city has a point of single contact (PSC) for setting up and opening businesses that offers information and advice on all the steps involved in doing that in the city. This service covers help with all the administrative procedures and obtaining licences, as well as getting accreditation or recognition for professional qualifications.

For start-ups and professional freelancers, the city has the Business Start-Up Office (MEB) which provides a free service in collaboration with the Chamber of Commerce and the Region<sup>65</sup>.

Business project funding follows the same logic of announcing all the existing offers, both public and private sector, of the City Council itself, the Region and the State. The City Council, in collaboration with la Caius d'Estaing, has created a fund to facilitate easy access to credit for entrepreneurs.

Besides information, advice and help with funding, they also offer information and support for securing premises for new businesses to set up in and existing ones to move into. They offer information too on the state of the market for buying or renting offices in the city and the business centre services. The Industry Centres (Mobs) offer premises for SMEs and start-ups. In 1993 they created the Technology Centre (MTZ), which specialises in cutting-edge technology. This is another joint initiative between the Chamber of Commerce and the city.

Linked to the support services for businesses, there are also information and guidance services for people who want to work, study or do research in the city in order to attract talent; information and support services to help with residence and other procedures such as recognition of qualifications, work permits and job offers, places to live, learning German and so on.

With regard to employment policies, their main programme is the MBQ, a macro-programme designed to get groups with the most difficulties into the labour market. Another programme to note within the MBQ framework is AMIGA, geared towards helping immigrants integrate.

The MBQ is an umbrella programme that encompasses all the measures designed to help the long-term unemployed, people with a migratory past, single-parent families and other unemployed people who want to return to the labour market. It is the City Council's own programme to supplement the official employment services run by the regional and central governments. It maintains permanent coordination with the official employment services, even though each institution is free to design and carry out its own actions. The City Council has an employment office that was set up in collaboration with the State Employment Office to deal with all kinds of unemployed people. Those in receipt of benefits may be referred to the MBQ programme following a guidance session at the unemployment office.

At present, they are thinking about how they can adapt the programme to better respond to the needs of their users. The idea is to adapt the length of time and combination of resources to the needs of each group they attend to.

Apart from these programmes, they have agreements to take part in regional and central government programmes. For example, the city takes part in the federal programme BIWAQ (*Bildung Wirtschaft Arbeit im Quarter*), run by the Ministry of the Environment with support from the EU's Social Fund (ESF) to promote work-integration activities in city neighbourhoods. This is a comprehensive guidance, training and support programme to find work for people living in the most disadvantaged neighbourhoods in some of the occupations most in demand, and which might have an impact on community development in the neighbourhoods.

# 2.4.2.4. Pick of the programmes, services and initiatives

Below we describe the most interesting programmes in the sphere of local employment policies.

# MBQ (München Beschäftigungs und Qualifizierungsprogramm)

#### Introduction

The MBQ programme was set up in 1993 and includes the more than 110 measures designed to offer different services to unemployed people. The programme is run by two departments, Employment and Economic Promotion and Social Services, with the aim of making work integration one of the basic lines of social support for people and families in a vulnerable situation. It is implemented in collaboration with the city's social entities.

The aims of the programme are to:

- Reduce long-term unemployment by contributing to social stabilisation, helping participants to become
  more employable and integrating people who have been unemployed for a long time in the labour market.
- Promote equal job opportunities for women and men.
- Develop knowledge and skills in companies and industries, by means of activities designed to keep jobs, with employment promotion activities, encouraging apprenticeships and giving support to immigrant businesses.
- Integrate newly arrived refugees.
   The programme targets the following priority groups:
- People on unemployment benefit who have been unemployed a long time and are having difficulties finding work.
- Women looking for a career change and/or planning a self-employment project. Women at a disadvantage in the labour market.

<sup>62</sup>See https://www.muenchen.de/rathaus/wirtschaft\_en/business-news/retailtech-hub.html

<sup>63</sup>See https://www.muenchen.de/rathaus/wirtschaft\_en/industries/creative-industries/consulting-advice/creative-crowdfunding html

<sup>64</sup>See https://www.muenchen.de/rathaus/wirtschaft\_en/business-news/coworking-in-.html

<sup>&</sup>lt;sup>65</sup>See https://www.muenchen.de/rathaus/home\_en/Department-of-Labor-and-Economic-Development/economic-development/Startup-assistance.html

<sup>66</sup>See https://www.mtz.de/en/

102 International compar**ative study o**f local development agen**cies** 103

- Young people, students or graduates moving from school or university to the world of work.
- Entrepreneurs (with a migrant background) promoting small and medium-sized businesses.
- · Refugees.

### Main activities

The programme is based on four broad areas of action:

- · Reducing long-term unemployment
- Promoting equal opportunities
- · Transition from school to work
- Developing skills

The three main measures for reducing long-term unemployment are:

- I. Integration companies. This measure subsidises jobs in more than 32 integration companies, offering work opportunities with stays of six months in those companies. Participants receive €1 an hour on top of their unemployment benefit. They are referred by unemployment offices.
- II. VPA (Work Prospects Projects). The aim of this project is to train people so they can join the labour market. It targets the long-term unemployed, immigrants, single-parent families and women rejoining the labour market. It is actively supported by a network of 21 training organisations and other City Council departments. This is a comprehensive support and training programme, wholly financed by the City Council from 2007 to 2009, and now supplemented by European funds (ESF). Its role is more one of guidance and preparatory training for taking part in other programmes.
- III. Labour market in the third sector. This programme offers stable jobs in public institutions or social entities to people in long-term unemployment. For this it has an allocation of €3 million. There are two options: 100 jobs for three years, which may be extended with a social services subsidy, or 100 jobs for a two-year period that may be repeated<sup>67</sup>.

The equal opportunities projects target groups with higher education qualifications, especially men and women rejoining the labour market, women entrepreneurs with start-up projects and business women.

The most important projects in this area are:

- I. Power\_m. Set up in 2009 to promote people's careers, especially those of women re-entering the labour market after a long time out of it. Seven advice and education service providers collaborate with it. The idea is to revive the dormant skills of people who dropped out of the labour market. They offer services to cover leave in small and medium-sized companies. Since 2010 they have offered more than 880 jobs in over 400 companies.
- II. Guide. This is a city programme for women entrepreneurs.
- III. MOVE, a mentoring programme for entrepreneurs.
- IV. Women's Day, an event to promote equal opportunities and women entrepreneurs.

In the case of young people joining the labour market, the actions target people under 25 and their parents, refugees, the sons and daughters of immigrants, students and university graduates, and small and medium-sized businesses.

The main projects are:

- JuSoPRo, support programme for projects designed to ease the transition into the labour market of
  young people who have left education. Now it includes new projects to guide and train young people, and
  help them to get an apprenticeship in a company with dual training.
- AMIGA, for integration into the labour market (see description below).
- Erasmus Award, competition for apprentices in manual professions.
- LastMinuts Training/Apprentice Fair. A fair to encourage apprenticeships.

Finally, skills development, which focuses on helping people from migratory environments. The aim is to keep jobs, promote business projects among immigrants and encourage potential apprentices.

The projects worth highlighting are:

- Dialogues "from entrepreneurs to entrepreneurs". Talk and discussion programme where migrants with a business talk about their experiences with new entrepreneurs.
- Phoenix Prize. Competition and prizes for the best entrepreneurial initiatives.

Some of the other MBQ projects have also been opened to refugees. For example, every year 90 take part in a project that offers them guidance and prepares them for dual training or helps them find work – basically learning German – and explains German institutions to them. There are other projects too that are designed to adapt them and prepare them for Germany's dual vocational training system.

# Interesting features

The MBQ programme has a number of interesting features:

Firstly, the fact that the entire employment policy is integrated under the umbrella of the MBQ Programme. This makes it easier to organise and helps to monitor its results and impacts from an overall perspective. Having an overarching programme gives coherence to all municipal action in this area and responds to a general view of the problems facing different groups, looking for suitable solutions for each of them.

Secondly, collaboration with the Department of Social Services. This is based above all on joint funding and social services user referrals. In other words, the MBQ's target public are social services users. The impact of this collaboration is obvious, in the sense that it makes the work of social services easier by incorporating employability as a key factor, and helps to reduce the social programmes for finding employment.

Thirdly, it is worth highlighting the concept of migrants being an opportunity for acquiring a workforce to cover the needs of some sectors that have difficulties in covering their staff needs, as well as being an opportunity to generate entrepreneurs in areas not covered by Germans.

Fourthly, the measures for putting long-term unemployed people in work are characterised by comprehensive support that takes in all the problems they have. Moreover, they are applied long enough for those people to develop the capacity to operate independently in the labour market. That means a big cost and effort per person but, on the other hand, even though the results are not conclusive, they are moderately positive. And, given the number of people involved is low, the cost is manageable.

Fifthly, the support for women coming back to the labour market, with good results.

Sixthly, the city's leading role in mobilising an extensive network of bodies and organisations to implement its programmes.

<sup>&</sup>lt;sup>67</sup>For more information, see: www.muenchen.de/mbq

### Results/impacts

Every year the city invests a total of  $\le$ 28 million in the MBQ Programme. A large part of this budget ( $\le$ 22 million) comes from the Department of Employment and Economic Promotion, and a further  $\le$ 6 million from the Department of Social Services. Most of it ( $\le$ 17.7 million) goes towards financing the benefits of unemployed people.

The Programme funds around 1,200 jobs and the participation of some 3,000 people on training programmes.

A total of 1,900 people benefited from the work integration companies in 2015, and a further 1,100 in 2016. They matched the following profiles:

- 91% people in long-term unemployment.
- 52% people with no vocational training.
- 38% people form a migrant background.
- 33% people over 49 years old.
- 16% people with severe disabilities.
- 13% people with no vocational qualification or educational certificates.
- 12% single-parent families.

At the end of their stay in the integration companies, 14% found a full-time job in another company, and about 22% went on to other employment or training projects.

In 2015, the Employment Office referred 2,300 people to the Integration Information Centres (IBZs) for training guidance and 1,400 of those joined the Work Prospects Project (VPA). The same year, the Employment Office referred a further 2,400 people to the IBZs for an assessment of their command of German and guidance on learning the language. On completing the VPA programme, approximately 30% were employed in a protected job, receiving less in benefits or coming off them altogether. The *Power\_m* programme has helped 3,400 people since 2009 and 65% have successfully rejoined the labour market.

#### Design features and evaluation tools

The Department has its own team for analysing, designing and evaluating programmes. The Programme has a set of indicators for monitoring it and measuring its impact on employment.

# Department responsible for managing it

The Department of Employment and Economic Promotion is in charge of it and responsible for managing it.

### Person in charge

Anneliese Durst, Head of the Local Employment and Training Policies Unit anneliese.durst@muenchen.de

### For further information

www.muenchen.de/business

### **AMIGA**

### Introduction

The MBQ programme includes the AMIGA (Active MIGrAnts in the Local Labour Market) project. This was set up in 2013 in collaboration with the Polish city of Poznan and is co-funded by the ESF. It is a transnational project that aims to promote the integration of migrants in the labour market. At present it is entering a new stage open to more European cities<sup>68</sup>.

The AMIGA programme has a network of partners in each city: universities, businesses, business and professional organisations, chambers of commerce, training centres, employment services and social entities, more than 20 of those in the city alone.

Its goals are to:

- Put the potential that qualified migrants bring with them at the service of the labour market.
- Encourage dialogue between qualified migrants and businesses.
- Develop strategies for satisfactorily integrating them into the labour market, by involving all the local players.

The programme targets qualified migrants to highlight their skills by:

- Offering support to qualified migrants having difficulties finding employment.
- · Giving support to international university graduates.
- · Advising migrants interested in starting their own business.

The programme is supplemented by important work in the media and social media, in order to influence public opinion and bring about a positive change in the popular mindset with regard to the skills migrants can bring and the contribution they can make to generating wealth in the country.

#### Main activities

To achieve its goals, the AMIGA programme organises:

- AMIGA (AIMP), an information point offering migrants guidance, advice and support for integrating into the local labour market.
- Seminars and workshops specialising in employment issues.
- · MigMENT, mentoring services to help migrants and foreign students with their careers.
- International career fairs which put them in touch with companies selecting staff.

AMIGA aims to establish a structure based on long-term relations that continues after the programme in order to deal with migrants' integration needs.

Along these lines AMIGA has created:

 Panels of experts to design strategies and give useful advice on how to become active in the labour market, and for monitoring the results.

<sup>&</sup>lt;sup>68</sup>For further information see the final report on the first stage of the programme: AMIGA Active Migrants in the Local Labor Market. Strategies to support migrants in the labor market. Experience with the AMIGA project in the context of old and new migration cities in the EU. Referat für Arbeit und Wirtschaft. Muenchen. May 2015. http://www.wirtschaft-muenchen.de/publikationen/pdfs/amiga15\_en.pdf

- Community managers who are specially trained to act as intermediaries between migrants and the institutions.
- Mobile Information Services to orient migrants in finding career counsellors and information on events in various places.

# Interesting features

The main interest in the AMIGA programme lies in its strategic conception of attracting talent by taking advantage of qualified migrants and foreign university students.

Also worth noting is its long-term focus on establishing some working conditions between local institutions to include migrants as one of the targets for local labour-market inclusion and entrepreneurship policies. A further hallmark of the programme is the effort it makes through the media and social media to bring about a cultural shift in public opinion regarding immigrants.

Finally, there are the community managers, go-between sbetween the public institutions and migrants, who represent an innovative contribution to the ways of approaching this subject.

### Results/impacts

A total of 1,075 people benefited from some of the AMIGA activities between September 2013 and 2015. Of these, 147 registered, 728 were contacted and over 200 took part in the programme surveys.

Half (50%) came from countries outside the EU and 48% from member states. Of these, 67% were women and 33% men. By age, 15% were over 41, 17.7% were aged 36 to 40, 25% 31 to 35, 29.2% 26 to 30, and 10.9% 18 to 25. Seventy-eight per cent were qualified migrants. Nine per cent were foreign students. Thirteen per cent were migrant entrepreneurs.

#### Design features and evaluation tools

The programme has designed its own information system to obtain the information required for monitoring and evaluating it.

### Department responsible for managing it

The Local Employment Policies Unit inside the Department of Employment and Economic Promotion, in collaboration with other local institutions.

### Person in charge

Magdalena Ziolek-Skrzypczak, magdalena.ziolek@muenchen.de

### For further information

See the final report on the project at http://www.wirtschaft-muenchen.de/publikationen/pdfs/amiga15\_en.pdf

# 2.4.2.5. Change management

"Munich: Future Perspective" is a forward-looking instrument. An ongoing programme of observation and debate about the city's future and its capacity to face up to new challenges.

It should be noted that this is the tool of the Municipal Department of Urban Planning and Building Regulation, which is responsible for planning the city from an overall perspective.

But the working process to develop it requires engaging and involving many city sectors and stakeholders, and ample capacity for communication and dissemination, organising events, exhibitions and conferences to discuss the big issues facing the city.

Munich gives you the feeling it has a strong capacity for consensus and institutional agreement, based on a clear division of functions and competencies, shared and accepted by everyone, although that does not mean they are free of tensions and conflicts between the same institutions. Yet many of them are capable of reaching agreement on dividing up the different roles to achieve the major objectives that affect all of them. That is undoubtedly one of the reasons for their success.

It is also worth highlighting their culture of balancing the interests of the different stakeholders and the public administration's role in mediating between conflicts of interest, recognised by all the parties. This balancing culture is reflected in the various programmes and measures studied.

# 2.4.2.6. Future challenges and prospects

The culture of balance is also applied to the tension between tradition and innovation, as a positive way of facing up to the speed of change and the challenges of the future. Munich's approach is to tackle future challenges gradually, smoothly, and with a great capacity for adapting, always looking to strike a balance between what they have and are, and what they would like to be or will become, confident in their capacity for resolving and overcoming difficulties.

In order to address technological change, they are preparing a competition to get advice on how they should focus the technology centres so they can adapt to future innovations. For example, they want to devote a new technology centre to smart cities.

They are not unduly worried about dealing with technological changes. In fact, they are confident they will be able to do it because they believe they have the resources and the necessary means to do so. However, they are more concerned about sustainability issues, although they think that, ultimately, it will be a technological question and they will find the solutions. For example, they want to convert the taxi fleet to electric cars. They are under strong pressure from experts and the courts, especially on the question of diesel.

With regard to smart city issues, their strategy is to convene ideas competitions and offer the city as a test bed.

On the impact of roboticisation and automatic driving, they believe it is not imminent and over the next 20 years there will be time to adapt to it.

With regard to collaborative economy issues, they believe it is a question of regulation and their culture of mediation means they have experience of that.

Likewise, they have a collaborative programme with the cooperative housing sector. Social housing policy is a municipal responsibility but they reserve part of that for building social housing with cooperatives, based on the new concepts of living together. The Conceptual Housing Programme is a competition where the prevailing criterion is not price but the innovative concept (for example, shared housing, assisted housing for elderly people, etc.).

They are not worried about the problem of a declining population and the shortage of qualified professional personnel because they say the city is attractive enough for professionals from all over the world to want to go and live there. Hence the appeal of the AMIGA programme. On the other hand, they envisage more difficulties for services (teachers, hospitals, public services, government administration and so on). They believe it will be necessary to adopt measures to make the city more attractive, by increasing salaries or offering "indirect wages", such as flats at a good price built by cooperatives.

Rising employment hides the problem of minijobs or subsidised jobs. They think it is the price of success and growth, and that there are always losers in any growth, even though they do not know how to avoid the problem that will arise when the "minijobbers" reach retirement age and levels of inequality and poverty increase. They say they will cross that bridge when they come to it.

As salaries in the city are above average, they believe the issue of a guaranteed minimum wage is not a priority. Conversely, one problem they think they will face is how to keep elderly people in the city given the rise in the cost of housing. The pressure on construction is for housing, more than office space or relocating businesses.

Their concern revolves around wondering whether they will be able to keep abreast of the times.

# **Munich highlights**

- The specific work they do with people returning to the labour market, especially women.
- The way it promotes the integration of migrants into the labour market by involving local stakeholders seeking to change the cultural outlook of the local population, and as a strategic approach to attracting talent.
- The city's employment policies grouped together in a macro-programme where getting people into work is the basic line of social support for those in vulnerable situations.
- The City Council's approach of giving support to businesses and collaborating with other public and private stakeholders, such as the central and regional governments or the universities to promote new initiatives.
- The commitment to promoting the creation of start-ups by facilitating the testing of new products in the city, and the City Council's collaboration with the main stakeholders in this area.

### 2.4.3. The Turin case

Turin is Italy's fourth-largest city. With a population of 886,837 inhabitants, it is the capital of the Piedmont region and is surrounded by a metropolitan area that encompasses 316 municipalities, with a population of 2.2 million inhabitants, that generates a GDP of €66.4 million. The city of Turin has a population density of 6,821.24 inhabitants per km². It has been losing inhabitants since 2013, despite the increase in its large foreign population, which represents 15.1% of the total. Romanians, Moroccans and Peruvians are the three most numerous nationalities.

The municipal income budget for 2017 is €1.593 billion. Turin is an industrial city, a benchmark for the car industry, but with a diverse business community that is suffering with the transformation of its traditional industry and the move towards more internationally competitive sectors, At present, this transformation is the city's characteristic feature as it tries to keep its position as one of Italy's main economic and industrial centres.

The local elections of 2016 produced a change in the city government, now led by the Five Star Movement, which has introduced changes in the city's political priorities.

# 2.4.3.1. Mission, goals and strategic vision

In 2000, Turin was a pioneer in drawing up the first strategic plans with a participatory methodology, creating the *Torino Strategica* association with five main partners (the City Council, the Chamber of Commerce, the San Paolo Foundation and two universities, the *Politecnico di Torino* and the *Università degli Studi di Torino*). This association was restructured in 2016 as part of a rationalisation process involving the bodies and organisations the City Council had a stake in. In 2012, the process of drawing up the third Strategic Plan got under way and an interim report was produced in 2014 on the process and its results, which gave advance notice of the city's strategic lines.

From a strategic perspective, priority is given to the city's metropolitan dimension, highlighting its productive fabric and economic activity, the university dimension of advancing knowledge, the city's international profile and the social dimension of a more inclusive city.

For 2017, the current City Council executive has set a series of strategic guidelines and objectives for the Department of Commerce, Employment, Tourism, Productive Activity and Economic Promotion<sup>69</sup>. These are to:

- Orient tourist flows in a more cross-cutting way that includes culture, sport, conferences and major events.
- Give priority to small shops, making them more efficient.
- Encourage small local activities at the service of the city's inhabitants.
- Promote a polycentric city to improve the services in the outskirts.
- Promote active employment policies through vocational qualifications and support for career guidance and advice.
- · Help the weakest sectors through their inclusion in the labour market.

From an economic, social and political perspective, Turin is going through a transitional stage where it is redefining its strategies. This process is marked by a firm commitment to innovation, new technologies and the digital city.

# 2.4.3.2. Organisational model

Turin does not have a specific agency for economic promotion but in the City Council structure there is a Department of Commerce, Employment, Tourism, Productive Activity and Economic Promotion. This Department is organised into five sections, with a specific division for tourism, one for employment and another for economic promotion and special projects.

# 2.4.3.3. Its main spheres of action and the services it provides

The Department's main spheres of action are promoting tourism, commerce, employment and integration into the labour market.

They are trying to establish a cross-departmental line of coordination with other departments in order to establish joint lines of intervention for certain priority groups, such as young people and migrants, and introducing a social innovation perspective.

For example, for equal opportunities and social integration, they have set up an internal coordination committee between the different departments which has drawn up a joint strategy on multicultural policy from an integrated perspective. This committee will meet monthly to monitor progress.

Likewise, specific participatory round table bodies have been set up with each of the city's main immigrant communities (Chinese, Peruvians, Africans and Arabs). These discuss projects and actions which are then conveyed to the internal coordinating committee.

In the area of youth services, there are lots of activities for fostering youth employment. In the past the Youth Department had all the responsibilities of other departments for this age group, for example, employment, education and social services. These have recently been returned to each department, so the youth office services have been reduced. However, some programmes to help young people enter the labour market have been maintained.

<sup>69</sup> For more information, see the PDF at http://www.comune.torino.it/bilancio/performance/

The services offered by the City Council's six youth centres include career guidance, help with finding work, support for entrepreneurship and help with personal independence and housing.

It is worth highlighting that all the youth services the Council offers, notably those to do with employment and training, can be found on its youth portal. One of them is a site which publicises lots of company job offers, and has agreements with the city's main companies to set up an online gateway where users can find out about their job offers.

Another project that has a bearing on employment is the Civil Service, which is geared towards offering young people a space for developing their vocational skills. This service is described in detail below.

With regard to employment, it should be borne in mind that the recent regional reform has concentrated powers in this area in the regions. Despite that, Turin City Council has kept its programmes because of the need to deal with the high demand for intervention to reduce the high levels of unemployment and job insecurity.

As resources are scarce, they have a policy of cooperating with other public institutions, such as the regional government, as well as private ones, such as foundations, the Chamber of Commerce or employment agencies. The City Council tries to supplement the regional programmes.

They are rolling out job centres around the city in collaboration with private entities and trying out various collaboration formulas. For example, offering free spaces, in some cases, to placement agencies so they can attend to long-term unemployed people free of charge. In other cases, they let private entities run the centres. The latter have to pay rent but the City Council gives them subsidies so they can offer the unemployed a comprehensive service.

The measures for helping people in long-term unemployment are managed through job-placement cooperatives or social enterprises hired by municipal services. By means of a tender, they offer subsidies to organisations that organise projects in the public interest.

The measures for promoting entrepreneurship follow the same line of giving support to bodies and entities that have programmes in this area. For example, co-funding regional programmes or supporting those of the banks and universities, by offering office space or other kinds of support, generally of the non-financial kind.

As regards innovation, they have developed an ambitious programme with five areas:

- Citizen participation
- Digital city
- IT systems
- Information and data infrastructures
- Disruptive innovation

A set of projects is being planned for each of these areas to position Turin as a benchmark city in this area. See the fact sheet below

# 2.4.3.4. Pick of the programmes, services and initiatives Civil service

### Introduction

This programme arose as an alternative to military service. That has had a negative impact on the general public's perception of it but, at present, it is basically geared towards training and enhancing young people's vocational skills to facilitate their entry into the labour market.

111

#### Main activities

This is a voluntary service that lasts 12 months in which the young person plays an active part in various social projects in libraries, schools, toy libraries or social service projects in public bodies. Each public body develops a project that takes in young people. These projects are in addition to the body's own staff and may not replace existing jobs. During their time on the project, each young person receives a grant of €430 a month.

# Interesting features

The programme's interest lies in the opportunity it offers young people to take part in a project that can help them to develop and sharpen their vocational skills during a period that is long enough to consolidate their development. This aspect is the one highlighted in the opinion expressed by one of the young people who took part in the interview. The widespread use of a programme with these characteristics can help to build bridges and facilitate young people's transition from school to work, if they are linked with employment services that support them during the process by offering guidance and contacts with the world of work.

### Results/impacts

There are currently 250 young people taking part in this programme.

### Design features and evaluation tools

The usual mechanisms of recording and monitoring the number of participants is used.

### Department responsible for managing it

The Youth Department is responsible, although it coordinates with all the public bodies who participate in it.

### Person in charge

The person in charge of the services is Dr Franca Sedda, who runs the Youth Department's Youth Information Service.

### For further information

http://www.comune.torino.it/torinogiovani/volontariato/servizio-civile

# Innovation, digital city

### Introduction

Turin aims to be a benchmark for innovation and digital city policies, developing pioneering programs in the digital economy as a step towards transforming its industrial capacity into the cutting-edge sector for new technologies.

<sup>&</sup>lt;sup>70</sup>See http://www.comune.torino.it/torinogiovani/lavoro/ricerca-del-lavoro

Its main intervention areas are:

- Citizen participation
- Digital city
- IT systems
- Information and data infrastructures
- Disruptive innovation

#### Main activities

The main operational programs are:

- · An app for registering all administrative documents online.
- An all-purpose app to enable all official procedures to be done online. They have established some
  priorities so later they can integrate them in a single app, based on a single identity for all services.
- Turin Decides, an app for organising participation, similar to the one used in Madrid.
- Blockchain projects.
- As regards big data, they are working on integrating monitoring data on all city events, both public and
  private, and all data to do with the environment (pollution, weather, etc.) as well as traffic accidents,
  public safety and security (terrorism), tourist flows and taxes.
- In the area of IT infrastructure they are working on installing 5G coverage across the city, as well as broadband in every school, and open WiFi.
- · Installation of cameras throughout the city.
- Robotisation They are planning to incorporate robots into services for the general public and are studying how people interact with robots.

In the field of disruptive innovations, they aim to become a test bench for the most advanced lines of research: driverless cars, mobility without traffic lights, kilometre 0, drones, bitcoins and social currencies. At the same time, they want to prepare their citizens for the changes caused by the impact these innovations will have, empowering them and improving their skills so they can adapt to the situation, by hosting start-ups in this sector. So they are taking part in the European Academy Innovation start-up programme for Italy and recently held a big event to promote entrepreneurship in this sector.

### Interesting features

The city is heavily committed to this field and determined to position itself for a period of advanced experimentation that will enable it to learn from and gain experience in it. Its commitment is based on the need to be at the forefront so it can gain time and put itself in an advantageous position in the race to develop these innovations, initiating the cultural and organisational changes needed for adapting to the new situation, in the City Council's internal organisation as well as among the general public.

### Results/impacts

The innovation programmes are still at a design and prototype stage. They hope to have some measures at a more advanced, implementation stage by the end of the year.

# Design features and evaluation tools

They have a performance monitoring tool for the different programmes.

# Department responsible for managing it

The deputy mayor in charge of the Innovation and Digital City programme.

### Person in charge

Dr Paola Pisano, deputy mayor, segreteria.assessorepisano@comune.torino.it

#### For further information

http://www.torinostrategica.it/en/http://www.comune.torino.it/relint/inglese/bm~doc/report-ingl.pdf

# 2.4.3.5. Change management

As has been pointed out, Turin is in a process of transformation and change, from an economic perspective (to maintain its industrial vocation by opting for new technologies and innovation) and also a political one (following the change in the make-up of the City Council executive). This process of change is having an affect on social life too, with a significant migrant presence in the city.

The instrument for generating consensus on the city's strategies for the future is *Torino Strategica*, a pioneering association in participatory planning, but currently undergoing a transformation to integrate the new City Council structures driven by the new executive. This situation of change is easy to see in the imbalances between those departments that are very advanced in terms of new forms of governance and public policy, with innovative projects, and others that are being restructured or carrying on in the traditional way.

# 2.4.3.6. Future challenges and prospects

The impasse the *Torino Strategica* association finds itself in means there is some uncertainty about its strategic lines. However, the commitment to innovation, to experimenting in new technologies and positioning Turin as a leading city for testing the application of technological innovations in city management and urban life, appears to be a firm one that is establishing innovation as one of the city's main strategic areas.

Gastronomy and culture, as a strategy for attracting visitors and increasing the wellbeing of residents by promoting a healthy lifestyle, is another area that is becoming established. A committee has been set up to promote projects and coordinate initiatives that range from food production to the restaurant trade.

In order to boost the city's international profile, another initiative, *Torino speaks*, has been developed to encourage people to learn and speak English.

Finally, another of the city's strategic concerns is environmental sustainability. So the "green crown" Corona Verde 2025 project is coordinating actions to preserve the environment.

# **Turin highlights**

- The commitment to innovation policies linked to the digital city and turning the city into an innovative testing ground.
- Cross-departmental coordination to establish joint lines of intervention with certain priority groups, such as young people and migrants, with a social innovation perspective.
- City Council support, collaboration and cooperation with other public and private institutions, as well as businesses and other entities to provide employment services for unemployed people, and services for businesses and entrepreneurs.

# 2.4.4. Summary table of the case studies of other cities in central and southern Europe

MUNICH	Mission and objectives	Main areas of action	Services	Organisational model	Funding
Department of Labour and Economic Development	To promote the city's excellence as a place for setting up companies, working and developing technological innovations, as well as for visiting and living in, by:  — Promoting research and excellence in the population's qualifications  — Facilitating locating in the city for high-value tech companies and start-ups  — Promoting the attraction of creative industries  — Integrating the newly arrived population  — Offering opportunities to the long-term unemployed	- Support for businesses locating in the city - Creating new businesses - Supporting business growth - Training - Job placement - Integrating migrants - Energy infrastructure management - Promoting social housing	— Support and guidance for setting up businesses and start-ups     — Business support programme     — Technology centre management     — Advice and guidance for jobseekers     — Training courses     — Employment and Qualification     Programme (MBQ)	Municipal department led by a deputy mayor.	Municipal budget, with contributions from the regional and central governments and European projects.
LYON					
Grand Lyon	To promote the economic, ecological, educational, sporting, cultural and social development of the region to improve its competitiveness and cohesion by:  — Positioning Lyon and its metropolitan area among the cities that count in the world when it comes to deciding on the big issues and challenges of the future.  — Making policy management more efficient by removing one level and integrating competencies previously divided among several administrative levels.  — Better covering the needs of ordinary citizens by integrating policies around them in the aspects that affect their daily lives, mainly urban planning, social inclusion and finding work.	<ul> <li>Urban planning</li> <li>Infrastructure development</li> <li>Service management (transport, water, energy, cleaning)</li> <li>Job placement</li> <li>Boosting and promoting culture</li> <li>International promotion and branding</li> </ul>	<ul> <li>Urban planning and management of major development operations in the city and metropolitan area</li> <li>Integration through economic activity service</li> <li>Network of enterprises involved in integration</li> <li>Network of entities for integration</li> <li>Support network for entrepreneurship</li> </ul>	Governed by a Metropolitan Council of 165 councillors who will be directly elected from 2020 on. The executive is formed by a chairperson and 25 deputy chairs, who form the Standing Committee together with 24 councillors.	Own public budget with regional, central and European project contributions.
Pôle Metropolitaine	To improve people's quality of life by:  — Promoting employment  — Facilitating mobility  — Ensuring quality of life  — Promoting an excellent cultural offering	—Services for the municipalities	— Coordination of municipal services	A chairperson, 5 deputy chairs, 82 councillors and three participatory conferences: political conference (conference of mayors), economic (metropolitan economic conference) and civil society conference (development councils conference).	Own budget from money provided by municipal partners plus regional, central and European contributions.
TURIN					
Turin City Council:  — Employment, Productive Activities, City Promotion and Tourism  — Youth, Integration and Equal Opportunities  — Digital City and Innovation	— Promoting interculturalism — Supporting young people's independence and their entry into the labour market  — Positioning Turin as a benchmark city for innovation  — Promoting the city's reindustrialisation  — Facilitating access to work  — Promoting start-ups and an entrepreneurial spirit	<ul> <li>International promotion</li> <li>Promoting tourism</li> <li>Creating new businesses</li> <li>Supporting business growth</li> <li>Promoting employment</li> <li>Job placement</li> <li>Youth policies</li> <li>Fostering inclusion</li> </ul>	—Support and guidance for businesses —Innovation programme — Advice and guidance for jobseekers — Youth offices — Intercultural forums	Each department is led by a deputy mayor's office	Funding comes form the municipal budget with contributions from the region, central government and European projects, and collaboration with private foundations.



# 3.1. LESSONS

The case studies have enabled us to learn more about other ways of organising local development, in each city and also the area they are part of. Following a detailed presentation of each city, we now offer a crosscutting vision of the most interesting or noteworthy aspects and features identified in the cases analysed. This vision is based on four thematic areas: promoting employment, social inclusion measures, support for businesses and entrepreneurship, and, finally, governance-related aspects.

# 3.1.1. Promoting employment

# Public procurement as an opportunity for generating employment

In a number of the cities visited, the intention is to generate employment through public administration contracts. That means approaching job creation from a twin perspective: to create new jobs and enable local small businesses to bid more successfully in public tenders. The former is more usual in the European model and it is achieved by means of the so-called social clauses, while the latter is more common in the North American model, and seeks ways of training and informing small businesses about how public procurement works in the city to increase the quota of local businesses contracted.

The Nordic cities that are the subject of this study have developed social clauses and now they are analysing how these should be introduced, where they can be introduced and how successful they are. They have analysed the public procurement processes that are carried out, how the clauses are being designed and in what areas, the opinion of businesses on what they can accept, and how companies awarded contracts are monitored, to see if they actually comply and whether the employment generated is maintained or not. What they intend to do is create a market capable of generating sufficient demand to maintain the jobs created, especially among those groups that are difficult to integrate. In the cities of southern Europe, Lyon and Turin, the social clauses developed generate employment by reserving part of public procurement, which goes to contracting social work integration enterprises or entities.

In the case of small businesses, the aim is achieved by a policy of encouraging the contracting of suppliers with workers who live in the city, as Boston does. Measures are being developed that enable small businesses to have first-hand information on all the open procurement processes they are eligible for, and this information is supplemented by training, so they can learn how to draw up the bids for submission in these processes and have a better understanding of what they are being asked for. That way the city seeks to ensure they are more competitive in procurement processes and that these local businesses have a higher share of public procurement.

Other lines of action include long-term unemployed or young people being contracted directly or on a grant by the local administration itself, social enterprises or non-profit entities. Examples of this can be found in Lyon and Turin

# Comprehensive approach to attending to people

Another aspect which, with some nuances, can be observed in all the cities analysed, is the comprehensive approach they take regarding the local employment services and social services. In more than one case, it can be seen how these two services are provided in the same centre, and even by the same staff. This is due to the fact that, while unemployment benefits and the unemployment service are usually a national or provincial service, social allowances are usually a local matter. That means groups who have special difficulties integrating into the world of work, and who are usually social services users, end up being dealt with locally. That in turn results in many cities deciding to offer them a comprehensive service, where they are advised on and receive their social allowances and also get guidance on looking for work or resources to improve their employability, as happens in Toronto, for example. In other cases, such as the Nordic cities, the aim is to get the local services to work on getting people with special difficulties into work, because they see that as the best way to improve their social inclusion and reduce inequality, as well as saving on unemployment and other benefits. In Lyon, they also adopt an integral approach to people on income support (RSA) through policies over which the local administration has control.

There are also cities where this comprehensive approach is applied in practice through their being contracted, either directly by the city council, or by means of non-profit social entities or social enterprises. For example, in the Nordic cities, the local authority intervenes directly by hiring people from the groups with the most work integration difficulties for public services.

# Proactive activation of young people

The "proactive activation" of young people carried out in Stockholm is a very interesting idea. It came about from noticing that the school drop-out rate was high and thanks to the comprehensive approach to attending to people, and it means that, in these cases, there is coordinated action on the part of the education, social and employment services. The proactive approach, of going out to look for the young person if needs be, of working on getting them active and motivational aspects, both on an individual level and with their family circle, is an innovative feature.

### Programmes for a more successful transition from education to the world of work

In some of the study cases, apprentice or work experience programmes have been identified that are intended to give young people some kind of work experience and help them acquire a degree of networking so that, once they have finished their studies, they will find it easier to join the labour market. It is interesting how in various cities they relate these programmes with the typical summer jobs, as Stockholm and Toronto do, or with voluntary civil service, as in Turin. That means moving away from the idea that summer work is just a means of earning some money to the idea that it is also work experience which enables young people to start a kind of CV, and gives them access to a network of contacts who, once they have finished their studies, might help them join the labour market.

Also, for young people with little education or training and in a situation of social exclusion, such as in Stockholm, Toronto and Boston, or with a criminal background, as in Boston, the apprentice programmes are useful for improving their employability. In that regard, we have come across initiatives where the city collaborates with businesses or business organisations that do specific training with young people in their future job, combining that with work experience in the company. Other initiatives envisage jobs in the public administration.

# 3.1.2. Social inclusion measures

### Minimum wage or protected wage

Various experiences have shown a sensitivity to ensuring fair wages and working conditions. For example, the North American cities studied have developed city minimum wage initiatives in some sectors and control mechanisms for ensuring compliance. They have developed initiatives so companies that have public administration contracts pay a minimum wage, as happens in Boston. Other cities have focused on sectors, as

Toronto has done with the construction sector. Moreover, apart form the initiatives carried out by means of city ordinances, offices have been set up where workers who do not receive their due salary can go to file a complaint. Other offices have a certain sanctioning power, limited to what is under their control, such as municipal licences and public contracts. They also inform workers and offer them guidance on the legal action they can take, even assisting them during the process.

### Special taxes for redistributing the profits generated in the city

One interesting initiative has been the creation of special taxes on major operations of a speculative nature or which will bring wealth to the city, with a view to ensuring part of the profits generated goes to the people most in need. This is achieved in Boston through the Neighborhood Jobs Trust. These taxes have a certain redistributive character and enable actions to be carried out or projects financed to improve training for people in the most deprived neighbourhoods.

# Protecting the local labour market

One measure for promoting local employment involves implementing mechanisms that ensure companies doing business in the city hire city residents. It is not applied to all economic activity but to big city infrastructure or urban development construction projects. Boston is a notable example of this, as the construction projects have to offer a minimum number of working hours to residents and minorities.

### Some programmes that take gender into account

Among the cities analysed, we found some experiences of programmes or services for women. In the case of Boston, there is a specific service to encourage female entrepreneurship by means of personal advice and guidance, training and grants, so they can become knowledgeable on innovation issues. In Stockholm's case, an assessment of the impact on gender inequality is carried out. They study the way in which services dealing with the public are delivered, depending on whether or not they are delivered by a woman. The intention behind this is to see if certain jobs go to women or if there is a certain bias in career and training guidance. In Munich, the focus is more on women rejoining the labour market and promoting female entrepreneurship by organising events.

# Promoting a social conscience among young people

One very interesting aspect involves boosting projects run by NGOs working to improve equality and social cohesion by promoting youth participation. In order to encourage young people to take part in these projects, they receive an allowance in Turin, making it a sort of paid voluntary work. That enables them to get some work experience, acquire skills through training and become more socially aware, with a view to promoting a more cohesive society in the future. In addition, projects that benefit from these youth subsidies have a positive impact on the general public,

# 3.1.3. Support for businesses and entrepreneurship

Support for businesses is very much interlinked with support for entrepreneurship, with the proviso that in some cases small businesses have their own specific services. These services might consist in:

- Helping companies to locate or relocate their business in the city
- Assisting companies in growing their business by offering specialised technical advice, or counselling, on various aspects (growth plans, international expansion, etc.).
- Helping entrepreneurs in the different stages of developing a business. This could range from offering support in setting up a business (business plans, administrative registers, licences, etc.), to helping design the business idea (start-up, incubators, accelerators) or making spaces available for the business (coworking incubators).

# Working with small businesses on an individual basis

The existence of certain programmes and specific services for small businesses has been noted in cities in various regions and countries. In most cases, developing these businesses is seen as an opportunity for inclusion, particularly of migrants and ethnic minorities, so their creation is promoted through entrepreneurship programmes. Examples of this can be seen in Boston, Toronto and Munich.

In other cases, the importance small businesses, especially retail business, have in city life and their revitalising role is valued. Here the focus is on maintaining them and offering them specialised services that cover a broad range of their needs. In Boston's case, for example, we have seen how some of these services are linked to design (building work, storefronts, layouts), some relate to training (business management, marketing, commercial actions) and others are of a professional nature (technical advice).

In both cases, what is clear is that they are regarded as having specific needs, the same as big companies looking to locate in the city or an entrepreneur who would like to develop an idea. Specific needs that require a specialised service. Linked to that, the one-stop shop or call centre with specialist staff is an interesting concept. It is more common in the North American cities (Boston and Toronto) but can also be seen in Munich, where it has start-ups in mind in particular. Having a single contact person for any problems that might arise, who can inform and advise them on their specific need, is extremely useful. It is also worth highlighting the different attitude here: switching from asking "what are you looking for" to "what do you need" and "how can I help you" is extremely important from a strategic point of view in the relationship with businesses.

# Taking advantage of existing resources in the city

In the area of business support, the cities have a broad range of services offered by other stakeholders (universities, chambers of commerce, and so on). In the North American and Nordic cities in this study, Lyon too, the local administrations have shown a willingness to avoid duplicating business support services or entrepreneurial initiatives. In other words, they have opted not to create new services or new spaces (incubators, accelerators, coworking spaces, etc.) that would directly compete with other, already existing ones which are, therefore, more efficient, so as not to waste efforts that can be devoted to other areas. This has given rise to a number of interesting initiatives, such as creating collaborative networks with private resources to provide them together, thus ensuring a certain quality (Stockholm, Helsinki and Lyon, for example), to ensure everyone has access to certain services (Toronto) or devote the efforts of public services to groups not covered by the market or who cannot access it (an approach Helsinki is beginning to adopt). Another option, if there really is a diverse, dense network of service operators and providers, is for the local administration to act as an information and guidance tool by providing an inventory of the various existing resources, as happens in Toronto with the TELMI and in Stockholm.

### Sectoral specialisation of some services

This aspect is linked to the previous one, given that, in a number of cases, specialised services in a certain sector already exist and it avoids duplication. In other cases, it might be collaboration between different stakeholders (universities, businesses, local government) resulting from the development strategy of a specific sector that could play an important role in the city in the future. These specialised services offer a more professional, more specific service to new businesses or entrepreneurial initiatives.

So, in some cities, we have identified specific business and entrepreneurship services for specific sectors, as is the case in Toronto, or for a specific activity, such as the Food Trucks in Boston or the start-ups in Munich. Toronto is where this collaboration between the city and different existing sectoral initiatives can be seen most clearly. There you have facilities and services for fostering the creation of ideas and businesses (education centres, incubators, coworking spaces) with whom the city collaborates to ensure users receive a more specialised service. This collaboration can range from a referral to subsidising training courses or placements. In other cases, there is a department or area in charge of a number of strategic sectors for the city, such as in Toronto or Turin.

# Strengthening the network of service providers

In some cases, one way of intervening is to work on improving the services delivered by existing private providers in the city or region. An example that shows an approach based not on delivering services but on evaluating the services delivered with a view to identifying shortcomings and encouraging their improvement, as in the case of the Stockholm Business Alliance. It is a way of not creating new resources but making the most of existing ones by increasing their quality. Another example, in Lyon, is setting up a provider network in order to create a periodic meeting point for them to learn more about each other. In other words, every so often, they are brought together so they can explain their business and present their services. These meetings might serve more than one purpose: firstly, to generate synergies between them; secondly, a meeting of businesses or entrepreneurial initiatives that might need a specific service; thirdly, a meeting of municipal technical staff to find out what resources exist on a territorial level so they can direct individuals and companies that come to them to those resources. Another interesting aspect in Lyon is the protocolisation of the service and the establishment of a joint methodology, so all the stakeholders in the network work in the same way.

### Testing programmes for market trials

Another idea to come out of one of the initiatives developed in the cities studied is the laboratory for testing new products. In some fields, one part of the innovation process involves conducting a real market test with a new product. In such cases, it is really useful if companies or the divisions of large companies that create new products can have spaces accessible to the general public for testing whether their new product could be a success. Examples of this have been identified in Boston, in the food sector through the Food Truck program, and Munich, in the retail sector, with the MediaMarktSaturn initiative. In Lyon and Turin they are working on turning the city into a testing ground, for digital city initiatives in their case. Creating a programme that encourages such spaces and testing is a useful strategy for attracting businesses and talent to cities.

# 3.1.4. Governance

# Competitive dialogue as a form of social innovation

In some of the case studies we have found public tenders with a marked social dimension, where the technological, conceptual and innovative level is rewarded rather than the economic aspect. Thus it is not a competition to find the best price but rather to find the most creative or groundbreaking idea. This is a way of fostering the creative and imaginative process in companies and individuals on a city level, especially if it is applied in the social sphere. In the sphere of social housing, as in Munich, for example.

### Evaluating and monitoring city policies

The scorecard concept is not new. Some cities apply the concept to monitoring the quality of local government services or comparing their city with others (not just measuring competitiveness but service quality too) as has been seen in Toronto. Today, at a time when big data and open data are developing apace, there is an enormous amount of useful data for producing better indicators to monitor and evaluate city policies and services more accurately, which would enable trends to be identified with a view to modifying or encouraging those trends, depending on whether they are negative or positive, and seeing how effective the programmes being implemented are in order to reformulate or drop them.

At the height of the open data process, the idea of comparing cities also seems increasingly easy, and it provides very useful information for identifying experiences and good practices for obtaining more detailed information on.

### Creating and collaborating in public-private partnerships

In the various cities it has been seen that establishing partnerships and alliances to facilitate local development produces good results and has many applications. In some cases, such as Boston, Toronto and Stockholm, the public-private partnerships between private entities, businesses and the public administration are established to increase the employability of people who are unemployed (young people, long-term unemployed, vulnerable families, delinquents) or activate them so they improve their training and employment opportunities. This is a practical more than a strategic form of collaboration.

In other cases, the partnerships seek to give a boost to the area, either on a local or community level, as the Main Streets in Boston or the Business Improvement Areas in Toronto do, or on a city level but in a specific part, such as the Kista District in Stockholm or Hotel Dieu in Lyon. The local administration's role in this might be to lead it, drive it to ensure certain results are achieved, or to monitor the activities by means of audits. The audits might have a more strategic character for planning or generating joint strategies for taking action and carrying out activities.

Apart from mobilising the partners to take action, this type of collaboration might also be to mobilise private investment to supplement public investment or increase the profitability of the public investment.

### 3.2. REFLECTIONS

The analysis of the different agencies and departments responsible for adopting local development measures in the seven cities of this study enable us to make a number of general reflections on the main trends observed.

# 3.2.1. Common background of city strategies

Certain common lines of action can be seen that are repeated, in different forms, in nearly all the cities, so we can say that these cities are faced with similar problems and that each one of them, with their own particular features and unique identities, reacts with certain management criteria they share and which, in many regards, are similar. In other words, it would seem they have a common background when it comes to designing public policies or how to tackle urban challenges. It should be pointed out that all the cities analysed occupy a prominent position in the city hierarchy of each country. This coincidence allows us to say that the traits identified constitute some key features for understanding how some of the strategic challenges of urban management are handled.

The cities analysed are clearly aware that they are in a competitive league of cities where they aspire to be in the top places. The theory that cities compete with each other to guarantee their future is demonstrated once again in a very obvious way. All the cities analysed maintain they want to be regarded as among the most attractive in the world and, therefore, want to attract capital and talent by basing their strategy on the quality of their services and the standard of living of their inhabitants. They all claim to be the best place in the world to invest in, work in, live in and enjoy or visit. They all interrelate their attractiveness as profitable and easy places to do business with their quality of life, especially the cultural, sports and recreational side (a pleasant place to live). Recently they have begun to add innovation to their discourse and the transition to a digital economy (digital city), an area where they acknowledge Barcelona's leading position.

All the cities visited pay special attention to social cohesion, although with very different levels of inequality (for example, in Boston and Stockholm). Possibly for different reasons. For some, it corresponds to a social conception, while for others it is a brand attribute.

All the cities base their strategy on a unique urban identity, and adopt a discourse of prioritising their citizens that is compatible with a position of opening up to newcomers, who they have an interest in integrating as the basis of their future development, aware as they are of the limitations of their ageing population.

Our visits confirmed there is a group of cities that are not state or national capitals (the exceptions being Stockholm and Helsinki) which stake their prosperity on an international image based on their capacity for attracting capital and talent and, on a domestic level, on the high quality of life and wellbeing of their inhabitants, between certain margins of social cohesion. They present themselves as innovative, entrepreneurial, environmentally friendly, welcoming, recreational and fun. These are the different ingredients found in all of them, in different combinations. They all see Barcelona as a benchmark and are interested in maintaining or developing shared relations of exchanges.

These different elements form what could be called the model of competitiveness between cities. Innovation around the concept of digital city is the latest element that has been incorporated, complemented by that of social inclusion, a very broad and ambiguous concept, but one that indicates an intent to prioritise innovation in responses to the urban needs of the population.

This similar positioning explains the different types of organisation the cities have equipped themselves with to develop their competitiveness strategies. Despite the differences, they respond to a shared strategy.

Finally, it needs to be borne in mind these are cities in rich, developed states with strong state structures that are capable of offering their population high levels of wellbeing and quality services. The report's reflections and conclusions are applicable in these contexts but would have to be qualified in other socio-economic contexts.

# 3.2.2. Different types of agencies

The cities in the study have generated different instruments for developing their competitiveness strategy. To raise their international profile, some have created agencies with various legal formats to equip themselves with specialised organisational structures designed to attract capital and talent, and to promote business creation (Stockholm, Helsinki, Boston, Lyon). Others organise these activities directly through specialist units integrated into their municipal organisation.

In some cases (Lyon, Stockholm, Helsinki), the agencies have a metropolitan sphere of action, integrating their area of influence into their decision-making processes and international outreach activities. International outreach becomes one of the responsibilities of the metropolitan city alongside mobility and big urban infrastructures, the traditional core of metropolitan administration.

By contrast, the cities normally develop their employment policies directly through municipal departments. The exception is Boston, where the BPDA is responsible for outreach policies as well as employment promotion and social inclusion policies. In other words, the Barcelona Activa formula is not at all common among these cities.

This appears to be largely due to each city's history and the importance given to each of these policy areas which, in Barcelona Activa's case, are included in its remit. But it is also important to bear in mind that there is usually a clear division between who leads economic development (a city function) and employment promotion (a national and/or regional function). So all the cities have economic development departments while, in most cases, employment appears to be related to social services (groups with difficulties) or handled in collaboration with the public employment services of the State. This aspect, of linking local employment services with social services, is an interesting one that we will comment on later.

All in all, the agencies studied obey different logics. One type can be found in the North American cities. There we find agencies that mainly intervene in urban planning and in building the city. That has to do with a concept of economic development where the construction sector and urban development play a very important role. Strategically, this activity is doubly important for them, for the workers hired, many of whom live in the city, as well as for building the kind of spaces that citizens call for (facilities and infrastructures) and business activity, in a planned way.

A second type of agency are those that intervene in the economic promotion of the city and the metropolitan area. Their purpose is to promote the city's economy abroad to attract talent and investment. What they are looking to do is position the city internationally through advertising or communication campaigns, taking part in meetings, creating a brand, organising events and so on. These kinds of agencies can be found in Lyon (Aderly/Only Lyon), Stockholm (Invest Stockholm) and Toronto (Toronto Global).

A third type can be seen in the Nordic countries, for example, NewCo or Stockholm Business Region, where there are agencies that offer services to businesses and entrepreneurial initiatives through the same channel, or not, to ensure the quality of those services. A fourth type are those formed by bringing together various social, economic and public players in the area, which seek to work on developing a territorial strategic vision, as in the case of *Torino Strategica*.

The legal status of these agencies is different in each country, in part due to their different legal formats (joint venture, corporation, body), although all are publicly-owned). One trait common to all the agencies is their autonomy in relation to the municipal government. In other words, they are not a direct part of the City Council, although their directors are usually chosen by the city government and, in some cases, have to report on their activities to the Full Council. They also maintain that they are economically independent, even though their revenue largely comes from public resources, principally the city and the Sate. In the North American cities, there are a couple of interesting sources of agency income: donations and some specific taxes.

# 3.2.3. Integrating services and a demand-oriented approach

Although we have seen that the cities offer a very wide range of local development services and programmes, it seems the spheres they act on are common to all of them:

- Economic promotion (attracting talent, attracting investment, positioning the city).
- Economic development (services for businesses and entrepreneurial initiatives).
- Fostering employability (focus on young people, vulnerable groups and the social inclusion of newcomers).

Despite this coincidence, some aspects of the form the organisation of the activities in these spheres takes need highlighting. Various cities are making an effort to integrate services and gear them to covering needs/demands. In other words, a more customer-oriented, result-driven approach instead of the traditional organisation based on programmes and service catalogues, trying to overcome the division between departments and services that cover the same need from different spheres by focusing on integrating services in response to the same problem.

This trend can be seen in various spheres: support for businesses, attracting investment and talent or the collaboration between social and employment services. With regard to business support, there is a clear trend towards a one-stop shop and specific treatment for small businesses. All aspects linked to setting up businesses, locating businesses in the city or the relationship between businesses and the local administration tend to be dealt with from a one-stop public information point, with the range of processes and services involved resolved internally. One aspect that needs stressing, particularly in the case of the North American cities, is the specialised service for small businesses, which includes facilitating their access to public procurement.

With regard to attracting investors and talent, the one-stop concept is more established and, in some cases, closely interrelated with entrepreneurship support programmes and support for businesses. In other

words, although the contact points may be different, the same organisation responds to demands by integrating the various existing services. This development has been made easier by the internet.

It would seem there is a growing trend to organise public services around a "front office" by means of specialised contact points for different groups or needs, and a "back office" organised by processes or services. "Front offices" may be F2F (specialised reference centres in the city) or virtual (web portals). Internet has facilitated one-stop points of contact and is influencing the concentration of F2F spaces, previously spread around different offices and services, by concentrating them in reference centres.

This organisation also facilitates another important change, inasmuch as the one-stop access point is more geared towards responding to the demand of users and customers than offering packets of procedures or service provision. It individualises demand, allowing for a more flexible response.

This trend can clearly be seen in relation to employment services too. These services usually play a subsidiary role to regional or national policies. But, in every case, the cities studied are implementing their own employment programmes, even though they have no direct responsibilities in this matter, under pressure from the collateral effects on community harmony and public wellbeing. The difficulties faced by State and regional employment services in achieving their objectives shifts intervention in this sphere onto the cities. This explains why employment policies in the cities studied usually target specific groups and are not designed as generic employment policies. Migrants, long-term unemployed people, women and young people are the groups that usually merit more attention at local level.

In many cases they coincide with users of the local social services, an area over which cities usually have more powers, either delegated or their own, so we see a tendency to include employment as one more element in the social services offered and to prioritise people referred by social services in the employment services. To the point where, in some cities, they have moved towards a joint, integrated service for dealing with the social and work-related problems of people in a vulnerable situation. In other words, they focus the municipal service on the overall needs of the person or the family, treated individually in all their facets, where employment plays a key role in contributing to personal independence and overcoming the difficulties faced. The idea behind integrating these services is to improve the permeability and flow from the social welfare system to the labour market and thus overcome situations of social exclusion through employment and/or training to improve a person's future employability.

# 3.2.4. From delivering services to leading the intervention

With regard to both business support services and employment promotion, in some cases a shift can be seen in the role of city councils away from directly delivering services to one of leading or coordinating the services provided in the city. The most notable example is entrepreneurship promotion, where a proliferation of programmes offered by other stakeholders, both public (universities) and private (chambers of commerce and other stakeholders linked to the private sectors) has led to a rethink of the municipal service towards a role that puts the emphasis on designing a network of services with set quality standards and access conditions, and conditions for their presence in the city.

Something similar can be seen in the employment services, where municipal action is focused on the point of contact with the public, and service provision is handed over to specialised collaborating entities, usually from the third sector. In this case, the municipal services take on the role of planners, promoters, drivers and funders of a network of services to cover the needs identified. This shift facilitates networking by the city's public and private stakeholders.

It confirms the trend towards cities playing a more dominant role as a structure of the state and, therefore, of public governance, and not merely as a subordinate provider of services organised and run by the state or the region. An evolution that is not without its tensions.

# 3.2.5. A firm commitment to communication and service quality

In all the cities visited, we noticed a firm commitment to communication, especially with regard to city outreach policies, as well as a significant use of social media and web portals. For teams carrying out communication tasks, as well as producing highly elaborate communication messages, the effort in ensuring transparency and their highly segmented focus on target groups and audiences, communication has a key place in designing and implementing local economic promotion policies.

In a context of extensive experience in delivering services, more emphasis is placed on quality than opening up new services. The aim is a greater degree of demand satisfaction by overcoming corporate and bureaucratic barriers.

# 3.2.6. Open questions

126

It is necessary to highlight some aspects where important changes or clear development trends have not been detected, but which relate to dilemmas facing local administrations.

- 1. Deconcentration vs. decentralisation In many of the cities, we noted a tendency towards proximity in service delivery. This happens with services for businesses and entrepreneurial services, as well as public information services. In various cities there are different networks of centres spread around the districts, neighbourhoods and communities that the public and businesses can go to without having to go to a central service. These centres become reference centres for dealing with the needs presented by their users and clientèle in a more personal, individualised way. However, they continue to have centralised units, which are mainly responsible for planning and programming measures and for generating resources. Conversely, there is no clear trend towards decentralising service management in the districts. In fact, there is even the occasional case of recentralisation to ensure the uniformity and quality of the services.
- 2. The public-private relationship There is a close relationship between municipal services and the city's private stakeholders but this is usually based on specific projects or on service delivery. However, there are few cases of private stakeholders being involved in decisions on the city's design or in designing policies. On this point, private participation is focused above all on the broad participatory processes of strategy planning, while there is no involvement in operational planning, with the exception of NewCo in Helsinki.
- 3. Growing intervention in the labour market. In some cities, the city council has attempted to intervene in the labour market, despite having no authority in this area. Benchmark salaries, fair wage clauses in local procurement contracts, priority given to hiring residents are some of the formulas used.
- 4. Ambiguous allocation of responsibilities. City economic promotion activity takes place in a context where the allocation of responsibilities is ambiguous, even in clear cases, like the promotion of the city between a number of public and private institutional stakeholders that, one way or another, intervene in the process. The multi-player and multi-level structure in every case is complex and problematic with ad hoc, pragmatic and unstable combinations in most cases, often depending on the political conjuncture or personal relations. However, an attempt can be seen to compliment and specialise, to avoid conflicts and duplication, in order to improve the measures adopted and actions taken.
- 5. The Grand Lyon case. Grand Lyon is an innovative example of redesigning the local administration, by creating a new one that integrates most of the key municipal competences and those of the department (county) with a metropolitan scope. The City Council retains some local powers, basically in the cultural,

educational and participatory spheres. The new metropolitan administration assumes most of the responsibilities for urban planning and managing the big urban services, as well social and welfare policies. Although other central and regional administrations continue to intervene in the metropolitan area, with which it establishes collaboration protocols, the step taken to simplify the local administration and make it more coherent is very important. In particular, they have opened up the possibility of developing integrated policies for the whole chain covering social needs, for example, in housing, employment and social policies.

- 6. A difficult relationship with the metropolis. Leaving aside the unique case of *Grand Lyon*, the relationship between the municipal city and surrounding metropolitan area has, generally, not been resolved. In every case there is a willingness to reach an understanding and collaborate, based on the need to take joint decisions, but the different formulas tried are unstable and heavily influenced by political and personal positions. Even in Lyon, relations between *Grand Lyon* and the *Pole Metropitane* are not exempt from this judgement.
- 7. Diverse public funding. Most of the funding for the agencies and institutions analysed is public, coming either from the municipal budget, which has an allocation for them, or via subsidies and funds from other, higher public administrations (provincial, state, federal, European). The North American cities also get funding from private donations. That is because their third sector is organised in a different way to Europe's, with private foundations (of big fortunes or businesses) that donate money to philanthropic activities. In other cases they get their own income generated by specific taxes, as in Boston's case. Local administrations are set up as administrations for promoting projects, which mobilise to raise funds and offer services or organise the delivery of services to their citizens. The vitality in mobilising to promote projects and raise funds is also a feature noted in the cities visited, such as Turin.
- 8. Diverse organisational structures. The structures of the organisations studied are diverse. Given their diversity, the data collected on staff organisation do not allow for a detailed comparison. However, a certain tendency towards executive and managerial structures is noticeable, with a concentration of areas and divisions. The more concentrated the areas are, the longer the chain of command. The departments usually respond to lines of work or areas of action, and generally they are organised round one person in charge, with a second and administrative support. The areas of work depend on the departments and usually respond to the services provided by the department where there is one person in charge. These areas have technical staff who provide a service directly, some specialising in technical advice (consulting), others more in guidance and others who are in charge of implementing a specific programme, who may or may not combine that with the task of providing the specialised advice service. In some cases, people are allocated exclusively to specific programmes due to their receiving external funding and having to justify their salary. So, the human resources of the various agencies and institutions that intervene in the local development of the cities are generally their own and on full-time, though not indefinite, contracts. The profiles tend towards a certain area of specialisation.
- 9. Strategic planning as an instrument for change. Strategic planning continues to be the most-used tool or resource in the cities observed for forecasting or advancing future changes, even though it is not established as a policy management tool. Strategic planning that is carried out on both a city or metropolitan level, and in some more sectoral spheres of action. Strategic planning tends to be done on a more long-term basis and with broad participatory processes. It is not so much a resource for identifying trends or predicting changes as for outlining the way forward, in some cases in the very long term. However, we did find some experiences based on doing a statistical data analysis and producing specific, periodic reports with a view to identifying city trends from their evolution. In one case, a system of indicators collected periodically has been created that can be used to analyse the situation in the city as well as monitor and evaluate the policies. They can also be used for periodic reviews of long-term strategic planning. Either way, whether it is for planning purposes or other decision-taking bodies, such as cabinets or advisers, or for a time of high-speed social and economic changes, we noted a concern in

all the cities for tackling the technological, social, economic, cultural and political changes of our time, even though very often they have no clear idea on how to tackle them, or there are no clear, established and coherent strategies for tackling them. In the sphere of the digital economy, smart cities and social innovation, for example. No doubt the high level of circulation of information and the media's influence in super-communicated environments explains this sensitivity about innovation and adapting public policies to new challenges.

10. Little progress on evaluation. No special innovations in evaluation have been identified, even though the production of monitoring data on the policies and programmes implemented is well established However, in general we noted a high capacity for critical reflection on what is being done, solid arguments justifying the policies carried out and their focus, and some well-organised structures. From the visits we have undertaken, the impression we have is one of some stable administrations with appropriate resources. Less so in Turin, which is involved in a process of change and where there is a certain level of stress.

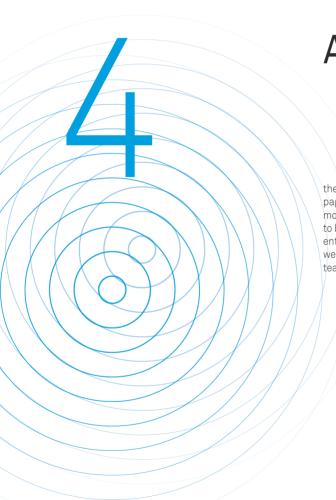
# 3.3. STRATEGY DISCUSSION POINTS

The comparative analysis of the cities studied has enabled us to pick out some features that could be included in the strategic reflection and discussions taking place at Barcelona Activa around its 30th anniversary.

- A) Is further service integration possible? Especially in collaboration between the employment services and social services, and between the entrepreneurship, business support and business and talent attraction services. The latter is much easier because we are talking about internal services and Barcelona Activa. It would be a matter of identifying whether there is any duplication in the respective routes of the services offered that could be integrated at some point, be it training, advice or assistance. For example, with aspects such as locating businesses or assisting entrepreneurs, whatever the point of contact, the treatment could be the same for new or existing businesses in the city, and resident or foreign entrepreneurs.
  - In relation to the employment services and social services, it is necessary to establish collaboration between two different structures, which could start with a joint coordinating committee to begin joint work on defining some collaboration protocols, for example, initiating pilot tests by identifying individual cases where a joint response, incorporating employment in the response to the problems presented, might seem more appropriate. A unit that deals jointly with a selected sample of cases to provide joint responses could be set up. An experience of this kind would enable us to think about how to organise collaboration between the employment and social services on a wider level. At present, this line of integrating services so a person's social needs can be addressed comprehensively is being pushed directly by the European Commission as one of the lines of social innovation in this field. It is worth pointing out that now could be a suitable time, given the new focus of the basic social care model in the city implied by the "Impulsem!" Plan. In the context of this process, we could start working on a possible common model following the principles of reducing the number of user visits and journeys, making the tasks and day-to-day work of the staff easier and eliminating the unnecessary bureaucracy that the "Impulsem!" Plan seeks.
- B) What should Barcelona Activa's role be in employment? Until now, Barcelona Activa has largely been involved in directly providing employment guidance and assistance services. The so-called SOC (Catalan employment service) Act opens the door to a territorialisation of employment policies. It is a good opportunity to rethink Barcelona Activa's roles as organiser of the city's employment policies, in the role of planning, design and driving all the stakeholders involved in this city sphere. This new role for Barcelona Activa would involve redefining its role as a direct service provider, moving towards greater specialisation on some groups or sectors and projects, either by integrating its services with

- social services or in the role of first point of contact with job seekers in collaboration with the SOC, and organising a network of specialised, high-quality services in the city in collaboration with the other stakeholders in this field.
- C) Would it be a good idea to rethink the organisation of a decentralised, district-based public information service with a centralised, city-level back office? The way to organise the two previous discussion points could be by combining a decentralised service for the districts with a centralised back office that mobilised the appropriate resources for each case and established some criteria for organising uniform services throughout the city.
- D) Is it time to rethink the city's vocational training services model? The general consensus on integrating the established training system in the whole legal framework for vocational training, and the consensus on organising training service provision as close to the public as possible, is contradicted by the continued existence of three bodies which, on a city level, offer services in the field of vocational training: the consortium, the BCN FP foundation and Barcelona Activa. Reformulating this model and moving towards more integration of its resources and organisation would seem to be one of the lines of work that would complement a proposal to integrate demand-oriented services.
- E) Could the setting up of networks in the spheres of business support services, promoting entrepreneurship and employment policies be enhanced? Whatever model is adopted for Barcelona Activa's role in these spheres, moving towards organising the existing supply of these services in the city in formal networks could be a way of developing future models.
- F) Specialise the business support services for small businesses? Incorporate the specific aspect of small business needs in the general business support services, promoting access to specialised services and business promotion programmes.
- G) How can the City Council intervene in the labour market? By strengthening the capacity of City Council public procurement to establish conditions for improving the working conditions of workers in Barcelona, incorporating clauses in the specifications, revising the conditions and economic scales of public procurement, setting benchmark salaries promoting the Social and Solidarity Economy, etc.
- **H) Can Barcelona Activa's communications be improved?** By updating and making the Barcelona Activa website more user-friendly, enhancing the helpline and online services for specific groups.

These are some of the questions that occurred to us following the comparative analysis carried out with the cities that are the subject of this study to stimulate discussion in Barcelona.



# **ANNEXE**

In order to facilitate a comparative view of the analysis of the cities visited, on the following pages we offer some comparative tables on the most significant aspects we observed – measures to boost employment, promoting businesses and entrepreneurship, and internal governance – which we used in the discussions with the Barcelona Activa team.

# Strategic sectors and businesses

	Technology/start-ups/Innovation/ entrepreneurship	Instruments for Creating Employment
STOCKHOLM	Stockholm Business Alliance: cities in the metropolis with entrepreneurship services and joint action evaluation services	
HELSINKI	Helsinki Growth Alliance. 3 met. cities + universities//Pool of providers for entrepreneurs: Helsinki Enterprise Agency	Life sciences, international events, design, digital economy, green economy and clean-tech
MUNICH	Creation of a specialised coworking platform for creative industries/MediaMarktSaturn in the retail sector	Medical systems, environmental engineering and aerospace sectors, information and communication technologies, and the automobile sector
TURIN	Innovation and digital city line: testing ground for advanced lines of research	Digital economy, disruptive innovation, gastronomy and culture Corona Verde 2025 project
LYON	Industry/specific circuits have been defined for the most strategic sectors for the area  — Life sciences  — Clean-tech  — Digital  — Creative industries  — Commerce  — Hotel trade	Health, digital economy and clean- tech
TORONTO	Starter Company Plus focused on entrepreneurship in strategic sectors	Creative sectors, food, technology, fashion
BOSTON	Boston Innovation District; District Hall:civic innovation center; RoxburyInnovation Center run by non-profit organisations. Small Business Office: line of support for setting up workers' cooperatives and workers' participation in business ownership.	

# Employment, equality and territory

	Public procurement and Social clauses	Instruments for creating employment	Inequalities, Equity and Territories	
STOCKHOLM	Introduction of social clauses in public procurement, in contact with the business sector, based on two systems: one on requirements, the other, work integration commitments to be assumed by the company awarded the contract	Active search for NEETs to offer them integration processes (from Jobbtorg) // Summer jobs at the City Council for young people in the district/neighbourhood where they live//Building alliances with the business sector through collaboration agreements	Jobbtorg, local service with offices in districts only for benefit claimants, young people and migrants//Integration programmes for refugees: Swedish/employment	
HELSINKI	Hankinnoista duunia (HANDU) – Creating employment through public procurement in the Helsinki area	Helsinki Benefit, programme to boost the hiring of people from the priority groups where the person is empowered. Two types of subsidy: for hiring and for employing a person	Promote the integration of migrant residents by coordinating various services (At work in Finland)	
MUNICH	Social innovation criteria in the distribution of subsidies and in contracting services	AMIGA programme for integrating migrants//Apprentice fair to promote apprenticeships//Promoting the professional careers of people re-entering the labour market (Power_m)		
TURIN	Awarding municipal services contracts to integration cooperatives or social enterprises	Civil service for young people (a kind of employment plan to promote work experience)//Subsidies to entities that organise projects in the public interest and hire long-term unemployed people	Municipal cross-departmental coordination to establish joint lines of intervention for some priority groups such as young people and migrants	
LYON	Effort to incorporate social clauses Between 5 — 10% of the hours of work contracted by <i>Grand Lyon</i> must be for people in the process of integration, either directly of through the integration structures	Slow and difficult transition to business demand//Involvement of "a la carte" companies in integration	Local integration committees to coordinate and develop collaborative networks between all the services in the same area, municipality or district	
TORONTO	Fair Wage Office and Policy	Summer Company, organised every summer to promote an entrepreneurial spirit among young people aged 15 to 29. //Career Cruising, an online tool that enables users to explore training and employment pathways in an easy and understandable way.	Toronto Poverty Reduction Strategy// Fair Wage Office and Policy// Wellbeing Toronto: display data by neighbourhoods. // Business Improvement Areas — multi- player alliance to revitalise the area	
BOSTON	City minimum wage. Support for small businesses in public procurement/ Recruitment mechanisms for giving preference to people from the city in public construction contracts (Boston Residents Jobs Policy)	Women Entrepreneurs Boston. Program for innovation: grants//Neighborhood Jobs Trust (NJT): funded by big city projects for training and improving the employability of residents on low incomes	Boston Main Street Program – multi- player alliance to revitalise neighbourhood commerce//Social inclusion agenda/Wage Theft and Living Wage Division/ Measures to reduce wage gap	

# Measuring, forecasting and evaluating

modeling, reroducting and cratacing				
	Indicators, predicting and spotting trends	Evaluation		
STOCKHOLM	Development Unit	Periodically evaluate employment services Measure gender equality		
HELSINKI				
MUNICH		Monitoring indicators		
TURIN	Torino Stratègica			
LYON	OPALE			
TORONTO	TELMI Wellbeing Toronto Economic Development Council	Benchmarking exercises (Performance Measurement and Benchmarking Report). Measure service quality (Toronto Dashboard)		
BOSTON	Research Division			

