

Building bridges for new social partnerships

A European wide research on governmental initiatives with the private (for-profit and not-for-profit) sector for new social partnerships in civil society

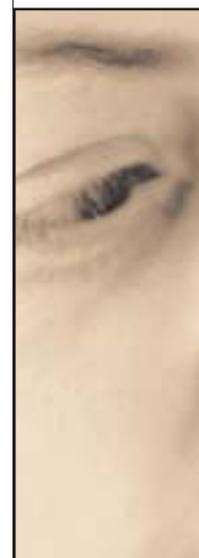


Final report

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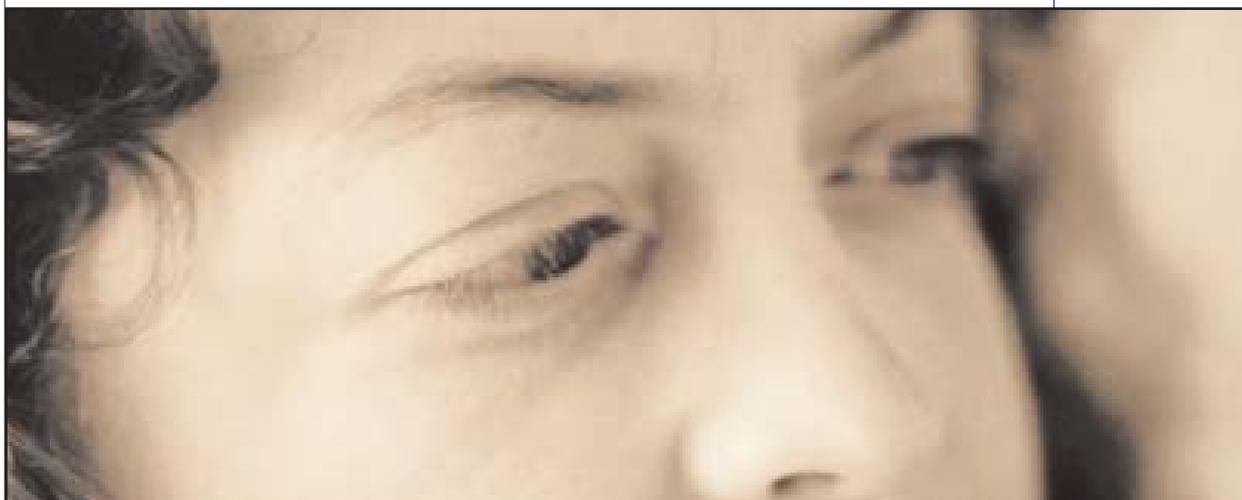
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1 Emerging public-private partnerships in the social field



In the past years public policy has increasingly been given shape in partnership with the private sector, which is both the profit and non-profit sector. The OECD (Organisation for Economic Co-operation and Development) points at the need for an interactive policy in her study on local partnerships: "The role of LPO's (Local Partnership Organisations) has become prominent in recent years. One of the main reasons for this is the unsatisfactory results obtained by policies implemented using top-down approach. The increasingly high profile is also due to policy and public management reforms which integrate LPO's into new implementation structures."¹

1-1 Traditional and new social partnerships

Such partnerships are not a new phenomenon in the Netherlands. On the contrary, the country is well known for the way in which consultation and decision-making takes place. Since the Wassenaar Contract of 1982 the social, economic and political culture has entered a new dynamics as a result of which the Dutch consultation model – or "Polder-model" – has been looked at as an example for successful social and economic reforms.

New social partnerships can be seen as a result of these developments which ever since have taken place in all three sectors, in which the main actors of society traditionally operate, the market, the public and the third sector. These developments – which also occur outside the Netherlands – can be summarized as follows:

- A changing role of government; from welfare state to a welfare society;
- An increasing importance of civil society organisations; the "emerging sector"²
- The move towards corporate social responsibility in the business sector.

The study "Partnership Alchemy, New Social Partnerships in Europe", conducted by the Copenhagen Centre, hints at today's social challenges and the relationship between the different sectors of society: "The rationale for partnership is obvious. The issues have become too complex and interdependent, and the financial and managerial resources for addressing them too scarce, for any one institution or sector to be able to effectively respond to today's socio-economic challenges. In short, new forms of partnership are needed to address societal problems where traditional, single sector approaches are proving inadequate."³

1 OECD: *The Study on Local Partnerships*, at www.oecd.org/tds/new/local.partnerships.htm, 11/20/00

2 *The John Hopkins Comparative Nonprofit Sector Project (1999). The Emerging Sector Revisited*. Baltimore: The John Hopkins University

3 Nelson, J. & Zadek, S. *Partnership Alchemy. New Social Partnerships in Europe*. Copenhagen: The Copenhagen Centre: p. 11



1-2 Dutch developments in brief

The Dutch government has for some time shown a strong interest in the development of partnerships in the social policy area. This resulted in a joint declaration of the Ministries for Social Affairs of Denmark, Ireland, Great Britain and the Netherlands (the Ministry of Health, Welfare and Sports) in October 2000 (see also 4-3). The declaration under the title "Governments as Partners – Fostering Public-Private Partnerships for an Inclusive Europe" speaks of "recognising the need for European governments to develop enabling frameworks for effective public-private partnerships to emerge, develop and grow as well as initiatives to scale-up and transfer experience on successful partnerships across Europe, we have gathered today in response to the call for a network between European governments."⁴

The initiator of this development is the Directorate for Social Policy of the Ministry of Health, Welfare and Sport which has since the middle of the 1990ies supported a number of experiments that stimulate social entrepreneurship. This concept describes the improvement of quality of operations in the social sector through the introduction of corporate management principles and co-operation with people from the business sector. For the first time in a long time contacts between the social and the corporate sector were established and the Ministry became a forerunner in the support of corporate social responsibility in the Netherlands. Both the profit and the non-profit sector have set up intermediary organisations for the support of new partnerships – Samenleving & Bedrijf and NOV – Maatschap in Betrokkenheid - a development which can be observed also across borders on local, national or international level. Both Dutch organisations expect to be able to help develop a series of local partnerships in mutual co-operation.

In 2000, a significant statement was made by the Social-Economic Council (SER), the most important advisory body of the government, in which the main social partners next to independent members are represented. The Council in advising government on corporate social responsibility pointed out that corporate social responsibility belongs to the core business of a company. The Dutch government accepted the advice and noted the importance of developing local partnerships in which corporate social responsibility can have a strong impact.

This development, although initiated by government, also brings along new questions and dilemmas for administrations. Partnership working still needs to be seen at its infancy stage, especially if one looks at corporate community investment. It repeatedly appears that governmental bodies and civil servants find it most difficult to enter co-operation with the non-profit and especially the for-profit sector. In the Dutch Urban Development Schemes, in which the link between the economic, spatial and social spheres is considered to be the point of departure for implementation of the schemes, co-operation with the corporate sector hardly occurs in the field of social issues. Also in important policy areas such as 'Local Social Policy' and 'Social Activation' business is hardly active and co-operation is limited to bilateral partnerships with the non-profit sector.



⁴ "Government as Partners – Fostering Public-Private Partnerships for an Inclusive Europe", Copenhagen, 2 October 2000

1-3 The focus of the study

This study, which was conducted on request of the Ministry of Health, Welfare and Sport, the Directorate Social Policy, gives an overview on partnership developments in eight European countries. These countries have been selected on the grounds of their relevance for the Dutch context and in terms of finding a number of good examples for partnerships on government level. In addition, a brief look has been taken at countries in which little or only very recent experiences with partnerships are prevalent in order to illustrate the dynamics of long-term processes in which 'shifting roles' between government, profit and non-profit sector occur.

Domeins for public-private partnerships can be found in the areas of spatial development, development of infrastructure and related finance. These have not been included in this study because they rather tend to touch only at the sideline with social policy development.

The focus of this inventarisation therefore, is on the following elements:

Focus on	Focus not on
Social policy areas	Spatial, financial and economic policy areas
Corporate community investment	Corporate social responsibility
Initiatives and problems of governments	Initiatives of other actors/partners in society
Trilateral and sustainable co-operation	Bilateral and incidental co-operation
Intermediary structures and programs, which are social policy related	Public-private partnerships in general (PPS)

2 Relevant topics reported in the country profiles





Research indicates a number of topics that are prevailing in discussions on new social partnerships both in the European countries and in European networks focusing on partnership working. These topics concern the social challenges and problems to which partners respond by developing activities, the prioritization of these issues and special features of co-operation. In addition, topics emerge which concern the management level of co-operation. Last not least the process of creating and sustaining partnerships brings up questions that deserve further investigation.

2-1 Domains of co-operation for social inclusion

New social partnerships have been formed predominantly to counter social exclusion and further social cohesion in a number of key areas. Social exclusion can be understood as a multi-faceted process preventing people from participation in society. Unemployment is only one facet of social exclusion but has been interpreted as the key driver to inclusion by most European governments with many partnerships evolving in this policy field. Only a few countries have so far taken the necessary step to treat economic development and social welfare delivery as a single issue and have developed partnerships accordingly.

The following themes, have been on the forefront of partnership initiatives in the countries under investigation:

2-1-1 Employment creation

Partnerships in Finland, Belgium and Germany have put at the centerstage of their activities employment creation, enhancement of employability through skills development and training and reintegration of unemployed people into the workforce. Governments in these countries have a strong role in social welfare provision and tend to operate with a rather one-dimensional approach in policy development to the issue of social inclusion by focussing predominantly on inclusion into the labour market. Countries like Ireland, the UK and to a certain extent Spain which tend to operate with a multi-dimensional conceptual definition of social exclusion accordingly address interrelated sets of questions with a focus on socio-economic development and social capital in partnerships.

2-1-2 Community development (urban and rural regeneration)

Urban and rural regeneration has been the second key area of partnership activities containing broad agendas that seek to treat economic and social development as a single issue. Urban regeneration schemes in Antwerpen, Belgium and the program “Buiten Gewone Buurt, Quartier de Vie”, aiming at the social, cultural and economic revitalization of Belgium inner cities are an example in case. In addition, the Iisalmi Partnership in Finland that tries to develop a rural area in order to counter economic migration and the activities of the Area Development Management corporations in Ireland give an idea of partnerships with a multidimensional approach to community development. Ireland is an example where central government has been driving the agenda through the setting up of necessary supporting regional structures, the County Development Boards. In Finland where the level of decentralization is comparatively higher than in the other countries under investigation regional councils and local authorities push the issue of integrated development.

2-1-3 Diversity and equal opportunities

There appears to be a growing effort to drive forward existing government legislation against discrimination based on gender, racial or ethnic origin, religion or belief, disability, age or sexual orientation in partnership initiatives directed at enhancing diversity in organisations and encouraging full participation of vulnerable groups. Most of the partnerships in place are directed at integrating these groups into the labour market (see 2-1-1). Integration of migrants and diversity management is partly driven by business interests such as for instance in Belgium where the employers' organisations have taken on the issue. In the UK governmental departments have joined the Business in the Community campaigns Opportunity Now and Race for Opportunity which seek to promote gender equality and participation of ethnic minorities. In Austria it is the government that has launched special initiatives such as the so called “Disability Billion” to further the inclusion of the disabled.

2-1-4 Education and training

The development of partnerships focussing on the educational sector have been most prominent in the UK with Learning Partnerships involving schools, colleges, universities, training providers, employment and career services, employers, trade unions, voluntary organisations and other players to address community needs. In countries where the provision of educational services has been predominantly a task of the government, the involvement of the business and voluntary sector in the planning and delivery of educational institutions and their operations in combination with targets of local social development has so far not been a major area of concern. The potential however, is increasingly being recognized. The partnership “Social Learning” in Germany for instance, provides an interesting approach focussing on the development of young people's insights into social worlds others than their own during their educational and vocational training in order to stimulate the development of social skills and enhance active citizenship.

2-1-5 Health

The “Health Action Zones” in the UK which have been set up in partnership working on local level and the activities which have been initiated in the City of Heidelberg, Germany in the context of the “Healthy City Initiative” belong to the examples where health has been made the primary concern in partnership activities. The improvement of health however, is mostly also an implicit target in many other partnerships that focus on urban and rural regeneration as well as poverty issues as it for instance happens in the context of the Irish NAPS (National Anti-Poverty Strategy). The Iisalmi Partnership in Finland is an example where provision of care for the disabled and domestic services has been part of a partnership agenda that in the first place was set up to counter unemployment.

2-1-6 Local Agenda 21

The declaration on the “Local Agenda 21” which was passed at the Earth Summit in Rio de Janeiro in 1992 has been another area in which a number of partnerships have been emerging on local level in many European countries in the late 1990ies. However, the Local Agenda which addresses the interrelationship of resource issues and the environment, sustainable development and social exclusion has in tendency been interpreted in some countries predominantly under the heading of ecology without a strong cross-over into areas of social development, poverty reduction, health and welfare and education. Local Agenda 21 appears to be a policy area in which the potential of partnership work has been underused with respect to co-operation and joint-up solutions due to the tendency of a onedimensional interpretation of the issues at stake. The above mentioned divide between countries interpreting social exclusion as predominantly an issue to be countered with employment creation and countries such as the UK and Ireland discussing inclusion as a multidimensional issue are mirrored in the debates and implementation efforts of the Local Agenda 21.



2-2 Issues of management and process

Building partnerships requires an understanding for both the level of process and management in order to bring a partnership to its full potential. The challenge here is to have the necessary skills and competences to consistently finetune aims and objectives with all necessary partners involved in combination with sound management qualifications. It also requires the competence to enter processes of a seemingly paradoxical quality with the necessary grasp for the dynamics involved.

2-2-1 Steering, control and devolution of power

Partnerships emerge predominantly on the local level to address local issues with local governments as one of the key players in the field. Depending on the national context, central government can encourage this process with a number of instruments, such as:

- - The setting up of co-ordinating institutions (see Ireland, the County Development Boards);
- the requirement of formation of cross-agency, cross sectoral umbrella partnerships as local co-ordination framework (see UK, Local Strategic Partnerships).; or
- a national co-ordinating team appointed by central government (see Finland, co-ordinating structures).
- The use of financial instruments with strings attached, such as the formation of a partnership or a co-ordinating body (see UK, Neighbourhood Renewal Fund).
- The creation of a legislative framework stimulating cross sectoral collaboration (see UK, Local Government Act)
- The setting up or support of intermediary organisation with the necessary know-how and management capacity to advise administration and stimulate the development of partnerships (see UK, government support structures for partnerships).

Whilst supportive steering mechanisms are required and called for in order to both stimulate developments and use resources efficiently to avoid duplication of efforts, government as a partner has to become a facilitator of the process and withhold on its traditional role of being keeper of the system.⁵ Where government traditionally has had a strong role in the provision of health and welfare services, it can be a challenge to let go of the traditional notion of being in charge, transfer responsibilities and adopt a new identity of being just one of the partners. This however, is necessary in order to forestall the creation of unbalanced structures and the perception of partnerships as hidden government extensions (see Finland, weaknesses of partnerships). To invest and manage public funds in partnerships whilst placing as little redtape as necessary requires a mindful and attentive approach to steering and control mechanisms that do not jeopardize government's role of being a partner.

2-2-2 Accountability issues

As one of the potential of partnerships has been described the increased level of participation of all local actors which contributes to cohesive responses of a community to social and economic problems. However, with an increased level of participation the issues of representation, mandates and accountability need to receive the necessary attention since they can become both a source of conflict and renewed vigour of democratic processes in society.

⁵ *The Copenhagen Centre & Ashridge (2001). Government as Partners. The Role of Central Government in Developing New Social Partnerships. Copenhagen: The Copenhagen Centre*



Whilst agreement is prevailing that a wider level of active participation comes in with community organisations and NGO's as partners in the process, difficult questions have been raised as to the lack of official mandates, transparency and accountability structures in place in these organisations. The absence of clear representative structures can create an uneven level of representation in partnership organisations. At the same time a number of NGO's who claim to stand for the interests of vulnerable and socially excluded groups do not take sufficient concern to include these very groups in the partnership process. To involve the most excluded as partners at a level which is more than nominal is one of the key challenges in partnership processes (see i.e. the UK and Ireland experiences). If their voice is absent, the partnership might not meet the objectives it claims to achieve. Inclusion, however, requires the necessary competence to listen, enter dialogue and forestall potential unevenness in decision-making processes.

The blurring of boundaries between government, business and the voluntary sector in partnership structures can also lead to accountability questions. This certainly refers to intermediary organisations being set up by government to develop partnerships (see UK, government support structures, Partnerships UK) in which the government has a minority interest and the private sector owns a majority. Whilst the private sector can vitalize the process through provision of expertise and skills questions of mandate and transparency with respect to public sector responsibilities can become a matter of concern.

2-2-3 Monitoring of results

There is currently an absence of sufficient data to prove the value of the partnership process and the outcomes achieved. "Very often partnerships are created with neither proper analysis of social need, nor an assessment of the appropriate mechanism for addressing those needs."⁶ There is a definite need to monitor and evaluate partnerships given public accountability requirements. Beyond the cost benefit analysis there is the need to understand the social impact that partnerships have on local communities. The OECD study on local employment partnerships in Finland (Cinnéide, 2000) suggests to undertake partnerships within an action-research framework that is designed a priori to capture results.

The study of the Copenhagen Centre on local partnerships in Europe has been designed as such an action research project. The project will analyse the working methods and results of partnerships in order to understand better the interaction processes between representatives of the different sectors in different geographical and cultural settings in Europe (Denmark, Estonia, the Netherlands, Ireland, Spain and Germany). There is a clear focus on the process learning of the partnerships and the potential benefits for each sector and society as a whole.⁷

On the national level of each country there is a clear need for both qualitative and quantitative research and analysis of partnerships in key areas of their activities.



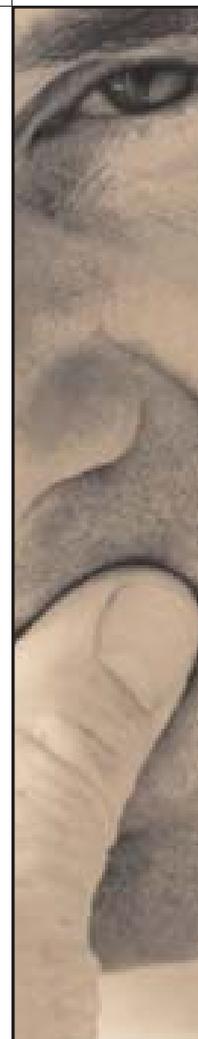
⁶ *The Copenhagen Centre & Ashridge (2001). Government as Partners. The Role of Central Government in Developing New Social Partnerships. Copenhagen: The Copenhagen Centre. p. 20*

⁷ *Kjaer, L. & Abrahamson, P. & Raynard, P. (2001). Local Partnerships in Europe. An Action Research Project. Copenhagen: The Copenhagen Centre*

2-2-4 Development of expertise and exchange of information

So far most partnerships have developed community driven in absence of knowledge of best practises on both national and international level. Linked to the need for research mentioned above there is a clear need to develop and exchange knowledge on best practice. A good example is the development of local employment partnerships in Finland on the basis of the study of the Irish experience in the middle of the 1990ies.⁸

Development of expertise also requires the necessary skills both on the level of communication with different actors, process management and on the level of management of delivery on targets. Since however, the enhancement of the partnership process can be in tension with the objective of delivery on targets and vice versa, an increased knowledge on how to stimulate one without loosing the other can help to provide also necessary training and other levels of support for the different actors.



⁸ Ó Cinnéide (2000). *Local Employment Partnerships in Finland*. Paris: OECD

2-3 The role of civil society organisations

Depending on the societal context, the political concept of civil society has over time often been a contested issue demarkating the boundaries of potential democratic participation processes of citizens. As a sociological concept it includes both formal and informal voluntary and community organisations and networks, old and new social movements, traditional and new societal organisations and the trade unions. The shifting role of government and the corporate sector also involves a shift of role of the voluntary sector in the process of which the boundaries of civil society become more fluid. This revitalises the debate as to what constitutes civil society and what instruments are needed to further democratic participation other than the existing participation mechanism in place. It is no coincidence that both in Germany, the Netherlands and of recent the UK, parliamentary inquiry commissions look at the role of civic engagement in society, albeit with a different focus in each commission.

It appears that the role of civil society organisations in partnership processes receive differing attention in the countries under investigation. In Hungary, a post-socialist country, the thrust of activities lies on the building of civil society organisations as primary focus of concern next to economic development. In Spain, the strong growth of non-profit organisations in the 1990ies can still be seen as part of the building process of democracy in the post-Franco period although on a different level than in the 1980ies. The mounting collaboration between government and civil society organisations in this country and the attention these organisations receive therefore have to be seen as part of a political process of a different quality than the one in the Nordic Welfare States, where the building of collaboration of the traditionally separate sectors is part of the reform process of the Nordic Welfare state.

Whilst governments increasingly recognise the competence of civil society organisations to help solve societal problems, the weight of organisations is appreciated often at an uneven level. It belongs to the paradoxical quality of partnership processes that the trade unions, a traditional social partner of government and at the cradle of many partnerships both on national and local level (see for instance Ireland, Belgium, Germany) can bring into the process their longstanding partnership experience and stimulate developments. They can also block developments by stalling the involvement of new actors at the same table (see Ireland). Also on government level well established relationships based on traditional partnerships can be a resource on which partnerships can capitalize. They however, can also hinder a shift of perception as to who else can contribute in the field (see Germany, the creation of "Alliance for Jobs" without the voluntary sector as founding partner). In rethinking traditional roles, Ireland is a best practise example by involving the voluntary sector as new social partner next to the traditional partners in the follow-up consultations to the National Economic and Social Forum (Partnership 2000). In the UK the compact between government and the voluntary sector seeks to address the issue of quality of co-operation whilst acknowledging the necessary independence of civil society organisations.

2-4 An overview of national trends and instruments

The following table sketches the development of new social partnerships per country by indicating political trends and governmental instruments to support the development of partnerships. The different levels of development of partnerships are related to socio-economic, cultural, political and historical factors which condition the speed of development and the potential and limitations which current practice is encountering.

The country chapters illustrate this development by describing relevant topics per country and by giving examples of partnerships.



Governmental structures and instruments to support partnership development



United Kingdom

Has the most experience with trisectoral partnerships in Europe:

Political trends:

- support of efficient delivery and meeting the targets
- mainstreaming of partnerships on all policy levels (mainly on the local level)
- ensure inclusivity of partnerships, involving all relevant players in the field.

Instruments:

- Local Strategic Partnerships as umbrella partnerships on local level
- Interdisciplinary cooperation of departments and creation of special interdepartmental units, such as:
 - the Social Exclusion Unit
 - the Active Community Unit
 - the Neighbourhood Renewal Unit
- Intermediary organisations to support management expertise in Government, such as:
 - the Office of Government Commerce
 - Partnerships UK
 - Public Private Partnerships (4Ps)



Ireland

Partnerships as instrument for decentralisation of policy

Political trends:

- Streamline delivery of public services in partnerships
- Development of structures to prevent social exclusion on a decentralised level

Instruments:

- Interdisciplinary cooperation of government departments –
- Creation of governmental units, such as:
 - the Cabinet Committee on Social Inclusion
 - the Senior Official Social Inclusion Group
 - the Interdepartmental Policy Committee
 - the National Anti-Poverty Strategy (NAPS) Unit
- County Development Boards for the development of social, economic and cultural strategies (single issue approach)



Finland

Partnerships as experiments in the context of reform of the Nordic Welfare model

Political trends:

- Integration of the non-profit sector in local social policy making
- Restructuring of local welfare policy and network creation

Instruments:

- Decentralisation reform
- National co-ordinating team for partnerships under the Ministry Of Labour



	<p>Belgium</p> <p>Partnerships as instrument to prevent employment</p> <p>Political trends: Single issue approach on local level Instrumenten: Social Impulse Fund</p>	
	<p>Germany</p> <p>Partnerships in transit : experiments with trisectoral partnerships. Transfer of expertise</p> <ul style="list-style-type: none"> - from traditional to new social partnerships - from the local and regional to the national level <p>Political trends:</p> <ul style="list-style-type: none"> - Research into necessary changes (welfare policy, civic participation, partnership processes) - International transfer of best practice and exchange of information - Support for experiments with trisectoral partnerships <p>Instruments :</p> <ul style="list-style-type: none"> - Parliamentary Inquiry Commission on Civic Participation - Support of pilot projects (Alliance for Jobs) - Support of development of expertise in conferences - Awards for models of best practice 	
	<p>Austria</p> <p>Partnerships as a new phenomenon, first experiences</p> <p>Political trends:</p> <ul style="list-style-type: none"> - Research into the potential of partnerships - Exchange of information on international level - Support of pilot projects <p>Instruments</p> <ul style="list-style-type: none"> - Interdisciplinary working groups installed by government in the context of the International Year of the Volunteer - “Disability Billion” and “Family Audit” 	
	<p>Spain</p> <p>Partnerships as experiments</p> <p>Political trends</p> <ul style="list-style-type: none"> - Increased collaboration between profit and non-profit sector - Interest in partnership (no steering mechanisms in place) <p>Instruments:</p> <ul style="list-style-type: none"> - Financial support for the voluntary sector for delivery of services - Experiments with partnerships in the field of employment creation 	



Hongary

Partnerships in support of development of civil society

Political trends

- Support of the non-profit sector
- Building of a welfare state

Instruments

- Provision of legal instruments and tax exemptions
- Monitoring and evaluation of delivery of services by the non-profit sector
- Collaboration with intermediary civil society organisations

3 Countries



3-1 UNITED KINGDOM

The UK is the country in Europe with the most extensive experience on cross-sectoral partnerships that have been encouraged under successive conservative governments and which have received renewed attention followed by policy initiatives under the current socialdemocratic government. The extensive experience with partnerships is reflected in the fact that discussions on the value of partnerships have entered a different stage in which management issues and new co-ordinating structures on administration levels are a focus of concern.

3-1-1 The role of government

New social partnerships can be seen as a cornerstone of the UK government's efforts to modernise government. The White Paper on 'Modernising Government' mentions as part of its key commitments a focus on efficient delivery of public services that addresses the needs of citizens and "a big push on obstacles to joined up working, through local partnerships, one stop shops, and other means."⁹ Government has acted on a variety of levels to stimulate partnerships:

- by creating the necessary legislative framework (i.e. Local Government Act 2000);
- by improving the conditions for developing partnerships through policy initiatives (i.e. National Strategy Action Plan on Neighbourhood Renewal of 15th January 2001);
- by improving infrastructure through the establishment of partnerships (see i.e. partnerships in the educational field);
- by using financial instruments (see Neighbourhood Renewal Fund);
- by strengthening the position of stakeholders (i.e. funding of grassroots initiatives, see National Strategy Action Plan);
- by taking on an interactive (entrepreneurial) role with the setting up of intermediary organisations (see i.e. 4Ps).

The Labour Government has made it a point to encourage effective co-operation across governmental departments in order to develop joint-up solutions and has therefore, established new units that work across sectors to initiate and develop policies between departments.

The current trend in policy indicates the establishment of new instruments with the objective to:

- develop more efficient delivery of partnerships;
- mainstream the use of partnerships on all levels of public services;
- and ensure that partnerships are inclusive – involving all relevant players in the field from the community, business, voluntary sector and local governments.

9 (www.cabinet-office.gov.uk/moderngov/whtpaper/summary.htm)

3-1-2 The need for umbrella partnerships: Local Strategic Partnerships (LSP)

In comparison to other European countries that are still in the process of either promoting the idea of partnerships or gaining first experiences with the potential of partnership working one can see in the UK that the longstanding active support and encouragement by government has led to a next stage in necessary development of policy instruments for overall co-ordination of partnerships. The number of different partnerships has been rising and additional plans for new partnerships required by different central government initiatives are underway. Most local governments at present engage in several partnerships, some promoted by central government agencies and others by local initiatives.

This proliferation of partnerships has been giving rise to concern about their efficient delivery since often the same people and institutions sit on a number of different partnerships at the same time. In October 2000, the Government issued a consultation document on the establishment and functioning of Local Strategic Partnerships drawn up by a team of officials from across Whitehall and the Local Government Association.¹⁰ The document is seen as a first tentative proposal to pull together initiatives and ensuring effective development of partnerships and parts of the proposal have entered the stage of implementation.

The government would like to see the establishment of Local Strategic Partnerships (LSPs) acting as cross-sectoral and cross-agency umbrella partnerships. LSPs should provide a single overarching local co-ordination framework within which more specific local partnerships can operate with the objective to improve public service results. LSPs would be considered as strategic mechanisms to link neighbourhoods to regions and co-ordinate across and between partnership initiatives. They should ensure that: partnership activities are compatible and mutually supportive; and that sections of communities are included that belong to the most excluded groups in the community.

This reflects government thinking on the need to increase the general level of political participation.

Local Strategic Partnerships are considered to be an integral plan of the local governance agenda with specific reference to

- the new Community Planning Agenda (the Local Government Act 2000 requires all local authorities to prepare community strategies in consultation and with the participation of community organisations and people).
- The Local Public Service Agreements (These offer local authorities the opportunity to commit themselves to delivering key national and local priorities in return for agreed operational flexibilities and grants of up to € 160 million per local authority. For this purpose close co-operation with all relevant actors in the community is a necessity).
- Neighbourhood Renewal Fund: This new fund, launched in October 2000, will channel an extra € 160 million in the years 2001 and 2002 to the most deprived areas with an increase of the annual budget up to the year 2004. The significance of this fund lies in the strings attached to it, namely the requirement to form a Local Strategic Partnership in a community and to achieve performance targets on issues such as education, housing, employment, and crime reduction. All key players in a community will have to agree on a local Neighbourhood Renewal Strategy together with the Local Strategic Partnership that will set out how the resources of the Fund will be used to deliver on targets.

¹⁰ *Local Strategic Partnerships. Consultation Document. October 2000, at www.regeneration.detr.gov.uk/conindex.htm*

- National Strategy Action Plan – New Commitment to Neighbourhood Renewal
This plan was announced on 15th January 2001 and is the culmination of two and a half-year's work by the Social Exclusion Unit. The plan sets out clear targets for improvement in housing, crime, health, employment, education and environment in England and will be delivered through mainstream programs with the back up of resources from the Spending Review 2000. Local Governments will have to set up Local Strategic Partnerships for better local co-ordination of services. This co-ordination will be supported by the Neighbourhood Renewal Fund totalling € 1280 million over three years in the 88 most deprived local authority areas (see above). The National Strategy Action Plan also sets out the establishment of thirty Neighbourhood Management pilot schemes and the establishment of a £ 36 million (€ 57 million) Community Empowerment Fund to help residents develop capacity and encourage their participation in Local Strategic Partnerships. In addition another £ 50 million (€ 80 million) will fund grassroots residents' projects. This initiative addresses government's concern about the need for inclusivity of the partnership schemes and participation in political processes of all relevant groups.
- The Local Government Act 2000 provides for exemptions of certain statutory plan-making requirements if local authorities can demonstrate that it is in the best interest of their area to do so. Legislation can also be amended or disapplied if it prevents or obstructs local authorities from acting to improve the well being of their communities. These new powers of the Secretary of State intend to make it easier for partnerships to work and to move to effective partnership structures when it makes sense to do so.

3-1-3 The current scope on the local, the regional and the national level

The general growth of partnership working can be seen in the field of social welfare, health, urban regeneration, education and employment. Social exclusion has been given a broad definition by the UK government, which is 'what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health and family breakdown'. Subsequently, partnerships have been set up to address these different aspects and numerous of them are now in place. Major initiatives are:

3-1-3-1 On the local level

- New Commitment to Regeneration Partnerships
These partnerships involve representatives from the public, private, community and voluntary sector, who agree on a vision with strategic objectives and an action plan for the regeneration of their areas. Individual partners take responsibility for the delivery of particular areas of the action plan.
- Crime and Disorder Reduction Partnerships
The Crime and Disorder Act of 1998 established local Crime and Disorder Reduction Partnerships which are led by the local authorities and the police. Partnerships are required to consult with the community at large on problem resolution after having conducted a full audit of crime and disorder issues in their areas. A strategy for dealing with the identified problems is developed together with local organisations.

11 Gribben & Pinnington & Wilson (2001). *Government as Partners. The Role of Central Government in Developing New Social Partnerships*. Copenhagen: The Copenhagen Centre. (p.104)

- Local Agenda 21 (LA 21)

LA 21 – the local efforts to implement the agreements of the 1992 Earth Summit - encourages to work across boundaries by forging links with community and voluntary agencies, business, statutory agencies and individual citizens to achieve sustainable development. Local Agenda 21 has encouraged local authorities and their partners to address the interrelationship between problems of social exclusion, economic and resource issues, and the environment and to develop visions, strategies and action plans with implementation mechanisms. The aim is now to mainstream these principles within community planning and other elements of the modernising of government agenda.

- Sure Start

This program has the objective to improve the health and well being of families and children under the age of four. Programs of service delivery have been set up in poor neighbourhoods, which are run by self-governing local partnerships bringing together health, education and social services with local parents, community and voluntary organisations. So far, 59 pioneering partnerships have been started and another 70 programs are underway.

- Health Action Zones (HAZs)

In the past two years about 26 Health Action Zones have been established. These are partnerships including health and local authority representatives, the voluntary and the business sector and the local community organisations. They monitor, co-ordinate and develop the work of the HAZs and have to date, developed a wide experience of partnerships working and tackling deprivation.

- Early Years Development and Childcare Partnerships (EZDCPs)

This program covers all local authority areas of England and aims at developing and agreeing plans for services for childcare and early year's services for childcare in every neighbourhood. Local authorities are responsible for convening partnerships which are then responsible to deliver the National Childcare Strategy in their area. Partnerships agree on an annual plan, which is then used as the basis for the Local Authorities bid for resources from the Department for Education and Employment. Although the program is still in its infancy stage, it has been very successful in bringing together a wide range of people and professionals from the public, private and voluntary sector to plan and deliver early year and childcare services.

- Learning Partnerships

These partnerships bring together local providers of learning and guidance with other relevant organisations to share plans, labour market information and to agree on local standards to widen participation in learning, improve standards, meet local skills needs and contribute to the Government's social inclusion and regeneration agendas. The partnerships include senior representatives of different colleges, schools, higher education sector representatives, Employment and Career Services, employers, training providers, local authorities, trade unions, voluntary and community organisations. Most are also linked to other partnerships in the learning arena, i.e. Education Business Partnerships. Learning Partnerships are strategic forums that enable partners to understand their area, customer needs and each other's capabilities to ensure co-ordinated planning and delivery responsive to community needs and avoid duplication of efforts. Local learning targets are linked to the National Learning Targets.

3-1-3-2 On the regional and subregional level

- The New Deal for Communities (NDC)

This initiative was launched in 1998 with the goal to focus resources on small, poor neighbourhoods in order to improve employment possibilities, educational achievement, and health and to reduce high crime rates. Local partnerships in the context of NDC should be community-driven, working closely with key agencies and service providers in the region chosen. £ 50 million (€ 80 million) have been provided for a period of 10 years to implement and develop the program. The NDC Unit is part of the Department of Environment, Transport and the Regions, and links its work closely with the Social Exclusion Unit's work on deprived neighbourhoods, specifically the work of the Policy Action Teams (see Social Exclusion Unit).

- Regional Development Agencies (RDA)

These produce Regional Economic Strategies and Regional Planning Guidance with priorities for economic development and regeneration in their areas. Many of the agencies build upon existing sub-regional partnerships for the implementation of their strategies. In other areas they have acted as catalysts for the development of sub-regional partnerships as strategic bodies for consultation and delivery of the plans.

The RDAs are also responsible for the administration of the Single Regeneration Budget Partnerships including the partnerships' annual delivery plan. These partnerships aim at delivering holistic regeneration schemes at the local level.

- Connexions

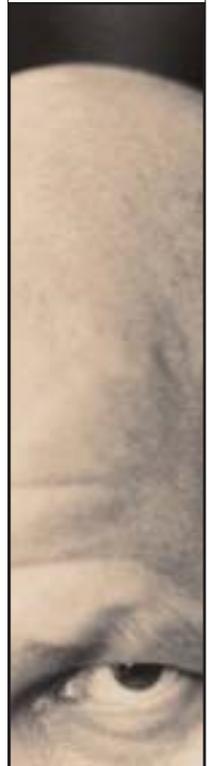
Connexions Partnerships have been set up from April 2001 with the objective to support and guide young people at age 13 – 19 in their learning efforts. The partnerships will be responsible for strategic planning and funding of the support service at sub-regional level, based on 47 Learning and Skills Council Areas. Day to day management of delivery of services will be the responsibility of Local Management Committees (LMCs).

3-1-3-3 New governmental units and interdepartmental co-operation

The government has created a number of units that stimulate interdisciplinary co-operation across departments and draw in experts on various levels from outside government. Most prominent are:

- The Social Exclusion Unit

This unit was set up in December 1997 shortly after the Blair Government entered its first term with the objective to address social exclusion by delivering "joint-up solutions" in close co-operation with other government departments implementing the new policy initiatives. It is part of the 'Modernising Government' process and pursues the new trend towards crosscutting approaches. The unit reports to the Prime Minister and has a network of ministers providing a sounding board. End 1999 it was staffed with 33 people the bulk of them civil servants with 8 people from the voluntary and business sector. The unit has produced six reports on school truancy and exclusion; rough sleeping; teenage pregnancy; 16-18 year olds not in education; training and employment and on deprived neighbourhoods. It has commissioned 18 Policy Action Teams (PATs) to look at various aspects of deprived neighbourhoods (housing, skills, employment etc.), a result of which is the recently issued National Strategy Action Plan on Neighbourhood Renewal. Among the key findings of an internal review of the operations of the unit were that it has made a real contribution to open the doors of the Government to the private and non-profit sector and local authorities. The mix of civil servants and external staff has been a success and they have been "unusually successful in working with people outside



Government and in understanding the perspectives of those working on the ground".¹² The staff also managed to raise the profile of social exclusion as an issue and strengthen the position of the voluntary and the public sector in addressing these issues. However, it was also felt that the unit should do more to involve the grass roots level and encourage more direct participation in issue definition and policy formulation by those most directly affected. Recommendations included among others a stronger need for delivery on monitoring and driving forward the implementation of its recommendations which are published with the effective status of Government White Papers. Interdepartmental co-operation would need to be further improved in order to mainstream social exclusion agendas. The Unit will continue to operate until 2002.

- The Active Community Unit

The unit serves to co-ordinate policies on the voluntary sector and volunteering between various departments and consult the voluntary sector on government initiatives. Next to funding institutions of the voluntary sector it has also worked on facilitating good working relations with the voluntary sector through the Compact between government and voluntary and community organisations, which essentially recognises the independence of the voluntary sector.

- The Neighbourhood Renewal Unit

This unit has been established in the Department of Environment, Transport and the Regions in April 2001 to oversee policy across Whitehall concerning the implementation of the National Strategy Action Plan on Neighbourhood Renewal. It reports to the Minister for Local Government and the Regions and is accountable to a cross-departmental group of senior ministers, chaired by the Deputy Prime Minister. The staff of the unit comes from a diverse range of backgrounds from different government departments and from outside the Civil Service. Its work will be backed up by Neighbourhood Renewal Teams in the Governments of the Regions.

3-1-3-4 Government support structures for partnerships

Governmental institutions have been set up to act as intermediaries between government and private sector and to support and increase competence in the public sector as a stakeholder in public-private partnerships. This goes along with a revitalisation of the Private Finance Initiative (PFI) which was launched in 1992 to open up opportunities for more private sector involvement in the provision of public services.¹³ For the first five years the PFI did not take off the ground everywhere, for instance in the education and employment sector. Since 1997 the Government strengthened the PFI by a variety of measures in order to enable the public sector to make full use of it.

- The Office of Government Commerce

This body was set up in 2000 in order to apply lessons learned with private finance deals to a wider procurement across Government. In PFI deals the government is required to be much more precise in defining its targets and become an equal partner to business. The new office will develop a "gateway process" to provide an independent, authoritative review mechanism to improve the management of large, complex projects. It works alongside departments so that each department can draw from the experience of the other and avoid reinventing the wheel. The office is set up with the idea to make a major contribution to public sector management of all types of projects whether conventionally funded or through public-private partnerships.

¹² Review of the Social Exclusion Unit, December 1999, on www.cabinet-office.gov.uk/seu/1999/review.htm



- Partnerships UK

In 2000, Partnerships UK was established by the Treasury to work alongside public sector authorities and help them deliver better value for money in PFI and in public-private partnerships. It acts as the successor to the Treasury Taskforce and will continue to assist the Treasury, Government Departments and the Office of Government Commerce. It works with the Government in developing policy on public-private partnerships and contract standardisation, helps with project evaluations and implementation and support partnerships in difficulty. It also works with the 4Ps (see below) on local authority projects.

Partnerships UK is not an advisor but a developer of private-public partnerships (PPP), working in co-operation with public bodies to support them through development, procurement and negotiation of a PPP. Its aim is also to develop the skills of Private Finance Units within individual Government departments.

In July 2000 Partnership UK established an own Science and Technology Unit in order to support science and technology based partnerships as part of a package of measures announced by the Government's White Paper on "Excellence and Opportunity: A Science and Innovation Policy for the 21st century". The unit will help public sector researchers commercialise their intellectual property through joint ventures with the private sector.

Partnerships UK itself is a partnership body, a joint venture of the public sector owning a minority interest and the private sector owning a majority. It will also provide strategic support on an international level. The first international agreement of its kind was entered with the South African Department of Finance Public-Private Partnership Unit for the development of partnerships in South Africa. (www.Partnershipsuk.org.uk)¹⁴

- Public Private Partnerships Programme (4Ps)

The 4Ps was established to bring about increased investment in local authority services through the PFI (Private Finance Initiative) and other public private partnerships. It is a local government agency set up by the Local Authority Association in April 1996 with cross party support and is financed by and accountable to local government through a Board appointed by the Local Government Association. The Board is constituted of local authority members and private sector representatives.

The 4Ps objectives are to help local authorities increase investment in local services through public private partnerships by:

- Helping individual local authorities develop practical schemes;
- Helping local authorities to learn from each others experiences;
- Lobbying to change legal and institutional arrangements to make them more appropriate for public-private partnerships.

Work of the 4Ps for instance involved the co-operation with the Department for Employment and Education to develop an asset plan for the existing school stock of a local authority which can be shared with the private sector to stimulate an effective response. Another example is the co-operation with government officials to investigate whether PFI could offer good value in social housing and develop a model to test it in practise. Pilot schemes are developed and evaluated so that local authorities can develop similar schemes without the need for considerable research and legal costs.

(www.4ps.co.uk)

13 *PFI is a method of procuring services delivered through assets. Procurements involve contracts negotiated between a public body such as for instance a local authority and a private sector supplier. These contracts usually require the supplier to design, build, finance and operate the asset, such as a school, that is used to deliver the service.*

14 *Public Private Partnerships Private Finance Initiative. Global Summit, Cape Town, 6th December 2000. Keynote Address by Stephen Timms, M.P. Financial Secretary to the Treasury*



3-1-4 The role of the business sector

Corporate community involvement has a long history in the UK dating back to the 19th century when industrial philanthropists were setting up educational institutions, hospitals, libraries and more in industrial towns of the UK. With the rise of the welfare state this type of engagement declined and became limited to donations for charities. Since the 1980ies community involvement of business has grown considerably and motives for this involvement have changed. Business leaders now see social responsibility in the community as helping to build business sales, build trust both in the community as well as in the company and to attract, retain and develop the workforce. Next to co-financing community needs, business activities include secondments to community organisations, employee volunteering and creating necessary in-house structures to address partnerships in an effective way such as the creation of community affairs management positions.

3-1-4-1 Important actors in developing partnerships

- Business in the Community (BitC)

BitC was set up in 1992 to improve companies' impact on communities. Its core membership currently comprises 650 companies. BitC has taken the lead in developing a range of activities that serve the development of new social partnerships from the part of the corporate sector. For example it set up a Business Task Force in 1998 to identify companies' best practices in order to maximise competitive as well as social benefits and to encourage organisations to measure their impact on society and communicate what they do. (www.business-impact.org)

- Innovation through Partnership

Linked to BitC is Innovation through Partnership (ITP) which is a joint initiative of BitC, the Institute of Social and Ethical Accountability, the Local Futures Group and the Department of Trade and Industry. ITP has created a "Partnership Scorecard" which is for business, the voluntary and the public sector to better understand and benefit from the outcome of partnerships, learn from other projects and to inspire further innovation through partnerships.

(www.innovation-partnership.org)



- London Benchmarking Group

The London Benchmarking Group has 18 member and has contributed by launching a guide to measure outputs and impacts of community programmes for the corporate sector and by promoting the model with new companies. The LBG model stresses the importance of measuring the benefits that flow to both the community and the company from each major community programme. Members of LBG will implement the model and measure longer-term impacts.

- The Business Leaders Forum

The Prince of Wales Business Leaders Forum, as BLF was called under the leadership of the Prince of Wales, emerged from BitC and developed into an independent organisation with some 60 member companies and corporate partners with head office in London. The forum operates on a global scale and focuses on the promotion of a holistic approach to corporate citizenship. It encourages the formation of business coalitions such as independent Business Leader Forums and capacity-building.

3-1-5 The role of the voluntary sector

The core of the voluntary sector activities lies with educational and health and welfare activities. In 1998, 135,000 general charities were active in the UK. However, the economic weight of the sector was concentrated in a relatively small number of organisations. 88% of gross income was then accounted for by less than 10% of organisations.¹⁵ The development of the sector was strongly influenced by the introduction of the National Health Service and Community Act in 1990 which changed the means of providing social services. Responsibility for services remained with the national and local government, but institutions of the voluntary sector were contracted for service delivery. The management of contracts increased complexity of operations within the organisations resulting in increasing professionalization of the sector and formalisation of voluntary work.

With respect to new social partnerships that address social exclusion in communities research suggests that the voluntary sectors and community groups have been primarily involved at the level of implementation of objectives of partnerships and less in strategy development, monitoring and evaluation. Although the new government initiatives suggest a stronger community involvement in partnerships, this does not necessarily mean community leadership. For example of the 500 Single Regeneration Budget Schemes in the past years there appear to be less than 30 community or voluntary led schemes in England and Wales. Some organisations are concerned that larger, fewer and more concentrated schemes might more likely be led by statutory partners.¹⁶

15 *ET Welfare (1998). Actors of New Solidarity in Europe. National Reports. Brussels: ET Welfare*

16 *EAPN (1999). New Strategies to Combat Poverty and Exclusion. The situation in nine European countries. Brussels: EAPN*

3-1-6 Partnership Project Examples

- Case Studies in the Educational Field

Trisectoral social partnerships have developed on a large scale in the education and employment sectors. The education system traditionally had very weak links with industry for many years and vocational education tended to be poor. Over the last 20 years this problem has begun to be addressed. Business involvement in the educational sector has been helping to improve the state of the art of existing IT systems, modern and practical teaching facilities, student's accommodation and provided for new and refurbished schools. But also work related learning projects have been set up in co-operation with companies.

Case Study 1

The London Business Education Network (LEBPN)

This partnership has been in existence for four years and is a good example of an already existing umbrella partnership for all the 32 Education Business Networks, which are currently operating in London. The Education Business Networks bring together companies, boroughs, school and training institutions with the objective to improve the level of education and training of young people, which ultimately will contribute to stimulate the economic development of the City of London. A series of programs have been started to improve learning capacities of students from age 5 with future employability of the students as a key concern. These programs support delivery of other government initiatives such as

- Raising the level of student achievement in communication, the application of number and information technology;
- Addressing the needs of disaffected students;
- Education Action Zones, Excellence in the Cities and Curriculum 2000;
- Enabling students to learn about and develop the skills necessary to benefit from the new opportunities in the capital's regeneration programs.

The LEBN works in partnership on the implementation and delivery of its strategy with, among others, the Department for Education and Employment, Government Office for London, London Accord, London First, Business in the Community, and a great range of business and educational partners across London.¹⁷

17 London Education Business Partnership Network. Strategic Plan 2000 – 2002

Case Study 2
Routes into Education through Access in the Community and the Home
(Reachout)

Project Partners:

Liverpool City Council

Merseyside Police

The Liverpool Hope University College (LHUC)

The Liverpool Parents School Partnership (PSP)

British Telecommunications PLC (BT)

Project Description

Reachout is a family of courses developed by Liverpool Hope University College. BT has provided a grant as well as expertise in multi-media and distance learning to assist in the production of the course materials. Part of BT's funding has been used to install a video-conferencing studio in a training room in Liverpool Hope University College with links to each of the PSP Centres, enabling students to attend 'virtual' lectures and seminars.

LHUC in conjunction with PSP started Reachout access courses in 1995, through which parents study part-time at a PSP centre and at home using distance learning materials. The courses are aimed at those with few or no qualifications, those who are unemployed or in low-paid employment and those with pre-school children.

In September 1998, 400 students were following a pre-degree course and 200 were taking a BA/BSc Combined Studies Degree. The first 12 Reachout students graduated in July 1998. Reachout courses have already been started in Wigan and Manchester.¹⁸



18 *CSR Europe (2000). Education For All. Business-Education Partnerships. Towards an Entrepreneurial and Inclusive Europe. Brussels: CSR*

3-2 IRELAND

Partnerships in Ireland evolved as a response to the issue of unemployment, poverty and social exclusion, which have been high on the political agenda for many years.

Ireland faced increasing levels of unemployment, high inflation and a heavy debt from 1980 onwards right through the decade. The country experienced fast economic growth in the 1990ies, and the unemployment rate which was at a 17% level in the beginning of the 1990ies fell to 3% end of 2000. However, the division of society into a majority benefiting from this economic growth and a considerable minority that remained un- or underemployed living in the margins of society poses a big challenge. Ireland's income distribution is one of the most unequal in Europe and together with Greece it has the second highest proportion of its population under the low-income threshold.¹⁹ The Irish Government responded with a range of policy initiatives, among which decentralisation and partnership arrangements.

In the end of the 1980ies, the Programme for National Recovery (PNR) was launched by the government which brought together the social partners and government to agree on wage levels in the public and the private sector. However, also social policy issues were considered including the evolution of welfare payments, development in health spending and tax reform.²⁰

3-2-1 Early experiments with partnerships

In 1992, Ireland embarked on an experiment to mitigate the effects of unemployment and encourage the development of an open and competitive economy. At the core of the experiment were the establishment of 38 Area-Based Partnerships in urban and rural communities created by the Irish Government with the support of the European Structural Fund. The partnerships were set up as independent corporations under Irish company law (Area Development Management – ADM) and brought together on the boards the social partners, local and regional representatives of the national social welfare program, the economic development administrations, training institutions and community groups. The goal was to pursue local economic and social development through programmes targeted at countering social exclusion and the promotion of reconciliation and equality as well as implement national policy programs. Ireland that had operated a centralised administration both of social welfare provision and disbursing of funds for economic development started in this way with a process of decentralisation through the organising instrument of partnerships. One effect of this belated decentralisation in comparison to other European countries was that partnerships were given considerable freedom to chose and execute projects.

19 *The National Economic and Social Forum (2000). The National Anti-Poverty Strategy. Forum Opinion No. 8, August 2000. Dublin: The National Economic and Social Forum*

20 *The Copenhagen Centre & Ashridge (2001). The Role of Central Government in Developing New Social Partnerships. Copenhagen: The Copenhagen Centre*



Secondly, they offered the chance to treat the issue of economic development and social welfare delivery as a single issue, since efforts to achieve both ends by distinct means had proved to be inadequate.²¹ The Area Based Partnerships helped to improve the competitiveness of firms in combination with efforts to increase the employability of residents in the local community. Urban partnerships developed innovative techniques for retraining and placing the long-term unemployed and established new companies providing jobs and training for them. Programs were established to help early school leavers and single mothers, improve community policing, public transport and the management of housing estates by their tenants. Rural partnerships were founded to create more employment opportunities and prevent emigration of and depletion of the rural areas. The ADM Companies run a number of sub-programmes among which the “Local Development Program” and the “Programme for Peace and Reconciliation” which supports cross-border local development in communities that have suffered under the civil war.

A key for the ability to experiment was the company status of partnerships, which enabled them to circumvent many of the usual governmental procedures that can place red tapes or restrict freedom of manoeuvre. This increased the flexibility of the system and Area Development Management Ltd. could act as an intermediary body rather than a central government control instrument. Monitoring and evaluation are part of the responsibilities of ADM Ltd, which also contributes to the spreading of best practises to other areas.

3-2-2 The role of civil society in the emergence of partnerships

Whilst access to support of the European Social Fund contributed to the reform of infrastructure and use of new instruments like partnerships, domestic pressures in the context of civil society development were another driving force. The continuing high level of unemployment gave rise to new groups in Irish civil society that organised themselves around issues of poverty and unemployment. These groups were not represented in the traditional negotiation structures between government and the social partners also owing to the fact that the trade unions claimed to represent the interests of the unemployed and socially excluded. However, the newly emerging groups and voluntary organisations felt that they could contribute with a more direct experience and knowledge of the issues concerned and wanted their voices to be heard. To these groups belonged youth and women’s organisations, self-organisations of the unemployed, anti-poverty groups, the forum of people with disabilities, the Irish Traveller Movement and others. As a political response to the pressure of these groups the Irish Government established and funded the National Economic and Social Forum in 1993 with the objective to achieve consensus on a wide range of issues of social exclusion, social policy and unemployment. For the first time government, trade unions, employers and voluntary and community organisations were having round table discussions on how to address these issues together. In the process of these discussions the voluntary sector over the years emerged as a new social partner since the different partners got to know each other and learned to work together on issues of common concern. When in 1997, Partnership 2000 was established as a follow-up to the National Economic and Social Forum the negotiation process involved the voluntary sector for the first time as a social partner next to business, trade unions and the farmers. Partnership 2000, the Programme for Inclusion, Employment and Competitiveness, which ran from 1997 – 2000, focused primarily on addressing the issue of unemployment through a range of measures like enterprise promotion, training initiatives, anti-discrimination measures, employment incentives and others, whilst being committed to fight social exclusion in the broadest sense.



21 OECD (1996). *Local Partnership and Social Innovation: Ireland*. Paris: OECD

3-2-3 A new sense of interdependence

In this partnership government is represented both as employer and facilitator of negotiations. The new arrangement has been characterised as process-oriented, “a search for a wider consensus addressing the different trade-offs between and within interest groups”.²² The inclusion of civil society organisations led to a more discursive and consensus-oriented rather than the traditional bargaining approach to the issues at stake and has increased the level of trust and mutual respect. Also a new sense of acceptance of interdependence between all parties concerned has been achieved which has not been an easy issue certainly for the traditional social partners. The current role of the National Economic and Social Forum is to focus on the evaluation of the implementation of policies dealing with equality and social inclusion, such as the National Anti-Poverty Strategy (NAPS), delivery of social services, rural renewal, equality proofing issues and others.

Partnerships that have emerged afterwards such as the Programme for Prosperity and Fairness 2000 – 2003 draw on the consensus approach that has been learned in the context of Partnership 2000. The County Development Boards that were formed in March 2000 to develop economic, social and cultural strategies for the next decade are thriving on partnerships between local government, state agencies, the voluntary sector, community groups, trade unions and companies. These partnerships will streamline the delivery of public services and develop initiatives targeted at combating social exclusion in conjunction with economic development. The establishment of the County Development Boards are an expression of the political commitment of the Irish Government to continue to develop partnerships as it was also formulated in the National Development Plan 2000 – 2006 with respect to streamlining efforts concerning social inclusion at a decentralised level and putting the necessary structures in place.

3-2-4 The role of the corporate sector

Through partnerships business became involved in community activities and the development of infrastructure at the local level. One of the major organisations stimulating activities is the Foundation for Investing in Communities (FIC) which was set up in 1998 on the initiative of government and employers’ organisations with the objective to provide support to deprived communities. As a sub-activity Business in the Community was established in January 2000 with 14 companies as founder members to raise awareness of Corporate Social Responsibility (CSR) and community involvement. This initiative was supported and encouraged by Government. Programmes currently focus on employer supported volunteering, the Professional Firms Group (where firms give a set amount of time for pro-bono work in the community) and the Linkage Programme which supports ex-offenders to enter the labour force.²³

22 ILO (2000). *The role of civil society in promoting decent work: Lessons from innovative partnerships in Ireland, New Zealand and South Africa*. ILO Paper DP/124/2000, Geneva

23 *CSR Magazine, Inside Europe: Focus on Ireland*. 1/1, January 2001, Brussels: CSR, pp. 18-20

3-2-5 Structural approaches of the public sector

Government has used partnerships not only as an instrument to address burning issues such as social exclusion and long term unemployment but also as a catalyst for restructuring policy and administration. Public policy is committed to address the issue of social exclusion in a broad way, which has stimulated “joint-up” governmental approach.

The National Anti-Poverty Strategy (NAPS) defined in 1997 social exclusion as “cumulative marginalization from production (employment), from consumption (income poverty) from social networks (community, family and neighbours) from decision making and from an adequate quality of life.”²⁴ The NAPS strategy was negotiated parallel to the Partnership 2000 and it is not easy to conclude how each process influenced the other. However, the Partnership 2000 process was conceived as being more influential than the NAPS process. NAPS included a “major cross departmental policy initiative by government designed to place the needs of the poor and socially excluded at the top of the national agenda in terms of government’s policy and action”.²⁵ The NAPS strategy led to:

- A Cabinet Committee on Social Inclusion chaired by the Prime Minister, which includes government ministers from eight government departments, meeting on a monthly basis. The committee is to ensure that policies are pursued in an integrated and co-ordinated fashion.
- A Senior Official Social Inclusion Group comprised of high level civil servants from relevant departments chaired by the Dept. of the Prime Minister. The group prepares the brief and agenda of the Cabinet Committee.
- The Interdepartmental Policy Committee comprising senior civil servants from 13 governmental departments and 3 statutory agencies which is jointly chaired by the Dept. of the Prime Minister and Social Community and Family Affairs. The Committee’s task is to develop strategy with responsibility for implementation and general monitoring.
- The NAPS unit is charged with promoting, progressing, co-ordinating and developing the interdepartmental NAPS initiatives and services the inter-departmental committee. It has a liaison function with all relevant actors in government departments, the social partners and internationally. The NAPS unit is based in the Dept. of Social, Community and Family Affairs.

Whilst Partnership 2000 has brought in the voluntary sector as a partner there has not been a formal consultation mechanism in NAPS, although this is thought to be an underlying principle. Regular meetings between the NAPS unit and the National Anti-Poverty Networks rather focus on an information exchange than consultation and policy development.²⁶ The National Anti-Poverty Strategy of 2000 addressed the necessary development of regional and local-anti-poverty strategies with the establishment of pilot social inclusion units in five local authority areas. According to the National Economic and Social Forum a range of consultative and participative structures and processes are required both at national, regional and local level to include those who live in poverty as well as the community and voluntary sector in the development, implementation and evaluation of strategy.

24 EAPN (1999). *New Strategies to Combat Poverty and Social Exclusion. The situation in nine European countries.* Brussels: EAPN. p. 67

25 EAPN (1999). *New Strategies to Combat Poverty and Social Exclusion. The situation in nine European countries.* Brussels: EAPN. p. 66

26 EAPN (1999). *New Strategies to Combat Poverty and Social Exclusion. The situation in nine European countries.* Brussels: EAPN

3-2-6 Challenges in partnership processes

Whilst there has been clear acknowledgement of the fact that partnerships have contributed to increase the innovative capacity in society, built a common understanding of joint-up problems and contributed to cohesive responses to these problems there are also a number of challenges that emerge from the complexity of the partnership process. While there is agreement that the inclusion of civil society organisation in partnerships has created a wider and deeper participation of society there is at the same time the question of the “representativeness” of the groups which is frequently raised. Especially trade unions feel quite strongly about this issue since they have clear representative structures based on elections from the shopfloor upward. They stress that there is a need for transparency and accountability for policy and decision-making in civil society organisations. In addition, many civil society organisations are single-issue organisations that share a platform with the trade unions which have a very broad ‘political’ agenda that does not easily compromise or commit resources on single issues because of the larger concern. The voluntary organisations in turn do not necessarily share the workplace orientation of the trade unions. This regularly causes tensions in negotiation processes.²⁷

Another challenge is the fact that partnerships came into being in a time of economic crisis which furthered a mood of consensus. Under the current economic boom the trade unions are under pressure to negotiate wage increases in order to secure the appropriate share of the economic cake and counter the pinch felt by the rising inflation.²⁸ This poses a threat to the earlier consensus and requires a new type of commitment to the joint-up partnership initiatives.

- Example: ADM Project Westmeath - Partnership in a rural area

The Area Development Management (ADM) Partnership in Westmeath gave a lot of thought on how to break down barriers to groups which have been excluded from or have not been able to access local services. One of them is a group of about 400 Travellers who have been living in the area for most of their lives and which needed support in their own community development. The Partnership supported the establishment of the Mullingar Travellers Action Group, which was set up by a group of local Travellers with participation of representatives of the state agencies. The group established a resource centre for their community, a wide ranging training program, a childcare facility for women wanting to pursue further education, a youth project and an adult literacy programme. The Partnership also funded participation of Travellers in external training in project management and community development.

In addition, the Partnership identified the need for an improvement of rural transport since old people, the unemployed, single parents and the disabled are threatened to become increasingly isolated in the rural areas, because they cannot afford a car. Bus service schemes have been established that have proved to be viable and have been operating profitably.

Area Development Management Company, at www.adm.ie

27 ILO (2000). *The role of civil society in promoting decent work: Lessons from innovative partnerships in Ireland, New Zealand and South Africa*. ILO Paper DP/124/2000, Geneva

28 The Copenhagen Centre & Ashridge (2001). *The Role of Central Government in Developing New Social Partnerships*. Copenhagen: The Copenhagen Centre

3-3 FINLAND

Reform of the Nordic Welfare State Model – emerging partnerships

Finland exemplifies a country operating under the parameters of the Nordic Welfare Model. The social and economic crisis of the 1990ies has put the Nordic welfare state under pressure to change. This social democratic model differs in its features from other European welfare state models in its wider responsibility of the state in rendering public services which leaves only a marginal responsibility and space to partners such as the corporate sector, citizens and the community.²⁹ The Nordic welfare state is - next to the ideal of comprehensiveness of public services - committed to full or a high rate of employment, a high participation rate of women in the labour market, generous and high quality benefits and universality in social benefits.

During the 1990ies Finland was the country that detached itself the most from the Nordic welfare model in comparison to the other Nordic states. Among the major reasons were:

Finland faced the severest economic crisis of all Nordic countries with unemployment rates going up from 3,5% to 18,4% in 1994.

Finland's welfare state was young in comparison to the other Nordic welfare states since it was introduced in the 1960ies only and therefore more fragile and open to structural reforms.

Although Finland still follows the Nordic welfare model substantial cut-backs, administrative decentralisation processes and efforts to revive the obligation of citizenship have brought about a new discourse on the general need for social investment, social capital and the support of social cohesion.

3-3-1 Decentralisation and potential for experiments

In the beginning of the 1990ies the Finnish decentralisation reform gave more power to local governments to decide about health and welfare delivery. Municipal governments resumed wide responsibilities and a great deal of autonomy in the areas of education, health and welfare, the environment and physical infrastructure. Funds come through taxes which the authorities are empowered to levy locally as well as state subsidies, charges and sales revenues. At the end of the year 2000 the Finnish local authorities produced on the average 80% of all social and health services paying almost half of the service costs.³⁰ Given these responsibilities the Finnish local authorities belong to the big employers in the country with one fifth of the employed work force being on their payroll. Four out of five municipal employees deal with social welfare, health care and education.

The regional councils, which are made up of joint municipal authorities, are responsible for leading regional development according to local needs and strengths by entering into agreements with the state, the business and the voluntary sector. They also deal with international affairs in work related areas. The decentralisation reform created more possibilities to explore the potential of networking and a public-private mix in service delivery.

29 *Contrasting welfare models are the corporatist welfare model with a focus on the principle of subsidiarity (see for instance Germany, Belgium and France) or the liberal welfare state with a dual model of welfare provision in which both public and non-profit sector produce their own services and develop partnerships in the process, as for instance in the UK.*

SCP (2000). *De maat van de verzorgingsstaat*. Den Haag: SCP

30 Ohtonen, J. (2000). *The Economic Nature of the Finnish Third Sector*. In: Siisiäinen, M. & Kinnunen, P. & Hietanen, E. (Eds.) *The Third Sector in Finland. Review to Research of the Finnish Third Sector*. Helsinki: The Finnish Federation for Social Welfare and Health and the University of Lapland

3-3-2 Shifting roles – increased collaboration of public and voluntary sector

As an equivalent to the shifting role of government in the context of reform the role of the voluntary sector has been changing as well. Voluntary organisations traditionally centred on cultural activities, civic action, mutual help and church related charity work and used to operate fairly independent of government in a rather invisible manner. This also has been reflected in its funding structure in which two thirds of its income are self earned, come through private donations and the Slot Machine Association and only one third comes from government. Finland therefore, belongs to the very few Western European countries with a 'fee-dominant revenue structure owing to the absence of a tradition of subsidiarity in social policy'.³¹ The voluntary sector however, in the 1990ies became an equal partner in service delivery after the decentralisation reform and thus more visible in society. It started large-scale experiments in the fields of employment creation and development of social service delivery and ever since has been more integrated in social policy making and delivery, especially on the local level. Local voluntary organisations are now highly involved in network co-operation which also contributes to the increased appreciation of their work.³² With the introduction of a new law concerning the planning and governmental funding of health and welfare services government opened up a path to involve more actors in social policy delivery. Currently, the whole area of Finnish welfare services has been opened up to restructuring. This creates the possibility for companies, associations and public authorities to look out for new kinds of partnerships. As part of this change process the role of citizens and the users of services becomes more prominent in the decision-making processes.

3-3-3 Shifting roles – the corporate sector

As for the corporate world the changing role both of government and the voluntary sector is impacting on views companies hold on their role in society. General interest both in the business world and the media in corporate social responsibility has been rising in the past couple of years. A key development is the establishment of the Finnish Business and Society Network in June 2000 which was initiated by Stakes Consortium, an organisation set up by STAKES, the National Research and Development Centre for Welfare and Health which is operating under the Ministry of Social Affairs and Health. The network which currently involves ten companies seeks to promote socially and economically sustainable development and to create strong partnerships between the profit, the public and the non-profit sector. Key driving forces are, among others, increasing pressures by consumers and citizens on ethically sound procedures, socially responsible business practices and growing interests in ethical investments. The network aims at developing human resources policies, promote the welfare of their personnel, increase social and human capital in their companies, the development of a benchmarking system of corporate social responsibility and cluster models to enhance sustainable development. The companies already run a number of in-house projects for their employees and want to start new projects in the future.³³

- 31 Salamon, L. & Anheier, H. and Associates (1999). *The Emerging Sector Revisited. A Summary. The John Hopkins Comparative Nonprofit Sector Project, Phase II. Baltimore: The John Hopkins University*
- 32 Julkunen, R. (2000). *Social Background of the Rise of the Third Sector. The Finnish Welfare Reforms in the 1990ies. In: Siisiäinen, M. & Kinnunen, P. & Hietanen, E. (Eds.) The Third Sector in Finland. Review to Research of the Finnish Third Sector. Helsinki: The Finnish Federation for Social Welfare and Health and the University of Lapland*
- 33 EBNSC (2000). *Focus on Finland. CSR Magazine, October 2000, Brussels: EBNSC*

A special feature of the network is its close link to the policy level, particularly to the Ministry of Labour, the Ministry of Social Affairs and Health, and the Ministry of Trade and Industry. The idea is to include the “messages” of the network into policy-making on socially sustainable development. The intention is also to give policy makers relevant information that could lead to a policy supportive of Corporate Social Responsibility (CSR) in companies.

Owing to the traditionally separate roles between corporate and public sector there is still little crossover between the two sectors with respect to joint-up activities. Companies rather concentrate on safeguarding the welfare of their employees and their families and in this way also take on a role, which used to be held by the public sector. The mainstreaming of CSR within the companies into all relevant activities of the company and the concentration of in-house welfare developments which also leads to some co-operation with the non-profit sector might in the medium- or long-term open up towards more two or tri-sectoral co-operation schemes.³⁴

3-3-4 Experiences of partnerships

Local partnerships have been set up predominantly to combat long-term unemployment and social exclusion. The entry of Finland into the European Union and access to European Social Fund resources has generated partnerships facilitated through the Ministry of Labour. One of the stimulating factors was the OECD Leeds Programme through which study visits to Ireland were facilitated in 1994, which led to the launching of partnership pilots in Finland. However, the idea of partnerships initially was highly alien to Finnish public sector administrators and the potential of their contributing to the generation of social capital, which in turn can stimulate economic development, was not fully appreciated. That employers, the unemployed, trade unions, public servants, and people from voluntary organisations would sit around one table to solve joint problems on the basis of mutual trust had hardly ever occurred before. Between May and August 1997, 26 partnerships were set up as a reaction to a call by the Ministry of Labour. The partnerships were funded by the European Union, local and national resources. An additional ten partnerships were set up spontaneously stimulated by local activists who had been watching closely emerging partnerships elsewhere in Finland and who were eager to tackle local problems. These partnerships were funded primarily by the Finnish Government and local partner organisations.

3-3-5 Co-ordinating structures

Partnerships are co-ordinated by a national co-ordinating team appointed by the Ministry of Labour. Tasks of the team are the establishment and support of partnerships by providing technical and other relevant expertise and stimulate the exchange of best practice between partnerships in Finland and abroad. The team consists of full time, part time and voluntary staff members drawn from the Association of Finnish Local Authorities, associations of enterprises and the unemployed, churches and voluntary organisations. The total funding provided for the partnership programme between 1997 and 1999 were about € 100913,- per partnership per annum covering also staff costs, office space and administrative expenses.³⁵

³⁴ S. Juutinen, communication of 13.3.01

³⁵ Ó Cinnéide, M. (2000). *Local Employment Partnerships in Finland*. Paris: OECD

- Iisalmi partnership

Iisalmi partnership (ISKU) is situated in the rural northern part of East Finland, a region which is characterised by an unemployment rate of 20% of the workforce, a high emigration rate of young people and a low general education level of the population. Founding members were three municipalities that set up a local consortium of 50 key local actors of the public, private and community sector to join in fighting unemployment and social exclusion. This is done in an informal way since people sitting on committees and partnership groups are recruited in their personal capacity and not as representatives of their organisations. ISKU partnership has sparked off a variety of service related activities such as provision of care for school children, the disabled, war veterans, provision of domestic services as well as the production of open air theatre and the like. It has in general supported the establishment of small and medium sized enterprises including a business incubator unit focussed on information technology. It has set up the Kehpaja Development Cooperation Workshop run by Iisalmi Youth Aid with the objective to provide social support, training and work experience to young people threatened with delinquency and other psycho-social problems. A mentoring system has proved to be of high value to the success of this subproject.

ISKU managed to create over a 100 permanent jobs and 377 temporary jobs from 1997 – 1999, established about 28 new enterprises and has undertaken a number of topic related feasibility studies. The partnership has also linked up with other partnerships in Finland and functioned as a transfer point for ideas and best practices in Finland and abroad. One of the most important results of the partnership is that the unemployed and socially excluded who have been members of the steering and other partnership committees have gained a forum to influence policies, schemes and activities concerning them. ISKU has had a substantial input on the formulation of local and regional policy and strategies with a particular focus on their likely impact on those who are affected by unemployment and social exclusion.³⁶

The OECD study on area-based partnerships in Finland concludes that partnerships have gained increased recognition and acceptance since their inception in 1997 and that a more sophisticated understanding on their practical value has been developed.

- Their strength has been, amongst many others, that they have generated and mobilised the provision of expertise resources on local level that in general are provided on a completely voluntary basis. The socially excluded who have contributed to the work of partnerships have benefited through experiential learning and professionals, in turn, have developed a greater empathy and understanding for the situation of the unemployed and socially excluded. Significant results have been achieved with respect to achieving the objectives set with over 400 projects having been established and 15,000 people involved in one way or the other.

36 Ó Cinnéide, M., op cit.

- Among the weaknesses identified are that the spirit and purpose of partnerships have not been agreed on with sufficient clarity. Whilst government prioritises the achievement of task objectives, other actors see process objectives such as the empowerment of the socially excluded people, the facilitation and co-ordination of co-operation between the different sectors and the creation of a self-help culture in communities as the prime areas of concern. These often conflicting notions of partnership can result in confusion and tension among the different actors in the partnership and between the partnership and the funding agencies. The structure of partnerships sometimes tends to be unbalanced and therefore create biases. Some partnerships are so strongly linked with municipalities that they are perceived to be state extensions. In quite a number of partnerships the business sector is severely underrepresented. Another concern is that marginalised people sometimes tend to be involved at a nominal level only and that already well established parties are far more influential in the partnership. Capacity building to empower the socially excluded to be equal partners would need to be pursued with greater rigour. Since the achievement of short-term goals were domineering in view of limited funding the strategic potential of partnerships in areas such as furthering integrated local development planning and linking this with regional and national strategies has not been fully realised. The national steering of the pilot partnership programme has been weak and the co-ordination team too underresourced to stimulate sufficient guidance and distil best practices to be taken as lessons on a national and international policy level. If an action-research framework designed a priori does not accompany partnerships as ongoing experiments to capture results potential good solutions to the problems of unemployment and social exclusion may well evaporate. Monitoring, evaluating and reporting requirements have in tendency put the thrust of partnerships on achievement of short-term, task oriented results, regardless of means. This has sometimes led to duplication of service delivery to the unemployed and socially excluded and, in addition, to competition of partnerships with partner organisations resulting in their hesitancy to support and participate in the partnership or in worst cases, in obstruction and withdrawal.



3-4 BELGIUM

Traditional partnerships – the roles of public, private and voluntary sector

In the area of health and social welfare, government and the non-profit sector have been operating in partnership since the emergence of the welfare state after the Second World War. The Belgium welfare system has been a mix between the French model characterised by a strong centralised state developing public services, and the German model of subsidiarity in which public welfare provisions are delegated to private non-profit organisations. The mix of these models developed in the context of a strongly pillarized society. This is reflected in the most important “socio-political” pillars, organisations inspired by socialist ideas promoting the growth of public service provisions and organisations inspired by the Christian belief system promoting the growth of the non-profit sector. Co-operation between government and the non-profit sector traditionally has been strong with the non-profit sector acting as a provider of public services. This led to the non-profit sector’s focus on activities in the areas of health, welfare and education with the government financing 77% of the budgets of the non-profit sector in 1995, whilst only 18% were financed by sales and contributions and 4% by private donations. Given this structure the engagement of the corporate sector in social issues traditionally has been low and limited to financial donations. A survey conducted in 1992 by the University of Leuven among companies with more than 100 employees in Flanders and Brussels indicated that social responsibility was perceived to be the role of public authorities as well as the non-profit sector but not of the corporate sector.

3-4-1 Emerging new partnerships

- Key topics

The relationship between the three sectors is slowly changing. There has been an overlap on certain areas of concern between all three sectors, creating common interests, and resulting in new forms of co-operation although the driving motivations for co-operation are differing in each sector. These areas of concern have been:

- The environment; the dioxin scandal that hit the Coca-Cola company in Belgium had an impact on a more profiled public debate on product responsibility, quality, control and transparency.
- Unemployment is the major theme on which government has taken the initiative to stimulate partnerships. More co-operation with the corporate sector is sought because companies are increasingly seen as actors to stimulate employment and help fight social exclusion.
- Integration of migrants and diversity management has been taken on as an important issue by the employers’ organisation of Flanders.
- Participation; on the corporate level this issue is translated into new initiatives with respect to employee volunteering in the community. In addition, the concept of partnerships contributes to the development of a new understanding of representation and participation of the different sectors on issues that matter in the communities.
- Human rights issues and labour conditions; the strong campaigning of NGOs has led to more attention by the private and the public sector to address these issues.

- Critical factors

How these areas of concern will be addressed in the future and translate further into partnerships will depend on a number of factors:

- The critical mass factor: a minimum of growing interest by the different actors;
- Pioneers in the different sectors who can pave the way;
- Know-how and training on integrated management concepts and practices of corporate social responsibility;
- Management instruments;
- Incentives from government and generally accepted standards;
- Positioning of the labour unions in these developments;
- Constructive dialogue between companies and NGOs;
- The critical eye of NGOs on public and corporate activities;
- Transparency, accountability and communication.³⁷

3-4-2 Emerging new partnerships

- Partnerships against unemployment

Initiatives to stimulate partnerships have been made on the federal, provincial and local level. The Social Impulse Fund, which was created by the Flemish Government in 1997, offered new opportunities for local governments to stimulate public-private co-operation. There has been a strong focus on co-operation and development of networks with respect to the issue of unemployment. Especially young people, migrants and women tend to have difficult access to the labour market. In certain economic problem areas such as the former mining districts of Flanders 70% of the unemployed are people with low skills and with few chances to find work. Partnerships to address this issue have been created on the provincial, subregional and local level to provide training facilities and improve job opportunities for the weakest groups. In 1996, "Partnership for Work" was established at the provincial level in Limburg on the initiative of the Flemish Employment and Vocational Training Service with funding from the EU. This partnership brought together private businesses, associations, the traditional social partner organisations and other key actors involved in training and guidance for unemployed people to develop structured pathway processes into employment and stimulate complementary action within the process.

Another example of partnership is "Tracks to Work" which was developed in the province of Limburg on request of the Flemish Ministry of Environment and Employment. The aim of the partnership is to tackle bottleneck problems on the labour market, specifically in the construction sector and the metal industry and develop pathways for integration into vacancies in the bottleneck sectors. Appropriate training courses tailored to the needs of the companies in these sectors are developed with the co-operation of employment and training actors in municipalities and neighbourhoods. The partnership has developed co-operation between social organisations, educational and training institutions, public employment authorities and companies. As a spin-off effect, new co-operative structures between professional training actors have been established and communication on demand and supply of the labour market has become a prominent feature of employment initiatives and labour market development in the region.³⁸

³⁷ Profile of Corporate Social Responsibility in Belgium, at www.csreurope.org, 5/2/01

³⁸ The Copenhagen Centre (1999). *New Employment Partnerships in Europe. Innovative local employment strategies.* Copenhagen: The Copenhagen Centre

Partnerships to integrate excluded groups through temporary employment schemes have also been set up in the Walloon region. A project covering 12 Walloon towns was set up in 1993 bringing together the private temporary employment agencies, the T-Service Walloon, the Public Employment Agency, the Office of the Walloon Minister for Employment and social non-profit organisations directed at reintegrating socially excluded people into the labour market.

- Urban regeneration and economic development

On the local level initiatives have been developed for urban regeneration schemes and economic development. In Antwerpen, the Local Development Centre BOM (Buurt-Ontwikkelings-Maatschappij) was set up as a joint venture of the local authority, the King Baudouin Foundation, Antwerpen University, the Social Welfare Centre (OCMW), the Flemish Employment Service (VDAB) the Regional Institute for the Construction of Society in Antwerp (RISO) and the Provincial Welfare Care Foundation. BOM is linked to an employment and job finding project concentrating on the upgrading of poorer neighbourhoods. It sparked off new initiatives such as the NOA business centre in Antwerpen Noord, which was set up with the objective to secure the social, cultural and economic revitalisation of one of the poorest areas of Antwerp. NOA offers accommodation for 28 start-up businesses, which receive support and expert advice at the centre. It was selected as an Urban Pilot Project by the European Union which co-funds the centre together with the local authorities, the Flemish government, the King Baudouin Foundation, the Association of Christian Employers and Managers, the company Ahlers, Electrabel and the HSA Spaarbank. The model has been copied in other regions of Belgium and has served as an inspiration to similar projects in Portugal and Gibraltar.³⁹

- Promotion of trisectoral partnerships – the example of the King Baudouin Foundation as intermediary organisation

The key intermediary organisation for the stimulation of trisectoral partnership development has been the King Baudouin Foundation which was set up as an independent body in 1976 with the objective to take “any initiatives leading to an improvement in the living conditions of the population, taking into account economic, social, scientific and cultural factors” (King Baudouin Foundation). As part of their general activities, the Foundation administers corporate funds which are set up with the specific purpose to express “good citizenship” concerns in specific projects such as the Belgacom Fund for dialogue between citizens and local authorities, the P & V Fund against the social exclusion of the young, the SWIFT Fund, linking people through technology, and others.



39 www.csreurope.org, *Business Best Practice Database*, February 2001

- Buiten Gewone Buurt, Quartier de Vie

The Foundation has actively promoted partnerships between enterprises, local authorities and citizens by starting the program Buiten Gewone Buurt, Quartier de Vie which aims at improving the quality of life in the community. The program operates complementary to initiatives as developed by the Social Impulse Fund of the Flemish Government, urban regeneration schemes in Walloon and urban contract schemes in Brussels. Partnership projects that have been selected for support by the Foundation have to sign a contract between all partners within six months after application. The Foundation supports this start-up phase by organising workshops twice a month on the regional level for all contract partners, in which issues such as developing objectives, participation of the community, labour division, networking, agreements and more are discussed. If the partnership has been formed after six months, a logo of Buitengewone Buurt, Quartier de Vie is provided and joint objectives have to be met within two years. The Foundation supports partnerships financially and continues to provide support and advice right through the operation period. Networking with other partnerships of the same program is part of the process as well as obligatory regional meetings and a final evaluation. The Foundation operates with a clear set of rules as to who should constitute a partnership and the process involved with the objective to make it sustainable.

Since 1997, 47 partnerships have been realised in Flanders alone with the support of the King Baudouin Foundation program.⁴⁰

Currently the Foundation is investigating the future development of the program. Consultation has been entered with public authorities and companies as to whether they are willing to take on the role the Foundation has played so far. This consultation is considered to be a longer process because although everybody agrees on the general value of partnerships some local authorities tend to be reluctant to engage actively in the new roles that partnerships require of them. Not every partnership therefore, has been able to continue after the initial two years because some local authorities discontinued their involvement after the Foundation stopped giving support.

40 *Koning Boudewijn Stichting: Buiten Gewone Buurt Blad, Nr. 4, Brussel, September 2000*

3-5 GERMANY

Partnerships between tradition and innovation

New social partnerships between government, corporate and non-profit sector are still in their infancy stage in Germany. There is however, longstanding considerable experience with partnerships on a two-sectoral level, namely partnerships between employers' organisations and trade unions on the one hand and governments and the voluntary sector on the other hand.

3-5-1 The tradition – twosectoral partnerships

The traditional partnership between social partners and the federal state for agreements on wages and labour conditions has been a very strong element of the German social market economy and has been perceived as the Rhineland model of consensus and co-operation over decades. In addition, co-operation between the state and a part of the non-profit sector has been close owing to the system of subsidiarity which is characterising the German welfare state. The principle of subsidiarity gives priority to non-profit organisations as providers of social services. Public authorities only take over specific tasks, which the private sector cannot deliver or which go beyond the capacity of institutions on local and regional level. NGOs as service providers receive public funding for their activities from different governmental levels, predominantly from local authorities. The principle of subsidiarity has been attractive because it combines both decentralisation and privatisation of the role of public authorities as service providers. At the same time it has operated as a growth motor for the non-profit sector and furthered its economic expansion, also in terms of employment creation. Public funding goes mainly to the provision of health and welfare services by non-profit organisations and this covers about two thirds of their budgets.

Due to the way the subsidiarity principle is organised one can speak of a division of the third sector in two parts. The non-profit organisations operating in the fields of health and welfare are highly state dependant because of their integration into the state funding and planning system and their fields of work are mutually agreed upon with the state. Six large nation-wide operating welfare organisations are the biggest providers which to some extent have become the embodiment of the German principle of subsidiarity. Competition among them has been almost unknown, with changes only introduced in 1995 as part of the introduction of the long-term care system. In addition there are the member serving organisations active in advocacy work, sports, culture, the environment, and recreation, primarily financed by membership fees, making up the majority of the non-profit sector in terms of numbers of entities. Although they are eligible for funds, they receive much less government support.⁴¹

41 Priller, E. & Zimmer, A. & Anheier, H. (1999). *Der Dritte Sektor in Deutschland. Entwicklungen, Potentiale, Erwartungen.* In: *Aus Politik und Zeitgeschichte*, B9/99 26.2.1999. Bonn: Bundeszentrale für politische Bildung



Partnerships between the corporate and the non-profit sector have predominantly been limited to the regional and local level. Traditionally German companies have focused on giving donations in money or in kind to non-profit organisations. A classical form of support for the non-profit sector has been the creation of foundations in order to tackle social issues. Examples in case are the Robert Bosch Foundation, the Bertelsmann Foundation, the Deutsche Bank Foundation and others. Foundations have been growing in Germany, which has the second largest foundation sector worldwide after the United States.⁴²

The German Government who recently passed a new law to facilitate the establishment and development of foundations granting a better tax reduction has promoted this development. Apart from these traditional forms of corporate social activities new forms of corporate social responsibility, for instance in the form of stimulation of employee volunteering or local community partnerships are still few. Trisectoral partnerships as a concept are fairly unknown to the major part of German companies. In addition, the notion of companies as “good citizens” in the community has so far been rather absent. As a study by the Robert Bosch Foundation revealed in 1999, even multinational companies practising corporate citizenship in their home country or in other European countries do not engage in a similar way in Germany and do not even try to develop similar activities.⁴³ However, also on federal government level the notion of the potential of trisectoral partnership still tends to be underdeveloped. When in 1998 the government Schröder established the “Alliance for Jobs” with the goal to develop strategies against unemployment, it brought together government, employers and the trade unions, but left out the non-profit sector. This reflects the traditional tendency to neglect the potential of the non-profit sector to contribute to economic development and new forms of labour and reveals a discrepancy between political discourse on the importance of the sector and practical political steps towards its integration in political processes.⁴⁴



3-5-2 Rethinking traditional roles

As of late a process however, seems to gain momentum where the issue of partnerships receive greater attention and where a rethinking on the traditional role divisions between government, business and the third sector is taking place. The establishment of the inquiry commission on the future of civic participation in German Parliament (Enquetekommission des Bundestags “Zukunft des Bürgerschaftlichen Engagements”) which is to develop policy recommendations on the future support for volunteering in the context of changing needs in civil society, the welfare state and the employment sector, contributes to highlight the potential of partnerships at the policy level. The concept of corporate citizenship increasingly draws more attention in both the public and the private sector as became evident again during the recent Siemens Forum in München in April 2001. On the part of the government there is a strong interest in a greater involvement of business in helping to solve social problems owing to the fact that public spending has been under constraint as a result of being part of the EURO-zone and the continuing costs of reunification of Germany. There is also a strong interest in a reconceptualization of civil society that encompasses the corporate world as a contributor to the building of social capital.

42 Anheier, H. (2000). *Dritter Sektor und Freiwilligendienste in Deutschland*. In Guggenberger, B., *Jugend erneuert Gemeinschaft*. Baden-Baden: Nomos

43 Janning, H. & Baartjes, H. (1999). *Ehrenamt und Wirtschaft*. Internationale Beispiele bürgerschaftlichen Engagements der Wirtschaft. Stuttgart: Robert Bosch Stiftung

44 Strachwitz, R. (1999). *Die Rahmenbedingungen des Dritten Sektors und ihre Reform*. In: *Aus Politik und Zeitgeschichte*, B9/99, 26.2.1999, Bonn: Bundeszentrale für politische Bildung

3-5-3 Evolving trisectoral partnerships on social issues

The present Federal Government presented the first official poverty report ever produced by a German Government on 2nd May 2001. Although the current coalition acknowledges the interrelatedness and complexity of poverty issues, trisectoral partnerships that have emerged so far on federal, regional and local level predominantly tend to focus on employment creation.⁴⁵

- Initiative für Beschäftigung

A prominent example is the “Initiative für Beschäftigung” (Initiative for Employment) which was founded in 1998 by BASF, the Bertelsmann Foundation and the trade union for mining, chemical industry and energy (IG Bergbau, Chemie und Energie) which to date, is the only national partnership between government and business that supports employment creation on a regional and local level and the biggest employment initiative of this kind. About 1500 people from businesses, trade unions, government, associations, local projects and universities and training institutions are involved. About 18 networks have been established on regional level, in which top management of prominent companies is playing a leading role in stimulating developments. Projects that have been developed in this context focus on the four themes integration of disadvantaged people (58 projects), integration of young people (59 projects), support of start-up businesses (44 projects), and supporting and retaining personnel (54 projects). This partnership has proved to be a motor of innovation in the different regions and has been highly successful in bringing long-term unemployed people back into work. The public-private network initiative has proved to be a positive learning exercise on new forms of co-operation between employment agencies, small, medium and big companies, schools and training institutions, and has proved to further trust, reduce prejudices and improve the transfer of know-how between the different actors.⁴⁶

- Unternehmen: Partner der Jugend (UPJ) – Companies: Partner of Youth

Another example centring on employment creation for young people is the partnership Unternehmen: Partner der Jugend (UPJ) which aims at stimulating employment and training initiatives for socially excluded young people. Children and youth voluntary associations, business, the public sector, schools and training institutions are involved in this national partnership. UPJ has offices on federal state level that initiate, support and evaluate local co-operation projects between youth initiatives and companies, give advice and training to people involved in the work of UPJ and are responsible for public relations. On the national level conferences, networking of the regional offices and the scientific evaluation of activities are tasks of the partnership. The initiative is funded by the Ministry for Family, Senior Citizens, Women and Youth together with companies, foundations, federal state governments and others.⁴⁷

45 EAPN (1999). *New strategies to combat poverty and social exclusion. The situation in nine European countries.* Brussels: EAPN

46 Meister, H.P. (2000). „Corporate Citizenship“- Unternehmerisches Bürgerschaftliches Engagement“. Vortrag zur Initiative für Beschäftigung, Reichstag Berlin, 18.10.2000, IFOK

47 Unternehmen: Partner der Jugend (UPJ) (2000): *Zwischen Shareholder Value und Corporate Citizenship. Dokumentation des bundesweiten Kongresses „Unternehmen: Zukunft der Jugend – Hamburger Ratschlag“, 6.12.99, Hamburg.* Hamburg: UPJ

- Social Learning

A broader perspective on social inclusion is taken by the partnership Soziales Lernen which was created as a pilot initiative in the federal state of Baden Württemberg in 1996, with the objective to create new learning opportunities for young people who meet and work with people living in a totally different world than their own. As part of these activities young bankers for instance work with the homeless and ex-offenders or young students work with refugees and handicapped. These activities contribute to an increase of social skills among the young people, and stimulate awareness of social problems. The “Diakonisches Werk” and the Protestant Church founded this partnership in co-operation with employers, trade unions, regional youth associations, the government of Baden Württemberg and others. Co-operation between companies and social organisations has been greatly enhanced by the partnership. Long-term co-operation has emerged from the initial contacts in the context of the partnership projects. With the end of the pilot phase of three years, a support agency has been created which is bringing together interested institutions and supports the further development of regional networks and structures with the objective to stimulate new models of social learning. The agency is funded by a newly set up Foundation for Social Learning supported by the Diakonisches Werk, companies and the federal state government.

- Heidelberg Initiative on Healthy Work

Also on the local level experimenting on broader issues than employment and employability has taken off. One example is the Heidelberg Initiative on Healthy Work, a non-profit association set up with the support of the City Council of Heidelberg as part of the “Healthy City Initiative” to support the living and working conditions of people in the area. This Initiative works with pilot companies developing products for healthy work places in co-operation with the Heidelberg University Stress Research Department.

3-5-4 Enhancing partnerships – critical factors

- Legal regulations that codify roles of government and the voluntary sector in the provision of welfare services might be an element hindering to change in the interpretation of roles and would need to undergo reform.⁴⁸
- Companies would need to address more actively than they do at present the importance of corporate citizenship, open up for the variety of forms that this concept could take and include it in development planning and the stimulation of programs.
- The debate on the constitutional elements of civil society needs to be broadened. To some extent discourse about the voluntary sector in Germany, especially with respect to grass-roots and advocacy organisations has often considered this sector to be the synonym to civil society with a prime identity concept of opposition to government and the business sector. A tradition of discourse that has thrived on the sharp drawing of boundaries between the different sectors can contribute to hinder a redefinition of roles of the different actors. A reconceptualisation of civil society acting as a mediator at the interface of government, the market and the community could help to develop space for new ideas and practice of joint partnerships.⁴⁹

48 Gribben & Pinnington & Wilson (2001). *Government as Partners. The Role of Central Government in Developing New Social Partnerships*. Copenhagen: The Copenhagen Centre, Ashridge

49 Anheier, H. (2000). *Dritter Sektor und Freiwilligendienste in Deutschland*. In Guggenberger, B., *Jugend erneuert Gemeinschaft*. Baden-Baden: Nomos

3-6 AUSTRIA

Traditional partnerships – the role of the public sector and the voluntary sector

“Austria is a federal state with nine provinces („Bundesländer“). According to the Austrian Constitution (Art 15 Abs 1 B-VG), the provinces are in charge of all matters concerning social care services and institutions (facilities for childcare, care for older persons, disability and rehabilitation) unless competences in this field are explicitly transferred to the federal level – which is the case, for instance, in social insurance matters.”⁵⁰ In order to fulfil their duties, the provinces contract or subsidise nonprofit organisations. Today “more than 5000 associations engage in charitable and welfare activities, although in practice mainly the national, regional and local branches of a few large organisations which are closely linked to the churches (the Catholic charity Caritas, the Protestant Social Welfare Service, etc.) or to the major political parties (Hilfswerk, Volkshilfe, etc.) actually operate as direct service providers”.⁵¹

Thus, cooperation between nonprofit organisations and the public authorities has a long tradition in Austria. But in most cases this relationship is still characterized as one between the purchaser of services (the public authorities) and a contractor (the nonprofit organisation). The nonprofit organisations are only seen as equal partners in exceptional cases, and are asked to contribute also in other ways, for instance as experts when new legal regulations are planned.

3-6-1 Traditional partnerships – the role of the corporate sector

Co-operation between non-profit organisations and companies is quite common. However, the majority of companies see their role as a philanthropic one and provide funds and infrastructure for NPOs, as, for instance, the opportunity to use company owned vehicles and premises. On the local level, many companies are involved in helping associations to organise local festivities in the community.⁵² Other ways to promote employees’ volunteering, like team challenges, mentoring, secondments are hardly found in Austria. Thus it’s no surprise, that until recently, the Cecile Network (www.cecile.net), a European network of organizations and companies, that is dedicated to expanding employee community involvement in Europe, had members in all European Union countries with the exception of Austria. At the end of the year 2000, the European Centre for Social Welfare Policy and Research (www.euro.centre.org) and the Nonprofit Institut (www.npo.or.at/) became members of this network with the aim to promote Employee Community Involvement also in Austria.

50 Leichsenring/Stadler (1998). *Purchaser-provider relationships and quality assurance in the area of personal social services in Vienna*. European Centre, Vienna

51 Leichsenring/Stadler (1999). *Personal social services: Quality of service and quality of working conditions. Austrian report as part of an international study for the European Foundation for the Improvement of Living and Working Conditions (Dublin)*

52 see: Strümpel et. al (1999). *Freiwilliges Engagement in Niederösterreich. Status quo und internationale Beispiele der Förderung*. European Centre, Vienna

3-6-2 Target groups of new partnerships; the disabled, families, employees etc.

The idea to build up New Social Partnerships, including the business sector, is still almost unknown. Only recently a few activities have been started by public authorities to promote a new role of companies, stressing the social responsibility of the corporate sector. The following groups have been targeted:

- The disabled

As the unemployment-rate of people with disabilities is still much higher than the average unemployment rate, the Austrian government has recently passed a special Employment initiative, the so-called “Disability billion” (“Behindertenmilliarde”). This initiative mainly focuses on different kinds of support to stay employed or to enter the first labour market.

One of the main partners for (re)integrating people with disabilities into the labour market is the business sector. Services like Supported Employment (Arbeitsassistentz), which are already offered in all Austrian provinces, try to enable people with disabilities who have not been successfully employed to work. Thus, one important task is to strengthen the contact with companies of the region by offering information and other kinds of help. The Austrian Federal Ministry for Social Security and Generations is planning to spend money on those existing services supporting the integration into the labour market. In addition, new initiatives are planned, for instance a service called “Employer service”. This service is an idea of the Institute for Humanistic Management (www.humman.org), and is to supply mainly large companies with consultants who can offer information on issues such as legal regulations, public benefits, examples of good practice and the choice of adequate working-places. This initiative intends to help large companies to become partners of individuals experiencing disabilities, their families, the service providers and their communities.

Furthermore, a publicity campaign is planned to raise awareness of the capacities of people with disabilities. This campaign particularly aims at business leaders as possible employers.

- Families

Another initiative to promote the social responsibility of companies was started already about three years ago by the former Federal Ministry for Youth, Environment and Family, now Federal Ministry for Social Security and Generations. The so-called Family Audit is offered to companies to improve their “family-friendliness.” It informs companies about different ways to improve the reconciliation of work and family, to find out how family-friendly they are, to evaluate the results of concrete measures, and to set up new steps for improving the status quo. Every company, but also nonprofit organisations and public institutions can take advantage of this service.

Another instrument to promote the advantages of being “family-friendly” is a prize which is awarded every year. In each of the nine provinces of Austria and at the federal level the most women- and family-friendly companies are selected. The presentation of the awards gives the award winners the opportunity to present themselves as family-friendly companies, which is perceived by more and more managers as an advantage. Family-friendly measures are seen to contribute to the motivation of staff, reduce the costs of staff turnover and absenteeism and to improve the overall image of the company.

- Employees

In the context of the International Year of the Volunteers the Federal Ministry for Social Security and Generations has installed eight interdisciplinary expert groups in order to investigate issues of common concern with the non-profit sector and to promote volunteering in general. One of the expert groups focuses on the support the corporate sector can give to volunteering. Participants from all three sectors (government, nonprofit sector and business) are meeting four times during the year 2001. One of the main issues are the different forms and the potential of Corporate Community Volunteering (the active and practical involvement of company employees, encouraged and supported by their employers, with their local communities)⁵³, and public incentives to encourage companies. To inform the participants of the expert group about the various types of activities companies can carry out, a symposium with European experts⁵⁴ was organised. The presentation of successful partnership projects within Europe should support participants to initiate practical steps and implement concrete projects between companies and the nonprofit sector in Austria.

- Educational sector institutions

At the beginning of 2001, the Federal Ministry for Education, Science and Culture presented a new plan to intensify co-operation between the educational and the business sector. This plan includes a couple of measures such as the exchange of know-how between the two sectors and the improvement of the technical infrastructure in educational institutions. A new idea was presented under the heading "Public-Private Partnership". One concrete project is called "Director for one day" ("Direktor für einen Tag") which invites top-managers to accompany school directors for one day with the aim to transfer management-skills. To promote and translate ideas like these into action, a working-group has been established in the ministry, which includes experts from the business and the educational sector.⁵⁵

3-6-3 Promotion of trisectoral partnerships: the Red Cross

- The example of the Red Cross as intermediary organisation

One of the few nonprofit organisations, which are active in promoting partnerships between the public, the nonprofit and the business sector, is the Austrian Red Cross (www.rotekreuz.at/). Besides trying to establish new kinds of cooperation between the Austrian Red Cross and business companies, at the end of 2001 a conference on Corporate Community Involvement is planned, which aims to inform the business and the nonprofit sector about the advantages of being active in the community. Together with the above mentioned working group in the Federal Ministry for Social Security and Generations, this conference shall be a starting point for concrete partnership projects with the business sector.

This is going to require a big effort, since most Austrian companies have not spent much time on expanding their cooperation with the nonprofit sector beyond their philanthropic activities. While in other European countries the advantages of new kinds of partnerships between the corporate and the nonprofit sector have become better known and companies therefore, make use of these opportunities, the idea of Corporate Social Responsibility is still rather unknown in Austria.

53 see <http://www.cecile.net>

54 David Halley (*Business in the Community, UK*), Henk Kinds (*Community Partnership Consultants, The Netherlands*)

55 (www.bmuk.gv.at/pnews/010222.htm)

3-7 SPAIN

As in other countries, new social partnerships between the public sector, the business community and the nonprofit-sector are still an exception and not the rule. But the recognition of new social partnerships as a means to tackle social problems is growing in Spain. Nevertheless, they are still promoted and supported by a relatively small number of single persons and organisations.

3-7-1 The role of the voluntary sector

Spain has experienced a growth of civil society organisations in the 1990ies, the bulk of them were established from the late 1980ies onwards.⁵⁶ Many of these newly established NGOs have entered service delivery contracts with the government to address issues of social exclusion. NGOs are perceived to be close to the target groups, better enabled to deliver a client centred approach and community owned. However, collaborative agreements with government are predominantly confined to financial issues and the nonprofit sector relies heavily on public support. In the fields of welfare services, education, health and social services fees and other commercial income alone account for about 40 percent of all nonprofit revenue, while public sector payments amount to 46 percent of the total. Privat philanthropy make only 13 percent of the total nonprofit income for those three sectors.⁵⁷ The nonprofit sector turns out to be a significant economic force in terms of employment creation with a nonprofit employment of about 4.5 percent in 1995. It therefore also contributes as an employer to counter one of the main social problems in Spain, the high unemployment rate.

3-7-2 The role of the public sector

When cooperating with the nonprofit sector, the public authorities' role remains traditional with financial contributions through service contracts or subsidies as the main means of support. The public-authorities act in general as the purchaser of services, the nonprofit sector as the provider.

One of the key problems in Spain is the unemployment rate, which is the highest in the European Union with 13.7 percent compared to the average of 8.1 percent in the other member states.

In recent years, public authorities started to search for new ways to tackle this problem. In some cases they began to recognise the value of partnerships with the business sector and the nonprofit sector especially for the purpose of employment creation and equal opportunities on the labour market. The Fundación Empresa y Sociedad, the key facilitating organisation for partnerships cooperates with: Comunidad de Madrid to promote employment against exclusion in Madrid, DG V Local Social Capital Project to promote micro-enterprise as a way to create employment and fight social exclusion in industrial areas of Madrid, Usera and Villaverde (www.astro.es/arte6/capitaling.htm)⁵⁸

56 *Volmed Project Report on Italy, Greece, Portugal, Spain, (1997). Rome: Italian Foundation for Voluntary Service*

57 *The Johns Hopkins Comparative Nonprofit Sector Project (1999): Spain. Nonprofit sector at a glance*

58 *EBNSC, Country-Report Spain, CRS Magazine, September 1999, Brussels*



One result of this kind of partnership is a project carried out in cooperation with Microsoft, the department store chain El Corte Inglés, the Fundación Empresa y Sociedad, the Fundación Alfonso Martín Escudero and the regional government of Madrid (Comunidad de Madrid). In 2000, the Tomillo Foundation started this project, which had already been successfully tested in a district in Ireland starting 1997. This project offered 17 young unemployed people above 18 years of age, who had no official degree, training in the use of Microsoft software and information technology. Microsoft did not offer the training itself, but trained the trainers, who are employees of the Tomillo Foundation, and thus are used to work with young people. After 11 months of training the young participants received an official Microsoft certificate. The regional government of Madrid assisted with financial help.

3-7-3 The role of the business sector

When speaking about the role of the business sector concerning issues of social exclusion, most of the companies in Spain still act similarly to the public authorities. "Financial assistance to charities is considered the most common and legitimate way for a company to express some form of moral and social responsibility".⁵⁹ But this attitude is currently changing and an increasing number of companies are starting to think about new ways other than financial assistance to tackle social exclusion.⁶⁰ A number of activities have been set up ranging from Community Involvement projects, projects promoting equal opportunities to Job Creation projects.

The French supermarket chain Carrefour runs a special program in Spain, which is focused on people with Down-Syndrome. The aims of this program are to draw their customers' attention to this topic, to raise money for concrete projects and to integrate people with Down-Syndrome into the first labour market by employing them in their own premises. As part of the program, in all their supermarkets in Madrid funds have been collected from the shoppers. These donations are used to support associations in the region of Madrid, which work with people with Down-Syndrome. As this action was very successful, it is going to be repeated in other Spanish cities, such as Sevilla, Tenerife, Las Palmas, Jerez and Malaga.⁶¹

The Spanish branch of Barclays Bank has also focused their activities on a special group in need. In November 2000, about fifty employees spent one day volunteering with autistic children. In cooperation with the asociación CEPRI, which works with autistic children and young people, they helped to renovate and improve the appearance of teaching rooms and the garden. In addition, they spent time with the children. The idea is that these activities might help employees to better understand the life of autistic people.

Barclays Bank contributed by giving their employees a day of leave and covering the renovation costs. In addition, the company duplicated the amount, which their employees donated to finance an additional college for CEPRI.⁶²

59 EBNSC, *Country Report Spain, page 1-1, op cit.*

60 Both the websites of CSR-Europe (www.csreurope.org) and the Fundación Empresa y Sociedad give a good picture of the diversity of activities which are already taking place.

61 Source: *Boletín de Información*, Nr. 32, February 2001, (Fundación de Empresa y Sociedad)

62 Source: <http://www.empresaysociedad.org>

An additional piece of circumstantial evidence, that Spanish company leaders are starting to rethink their role, is the fact, that they are beginning to use their activities for the community as part of their own promotion in the Internet (see, for instance http://www.telefonica.com/sociedad/index_eng.html).

Spanish companies have a good reason to start activities beyond only profit making. The results of an European survey on consumer's attitudes towards Corporate Social Responsibility, which was carried out in September, 2000, by Market and Opinion Research International (www.mori.com), shows clearly, that Spaniards highly appreciate company's commitment to social responsibility. 47% consider it as "very important", that a company or organisation shows commitment to social responsibility, when forming a decision about buying a product or service. The European average (out of 12 European countries) was only 25%, with 4% in Sweden building the bottom-line.

3-7-4 Intermediaries for partnerships

One of the most active organisations is the membership-based organisation Fundación Empresa y Sociedad, which was established in 1995 and currently has about 30 corporate members. Its main goal is to encourage and promote corporate community involvement in Spain. The efforts are aimed at leveraging the effect of business resources applied to community programmes, thus providing human, technical and financial resources to socially-excluded groups in the community (see, <http://www.empresaysociedad.org>). The projects carried out in co-operation with business organisations range from projects which aim to (re-) integrate disadvantaged groups into the first labour market to different ways of employee involvement, however also involve the public sector (see above).

Other active organisations are:

- Centro de Fundaciones (<http://www.adenle.es/cf/default2.htm>)
- Confederación Española de Fundaciones (<http://www.fundaciones.org/english/whatis.htm>)
- Fundación Tomillo (<http://www.tomillo.es/>)
- ONCE – the Spanish National Organisation for the Blind (<http://www.once.es/>)
- The Vocational Training Institute in the region of Madrid (<http://www.imaf.es/>)⁶³

⁶³ For detailed information, see: "Best Practices on Corporate Social Responsibility – Spain", European Business Network for Social Cohesion (www.csreurope.org)

3-8 HUNGARY

A country in transition

3-8-1 Capacity development of civil society

As Hungary is one of the Accession Countries, the development of its civil society during the last decade is of particular interest for countries within the European Union in terms of the prevalence of NGOs. In comparison with other countries, which will most possibly become member of the European Union during the ongoing decade, Hungary is estimated as one of the most developed on the way to civil society.

3-8-1-1 The role of the corporate sector

Only 12 years ago, corporate community involvement was nothing special for Hungarian companies. It was obligatory, that companies run their own kindergardens, offered their employees cheap appartments where they could stay during the summer-holidays and offer other facilities. In the 1990ies, after the fall of the communist regime, these kind of activities did not disappear from one day to the next, but companies started to reduce them.

Nowadays, as in many other European countries, financial and in-kind contributions are the main means of help offered by companies. These contributions flow mainly to the nonprofit sector, which started to boom at the beginning of the 90'ies, after laying dormant for 45 years. "Support from outside the country gave the sector a badly-needed boost over the past ten years but, as the country becomes more stable, this support is moving to countries further east.⁶⁴ The challenge for the more than 60.000 non profit organisations existing in Hungary is now, whether local philanthropy and support will be self sustaining.

3-8-1-2 The role of the public sector

Public authorities focus mainly on financial matters, when dealing with the nonprofit sector. The so-called "1 % law" which was introduced to Hungary in 1996, might contribute to give the non-profit sector a better financial base. The law allows taxpayers to donate 1 % of their personal income tax bill to a charity (which can be an NGO, a national institution, a public foundation, a governmental programme or a cultural institution) of their choice without any loss to their own income.

Additional tasks of the public sector are the monitoring and evaluation of services carried out by NPOs.

64 See, www.niok.hu/99/eloszo.e.htm

3-8-1-3 The role of the voluntary sector

In recent years a couple of nonprofit organisations started to promote new forms of cooperation with the business sector and the government sector.

One of the most important actors is the Civil Society Development Foundation Hungary (CSDF) (<http://www.ctf.hu/>), which was founded in 1994 and aims at supporting the development of a dynamic and self-sustaining nonprofit sector in Hungary. In 1997, the Bridging the Sectors Project was launched with the objective to enhance intersectoral cooperation among NPOs, businesses and government agencies. Key activities are research and the issuing of publications, specially designed intersectoral training seminars, the facilitation of public forums to initiate cross-sectoral dialogue and co-operation, the adaptation of foreign models of co-operation and the promotion of local philanthropy. In addition, organisational capacity building programs aim to help NPOs strengthen their internal management capacity and resource generation.

3-8-2 Examples of projects are:

- Local democracy in the making

The project "Local democracy in the making" aims to convene NGO representatives from all over the country to work with local government agencies to address current issues of their communities.

- The Winter Institute brings NGO and local government representatives together to work on concrete projects in a four-day residential training program. Emphasis is placed on enhancing participants' skills in cooperative planning as well as providing information on legal and fiscal implications of the partnership.
- The mission of the Good Works project is to involve employees of medium to large enterprises in community programs during and off working hours to make use of their knowledge and practical skills in NGO management and community development.⁶⁵
- Another capacity building institution is the Nonprofit Information and Training Center Foundation (NIOK, <http://www.niok.hu/indexe.htm>). NIOK was set up by the Nonprofit Research Association as a foundation in 1993. It aims to strengthen civil society in Hungary by providing capacity building services to the non-governmental organisations through training, counselling, a library and other services and by supporting the nonprofit sector's links to the governmental and the business sector. It also hosts the programme of the Soros Foundation that aims to develop the nonprofit sector. An award has been established together with the Soros Foundation in 1995, that is given to the best philanthropic business of the year.
- The Regional Resource Center Budapest was set up with financial support of the PHARE program of the European Union. It offers services, such as training, counseling and a social welfare database to local governments, non-profit organisations and for-profit social services. One of the main goals of the Regional Resource Center Budapest is the creation of inter-sector coalitions. For this purpose, they offer for instance professional assistance in contracting between NGOs and local governments, prepare and evaluate intersectoral cooperation and organize conferences, for instance to promote intersectoral cooperation in the field of public communication.

65

See, <http://www.c3.hu/~csdf/e/index.htm> and the brochure "Civil Society Development Foundation Hungary"

3-8-3 The new role of the corporate sector

Not only nonprofit organisations are active in promoting cross-sector cooperations in Hungary. Some companies have been starting to think about the opportunities of new kinds of partnerships. Good examples are for instance the Budapest Bank, 3M and Levi's Hungary. Levi Strauss supports NGOs, which help young people and people infected with the HIV-Virus. The mainly grassroots NGOs do not receive grants, but have training costs of their employees covered.

- Many companies have become members of the Hungarian Business Leaders' Forum, which was created on the personal initiative of the Prince of Wales in 1992, and is supported by leading Hungarian and international business leaders, corporations and non-governmental organisations. It aims to promote the practice of good corporate citizenship and sustainable development as a crucial part of successful business operations.
- The most recent project is called Fifty Plus/Minus. The targeted group are the unemployed who are well-experienced, possess a university degree and command foreign language skills but cannot find employment because of their age. The program was started in 1999 with the financial help of the UK Government Know How Fund with the objective to fight against age discrimination and draw the attention of forum members to the benefits of employing elder people. Partners are the Ministry of Social and Family Affairs, the local Employment Agencies and NGOs.

As financial support from abroad is currently moving further east to more deprived countries, organisations in Hungary will need to find support from other actors to keep up the level of activities that they have built up in the last decade. It remains to be seen in how far government and the business sector in Hungary are ready to fill the gap.



4 EU developments on partnership initiatives



4-1 The European debate on social cohesion

The European Commission has been for many years a driving force in developing close co-operation with the business and the voluntary sector on issues of social cohesion. However up till now, both the business and the voluntary sector are not brought in together in a joint initiative to engage in this debate. In 1995, the 'Declaration of Business against Social Exclusion' was launched and this Commission initiative opened the pathway to a number of current policy reports and new structures. CSR Europe, representing the business sector and strongly supported and facilitated by the Commission (DG Social Affairs) is a good example of such a structure.

At a number of Social Forums (1996 and 1998) the issue of tackling social exclusion was discussed with the organisations of the social sector. In 1999, the White Paper on the Voluntary (CMAF) Sector recognised the values of the sector, the importance of consultation processes and the need for facilitating the EU NGO's. The business sector however, was hardly involved in these Social Forums. In addition, until now, there is no clear structural relationship between the European Social NGO's and CSR Europe.

The concept of partnership has been prominent in some research undertaken by the European Foundation for the Improvement of Living and Working Conditions since 1994. In 1998, the Institute launched the publication on 'Local partnerships, a successful strategy for social cohesion?'.⁶⁶ This research draws from a number of national studies and gives a clear overview of all stakeholders, including the voluntary and community organisations.

Recently the European Commission, Parliament and in particular the European Council launched a number of declarations and initiatives. In 2000 and 2001, the European Council called in meetings in Lisbon, Nice and Stockholm for (corporate) social responsibility in the field of employment, poverty and social exclusion. Again, there is no clear evidence of trisectoral co-operation on the issue of social cohesion and empowering local communities. However, with the Green paper on CSR, mentioned below, the Commission is starting a new consultation process, which will give all stakeholders the opportunity to participate.

66 Geddes, M. (1998). *Local Partnership: A Successful Strategy for Social Cohesion*. Dublin: The European Foundation for the Improvement of Living and Working Conditions

4-2 The Green Paper on CSR

In the spring of 2001, the Commission launched a Green Paper on 'Promoting a European framework for Corporate Social Responsibility'. The Commission positions this Green Paper in the wider debate "on new forms of governance, as corporate social responsibility can support the development of new and innovative solutions, in particular in the field of social policy" (Green Paper, p. 4). This debate is a follow-up to the initiatives of other international organisations, like the United Nations Global Compact, the ILO tripartite declaration and the recent OECD Guidelines. Especially the latter are of interest to European politicians and public authorities. The Commission calls herself committed to the active promotion of the OECD Guidelines for Multinational Enterprises.

The Green Paper on CSR is highly valuable both for its contribution to raise the level of awareness on corporate social responsibility and for a number of practical reasons. It is providing all stakeholders in this debate with a European vocabulary, listing a variety of relevant terms, organisations and Internet links. The Green Paper on CSR as a consultation document is also a call to other European institutions and national governments "to stimulate the debate, give political support and organise an exchange of information and knowledge about CSR"(p. 21).

4-3 European networks and partnership facilitators

The establishment of an informal network in 2000 by Ministers of Social Affairs of four European countries (DK, UK, Irl, NL) is a clear next step to initiate an ongoing discussion between four European governments and the European business community on the furthering of public-private partnerships to address societal problems. The intention is to broaden the network on both political and organisational level and involve more governments in the process. ("Government as Partners – Fostering Public-Private Partnerships for an Inclusive Europe", Copenhagen, 2.10.2000). The initiative came from the Copenhagen Centre, the international centre dedicated to promote partnerships between government, the business and the voluntary sector.

4.4 Partners in Partnerships

A selected number of European institutes and networks are co-operating in partnership on developing business – government – civil society organisation partnerships on active citizenship and social cohesion.

The Copenhagen Centre

The Copenhagen centre is an autonomous, international institution established by the Danish Government, following the 1995 UN “World Summit for Social Development” and the 1997 Copenhagen Conference ‘New Partnerships for Social Cohesion’. Focusing on social cohesion as a fundamental precondition for the prosperity of society, TCC strives to promote voluntary partnerships between business, government and civil society in order to provide opportunities for the less privileged to be self-supporting, active and productive citizens. TCC runs a number of programmes. The Partnership Programme consists of the following studies ‘Partnership Alchemy’, ‘Government as partners’ and ‘Local Partnerships in Europe’. www.copenhagencentre.org

The Cecile Network

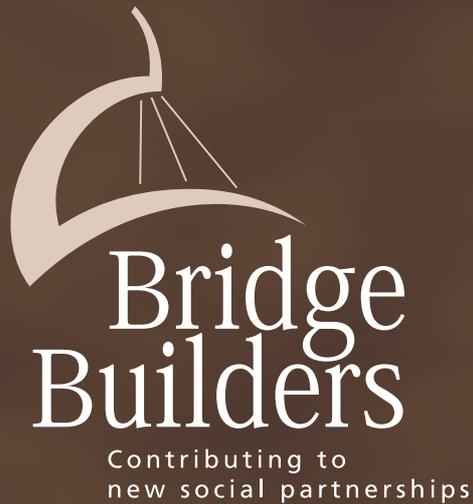
Since 1996 the Cecile Network (Co-ordinating Employee Community Involvement Links in Europe) brings, together a group of specialised agencies across Europe, whose common goal is to develop corporate investment in the community through the application of company Skills, Time and Resource, (the STAR model). The Cecile Network is closely associated with CSR Europe, the business network on corporate social responsibility. Cecile is responsible for delivering the employee community programmes and services to CSR Europe and their member companies. The Cecile Network is operating in all EU countries, as well as in a number of the pre-access countries and runs periodically conferences, study visits and seminars. www.cecile.net

CSR Europe

CSR Europe emerged from the European Declaration of Businesses against Social Exclusion, which was launched in 1995 by a core group of multinational companies together with Jacques Delors, former President of the European Commission. Its mission is to help companies achieve profitability, sustainable growth and human progress by placing corporate social responsibility in the mainstream of business practice. CSR Europe runs a number of programmes in all aspects of CSR, in which the 40 European member companies are involved. The bi-monthly magazine CSR Europe updates the main CSR developments in Europe. www.csreurope.org

The International Business Leadership Forum

The IBLF, the former Prince of Wales Business Leadership Forum is an educational charity set up in 1990 to promote responsible business practices internationally that benefit business and society, and which help to achieve social, economic and environmentally sustainable development, particularly in new and emerging market economies. Amongst others, the IBLF helps through research, conferences and publications to create an ‘enabling environment’ to provide the conditions for partnerships. www.pwblf.org



Preventing and combating persistent social problems requires new strategies, differing viewpoints and the involvement of all of the concerned parties. Public-private cooperation in new partnerships among business, government and NGOs is rapidly increasing.

Most of these partnerships focus on local social issues. Thus, governments have a crucial role to play in collecting inspiring examples of good practice and in supporting the dissemination of local knowledge and experience.

This new social partnership Bridge Builders project is supported by the Netherlands Ministry for Health, Welfare and Sport - department of Social Policy.

WFS

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