



Finland 2004

HYVE – Citizens’ social support networks model

A model of building local
partnerships in the
context of universal
welfare in Finland

Summary





The latest EU social inclusion peer review was held in Joensuu, Finland on 23rd and 24th September 2004. It focused on the HYVE model of building citizens' social support networks in the context of universal welfare provision.

This networking model was created by a voluntary organisation, the Finnish Federation for Social Welfare and Health, in 1994, and now covers one-third of the country. It is not a time-limited project, but a process of encouraging all partners to talk to each other when planning and delivering social services complementary to those provided by the state. It thus acts as a 'midwife' rather than a project manager. It is clearly of wide relevance as part of the process of welfare state modernisation and social services reform.

The results are principally qualitative, and hence difficult to assess. They include surveys, networks and partnerships, new ways of delivering services and strategy development. The seven peer countries present found much of interest in the methods adopted (such as paired working) and in the NGO funding system.

The fifth in the series of peer reviews of policies in the field of social inclusion took place in the town of Joensuu, capital of the Finnish region of North Karelia near the Russian border. The town has a population of 52,000 and an unemployment rate of 16.5%. Representatives of seven peer countries – Austria, Belgium, Germany, Greece, Latvia, Malta and the United Kingdom – and two European NGOs – RETIS and Eurodiaconia – took part.

The group visited three local projects: the Kansalaistalo (Citizens' House) drop-in centre, the Kotikartano community for people with mental health problems, and Niskakatu 21, Joensuu's centre for long-term unemployed people. It later split into three workshops to discuss transferability.

The HYVE model was created in 1994 to address the problem that the social welfare system had gaps and was unresponsive. It aimed to find new ways to deliver services so as to meet needs better; to find new local sources of support; to bring multiple actors together to form local and regional partnerships; to reform welfare service structures and to develop local and regional social policy. It operates in the context of a universal public welfare system dominated by the public sector, which nowadays provides four-fifths of welfare services.



Operation

It is based on the principles of bottom-up approach, relying on citizen participation, dialogue and an equal partnership between different actors. Transparency is anchored in the contractual basis of the partnerships, and trust is built through the patient joint resolution of the interorganisational tensions that inevitably arise – conflict is dealt with creatively. The piloting of new services is combined with education and research, and the partners own the results collectively.

Among the model's key features are that work is done in pairs made up of a local government representative and an NGO representative. Great care is taken to consult all stakeholders fully so as to build up a set of shared objectives, and effort is invested to establish arenas for participation and areas for dialogue. Implementing the HYVE process is relatively cheap (around 3 million per year) because the only additional cost is that of the facilitators: the technique of 'network budgeting' allows existing resources from all the partners involved to be factored in, and risks shared.

One subject that aroused a lively interest was the way in which the projects developed through the HYVE process are financed – through RAY, the Finnish Slot Machine Association (*Raha-automaattiyhdistys*). This association brings together approximately 100 voluntary organisations active in health and welfare, along with government representatives. It licenses gambling throughout the country, and each year disburses some 300 million to welfare associations. Although its grants are subject to government approval, this does ensure that the voluntary sector is able to preserve a degree of independence. An important feature is that it supports not only projects but also investments and NGOs' core operations.

Results

HYVE has created new ways of thinking and is now established as a critical part of the process of modernising Finland's welfare system and reforming social services. This process aims to revamp the entire comprehensive service system, to improve the availability and quality of services provided (in particular by reducing waiting lists), to reform structures and operations, as well as to improve skills and financing.



The model now covers one-third of the Finnish population: it is permanently established in three regions of the country – around Joensuu, Jyväskylä and Oulu – and is being introduced in the Helsinki and Ostrobothnia regions. A variant known as ‘village HYVE’ operates in two areas of the far north.

Its main results are qualitative, and are hence difficult to measure. A number of surveys of welfare needs have been conducted, citizens involved, new partnerships built, new forms of service provision piloted, and new joint welfare strategies developed. This is highly innovative in the Finnish context of state-dominated welfare provision.

Relevance and transferability

The challenges of reduced fertility, ageing, migration and long-term unemployment make welfare service reform a vital task in all countries. As part of this, the holistic, tailored, participative HYVE method is in line with EU notions of governance and subsidiarity. It helps the poor by providing services for everyone. It contributes to social activation, to preventing the poverty trap, and to the lifelong learning of policy-makers. It is a way towards a balanced welfare mix. However problems may arise to the extent that NGOs are obliged to offer services of general interest under competitive market conditions.

Austria is already decentralised, and partnership is institutionalised, but the idea that NGOs provide services that are complementary to the state’s is interesting. A key lesson is that HYVE functions as a community development service: it creates space for government and NGOs to work together, and builds bridges between different parts of the welfare services. Its bottom-up approach can be a very effective mobilising force. It is interesting that funding is allocated specifically for networkers.

An important issue for *Belgium* is that the model is based on regional NGOs and does not cover the whole country – each municipality in Belgium operates its own welfare service, but NGOs are involved only in some areas. Questions arise over how the public authorities are involved in goal setting, and over how cost-effectiveness is measured. There is also a question of how independent an NGO can be if it is totally state-financed, as is sometimes the case in Belgium.

Germany found the methods interesting: employing networkers, pairing of authority and NGO staff, and creating arenas for co-operation. In a country



where partnership is already well entrenched, possible implementation would be in the hands not of the state but of the welfare associations and local authorities. However the task would be all the harder given the more conflictual social climate in Germany.

In *Greece*, much welfare has been based on the extended family, while NGOs are relatively undeveloped. In addition the decentralisation of government has only just begun. The challenge is to make government less bureaucratic, users more participative, and to take the idea of partnership seriously. One way forward would be to introduce HYVE ideas in those municipalities that are already going in that direction.

Latvia is a long way from being able to adopt the HYVE method, because its NGOs are undeveloped and have very short funding horizons. Social services are provided by the state, though a role for NGOs is under discussion. Partnership is the only way to meet needs, and the key issue is reaching out and involving people, yet easily accessible 'drop-in' facilities are rare. A way forward is perhaps to pilot it in one area. A major barrier appears to be the attitude of the media.

In *Malta* the dialogue with NGOs has already started, but the role of the family is still important. HYVE is an example of how effective citizen participation can adapt service provision to meet changing needs. However in a small country such as Malta there is much stronger competition for resources, so effective conflict resolution is a key point.

For the *UK* the key lesson is that a background process like HYVE enables other projects to take place. It works when public authorities recognise that in welfare services no one agency can do the whole job, and that they will benefit if they relinquish some power in order to gain more influence. As regards methods, the pairing system is a very successful way to promote long-term joint working. It is common practice in the UK to involve NGOs to improve service quality, but the key issue is not the process but evaluating the outcomes. Scale and multiculturalism are barriers – it is easier to build trust in relatively small and homogeneous communities. The increasing regionalisation of government is a further complication.

The aspect of the HYVE model that it seemed most useful to promote at EU level is the pairing method.