



United Kingdom

The City Strategy for tackling unemployment and child poverty

Minutes



On behalf of the
European Commission
DG Employment, Social Affairs and Equal Opportunities



**Peer Review:
The City Strategy for tackling unemployment
and child poverty
London, 6-7 July 2009**

Held in London (United Kingdom) on 6th-7th July 2009, the Peer Review (PR) was hosted by the UK Department for Work and Pensions (DWP). In addition to the host country, nine peer countries participated as follows: Austria, Bulgaria, Czech Republic, Greece, Latvia, Lithuania, Norway, Portugal and Serbia. Participating as European stakeholders were the European Social Network and EUROCITIES. Representatives of the City Strategies Partnership for East London facilitated a number of site visits for participants of the Peer Review. A representative of the European Commission's DG Employment, Social Affairs and Equal Opportunities took part in the meeting as well as an independent thematic expert.

Day 1

Welcome and introductory remarks

Grant Ferres (DWP) welcomed everyone and explained that he was Deputy Head of Area Initiatives & Strategy Division at DWP's Jobseekers and Skills Directorate. He then outlined the programme for the PR.

Hugh Allen (DWP) said that he was Policy Adviser on Social Inclusion. He welcomed everyone and explained that practical aspects of CS delivery would be covered in the site visits.

Michele Calandrino (European Commission) opened by thanking those concerned for organising the Peer Review and by saying that the Commission was particularly interested in the chosen theme for many reasons, in particular in the context of active inclusion policies. The European Commission adopted in October 2008 a Recommendation with common principles on the active inclusion of people excluded from the labour market, the first legal act at EU level on social inclusion. The common principles were later endorsed by the Council (December 2008) and the European Parliament (May 2009). This recommendation acknowledged that supporting the most disadvantaged requires an integrated approach, including income support, access to the labour market and to quality services. Furthermore, in order to implement this comprehensive strategy, improved governance operating at different levels is essential. This is also the approach taken in the UK City Strategy and the Commission was looking forward to learning from its implementation. When designing social inclusion policies there is a tendency to focus on marginalised groups on the one hand (especially in the employment and social domains) or on deprived areas on the other (especially in the context of regional and urban policies). However, to be effective – as argued in the recent 'Barca Report' commissioned by DG REGIO – people-based policies and area-based policies need to go hand-in-hand as it is the case in the UK City Strategy. In this sense, the conclusions of this PR can also inform the current debate on the future of the Lisbon Strategy and of Cohesion policy.

Nigel Meager (OESB Consortium) referred to the PR process and said that it was good it was being held in the UK. He went on to explain that this location – the East End of London – had some of the highest levels of poverty and deprivation in the country but sat alongside areas of wealth and the financial centre. It was a microcosm of the Anglo-Saxon model of social development. The 2012 Olympic and Paralympic Games had been chosen to be run in this area to help regenerate these areas of deprivation and he hoped delegates would get a real feel for the area.

Boyd Wood (DWP) explained that he heads the DWP City Strategy (CS) being taken forward in 15 City Strategy Pathfinders (CSPs) across the UK. He also leads the Department's employment strategy for the 2012 Olympics. There is a clear need for integrated support and this is what the CS is all about. He explained that the CS is about tackling worklessness in the most disadvantaged areas of the UK. It aims to ensure that local provision meets local employer needs so individuals gain the skills and attributes they need to access the particular jobs that employers need to fill. It also aims to play a significant role in meeting the UK's goal of 80% employment rate – plus tackling child poverty.

In the UK its labour market policy has been a success and though recession has had an effect the current regime of targeted support is still considered the best way forward. To show the rationale behind the CS he then compared the low employment rates in major UK cities to the average employment UK rates. It is clear that the rates are the lowest in large urban areas where claimants are concentrated in deprived areas. Interestingly the CS was also introduced at a time in the UK when there is a general trend in devolving responsibility for employment and skills based on the view that 'local is best' with the CSP providing evidence and developing provision based on local knowledge.

The CS initiative emerged in 2006 when bids were invited for the pathfinder areas. 13 were successful in gaining 'Pathfinder' status and were added to the two already allocated in London (East and West) making 15 that started delivering from 2007. Some of the areas might be surprising – such as Rhyl as this is not a major UK city – but they all have hardcore problems. The strategy was based on three key strands – innovation, improving partnership and alignment of funding. A consortium approach where government agencies, local government and the private and voluntary sectors combine in a concerted partnership was based on the expectation that local stakeholders can deliver more through collaboration. It is all about meeting local needs through local solutions. Some government funding was made available to help start the CSPs and to pay for a Learning Network to share experience but there are lots of other funding streams available. By aligning funding streams CSPs have ensured that more resource has increased in their area, in terms of monies and staff, have been made available for employment and skills provision. The approach is essentially bottom-up with each CSP developing in its own way for example, in West London, the CSP is led by employers.

There are two standard targets agreed for the CSPs – to reduce numbers on out of work benefits, representing a 3% stretch over forecasts and an equivalent increase in the local employment rate.. Plus, where areas have a significant ethnic minority population DWP has agreed an additional local target on ethnic minority employment and 13 CSPs have agreed this. However the original targets are currently being reassessed in the light of the recession.

In England there are a number of initiatives including Local Area Agreements (LAAs) and Multi Area Agreements (MAA). The CS sits at the heart of this landscape. The CSPs are due to end in

March 2011 and for those in England they will have aligned with these initiatives by that time. In Wales the model and good practices will be rolled out to other local authorities. We are still discussing how the CSPs will develop in Scotland, from 2011, with the Scottish Government.

The CSPs were originally due to finish March 2009 but were given a two-year extension in 2008 to allow more time to innovate and succeed. This came with a commitment that DWP would consult local partners on how we commission our programmes for their area. We want them not only to have a role in setting out the context in which the programme should be delivered but also in evaluating the proposals from bidders and in on-going performance management. Some areas will want to go further and where they do we will challenge areas to demonstrate their success in getting people back to work and their ability to bring in additional resources. Where they do this, we will develop co-commissioning arrangements so that they can supplement the spine of national provision with additional wraparound services to address specific local issues. We will also increase influence for the Pathfinders over future DWP policy development and commissioning processes. For the most committed areas we want to experiment with a fully devolved model. We will challenge areas to meet strict criteria, including ambitious pooling of budgets and a record of successful delivery, partnership working and clear governance arrangements. Where authorities meet these goals we propose to give them a role or the role in letting contracts in the first place. We recognise getting people back into work is not about job search – it's also about skills, health, addiction treatment, childcare and transport. If local areas can show that they are drawing resources together in a way that adds to the size of the contracts on offer, to their reach, and to their effectiveness, we will look to devolve contracting decisions. However the timetable for this is 2015 to have in place a fully devolved model with a whole raft of activities co-ordinated.

He ended by mentioning the DWP website as a source of further information:
www.dwp.gov.uk/policy/welfare-reform/city-strategy/.

Discussion

John Yfantopoulos (EL) asked who assesses local needs and what happens when there is a contradiction between local and national needs? Also, on funding there is a core amount but does this conflict with the availability of regional funds? **Boyd Wood** said that central government gave a small amount of core funding but the bulk of the money is already there. It was a question of aligning the numerous funding streams for employment and skills issues in each area. Local needs are assessed by the CS boards some of which are local authority based (but it does vary). The bottom-up approach means that they inform DWP of how they will tackle local worklessness needs. Although they have been tasked to be 'innovative' in their approach the benefits system is national and a centrally driven approach. It is recognised this is difficult to 'flex' to local needs. **Steve Munn** added that the initiative covers roughly 1,000 wards and there is a formula for funding. **Ulrike Böhm (AT)** asked why the local approach was chosen and how does it link with other policy? **Boyd Wood** said it was not completely new since there has always been pressure for local autonomy. A dialogue on local needs started in 2005 and this is ongoing and includes some core services (such as New Deal). He added that it is unlikely that any change of government will affect this 'local' approach where responsibility for employment and skills issues would continue to be devolved to local areas. **Ulrike Böhm (AT)** asked if this local knowledge will influence national programmes? **Boyd Wood** said that this would be covered later. **Hristo Bozov (BG)** wanted to know if they use a specific approach to ethnic minorities, adding that in Varna

there is a low level of general unemployment but higher among the ethnic groups? **Boyd Wood** said that 13 out of the 15 CSPs do have agreed with central Government local targets looking at ethnic minority employment rates. For example there is a significant ethnic population in East London and in Leicester the partnership works among local employers to help them understand needs. He also mentioned the Working Neighbourhood Fund (WNF) in England which was a dedicated fund to support councils and communities in developing more concentrated, concerted, community-led approaches to getting people in the most deprived areas of England back to work. This is seen as a key funding stream during the recession. **Grant Ferres** added that targets are set but the funding is not ring-fenced but the Comprehensive Area Assessment will audit its use.

Michele Calandrino (EC) asked clarifications about the term 'City' Strategy – a strategy at city level would be expected to encompass broader policies and objectives including on housing, transport, public services, neighbourhood renewal etc. Also, what is the meaning of 'locally defined needs' when central government identifies targets? The strict policy focuses on worklessness could divert attention from other possible local priorities such as transport and housing. **Boyd Wood** responded by agreeing that the title 'City Strategy' did not really reflect that the strategy was one as tackling worklessness in our most disadvantaged communities. Although many of these are in cities and other urban areas some are located in seaside towns and other rural areas. However the strategy does focus on the most deprived wards and the 15 CSPs encompass one-third of all benefit recipients in the UK.

However the recent (Dec 2008) pre Budget report set out the vital role that cities and city-regions will play in driving regional and national prosperity. It announced that the UK Government would support city-regions to fulfil their role by agreeing 'a set of devolutionary proposals with local authorities in city-regions, to increase further their ability to drive economic growth and control to sustainable development'. The intention is to extend a comprehensive range of powers and freedoms that can demonstrate the ambition and capacity for city-regions to deliver real improvements in economic growth and resilience, jobs, skills, housing and transport. The 2009 Budget announced two city regions (based on Leeds and Manchester) that will cover all the issues.

Jan Vranken (BE) said that child poverty appears in the title line of the CSP but how real an issue is it – there doesn't appear to be any real concern? **Boyd Wood** said that it is a real target. **Nigel Meager** added that the incoming Labour government in 1997 set child poverty targets but progress had been slow. **Anne Green** explained that the local business plans of the CSPs did contain child poverty targets in some cases – though they could be implicit as well as explicit. **Elena Kremenlieva (BG)** questioned whether it would be more useful to link child poverty issues to other policy since services such as childcare can help. She could not see how educational institutions were involved in the CS. In the same vein, **Vassiliki Kokkori (EL)** added that child poverty should be at the core of an integrated antipoverty strategy as it attributes permanent characteristics to the phenomenon. Furthermore she asked about the impact of employment on poverty, namely what degree of social mobility is accomplished in the CS framework. **Kathryn McHugh (DWP)** said the partnership boards tended to have educational institutions represented. **Boyd Wood** added that the site visits in the afternoon would show the types of job and provision created – it is all about sustainability, meeting local needs and providing skills, etc. **Agita Kaupuža (LV)** asked what the problems in implementation are. **Nigel Meager** said this would be covered in the next presentation.

Simon Guentner (EUROCITIES) referred to the MAAs and asked if they were another step at devolving decision-making and what is the link to other initiatives such as CS? Also, what are the feedback mechanisms for consultation? **Boyd Wood** responded that in terms of the feedback there is the national Learning Network also the CSPs report back to DWP on a quarterly basis on performance, use of funding and governance arrangements. This is then used as briefing for ministers. **Pia Hellberg Lannerheim (EUROCITIES)** wondered why the focus isn't more on youth unemployment since it is such a large problem yet doesn't appear to be targeted in the CSPs? **Boyd Wood** agreed that youth unemployment was a big problem in the UK and being tackled nationally by DWP through national policies such as New Deal but CSPs can tackle local specific issues in this area. **Pia Hellberg Lannerheim (EUROCITIES)** added that there is a danger that when Departments, for instance in the fields of education, youth and employment, don't work together, groups like youth fall in between and can't be reached. **Nigel Meager** confirmed that there is a national policy to tackle youth unemployment such as through the job guarantee for young people – the first demand side initiative for this group. CSPs can target on this but they haven't been told to do so by DWP. **Anne Green** said that the Future Jobs Fund targets young people. Also local authorities can propose to collaborate with CSPs on this. **Ulrike Böhm (AT)** said that trying to match local job seekers with local employment opportunities sounded good in theory, but in practice it seemed to be a real challenge. How is it actually translated in this programme? **Boyd Wood** said that it was not an issue in the UK but MAAs are tackling unemployment in a wider geographical area.. In London, for example, travel to work patterns can be complex but the 2012 Olympic development has tried to engage local people.

Steve Munn (DWP) opened his presentation by talking about implementation of the CS initiative. He said that local areas can provide a strong focus and central government holds a lot of expertise and funding that can be made available locally. The CS is still an experiment and received a small amount of core funding that also funds the Learning Network, national evaluation and the dissemination of lessons. The funding situation is complex. In 2006 the Deprived Areas Fund (DAF) gave money (about £60m per year) to certain areas judged to be deprived with 50% going to the CSPs and 50% to Jobcentre Plus. The DWP provided seedcorn money to get the CSPs started. DAF is now the Working Neighbourhood Fund (WNF) in England and the DCLG distributes it. In terms of enabling measures, local areas would have some flexibility within national rules but more deviation is difficult but in fact has proved not as necessary as at first envisaged. There has been some limited success in helping CSPs have more flexibility but the core support come from DWP through staff, the contracting and board representation underpinning the link between the CSPs and central government.

Mark Morrin (Rocket Science UK Ltd) explained that his company has responsibility for the Learning Network that aims to encourage action learning from the CSPs. It reports to the CS project board and account managers work with the CS network of partnerships. Information and communications are ongoing and there is a weekly news bulletin that goes out to a long list of recipients. Meetings are held to share experiences and some sub groups focus on issues of common concern such as helping the ethnic population employment rates. Requirements will differ depending on local circumstances and so a one size fits all approach does not apply. There is another sub group around housing – the servicing and management of social housing. Employer engagement and governance is also a topic. The policy challenge to central government is how do local bodies such as the CSPs influence the big national programmes such as New Deal (how to influence the appointment of local contractors for New Deal for example). He then mentioned the website for further information (www.citystrategylearning.net).

Steve Munn (DWP) came back with some information on evaluation activities. The national evaluation operates alongside local area evaluation assistance and the CSPs are getting more experienced at evaluation. It has taken some time to get from the formation of the CSPs to actually achieving something. The central coordinating role is important but the current economic conditions could not have been predicted. The future will see the DWP taking backward steps as the CSPs grow but even if the CSPs themselves disappear, it is likely that the partnership work will continue.

Anne Green (IER) gave some background to the evaluation and then went on to highlight the main points so far. When the CS initiative was extended in 2008 it came against a backdrop of fairly benign economic conditions but where some groups were still left disadvantaged. The emphasis was on helping partners work together forming local solutions involving public, private and voluntary sectors. Business plans were produced and a variety of areas chosen which all have implications for how they work in practice. The composition of Great Britain includes the devolved administrations for Scotland and Wales plus London has special arrangements. The Cabinet Office saw the CSPs as a learning process – learning from experience and the evaluation is about capturing information about change, performance, outcomes, and transferable practice. She went through the evaluation strategy – the 15 CSPs should conduct their own evaluations but in practice this varies. At the other end the DWP funds the national evaluation which is best described as a ‘meta’ evaluation drawing on the area evaluation advisers who provide support locally. The national evaluation is also looking at specific issues and forming case studies of good practice.

The evaluation is challenging and complex and it is difficult to identify what is CSP activity from all the rest that's going on – it is not a simple initiative with a simple goal and the emphasis is on bringing things together. It is also about eliminating duplication and bringing coherence to sub regional and local partnership working. Some progress has been made towards targets though the data is not up to date on all claimants and recession has had an impact. There are national targets related to JSA and IB plus lone parents on Income Support that are set through modelling each area and then applying +3%. So local targets do exist but to judge success comparison areas need to be selected and while this is a difficult process, in broad terms the CSPs don't appear to have been achieving much difference. Of course meeting the targets is challenging in the current economic climate and some areas have done better than others.

There are process issues to consider in terms of the partnership arrangements and there are wide variations in experience – to some extent depending on the pre existing structures. National and regional government are represented plus the LSC, employers, FE, health, etc. The composition of partnership is also changing – for example the LSC will be wound up in 2010 – plus changes in the health service, etc. The composition of boards is important and can influence operations but it is important to have clear roles and remits for all the members. Where leadership is located is also important – where local authorities are involved then this has meant more bureaucracy. For example in Rhyl CSP a ‘Community Interest Company’ was set up while in the West Midlands the LSC is leading – it's whatever is considered most appropriate. On Merseyside the local authority lead has changed. Merseyside benefits from a range of European funding and (along with other CSPs in the North West) the regional development agency provides some funding. Enlargement of budgets and the realignment of funds is important.

In terms of targeting, some CSPs have chosen sub groups or geographical (spatial) targets. For example in the West Midlands there are 55 wards targeted and on Merseyside there are micro

areas targeted. Spatial targets allow the concentration of activity. In some areas client tracking systems are in operation. For delivery some of the larger areas have adopted a programme approach – bringing in funding while some of the smaller ones have gone down the route of building on existing programmes. In terms of branding it is the smaller CSPs who tend to brand themselves more – in the larger ones the emphasis is more on the partnership.

She went on to highlight some common topics emerging from the CSPs. For example for the hard to help groups some CSPs commissioned external research to understand the issues more while direct consultation has worked in other areas and helps engage the target groups. Progress has been generally slow on employer engagement but one of the problems is that there are lots of different agencies trying to do the same thing. Local Employment Partnerships (LEPs) are agreements from employers to help the unemployed and inactive back into work but in some areas it is seen as a Jobcentre Plus activity. It seems that there is greater employer engagement where local authorities don't dominate the partnerships. Much of what the CSPs are about is bringing people together but also the translation of strategy into action – through cooperation. Some problems remain – such as data sharing and there are still some tensions that have been highlighted by the CSPs. However the recession has put a different complexion on things and emphasises the need to marshal resources even more.

She concluded by saying that the CS has helped develop collaboration in the areas and has linked employment and skills policies. Less positive has been the plethora of policy that does not necessarily help the work of the CSPs and the failure to achieve certain enabling measures has been disappointing. In broad terms this policy of 'centralised localism' does tend to limit the ability to have a true local strategy.

Matthias Schulze-Böing (European Social Network) made a number of points. Activities and enabling policy is crucial in tackling issues such as social housing but the key is localisation and decentralisation and this should be part of government strategy. In all this local authorities can play a key role. ESN members show different approaches to the same issues. Participation and empowerment are important and capacity building is needed on all sides. In the current crisis with the prospect of rising unemployment it is more difficult for the disadvantaged and the newly unemployed as well as the long-term unemployed need special assistance if possible. Many activities are needed – we need to link employment with social services. A "social economy" may be a complementary strategy to create jobs for the disadvantaged. However, in terms of success factors we should not just focus on employment status alone but on active participation and family stabilisation as well. **Simon Guentner (EUROCITIES)** placed the UK City Strategy in the context of current policy developments on tackling social exclusion in Europe. He identified two parallel trends: a growing spatial sensitivity of social policies and an increasing social sensitivity of spatial and urban policies. The CSP seems to sit in between the two, trying to provide coordination across sectors. However, he wondered if the programme was well equipped to fulfil this role, as it seems to have high ambitions but only limited time-span and resources. With regard to the coordination between national and local level he said that whilst the UK is following a model of "centralised localism", other countries promote local self-determination and subsidiarity. **Pia Hellberg Lannerheim (EUROCITIES)** followed on to say it was critical to be clear about what we understand by partnership. The key question is who has power over the resources. In the UK it seems to be operating at different levels and it becomes complex. It is important to be involved but not all parties can be empowered at the same time. What's in it for each partner needs to be a consideration and if someone or some organisation does not want to be a partner then what happens?

Discussion

Boyd Wood said that in England the Local Strategic Plan (LSP) set the agenda for their locality and helped determine resources. The CSPs in these areas were able to influence the LSP in terms of staffing and funding and many cases they have been successful in aligning funding for skills and worklessness. **Kathryn McHugh** added that there was often a large political aspect to local partnerships and this had the potential to make things more complex. **Mark Morrin** said that partnership was consensual – the 1894 Partnership Act exists for business partnerships but there is no other form covered by law. The biggest challenge is getting employers around the table but the labour market intelligence is needed and access to jobs. Only the larger employers tend to get involved because of the time commitment required. **Albertino Gonçalves (PT)** said that it was important to monitor the CSPs – human stories were also interesting and are needed. Information on what was working ‘culturally’ and what under the terms of the contract were important aspects to monitor. She then asked how does the evaluation take account of these cultural aspects, bringing out personal life stories? Do the CSPs have people with the right skills to carry out these tasks? **Anne Green** responded by saying the culture of partnership working was showing signs of change. Also local evaluations were exploring case studies covering what progress clients had made towards the employment goal – the local evaluations will cover this to some extent. Some CSPs do have the capacity to do evaluations but the interpretation of the results is very important. Targets need to be integrated and each CSP has an area evaluation advisor to help. **Gražina Jalinskiene (LT)** felt more was needed on family stories and how they have developed. **Anne Green** said this was a good point and said some examples are available.

Dragana Radovanovic (SB) asked about legislative change. Tensions exist between local and national levels but what unemployment benefit exists in the UK? **Steve Munn** said there was a tension with a national set of benefits and local issues sometimes pulling in opposite directions. The DWP has different priorities but relatively simple – to increase the employment rate but local actors perhaps see it differently. There may also be tensions between different national agencies and data sharing and enabling measures are the main flash points. But he felt that CSPs put too much emphasis on these factors to the extent that they can become a distraction. **Boyd Wood** added that setting up the CSPs required no change to legislation but they did look into what legal requirements there were for data sharing. In principle the data can be accessed once a client has been engaged by the programme and then local policies come into play. **Anne Green** said the tensions were sometimes quite strong – some partners want to concentrate on the recently unemployed while others want to focus on the long-term unemployed raising the problem of the ‘inverse queue’. There is also a major tension about this at a national level. **Kathryn McHugh** explained about the UK benefit system – Jobseekers’ Allowance (JSA) is the unemployment benefit in an active benefit regime where claimants are required to actively seek work and New Deal is the main programme supporting the unemployed. However the bulk of claimants are on Invalidity Benefit (IB) but this is being replaced by the Employment & Support Allowance (ESA) that is more compatible with the JSA active approach. There is also Income Support where the largest group of recipients is lone parents and this is being made more active.

Michele Calandrino (EC) asked what was the value added of having a new government programme, such as the CSPs, to coordinate the existing ones rather than mainstreaming and consolidating them directly. Also, in what sense are CSPs area-based initiatives given that spatial targets are not a requirement for the Pathfinders? **Boyd Wood** said that the work done by CSPs – and he gave the example of the Manchester partnership – was about an integrated approach with access to all services. The success of the CSP is that they can wrap around the complexity

of national programmes. **Anne Green** added that it may be seen as viewing various interventions as a 'helicopter pilot' able to have an overview of policy and to identify the gaps. **Simon Guentner (EUROCITIES)** saw the CSP as an experiment in governance and asked how much the evaluation was reflecting this: To what extent is it looking at targets and governance arrangements? What are the different dynamics and what works? There are some aspects in the first findings of the evaluation which are difficult to understand: Why are people on incapacity benefits (IB) part of the scheme? And on what grounds does it conclude that the private sector is more effective in employer engagement? **Boyd Wood** explained that many on IB have health problems but many want to work and so the new two-tier benefit will allow more to find work that suits their condition. The new regime also recognises that there will always be a small group that cannot work due to their incapacity. **Anne Green** said the private sector tended to be more successful with employer engagement. Also, interviews for the evaluation at national level suggest that this is seen as an experiment in governance. However it is not possible to develop a typology at present as the CSPs are developing constantly. **Dorota Tomalak (ESN)** was interested in comparing the CSPs to other programmes which usually have a longer life than two years – she felt it was too short. In some areas the MAAs will take over but the short formation period and low funding may not be enough. **Matthias Schulze-Böing (ESN)** said that he recognised this issue. Some areas however already had strong partnerships to build on. But two years seems to be still a little short term. **Nigel Meager** thanked the contributors and closed the morning session.

Afternoon

Kim Chaplain (CSP East London) explained that the successful Olympic bid had changed the outlook for East London. The churn of population is huge and it is a transient population though housing is cheaper (by London standards) but education and further education is not good. Unemployment is the worst in the UK in some boroughs which contrasts with some other parts of London that are among the richest areas in the world. The Government keeps putting effort into the area to move it forward and to address the unemployment and child poverty which is the highest in the UK – partly because there is less part-time work available. Child poverty as measured by full and part-time income – 40% have just one income which is not enough in this expensive area so you're looking at childcare, tax and housing credits but these can act as a disincentive to move into work. The area needs a lot of remedial education provision and there is a big demand for ESOL. However, there is a problem in contracting for skills without qualifications but often such courses are enough to underpin the skills they need for a job.

The CSP is a pilot project with national implications and so attracts local and national funding. She then mentioned the Groundwork project which was designed specifically to assist hard to help clients often targeting households where no one has worked. Other projects reflect the cornerstone of the strategy – to join up services and to attach people to the labour market so outreach is important. The project tries to deal with all of the needs of clients, building confidence and aspiration and offering a wrap around service.

Participants were then split into three groups, each visiting one of the following projects in the East London CSP area:

- Work focused ESOL Pilot – Metropole Learning, Arcola Street, London E8 2DJ;
- Single Point of Access Project – Woodbury Down Estate, Sanford Hill, London N16;
- Groundwork Newham – Barringtons, Milais Avenue, London 12.

Day 2

Nigel Meager introduced the programme for day two – starting with some feedback on the site visits of the day before.

Simon Guentner (EUROCITIES) went on the Groundwork visit and said that he was impressed by the commitment and enthusiasm of staff and clients but it would have been helpful to have more information on the links between this project and the CSP. **Kathryn McHugh** said the project was all funded by the CSP. **Michele Calandrino (EC)** got the same impression of a fully committed staff and he was particularly impressed by the role of the housing association. The one stop shop approach to the delivery of services seemed to be really effective and the right one. At the open day that the group visited, the local housing association was at the centre of the initiative for its capacity to reach out to the potential target groups, showing that housing is central to social policy. On a more critical point, the project has not been fully mainstreamed and the open day approach could benefit from a more stable infrastructure. The partnership is working with employers and Hackney Council seems to be doing an excellent job of coordination with a strong commitment at local level. **Merethe Løberg (NO)** was impressed by the level of individual support for those that had fallen out of the labour market.

John Yfantopoulos (EL) commented on the visit to the Metropole ESOL centre which was established in 1994 concentrating on employability issues and work-based learning. He mentioned the success of the centre and how impressed he was by the premises and the friendly environment which appeared to be supportive and well managed. There is a multicultural approach and targeting seems to be a key to its success. Personal and health issues are also supported which is important.

Presentation of the discussion paper

Jan Vranken (Thematic Expert) began with some introductory remarks. He thanked Anne Green for her invaluable report. He said there were certain clear aims of the CS initiative but there were also some less clear points. For example there should be a much stronger spatial dimension and a coherent strategy seems to be missing. There is no clear view on the relation between ‘worklessness’ and unemployment – the former being an interesting concept that would benefit from some clarification. The initiative needs the strong engagement of employers – essential to achieve positive outcomes. In addition there is no clear view on child poverty. He then went on to say that this Peer Review is one of a series of seven that are closely related in subject matter and ‘active inclusion’ is now seen as an important topic. The three strands of ‘active inclusion’ – sufficient income support, inclusive labour market, and access to quality services constituting proper social support clearly show that it is not just about labour market support – it is much wider than this. It should promote social participation for those that cannot

work and cover all categories and a strategy must cover all three strands in an integrated way.

There should also be a multilevel governance dimension with inputs from local, national and EU levels and all relevant actors should be included. People also have a right to being actively included. Equal opportunity should also be promoted and the regional context considered. In addition there are several other conditions – for example the accessibility of resources and benefits. Information about rights should be widely publicised; there should be a simplified administrative process and appeals procedure and there should be accessible data for monitoring.

In terms of transferability, he identified a number of conditions for success. Successful transfer depends to some extent on the degree of local autonomy that exists – the UK for example is quite centralised in comparison to say Belgium. Decentralisation or ‘deconcentrated’ are at opposite ends and somewhere in-between is the concept of ‘centralised localism’. The dimensions of the welfare society are important – the role of NGOs in the payments of benefits, for example. In terms of the unemployed, their status is important as are levels of unemployment benefit and the conditions for payment. Then there is the structure of the labour market – is there a strong social economy since this provides an important alternative to the regular labour market. What kind of activation measures are present – only labour market focused or of a broader social nature? What is the principal rationale for the approach – to save money?

In terms of geography any aspect of social policy has a spatial dimension but what are the main types of social exclusion and poverty – they need to be defined. What are the main causes of poverty: bad functioning of the labour market, unequal income distribution, discrimination, stigmatisation, or absence of supporting social networks? We need to get an understanding of the ‘production lines’ of poverty. Is there a well developed concept of child poverty and what about urban versus rural issues? He concluded by saying that there was a high degree of heterogeneity between countries and also between cities in the same country and this is likely to lead to different forms of implementation that will depend on the situation in each case.

Peer Country Inputs

Austria: Ulrike Böhm said she has been invited by the Austrian Ministry of Work and Social Affairs to represent the City of Vienna administration. Austria has a federal system with a national responsibility for employment affairs . Vienna as a province is responsible for the provision of social welfare benefits (here she distributed a leaflet with some further details¹) The city contains one quarter of the country’s population which emphasises its specific position.

Vienna has already a long tradition in supporting people in- and outside the labour market. In 1996, the special ‘Vienna Employment Promotion Fund’² was set up to implement an active community based employment policy in Vienna. It is, on the one hand, aimed at employees to improve their skills, and on the other hand at employers, and people out of work as well.

There is a Partnership Committee comprising the Vienna City Administration, the Public Employment Service, and social partners such as the Chamber of Employment, the Chamber of Commerce and Industry, etc.

¹ <http://www.wien.gv.at/gesundheit/einrichtungen/planung/index.html>

² <http://www.waff.at/en/>

However, Vienna is facing a growing number of social welfare beneficiaries in recent years containing a large number of working poor. The tightening of eligibility requirements for unemployment support caused a shift of people from the unemployment service to the social welfare service and, hence, into the responsibility of the city. At present, a new type of jobcentre is being set up by the Vienna City Administration in cooperation with the Vienna Employment Promotion Fund, and the Public Employment Service providing case management and tailored training programmes for social welfare beneficiaries.

She, further, mentioned the Austrian national programme 'Territorial Employment Pact'³ which started as an EU programme and is still funded by the European Social Funds (ESF). The main role of these contracted regional partnerships is to better link employment policy with other policies in order to improve the employment situation on regional and local level, and to coordinate existing projects and funding. A new project within the scope of ESF 3b is implemented, at present, with a particular focus on people most disadvantaged in the labour market. Of interest may as well be the cross border pacts, and the 'Local Forum on Partnerships and Local Government' run by the OECD⁴.

She felt that an interesting feature of the CS initiative was how the different types of policy – employment policy, anti-poverty policy, and urban regeneration policy – were being put together. In Vienna, they are looking at targeting groups rather than tackling spatial issues. However, they have a very good social housing policy aiming to prevent the segregation of disadvantaged groups, and lots of social issues are addressed when dealing with issues of reintegration into employment. She was impressed by the outreach in Hackney, and felt it was worthwhile looking in more detail at the role of the social economy. She was interested in urban regeneration in combination with the local approach, and here referred to the Hackney project, but wasn't sure how close it was to UK national policy. She didn't get the impression that other issues were as important as the employment objective. It might be useful to put goals and results in a wider perspective including national and even global economic and labour market developments.

Jan Vranken pointed out that Austria and the UK belong to two different welfare regimes. In Austria, the social partnership model requires less input from NGOs. **Ulrike Böhm** added that the welfare sector in Austria is already NGO dominated and there are lots of different interest groups as well, but they tend to be in an advisory capacity rather than being directly involved in policy decision processes.

Bulgaria: Elena Kremenlieva gave a general overview of the situation. She was impressed by the CS initiative which brings active inclusion to the local level – something that has not happened yet in Bulgaria though they have developed an inclusive policy based on decentralisation. Social services are managed by the municipalities but employment is controlled centrally (labour offices at local level are the main responsible bodies but they are territorial divisions of the national Employment Agency, etc). Many changes have been made in the legislation to encourage decentralisation but it is a slow process. There is reliance on national funding for local employment measures, and in particular for the regional employment programmes as outlined in the NAP for employment. In some programmes the municipalities are the main focus. Partnership at a local level differs and depends on the tradition. There is no

³ http://www.pakte.at/?_lang=en

⁴ <http://www.oecd.org/cfe/leed/forum/partnerships>

balance between national and local policy though there is an understanding that the state should provide the funding. They are planning to adopt a local strategies or plans for combating poverty and social exclusion and to use 2010 European Year to raise awareness on the need of local action on fighting poverty. There is a need for more authority vested locally and national priorities not based on local needs should be changed. There is decentralised delivery for social services and childcare but still no decentralisation delivery of employment policies.

Simon Guentner (EUROCITIES) asked what role the NGOs play in Bulgaria? **Elena Kremenlieva** said the social partners are strong in economic , employment and social matters but NGOs are mainly active only in social field. NGOs are usually represented in working groups when legislation and strategic framework are being drafted – but overall they are not strong in employment policy. **Jan Vranken** asked if NGOs at a local level are just implementing national policy? **Elena Kremenlieva** said that after independence NGOs have grown in number but some are very small. Through different consultative bodies they participate in policy making. The Parliament also invites them to discuss any relevant legislation. **Simon Guentner** asked what role employers take? **Elena Kremenlieva** said that employers and trade unions are compulsory partners and there is a National Association of Local Authorities that is also compulsory consulted. At a local level very often the policy is just copied from the national policy and so may not meet local needs.

Czech Republic: Hana Zelenkova said she represented the Ministry of Labour and Social Affairs adding that CZ was facing problems of pockets of high unemployment and there is a policy of providing childcare to help some move into employment. She felt that transferability of the CS initiative was limited by national characteristics. In CZ there is a division of responsibility between the key players. **Vera Kucharova** said there was a very centralised approach that has only started to change almost 20 years after independence and an effective system of cooperation is still being sought. The state government has basic responsibility for active policy but there is district of even local representation. Social protection is the responsibility of district authorities but following laid down guidelines. There is a problem arising from the mix of responsibilities between local agencies and she felt that the districts need to have more power. Cooperation between state and local actors is still not sufficiently developed and so there is a lack of trust between them and so difficulties in sharing even a basic approach. NGOs are largely subsidised by the state that also exert some control. The third sector comprises a lot of NGOs with different tasks and different locations and their efficacy varies but they do have an important mediation role. For social protection there is an annual programme with some basis for flexibility.

Dorota Tomalak (ESN) asked what was the role of local authorities in delivering services. **Vera Kucharova** said that social services are regionally based but most of the services have little to do with employment. Employment services are provided by the labour offices. **Dorota Tomalak** also wanted to know whether the regions were allowed to raise their own taxes? **Simon Guentner (EUROCITIES)** said that in the NAP there was mentioning of a move towards community planning and asked for more information on this interesting development. **Vera Kucharova** said there was little cooperation between schemes for employment and those for social support.

Greece: John Yfantopoulos said that lots of research had been done on local services even though there is a lot of mistrust but it is preferred to national action. Greece has an above average level of social expenditure and there are big differences between the regions. Employment rates are low and there are particular pockets of problems in the regions. The country is well off the Lisbon 2010 targets for the employment rate and this also applies to sub

groups such as women, older workers, etc. It has moved forward but is still behind the EU average. The labour market is very pro male. Unemployment benefit is 1.2% of GDP which is slightly above average and the same goes for family and childcare expenditure. The unemployment rate for the 15-24s has consistently fallen but the economic crisis has changed all this. He has investigated child poverty and health issues using surveys and the usual links have been established between them. They have also investigated (from a range of studies) the quality of life which tends to be worse in poorer households. **Vasiliki Kokkori (EL)** added that the administration of policy was very centralised and then went on to make some observations. Employment is the key to avoiding poverty but the intensity of that employment is important and social mobility can also play a key role. There are various unemployment projects in certain areas and there are two main activities. The 'Local Employment Pacts' which run in the framework of the third programming period, aimed to identify pockets of unemployment and establish partners to work together to address them. The Pacts would contribute to balanced regional development, decentralization and social cohesion and solidarity. The main difficulties that "Local Employment Pacts" faced were the low activation of local stakeholders as well as that actions were not part of an integrated strategic planning. In the fourth Programming Period a new scheme, "Local Action Plans" is in place. This measure concerns the development of Integrated Employment Plans, adjusted to the needs of local labour markets, especially in areas with diminishing sectors, facing restructure. Target is to support the design and implementation of integrated local interventions for the promotion of employment and entrepreneurship, through the establishment of local and regional partnerships among Public Employment Services, social partners, Local Government, education institutions, NGOs etc. Additionally, measures are taken in order to tap GLOBAL GRANTS, by developing appropriately adjusted programs to sectors or areas facing restructure and elaborating SWOT analysis. The total budget amounts to 100.000.000 €. Finally, a Programming Convention has been signed between the Ministry of Employment and Social Protection, the Greek Manpower Organization and the Central Union of Municipalities and Communities on subsidized employment for 20,000 unemployed. The main criteria set include the intensity of regional unemployment, the Average available income of the region compared to national average as well as the Structural weaknesses of local economies

Latvia: Agita Kaupuža began by saying that it was a priority in Latvia to increase the participation of employers. There is a special programme funded through ESF for the maintenance of temporary employment during the current crisis. Every year local municipalities have to do a plan and this feeds into the state planning process. However the economic crisis has hit Latvia hard with unemployment now 11.3% and in response from July unemployment benefits will be paid for a longer period. After the visit to Hackney she has revealed the great role of NGOs and their involvement. This case also proved, that that data sharing between municipality and NGOs is better than in Latvia, because it feeds into the targeting of services. **Simon Guentner (EUROCITIES)** asked what the local plans cover?

Agita Kaupuža said they document employers, objectives, strategy, etc, but they won't necessarily all be implemented as the budget is unlikely to be available. **Simon Guentner** additionally asked do local authorities have specific budgets dedicated to implement these plans. **Agita Kaupuža** said there is no particular budget line. Every municipality has to implement autonomous functions (for which budget means have to be allocated) and voluntary initiatives (which can be implemented, if there are available financial means). Not every municipality has enough means to implement voluntary initiatives, including also local plans and strategies.

Lithuania: Gražina Jalinskiene felt that the strategic priorities need to be selected and in Lithuania there are many families at social risk (3% of children live without their parents for example) and now there are 600+ social workers helping families. There is an increasing priority for labour market participation and labour offices finance job subsidies at the minimum wage and with some involvement of the NGOs in the provision of services. There is an agreement with the municipalities to maintain a database covering such things as benefit receipt and this is used to target support. A 'social map' (www.socialmap.lt) is produced as policy instrument for strengthening coordination, partnership and responsibility among all levels of participants in the design, implementation and monitoring social policy.

Kathryn McHugh (DWP) was impressed by the sound of the information system and wondered if the municipalities can access this? **Gražina Jalinskiene** said they could but not individual records – these were confidential. **John Yfantopoulos (EL)** asked what is the objective of collecting the data and what is the unit of analysis? **Gražina Jalinskiene** said that it enables local areas to choose what is needed. The information is collected from diverse sources but much of it is benefit related.

Norway: Merethe Løberg started with referring to the first action plan against poverty which emerged in 2002, was revised in 2005 and updated in 2008. Before that it was part of the general welfare state provisions. **Bjørn Nuland** said that a green paper from the Department of Labour reports on the key measures annually. He presented 2 important policy developments from Norway related to tackling unemployment and child poverty. Both are part of the government's action plan against poverty. Employment is always a priority and currently unemployment is 3% and poverty 8% using the EU index and this has been quite stable over the past few years despite significant economic success. There is ongoing discussion on how to tackle the problem and the overall objective is to give opportunities to all. Unemployment and social welfare administrations are being combined along with the development of a new qualifications programme to equip people for employment and by following the training they will be paid extra benefit. There is an ongoing welfare reform in Norway where the Norwegian Labour and Welfare Administration (NAV) was established in 2006, and by the end of 2009 all municipalities will have created NAV offices. Staff from the Norwegian Labour and Welfare Service and the local authority work together at the NAV offices to find good solutions for their users, with the aim of creating one door for the users. The qualification programme has been part of the new welfare reform. Although there is a strong commitment in the government to get people into work, it is recognised that some will not be able to enter the labour market. Social activation itself is also a strong goal, as the alternative is to be passive recipients of social assistance.

Combating poverty among children has been high on the agenda the last years in Norway. In the action plan there are two important programs: Measures for children and youth in urban areas and Competence-building and development measures for the child welfare and social welfare services to prevent and reduce poverty among children and youth. In the programs municipalities with relatively high numbers of children living in poverty has been invited to apply for funding from the central government to start projects to combat poverty among children. In the projects there have been restrictions on funding for personnel, emphasizing that the projects should be integrated in the permanent structure of the municipalities. A major aim is to enhance cooperation across sectors and areas in municipalities. The programs has encouraged the municipalities themselves to apply for funding for programs that fit local needs, but with requirements making sure they fit the national strategy formulated in the action plan. There have been instances where the central government's strategy has "forced" the local level to initiate projects although the local

level does not agree that child poverty has been a problem in their community. Data is used to identify problems in local areas and funding offered accordingly but sometimes there is reluctance for local areas to admit they have a problem. With the start of the project, the local reluctance has changed as the work in the project and focus on child poverty has revealed problems formerly hidden. Money is allocated from central government to local areas and while it is not restricted on what it is spent on, social inclusion and combating the effects of poverty are the broad aims. There has been some local concern that if pilot projects are successful, then they will have to be extended but paid for locally and this could be a problem.

John Yfantopoulos (EL) asked to what extent are national rules passed to local areas and how are they accepted? **Merethe Løberg** said a lot is funded through grants and so not a political issue. **Bjørn Nuland** added that some municipalities don't apply for funding but through meetings with the national bodies they are persuaded.

Portugal: Jacqueline Barreto said the focus is not the same in Portugal – essentially it is a national programme, called the Social Network Programme. There have been efforts since 1997 to develop this programme. At the beginning, 40 municipalities are involved in a pilot but there is no budget though the method and approach are interesting. In 2000 it was possible to increase the programme with European and national financial support. In 2006, the local social networks were established almost all over the continental territory and an important legal framework was published that provide more legitimacy to these local partnerships. At the present time, 2009, it was extended to all municipalities (278) with an emphasis on combating social exclusion and poverty and based on some principles as the subsidiarity – where local solutions are preferred. There is synergy between the sector partnerships and participation is also one of the key principles. The municipalities have to diagnose the local situation, make local plans and make an effort to match this with the national plans, specially the National Action Plan for Inclusion. The initiative is nowadays financed by the state. There are a large number of local institutions but also some national ones, and many times it is not easy to deal with this multiplicity. Local areas have difficulty developing strategy without national support and direction. Local and national information systems are trying to be connected – it is a very ambitious project. A varied administrative division at the country sometimes increases the challenges. It is a very ambitious project – 'Utopian' in its scale.

Pia Hellberg Lannerheim (EUROCITIES) asked about the role of voluntary groups? **Jacqueline Barreto** said they take part at local level covering all types of organisation but not necessarily on equal terms. **Kathryn McHugh** asked what the tensions between local and national agencies was due to? **Jacqueline Barreto** said that central level asks the local level to do things it cannot do.

Serbia: Dragana Radovanovic said the main responsibility is at central level in Serbia – it is not a decentralised country and there is a very pronounced regional imbalance. Government tries to remedy the situation by introducing new institutions at a local level – local employment councils and socio-economic councils and this has created better cooperation with central government. Funding is given to municipalities for income support, etc. The third sector comprises a large number of NGOs dealing with social security and unemployment issues – some of which are good. The MLSP established a Social Innovatory Fund to support proposals from NGOs. The employment policy generally is to aim for full employment. For those made redundant assistance is given with job search, training and retraining, informal education, etc. There is also the promotion of self employment and job creation through public works. However the main issue is

the promotion of the employment of the disadvantaged groups.

Nigel Meager asked if the NGO sector plays a significant role? **Dragana Radovanovic** said that it depends on the NGO – some are closely involved and so have a significant role. **Pia Hellberg Lannerheim** asked how the new legislation on decentralisation change things? Also, what is the centre for social work? **Dragana Radovanovic** explained that the main goal is to improve partnership between local communities, government and the social partners. This is the responsibility of the Ministry of Local Government but it has only established the basic ground rules. The centre for social work deals with people with social needs and who are in receipt of benefits.

Afternoon

Jan Vranken presented a roundup of the key points emerging. He started by saying that there was a tendency to replace the welfare state by the 'welfare city' or other local initiatives. However in order to promote strategies such as the CS initiative, a strong civil society helps (with a well developed NGO network). NGOs are usually much closer to the users of the services. We must also recognise that children are the most important asset. Since employers - for profit, social profit and public alike - provide the employment opportunities, they are key actors and there is no successful programme without them. We should also know what kind of collaboration is needed (and wanted). He said that other issues for debate had been discussed in his paper, such as the availability of good data. It is important to identify different types of goals - the main target group is the unemployed and particularly the hardest to help. It is important to develop forms of collaboration that match the subject and the partners. Child poverty as a target is a bottom-up initiative and this should be added to the CS agenda more explicitly. The gender dimension should always be prominent in Peer Reviews, as are ethnic minorities and other specific groups at risk. But what kind of collaborative structure is best? Participation of the target groups must be a central concern but often they remain on the lowest rung of the participation ladder; sometimes they are invited to relate their needs but they should participate on the basis of 'active citizenship'.

Boyd Wood said that in the UK employers can be part of the board of a CSP but this is always from the private sector – it is difficult to engage the public sector so that their vacancies can be accessed. **Simon Guentner (EUROCITIES)** said with regard to promoting local employment, a crucial question is to what extent small and medium sized businesses (SMEs) can be reached by partnerships. It seems easier for Jobcentres to reach out to bigger employers and associations, thus missing out a huge potential. He gave the example of Vienna where 75-80% of employment is in SMEs and these employers are often not reached through partnerships – partly because the majority of employers don't have time to get involved. **Boyd Wood** explained that in East London SMEs predominated. **Simon Guentner** said he would be very interested to see what happens later on. **Nigel Meager** challenged the view that the UK labour market is different, more flexible and he felt that it had not become more flexible over the past 10 years. It has always been easier to hire and fire people but if anything there has been a tightening of regulations and he was not convinced that it was much different to some others now. **Jan Vranken** said that the percentage of poor was high in the UK. **Nigel Meager** felt that this is really a different question – tax credits and the minimum wage have helped tackle the issue. **Jan Vranken** emphasised the local approach – who are the groups that needed help, who are hard to help? He was not happy with the term 'pockets' or 'islands' or 'worklessness' and they need to be related to wider issues. Lots of factors contribute to the problem. Economic issues need to be addressed to generate

sustainable jobs.

John Yfantopoulos (EL) commented that the centralisation of welfare systems was common but what is the path ahead – is it regionalisation then localisation? There is a big difference between concepts of local welfare and policies. **Boyd Wood** said that changing from central to regional control would be a very radical step for the UK. **Michele Calandrino (EC)** felt there wasn't any specific trend in this direction, but a growing awareness of the importance of the different levels of government. These include the local level, for example in the delivery of public services, but also the EU level to address cross border issues such as, for example, citizens' mobility (e.g. portability of pensions right, EU health insurance card). Concerning social services, their role is essential in social policy even if their impact on poverty is difficult to measure; in fact, indicators refer to household income and they do not take into account the savings that households can benefit from in the presence of affordable and quality public services. **Jan Vranken** felt that the urban employment mismatch needs to be addressed; people need to be empowered to seek work further afield and the opportunity structure (as transport and child care) needs to be adapted to their needs. **Kathryn McHugh** said there was a difference between the CSPs in how far people were prepared to travel. In some areas there was an expectation that should be provided on the doorstep but there is a different economic geography now and some CSPs are trying to encourage wider movement. **Simon Guentner** said there was a cost of living issue and partnerships should try and reduce the costs of housing, etc. **Boyd Wood** added that costs are important – for example childcare in London was very expensive and there have been some initiatives to share housing costs, etc. **Kathryn McHugh** said there were moves in London for employers to consider a 'living wage'. **Nigel Meager** added that this has been set at a minimum of £8 per hour and employers sign up to it – it's a local initiative. **Boyd Wood** said the cost of starting work was important and the CSPs are looking at this. **Pia Hellberg Lannerheim (EUROCITIES)** referred to the Hackney Single Access Point and discussions focused on the importance of childcare, health checks, etc. This starts with social workers bringing services to the families and she asked if other CSPs were doing this as well. **Kathryn McHugh** responded saying that it would be an activity for other CSPs. **Simon Guentner** said that childcare can be provided through the project initially but what happens after this ends? **Boyd Wood** admitted that childcare is a recognised barrier but what is meant by good childcare needs to be considered – there have been some moves on this issue. **Simon Guentner (EUROCITIES)** said that expanding childcare could also create employment opportunities. **Boyd Wood** commented that it tended to be not well paid and unattractive to many. **Nigel Meager** added that money is the main reason for non provision though the tax credit system includes a childcare element so assistance might be available after the programme. The problem is convincing the client but there is also a shortage of good quality childcare.

Closing Remarks

Michele Calandrino (EC) thanked DWP and those involved in the site visits for the comprehensive presentation of their strategy. In his concluding remarks he would focus on the role of Europe. From a policy point of view, the big challenge is to promote and monitor the 'active inclusion' strategies. The potential for mutual learning is clear even for countries, such as the UK, that have already reached the Lisbon employment targets. Problems persist also in the UK and statistics can be misleading. If we consider employment in full-time equivalent terms, for example, the picture is much less positive for the UK and so it is the case if we look at the polarisation of employment and at the job intensity of the households – data on children living in jobless

households is cause of concern also in the UK. The quality of jobs (contractual stability, pay, etc) is also important and a lot can be learnt in the various Member States also in this respect. Although Member States have different social welfare systems, concrete programmes such as the Single Points of Access for local public services can represent good transferable practice. So what are the concrete examples at European level to promote mutual learning? The Peer Review programme is one such example together with the partnership agreements with EU wide networks such as the European Social Network and EUROCITIES. There are also attempts to promote mutual learning at the local level – peer reviews at the local level have been implemented since last year in the framework of a PROGRESS-funded project – CONNECTIONS. The Commission has launched a network of local authority observatories on active inclusion coordinated by EUROCITIES to promote and monitor active inclusion policies at the local level. Furthermore the ESF financially supports transnational learning networks – the UK CS learning network could for example consider this opportunity to link itself to those in other Member States. He concluded by recommending the use of the ESF to promote active inclusion policies – some examples already exist. The question is can structural funds be better linked to such strategies? Sometimes operational programmes lack strategic policy frameworks, while common policy principles can lack adequate funding for their implementation: it is important to better develop and exploit synergies between policy design and structural funds. He then thanked all those involved with the Peer Review on behalf of the Commission and concluded by saying that in a sense the peer review starts now, when participants bring back to their home countries the lessons learnt and promote transferable practices at home. It will also be interesting to see how the CSPs have developed in a few years.

Boyd Wood said he found the discussions on data sharing, the focus on local issues & general funding and the child poverty issue very useful and interesting and these will be considered further in the context of the CS initiative. He hoped the Peer Review had found the CSP a useful project to visit and discuss and thanked all those involved on behalf of the DWP.