

2.5 KEY INFLUENCES ON EFFECTIVENESS AND IMPACT

The previous sections of the report have assessed the effectiveness and impact of the Pilot and analysed its delivery method (through partnership working, financial and non-financial support provided to promoters and management, monitoring and evaluation systems). This section provides an overview of the results achieved by the Pilot, including an assessment of the value added of the Pilot, and examines the main factors that influenced its effectiveness and impact.

2.5.1 Overview of results achieved

In all target areas the LSC project was useful in addressing the needs of the socially excluded. Although not all **MP1/2** type projects were geared towards labour market outcomes, some MP1/2 projects enabled participants to improve their **employability** and also **access the labour market**. In general, however, MP1/2 were more about **quality of life** of people/groups in communities, **prevention** of further exclusion, development of **personal and social skills** and **capacity building** through scaling up networks (new skills, empowerment). **MP3** type projects had **clear employment results**, which were, in their majority, sustainable. Through employment creation MP3s also achieved **social inclusion** of people who were marginalized and could not access any other type of support. For those MP3s that terminated their activities (non-sustainable ones) the general belief was that these people had at least improved their skills and employability and now have better prospects to access the labour market.

Specific experiences highlight the following, more detailed, results:

- many projects achieved a **combination** of addressing **both social inclusion and employment** needs, for example an MP concerned the creation, by an ex-drug addict, of a take away food delivery service which created an additional job for an unemployed woman (A V Kent, Campo de Gibraltar, ES) and other MPs which offered excluded people both employment and social inclusion (eg, NERSANT, Torres Novas, P, OATEP, Crete, EL, FVECTA, Valencia, ES, Fund Ozanam, Zaragoza, ES, Fund Mujeres, Caceres, ES, ADIE, F). Non sample projects also referred to the promotion of both social cohesion and self-employment (ASSETIP, Brussels, B);
- in most cases, the LSC project **revealed needs** of the territories concerned, for example the need for capacity building of individual entrepreneurs if they were to engage successfully into self-employment (eg, Fund Ozanam, Zaragoza, ES, NERSANT, Torres Novas, P and most others), the need to address the immigrant issues (eg, Fribørsen, Aarhus, DK);
- by solving the problems of individual participants, the LSC project also **provided answers to wider social problems** in the target area (A V Kent, Campo de Gibraltar, ES, Fund Ozanam, Zaragoza, ES, PCP, Plymouth, UK). For example, MPs related to immigrants, addressed the wider immigration problem of the area, MPs related to drugs and smuggling addressed the wider problem as well.
- the **improvement in the structure and capacity of small NGOs** which serve social purposes, for example, the association of families of people suffering from Alzheimer's disease (A V Kent, Campo de Gibraltar, ES), other new and existing NGOs/associations (FVECTA, Valencia, ES);
- in addition to the above, the LSC experience showed that the **third sector** can be a **“development” partner** in areas where the third sector was not present or where its role was underestimated (eg, OATEP, Crete, EL, Fund Mujeres, Caceres, ES, NERSANT, Torres Novas, P). It also showed the **strength of cooperation between the NGO sector and public administration** and the services which can be put in place to assist the most disadvantaged groups when these sectors cooperate (Huhtasuo, Jyväskylä, FIN);
- the LSC experience also confirmed to the private and public sectors that the **NGO sector** has something specific to offer in way of **“preparing” future entrepreneurs** and helping

them accrue their “investments” (eg, NERSANT, Torres Novas, P, Fund Ozanam, Zaragoza, ES, CeSIE, Kortrijk, B, FVECTA, Valencia, ES);

- **benefits for young people** who are socially excluded for being unemployed, with low skills/education and with social problems (broken families, vandalism, etc), for example through projects related to training provision and sport activities that help them gain confidence alongside the acquisition of technical skills (there are such examples in all LSC projects, for instance, a football club in PCP, Plymouth (UK), a sports club in Fribørsen, Aarhus (DK), training for young people in cooperatives in FVECTA, Valencia (ES), etc);
- **benefits for women**, especially, women with low skills, long-term unemployed, single mothers and immigrant women who cannot benefit from other programmes (there are examples in all LSC projects, for instance a low skilled woman opening a industrial laundry business in Fund Mujeres, Caceres (ES), a single mother creating her own art workshop in OATEP, Crete (EL), an immigrant woman opening a hairdresser shop in Fund Ozanam, Zaragoza (ES), training for unemployed women in Fund Mujeres, Caceres (ES), integration of women immigrants through involvement in “country women associations” in the case of LEB, Weser Ems (D), etc). Benefits for immigrant women who face significant barriers in starting a business, also highlighted by non sample projects (Fund E&S, Madrid, ES);
- the projects were important in **addressing sensitive exclusion issues** that were deep rooted into the culture of the area. For example, people used to “hide” their children with special needs as if they were a shame (OATEP, Crete, EL) and in this context, LSC was “revolutionary” as it offered an opportunity to all these excluded people, when other programmes did not address them. In addition, the project was successful in **increasing awareness** amongst the population concerning disadvantaged people;
- new SMEs and initiatives can serve as to “pull” other small entrepreneurs into the area and thus instil more dynamism and **improve the image** of a run down area or with poor reputation (Fund Ozanam, Zaragoza, ES, Fribørsen, Aarhus, DK);
- the project was successful as a **follow up to existing training initiatives**, for example, some MPs came from local authority training courses (Fund Ozanam, Zaragoza, ES) or from courses organized by the IB in the context of its usual activities (FVECTA, Valencia, ES, NERSANT, Torres Novas, P);
- in some cases there were **multiplier effects**, for example some immigrants went to University as a result of MPs that increased their language skills or found a job through the job placement service (CeSIE, Kortrijk, B), MPs mobilising their networks of people to engage into more social inclusion projects or MPs generating employment for more people (eg, OATEP, Crete, EL), while in other cases the project assisted groups to start activities but was not able to assist them to make the connections with other organizations/each other to promote their sustainability and continuity (PAUL, Limerick, IRL);
- **demonstration effects**: one MP learning from the other (eg, OATEP, Crete, EL, Fund Mujeres, Caceres, ES, PCP, Plymouth, UK, PAUL, Limerick, IRL) while some links between MPs were expected in other cases (Consortio BIM N&V, Cascia, I);
- The projects assisted some of the **most disadvantaged** groups but **also** assisted people/groups **outside this category** (even though they may not have participated in support programmes before) (PAUL, Limerick, IRL).

The **added value** of the project is linked to its capacity to achieve outcomes on the social side (links to sport, culture, community services, participation of people, networking) that could not have been achieved from mainstream programmes.

As seen by the participants in the assessment meetings with sample projects, mainstream programmes have the following drawbacks in comparison with LSC:

- they are highly bureaucratic, complex and slow in disbursing the money;
- they often lack access to a **network of partners** for support;
- they address the needs of target groups in a very general way, **without personalised support**, neither **accompaniment** and **continuous monitoring**, leaving promoters “**at their own luck**”;
- the majority **do not correspond to the desires** and personal motivation of target groups;
- **MP1/2** type actions are **not supported** by any **other programme**. Usually, traditional programmes cover larger investment projects or require substantial co-finance on the part of the promoter;
- they lack **direct contact with the Commission**;
- other programmes lack the **dissemination of information** amongst local organisations and local communities;
- they are **short lived**, with the beneficiary going back to his previous situation once the programme is over. This is typical of training programmes, which do not offer follow up opportunities to people after training and participants end up moving from one training to another without results or offer training that does not correspond to real needs (for example, internet training of long-term unemployed people in mountain village with no internet connections – as highlighted by OATEP, Crete, EL).

There was a **consensus** amongst IBs and partners that the LSC Pilot had the following basic advantages (value added) for the groups it assisted:

- proximity, flexibility, speed, less bureaucracy and complexity;
- LSC offered **both money as well as capacity building and advice** to individual promoters. Most programmes so far focused either on one or the other;
- a local management structure with a socio-economic development orientation - an NGO managing directly a programme whose final objective was **local development through inclusion and employment**, as opposed to management of programmes with distant objectives by bureaucratic, and often heavily politicised, public authorities.

Individual LSC projects also expressed other aspects of **added value**, such as:

- **REACH**: LSC supported people in **great difficulty** or with **multiple disadvantage** who **cannot be reached by other programmes**;
- **MOBILISATION**: in the cases of decentralized management like, for example, PCP, Plymouth (UK), NERSANT, Torres Novas (P) and Nera & Velino (I), but also in non-decentralised structures like OATEP, Crete (EL), Consorzio BIM N&V, Cascia (I), Fribørsen, Aarhus, DK, etc, the project was innovative in the way it **mobilised indigenous potential** to find local responses to local needs. Non sample projects also mention mobilisation of local organisations (VFR, Oststeiermark, AT);
- **CREATIVITY**: it helped disadvantaged people or local groups to face and **bring solutions** to problems “that administrations and public services cannot address” (Nera & Velino, I, CeSIE, Kortrijk, B, Huhtasuo, Jyväskylä, FIN, Consorzio BIM N&V, Cascia, I, FVECTA, Valencia, ES). It also created the potential to **develop new ideas and initiatives** for people in the target area (Deutsche K&J, Berlin, D);
- **RESPONSIBILITY/EMPOWERMENT**: LSC supported small scale activities that “meant a lot” to disadvantaged groups/communities. To develop these activities, MPs used a **financial instrument** (the LSC grant) **combined with own responsibility and effort**, as opposed to passively receiving social help from public programmes that does not promote self and social development (Fund CIREM, Barcelona, ES, Fribørsen, Aarhus, DK, PAUL, Limerick, IRL). Empowerment was especially relevant for women in areas where women can be discriminated against (Fund Mujeres, Caceres, ES, NERSANT, Torres Novas, P);

- **LIBERTY**: promoters felt the project offered them a **unique opportunity**, which gave them “the liberty to work as they wish and to develop their own idea of a product or service” (FVECTA, Valencia, ES, Consorzio BIM N&V, Cascia, I);
- **OPENNESS**: where other programmes specialise on one type of target group, for example only immigrants, **LSC was open to everyone** who was **excluded** socially (CeSIE, Kortrijk, B, ADIE, F) and openly **addressed poverty** when other programmes never tackle poverty issues (Fund Ozanam, Zaragoza, ES);
- **ACCESS TO OPPORTUNITIES**: LSC enabled “**access of target groups to the economy/society for the first time**” (FVECTA, Valencia, ES) and provided **start up capital** to highly disadvantaged groups “which no other programmes do” (Fund Ozanam, Zaragoza, ES). Without the LSC support, many of these target groups “were destined to receive various types of support from public institutions or from some NGO, without however, being able to access sufficient funding for starting a business” (NERSANT, Torres Novas, P);
- **PARTNERSHIP**: it promoted the establishment of new **local partnerships** (LEB, Weser Ems, D, Fund Mujeres, Caceres, ES) or social networks (Deutsche K&J, Berlin, D) and consolidated existing ones (A V Kent, Campo de Gibraltar, ES, ADIE, F). Non sample projects also mentioned the establishment/strengthening of **cooperation networks** (VFR, Oststeiermark, AT, IFA, Kärnten, AT, CERFE, Pisa, I);
- **TRUST**: The provision of support to people who were outside the system created trust in them and in the organisations to support them. Even if they “slip back” into difficult situations, they may feel able to move in a positive direction overall (Huhtasuo, Jyväskylä, FIN);

There were also cases where the LSC approach was not entirely new in the social integration / labour market context or where LSC was regarded more appropriate for social integration than for employment:

- Evidence from IFA, Kärnten (AT) reveals that the LSC project simply provided **additional funding for social integration** projects. Even prior to Austria’s EU accession there had been funds for “experimental” labour market and social integration policy. With EU accession, the Austrian labour market policy has been aligned with ESF requirements. Similarly, in the case of PAUL, Limerick (IRL), there is some evidence that **LSC supported some projects that could have been assisted under mainstream programmes**, if they had had the funding at the time;
- In the economic and labour market context of some areas, the creation of jobs and the establishment of micro-enterprises usually **require more significant funding** resources than those offered by LSC (LEB, Weser Ems, D), while it is also regarded that micro-enterprise projects **cannot reach efficiently socially excluded** people (Huhtasuo, Jyväskylä, FIN). In another case, **MP3s** were seen as a small and **not so important supplement to labour market policies** (Deutsche K&J, Berlin, D). In all these cases, LSC was more appropriate to reach socially excluded people through social projects (MP1/2 type) and be used as a tool to achieve social integration;
- The **restrictive and highly regulated labour market** also hinders the establishment of new “un-regulated” types of jobs/activities (the case of German projects);

In conclusion, LSC was implemented as a tool to achieve the twofold objective of social inclusion and employment, with some areas stressing one or the other objective.

Key implementation outcomes include identifying and addressing local social inclusion and employment needs, improvement in the capacity and structure of

small NGOs and recognition of the third sector as a key development partner capable of supporting/promoting entrepreneurship, benefits for excluded groups, especially women and young people, increased awareness regarding sensitive inclusion issues and improved local image, as well as multiplier and demonstration effects.

Successful implementation outcomes are related to the value added of the LSC project derived from its capacity to reach, mobilise and be open, support creativity and liberty, develop responsibility, partnership and trust, empower and provide access to opportunities for people/groups/communities who were deprived of both access and opportunities before.

2.5.2 Assessment of factors that affected impact

The analysis so far reveals there was a **variety of delivery models and results**, which show that there is more than one way to achieve positive results and that with the same delivery method, a variety of results can be achieved. Each project was unique in some respects and reflected the characteristics of the area and partners involved. It is, however, possible to distinguish, from the whole Pilot, **factors** that affected effectiveness and impact, without of course being prescriptive and bearing in mind that some things worked in some cases and not in others. Factors affecting effectiveness and impact are **related both to the LSC strategic approach** (decentralised delivery, networks of partners, NGO-led partnership structure, etc) **and to the efficiency of the delivery mechanism** (measured through mobilisation of resources, cooperation with other programmes/services, capacity to finance projects, etc).

The table below summarises the factors identified to affect effectiveness and impact, which are analysed further below:

Key Factors	Components
Decentralised delivery	
Capacity for mobilising resources	<ul style="list-style-type: none"> - Capacity for mobilising partners and building effective partnerships - Capacity for mobilising target groups - Capacity for mobilising additional resources
Cooperation with other programmes/services	<ul style="list-style-type: none"> - Concurrently with LSC - As a follow up to LSC
Capacity for financing projects	<ul style="list-style-type: none"> - Capacity to finance innovative actions - Efficiency of budgetary procedures - Capacity to address legal/fiscal problems

2.5.2.1 Decentralised delivery

Decentralised delivery, the very basic principle of LSC, was **key** to its success. There was unanimous recognition of the success of the decentralised method of delivery in the case of the LSC projects, because of its characteristics, expressed in terms such as: **flexibility, simplicity, participative approach, capacity to reach quickly, provision of immediate, direct help, minimum bureaucracy.**

In more detail, the advantages of decentralized delivery and management of LSC, as seen by the participants in the assessment meetings, include:

- IB was local implying **closeness** to local actors and target group, **knowledge** of the area and issues and **quick response** to local needs;
- **clear, simple rules** and procedures and **low bureaucracy** were important for effective decentralised delivery;
- **flexibility and speed** with the disbursement of funds and with project selection;
- **small size** made the programme more manageable;
- offered **scope for know-how and complementarity** with other programmes, although in one case it was argued that the LSC project did not ensure complementarity with other initiatives/programmes in the area (PCP, Plymouth, UK);
- the **partnership approach** ensured cooperation between institutions in the public, private and third sectors and that each institution contributes what it knows best;
- in some cases (OATEP, Crete, EL, PCP, Plymouth, UK, VAM, Manchester, UK, A V Kent, Campo de Gibraltar, ES, FVECTA, Valencia, ES, Diakonie, Sachsen, D, IFA, AT), partners or selection committee members were also MP promoters which increased their **commitment** to the project (but sometimes raised issues of potential conflicts of interest);
- in giving MPs an opportunity to develop and in fostering the capacity to generate MPs, the Pilot project promoted a **“bottom-up” mode of implementation** of public and social policy”, which was largely opposite to the traditional “top-down and dependence-generating mode of operation of public administrations;
- the project promoted **social development and self employment**, rather than offering social welfare services (food, housing) and in doing so it encouraged involvement, effort and creativity on the part of the beneficiaries.

In large areas (NERSANT, Torres Novas, P, PCP, Plymouth, UK, FVECTA, Valencia, ES) delivery of the LSC project was even more decentralized through the IB's local offices or through locally based selection committees. This highlighted further the **flexibility** this programme offered and the capacity of the IB to use its local structures in order to support and **accompany projects in a personalized manner**. However, these experiences also showed that this highly decentralized method **can succeed if there is adequate capacity** at the local structures. For example, local office staff at NERSANT, Torres Novas (P) were too young and inexperienced, while some local selection panels at PCP, Plymouth (UK) lacked knowledge related to business planning and could not therefore properly assess MP3 type applications. In both cases, local structures would have benefited from capacity building at the initial stages of the project.

Delivery through a **local NGO** - as the IB or the local partner of a larger NGO - was regarded as **the best way to deliver**, because local NGOs know the area, are closer to the target groups and are more sensitive about social issues. On the contrary, delivering through public authorities or state agencies would not have been efficient because of bureaucracy, lack of sensitivity on social issues and distance from the target groups. In some cases (Fribørsen, Aarhus, DK, NERSANT, Torres Novas, P) it was argued that socially excluded groups do not trust public authorities and that for this reason, delivery through a public organisation would not have succeeded.

In one case (PCP, Plymouth, UK) it was stressed that it does not matter who manages the programme (public or third/voluntary sector) as long as there a link with other initiatives/programmes in the area.

Dissemination to the public sector was fruitful in a number of cases, for example PAUL, Limerick (IRL) where on-going (since the beginning of the project) dissemination of information took place towards regional and national authorities and there was a discussion with FAS (the national training agency) on mainstreaming (strategy, method). Other examples include Fund Ozanam, Zaragoza (ES), FVECTA, Valencia (ES), Fund Mujeres, Caceres (ES), NERSANT, Torres Novas (P), OATEP, Crete (EL), where dissemination towards regional and

national authorities took place both at the beginning and end of the project through launch events and final dissemination conferences. In most cases, while the **local** authorities knew about and recognised the success of the approach, public bodies at **national and regional** levels were not well informed or showed little interest.

A key observation was that although dissemination events/activities were addressed to all levels (local, regional, national), it was mainly the local and regional levels which responded in a positive way and went as far as supporting some form of continuity of the LSC experience. For example, in the case of Fund Ozanam, Zaragoza (ES) the project went as far as ensuring its continuation through a scheme that combines micro-credit offered by a savings bank and micro-grant offered by the regional institute for social services and will be managed in the same way as LSC through the same IB, addressing the same target group. Continuity has also been ensured in the case of Huhtasuo, Jyväskylä (FIN) and Deutsche K&J, Berlin (D) projects, while some non sample projects also secured some type of continuity, for example Cirem (ES), Fundacion Fund E&S, Madrid (ES), MSD, Marseilles (F), SCVO, Scotland (UK) and VAM, Manchester (UK), as mentioned also above in section 2.4.1.2.

All projects regarded that national/regional authorities should adopt this method (mainstreaming) under Art. 4.2 of ESF or other programmes but believe that the Pilot came too late for its results to be absorbed by global grants implementation.

In conclusion, the LSC approach was seen by individual IBs, partners and independent reviewers as alleviating the difficulties of bureaucracy, complexity and inflexibility of administrative procedures of traditional delivery methods.

2.5.3 Capacity for mobilising resources

The capacity for mobilising resources was another key factor that contributed to the effectiveness (reaching target groups, achieving positive outcomes) and impact of the Pilot. We can distinguish here between:

- Capacity for mobilising partners and building effective partnerships;
- Capacity for mobilising target groups;
- Capacity for mobilising additional resources.

2.5.3.1 Capacity for mobilising partners and building partnerships

The previous chapter (2.4) analysed the characteristics and assessed the different dimensions of LSC partnerships. The capacity for mobilising partners is shown through three key aspects of the LSC partnerships:

- The structure of partnership, i.e. consisting of an NGO IB working through NGO led cross sector partnership;
- The capacity of partnership in terms of resources, skills and knowledge;
- The provision of capacity building for smaller NGOs, both partners and micro-project promoters.

More detail on these aspects is provided below.

NGO intermediary body working through NGO led cross sector partnership.

This was key to the success of the programme and the vast majority of projects followed this structure, as seen in **Chart 8**. There were only four exceptions, namely ADIE (F) and Fribørsen,

Arhus (DK), where the partnership was very narrow and Diakonien, Sachsen (D) and Fund Mujeres, Caceres (ES), where the partnership was dominated by public sector partners.

Specific evidence related to the partnership structure that affected the Pilot's effectiveness and impact include:

- Cooperation with a variety of actively involved NGOs (OATEP, Crete (EL), A V Kent, Campo de Gibraltar (ES), FVECTA, Valencia (ES), Huhtasuo, Jyväskylä (FIN), Fund Ozanam, Zaragoza (ES), ACAFAM, La Laguna (ES), PCP, Plymouth (UK));
- Creation of a network of organisations on the territory with local knowledge (MSD, Marseilles, F);
- Strong, existing links between partners contributed to good partnership working and effective delivery (Fund Ozanam, Zaragoza, ES, A V Kent, Campo de Gibraltar, ES, OATEP, Crete, EL, PAUL, Limerick, IRL);
- Active involvement in outreach and pre-development of actors/agents that came from local public services, namely local development agents in the case of Spanish projects, social workers in the case of Fribørsen, Arhus (DK);
- Cooperation of partners with associations/NGOs that represent target groups. This was an important factor that contributed to effective delivery of the LSC projects and recognised as important even by those IBs that did not work very closely with target group representatives (eg, NERSANT, Torres Novas, P);
- Informal partners also played a key role in outreach and pre-development, in cases where they were active and interested in the project (OATEP, Crete, EL, VAM, Manchester, UK, ACAFAM, La Laguna, ES). Some acted as bridges to access political and administrative infrastructures (Consorzio BIM N&V, Cascia, I);
- Existence of a spirit of "equality" and shared objectives (SCVO, Scotland, UK; Huhtasuo, Jyväskylä, FIN, Consorzio BIM N&V, Cascia, I).

Partnership with capacity (resources, knowledge, skills and systems)

Partnership capacity was another key factor for the effective implementation of the LSC Pilot. Around half of the partnerships described in section 2.4 had adequate capacity for the needs of the LSC Pilot, although it is widely recognised that their resources were stretched in order to manage the Pilot effectively and had to rely significantly on voluntary work put in by the IB staff as well as additional resources from outside the partnership (see below section 2.5.2.3). Other, specific factors that affected effectiveness and impact include:

- Multi-disciplinary IB teams, in the cases of FVECTA, Valencia (ES), A V Kent, Campo de Gibraltar (ES), OATEP, Crete (EL);
- Distribution of tasks between IB staff dedicated to LSC. This was only possible in cases there was a dedicated LSC team (A V Kent, Campo de Gibraltar, ES) or where the IB had adequate number of staff to assign LSC tasks (in addition to their other, day-to-day tasks) in the cases of FVECTA, Valencia (ES), Fund Ozanam, Zaragoza (ES);
- The majority of projects show positive evidence on their ability to learn from interaction with target groups and from monitoring/management of the project. This had a positive impact on improving their capacity.

Capacity-building for smaller NGOs (partners and micro-project promoters)

This factor was of prime importance for all projects and was recognised by all IBs, partners and independent reviewers as essential for the **success and sustainability** of such an initiative. The fact that **just over half** of the projects implemented the Pilot effectively by offering **only some or informal** capacity building to partners and MP promoters does not undermine its importance, since even these projects stress the merits of capacity building as follows:

- the selection process would have been faster if promoters had received some basic capacity building;
- MP implementation was often slow and promoters relied a lot on the IB for advice and assistance due to the lack of adequate capacity of the promoter;
- capacity building on basic business and management issues is essential for MP3 promoters who may come up with very good ideas but lack even basic business knowledge on how to carry them out. This lack of knowledge also affects the sustainability of MP3 projects;
- the IB and partners, especially local NGOs with no previous experience on LSC or on managing such programmes (this comprises all projects with low to medium capacity in Chart 8) believe that they could have managed the programme more effectively had they received some initial capacity building. Even those IBs with previous experience from similar programmes took a long time to “grow” into the programme as they struggled to grasp the concept and find a “niche” for LSC amongst other programmes (eg, PAUL, Limerick, IRL). The small administrative budget assigned to the programme, combined with its resource intensity, did not leave enough room for investing time and money on capacity building.

There were, however, some good examples of capacity building, offered mainly to MP3 promoters (see box below).

Box 20
Good examples of capacity building

- ◇ A capacity building **seminar** organised by Fund Mujeres, Caceres (ES) in order to attract more MP3 applications;
- ◇ **Tutoring/advice** offered by a special service of the Confederation of Entrepreneurs (Fund Ozanam, Zaragoza, ES) or by local entrepreneurs (CeSIE, Kortrijk, B, NERSANT, Torres Novas, P) to MP3s;
- ◇ MP3 promoters participated for free in courses and workshops organised by local organisations (ACAFAM, La Laguna, ES) or the IB itself (FVECTA, Valencia, ES);
- ◇ **Active support/advice** on economic, legal and management issues offered to MP3s through the IB’s advisory department and in collaboration with the network of LDAs (FVECTA, Valencia, ES);
- ◇ Successful applicants were supported through the LSC promoted “**Managing your Grant**” **workshops** in the case of SCVO, Scotland (UK);
- ◇ **Informal support** offered to some MPs by other MPs (Fund Mujeres, Caceres, ES, FVECTA, Valencia, ES, OATEP, Crete, EL);
- ◇ Significant capacity building for **NGOs from being both partners and LSC beneficiaries** (eg, OATEP, Crete, EL, FVECTA, Valencia, ES);
- ◇ Some capacity building for smaller NGOs both within and outside the partnership related to **funding, preparing applications, planning and reporting** (Huhtasuo, Jyväskylä, FIN, PAUL, Limerick, IRL);
- ◇ **Participation of promoters in events/seminars** (eg, MSD, Marseilles, Fund Ozanam, Zaragoza (ES), FVECTA, Valencia (ES)), and **fairs** (NERSANT, Torres Novas, P) where they could present their work.

2.5.3.2 Capacity for mobilising target groups

This was best shown through the Pilot’s **participative approach**, described in chapter 2.4. Another key factor that contributed significantly to impact on target groups was the opportunity offered to them to have a say in the management of the Pilot. There were various degrees of participation, but the most common was during the initial phases of the project, namely, pre-development and selection work. Direct involvement in all stages took place in only a few cases (LEB, Weser Ems, D, PAUL, Limerick, IRL, PCP, Plymouth, UK, VAM, Manchester, UK), while most often target group participation took place indirectly through NGOs/associations that represent them. It is important to note that although direct target group participation can

contribute significantly to impact, it is not effective when target groups are given the responsibility to take decisions on selection, without adequate knowledge of selection procedures or the types of projects they are assessing (especially MP3s). This was the case for PCP, Plymouth (UK) and SCVO, Scotland (UK).

2.5.3.3 Capacity for mobilising additional resources¹

There is plenty of quantitative evidence in Checklist 1 (all projects) and Checklist 2 (sample projects) regarding the mobilisation of additional resources for the LSC Pilot. Project managers were asked to provide a systematic description of additional resources mobilised by themselves and the partnership or micro-project promoters. This description covered the nature, purpose and source of the additional resources. 26 projects provided information specifying additional resources secured by the IB and/or the MP promoters/managers – see *Table 7*.

The **types of resources** mobilised covered **financial** (e.g. access to investment funds), **human** (e.g. accountants, evaluators) and **material** (e.g. use of buildings/equipment) **resources**. A majority of projects obtained a combination of two or more of these types of resources, whilst 7 projects obtained only one type – either financial or human resources.

Resources were used for several **purposes**. Most commonly they were used for **outreach work and accompaniment** of micro-projects (21 projects), project **administration**, such as setting up financial management systems (15 projects), and **monitoring and evaluation** (11 projects).

There is strong evidence of **cross-sector mobilisation** of resources with all three sectors – private, public and NGOs – contributing resources. 81% of projects providing information have mobilised resources from the private sector, 77% from the public sector and 73% from the third sector. In a large majority of projects (81%) two or more sectors are involved.

Reasons for mobilisation of additional resources generally relate to “unmet” needs of the IB itself (i.e. acting within its own resources) in addressing the demands of implementation of the project. Specific reasons include the following:

- in most cases, the need for additional resources, especially for outreach and accompaniment, was born from the inadequacy of the grant allocation to LSC administration (20%);
- the IB itself lacked adequate resources for outreach, intake of applications and micro-projects animation (PAUL, Limerick, IRL; Huhtasuo, Jyväskylä, FIN; ACOP, I);
- the IB lacked adequate experience on some matters (e.g., special trade areas) and therefore needs access to experts (Huhtasuo, FI);
- the IB lacked adequate experience with target group or capacity for follow-up (social workers helped with pe-development and follow-up and advice to individual MPs, in the case of Fribørsen, Aarhus, DK) or the area was too large for the IB’s outreach capacity (Fund Mujeres, Caceres, ES);
- to monitor closely MP1/MP2 projects to ensure promoters follow the project plan (Huhtasuo, Jyväskylä, FIN);

¹ Resources required to perform the project effectively or to carry out similar/complementary activities outside the formal scope of the project. These resources are not part of the financial contributions to the budget of the project.

- to assist project implementation by giving information on project applications and organising the implementation of the Pilot in the different areas/districts, in the case of large target areas (Deutsche K&J, Berlin, D);
- to accompany MP3 projects on financial management and marketing (often, training provided for MP3 promoters on these issues was not adequate), (Huhtasuo, Jyväskylä, FIN; VAM, Manchester, UK; PAUL, Limerick, IRL; AFA, F; Fund Ozanam, Zaragoza, ES);
- to promote the LSC project and raise interest amongst individuals (innovative concept of “explorers” spread over the territory to do this job, used by A V Kent, Campo de Gibraltar, ES; also Fribørsen, DK used social workers and local library staff for this purpose; Fund Mujeres, Cáceres (ES) used local development agents and employment promotion teams, both provided by the public sector, as “mediators” in their areas to reach and support target groups; while LEB, Weser Ems, D used voluntary “project scouts”).

Box 21
Good example of quantification and analysis of additional resources

Consorzio BIM, N&V, Cascia, I

Both the IB and individuals MPs succeeded in capturing and leveraging additional resources (even small amounts) from other sources and programmes.

Additional financial resources: 154,937 Euro from local and national co funding (15%).

Most of the additional resources were **human resources** and include (not completely quantified):

- ◇ unpaid overtime (especially people acting on a voluntary basis within partners NGOs);
- ◇ secondment and collaboration of public officials to the project;
- ◇ technical and administrative support of professional people.

A survey (see table below) provides detailed information on these additional human resources:

<i>Type of involvement</i>	<i>Number of persons involved</i>	<i>Duration (in months or hours)</i>	<i>Continuity after the end of the LSC</i>
<i>Open-term contracts</i>	62	281 M	61
<i>Fixed-term contracts</i>	18	22 M	3
<i>Part time contracts</i>	4	416 H	4
<i>Continuative and co-ordinated collaborations</i>	42	20,488 H	38
<i>Occasional collaborations</i>	156	4,838 H	34
<i>Professional services</i>	71	4,643 H	32
<i>Total</i>	353		
<i>Volunteers</i>	616	22,927 H	370

52% of these persons involved were women, 15 % young; 25 % unemployed and 27 % others.

The **estimated (indicative monetary) value** of additional resources obtained was calculated as follows:

- ◇ according to the survey on MPs, additional resources (787 thousand EURO) **almost doubled (95%) the initial grant** (826 thousand EURO): 26 % as direct co-funding; 20% as extra financial and 54% as non financial contribution;
- ◇ **women constituted 41%** of the 616 volunteers, people less than 29 years old constituted 24% and unemployed 15%. Total volunteers devoted 22,227 hours to support MP implementation and 60% of them declared their commitment to continue this activity after the end of the project (see above table);
- ◇ even though the **LSC resources** were few (e.g. the 20% for accompanying activities) they were **managed to ensure the start-up of micro-projects** fostering entrepreneurship (both in social, cultural, economic and environmental sectors) and to introduce the path from social marginality to capacity building in several local contexts. Results are estimated to be more positive also in terms of employment in comparison to those obtained by other regional laws on similar fields of action. Small funds gave big results, demonstrating that it is **possible to “do more with less”** if the initiatives are

really embedded into the local contexts and are orientated towards an integrated development of the areas concerned.

Examples of **how additional resources were obtained** include:

- for **support in all phases** of the project: volunteers assisted with pre-development, selection, accompaniment and, in some cases, evaluation (Fribørsen, Aarhus, DK, Fund Ozanam, Zaragoza, ES, Consorzio BIM N&V, Cascia, I, PCP, Plymouth, UK, Deutsche K&J, Berlin, D, Fund CIREM, Barcelona, ES, A V Kent, Campo de Gibraltar, ES);
- for **support in the selection process**, for example:
 - **local selection panels** were formed of volunteers in the cases of decentralised structures (PCP, Plymouth (UK), VAM, Manchester (UK), SCVO, Scotland (UK), all UK);
 - contribution of the **academic sector** to micro-project selection in the case of CERFE, Pisa, I;
- for **support related to outreach and promotion**, for example:
 - contribution of a **public forum** to the promotion of gypsy culture in the case of CIREM, Barcelona, E;
 - **local library staff** who established contacts with marginalised groups/associations in the case of Fribørsen, DK;
- for **advice, mentoring and training to MPs directly**, for example:
 - volunteers were used a lot for helping promoters with **accounting and legal issues** (Fribørsen, Aarhus, DK, OATEP, Crete, EL, Consorzio BIM N&V, Cascia, I) or for running the micro-projects (eg, Fribørsen, Aarhus, DK, MPs used them as assistants in small shops or language teachers, A V Kent, Campo de Gibraltar, ES, MPs used them as bus drivers or trainers);
 - **NGOs and cooperatives** specialising in consultancy offered **advice at low cost** to new (LSC) cooperatives (FVECTA, Valencia, ES);
 - use of “**tutors**” or **mentors** for MP3s from the enterprise sector (as volunteers) in the case of NERSANT, Torres Novas (P) and Fund E&S, Madrid (ES). Similarly, the creation of a panel of local business people to act as mentors to start-up businesses in the case of PAUL, Limerick, IRL;
 - free **training to MP3 promoters** on commercial strategies and other business issues (ACAFAM, La Laguna, ES, NERSANT, Torres Novas, P, through the Institute for Employment and Professional Training);
 - contribution of the Institute for Employment and Professional Training to **professional training** in the case of NERSANT, P;
 - **accompaniment** support to MP3s through specialist business advice agencies, in the case of VAM, Manchester, UK;
 - mobilisation of **public and private technical support services for start-ups** (including business incubators) in the case of MSD, Marseilles, F;
- for **material support to MPs**, for example:
 - provision of **accommodation** in the “Unemployment House” for the activities of the micro-projects of the AFA, F;
 - material resources such as **space to carry out the MP activities**, conference rooms, computers, etc (OATEP, Crete, EL, Fribørsen, Aarhus, DK, Fund Mujeres, Caceras, ES, A V Kent, Campo de Gibraltar, ES, ACAFM, ES).

Box 22

Good use of local networks for mobilisation, pre-development and dissemination

FVECTA, Valencia, ES

Human resources, such as:

- ◇ **Local Development Agents (LDAs)** who offered mostly pre-development support (in 75% of projects) and also support during implementation (in more than 50% of projects). For example, more than 100 LDAs are reported to have mobilised people for the development of projects that serve the community;
- ◇ **NGOs** who mobilised their structures in order to motivate people from the target group to create co-operatives eligible for LSC support;
- ◇ **Advisory co-operatives** who offer advice at low cost to new co-operatives;
- ◇ **University** resources for the external evaluation of LSC;

Financial resources through the SGR (Society of Mutual Guarantees), which supported MPs with loan guarantees (for eg, for the purchase of a heavy machinery for two metal workshops).

Box 23

Key role of social workers involved in all stages of the LSC projects

Fribørsen, Aarhus, DK

Most of the additional resources were human resources. The **IB obtained** volunteers who helped with accounting, evaluation and general administration of the projects: follow-up and monitoring. In addition, many of the Board members of Fribørsen who were not working full time for LSC (they are mainly social workers employed by the municipality or other associations) ended up spending more of their time with the LSC projects both because of personal interest and knowledge of the applicants as well as because of the high need for additional resources to manage the project.

The **MPs also obtained additional human resources** to help them with:

- ◇ **pre-development stage** of the project: **social workers** were particularly those that helped MP promoters develop their idea and draft their application;
- ◇ **implementation** of their projects. For example, some **residents** from the areas covered volunteered to help run the implementation of the projects, carrying out activities like running a shop, making handicrafts for sale (so as to increase the revenues of second hand shops which were set up with the LSC grant) and generally supporting the project promoter/manager to run the activities of the LSC project (eg, accompany immigrant women in carrying out social activities, teaching them Danish and other skills; help an ethnic minority learn some manual skills and the Danish language and accompany them on a trip; manage the accounts of a project);
- ◇ **follow-up and general advice**: social workers from the areas covered volunteered to follow-up projects on a frequent basis, due to their knowledge of the area and, often, the participants themselves. Many MPs went to their social worker for advice rather than to the IB.

Although most IBs used additional resources for the reasons described above, most contended that further resources were needed. It was argued that tasks (especially outreach and accompaniment) were very heavy on human resources and claimed they mobilised at least twice the hours they put in themselves. Experiences from some IBs highlight how and in which areas **more resources would have been required**:

- capacity building for those not reached by other programmes (PAUL, Limerick, IRL);
- greater common effort between public authorities, private enterprises and IB required to “integrate” the LSC grant with the additional resources ;
- existing resources locally should have been utilised as much as possible (ASSETIP, Brussels, B);

- introduce the concept of “tutorship” (or mentoring), where each micro-project should have been assigned a “tutor” for the whole duration of the project (Consorzio BIM N&V, Cascia, I; Fund E&S, Madrid, ES, used tutors from the enterprise sector as volunteers);
- use local authorities for promotion (done successfully by A V Kent, Campo de Gibraltar, ES, OATEP, Crete, EL, Fund Ozanam, Zaragoza, ES), as long as there were good links between IB and local authority.

In conclusion, LSC structures consisting of cross-sector partnerships with a participative approach provide many examples of successful mobilisation of partners, local actors and local communities. LSC structures were also efficient in mobilising additional resources (human, financial and material) that were used in all phases of the Pilot implementation.

2.5.4 Cooperation with other programmes/services

Additional qualitative information was obtained from the 16 sample projects² through a second checklist and the findings are summarised in **Table 8**. This shows that all of the projects included in this analysis co-operated with other programmes or services so that their micro-projects receive (or have access to) complementary support. 39% of them had links with regional programmes, 22% with national programmes and another 22% with EU programmes, while a couple of them did not specify the type of programmes they had links with. About a quarter of them had links with both EU and national programmes. The most common reasons for cooperation with agencies and/or services were for development support & advise and accompaniment (technical and psychological support), followed by financial support, training and outreach/promotion. Only a couple of projects (LEB, Weser Ems, D and A V Kent, Campo de Gibraltar, ES) reported links with other services for employment purposes (eg, support LSC beneficiaries in search for employment). 67% of project in this analysis developed links with agencies/services for two or more of the above reasons.

In some cases support from other programmes or services was available **concurrently with the support provided by the LSC project**. In other cases, it was provided as follow up to the LSC project (i.e. as a further stage in a “pathway” to social inclusion and employment). Examples of the first case include:

- support from national programmes for the socially excluded to start up a business and for groups and associations that work with the socially excluded – e.g. OATEP, Crete, EL;
- support from a support Centre, set up by the IB that offered outreach, accompaniment and psychological support to MPs (OATEP, Crete, EL);
- the Women’s Promotion Unit (public sector) offered prizes to women entrepreneurs and LSC promoters participated and won (Fund Mujeres, Caceres, ES);
- the support service of the Confederation of Entrepreneurs offered professional training and advice to LSC beneficiaries (Fund Ozanam, Zaragoza, ES);
- an NGO/cooperative, established under LSC, provided accounting services to MP3s and assistance/advice to MP1/2s on project implementation and fund raising (Huhtasuo, Jyväskylä, FIN);
- the Ministry of Economy and the Institute for Employment and Professional Training offered investment support to MP3s (NERSANT, Torres Novas, P);

² 2 other projects have responded to Checklist 2 and have been included in this analysis.

- NGO offered advice and development support on setting up social enterprises and cooperatives (PCP, Plymouth, UK);
- additional funding for training obtained by MPS from the Job Placement Centre in Flanders (CeSIE, Kortrijk, B);
- a systematic service for MP3s was provided by an organisation giving advice to start-ups and micro-enterprises (Deutsche K&J, Berlin, D);
- support from employment and enterprise schemes for the unemployed (ADIE, F, MSD, Marseilles, F);
- the State Manpower Agency offered support to unemployed women (promoters) (OATEP, Crete, EL);
- the local health agency provided support with identification of needs, location and financial support to MP1/2 participants (Consortio BIM N&V, Cascia, I);

Examples of micro-projects that received support **as a follow-up to the LSC project** include:

- support from the Regional Administration for the sustainability of jobs created for the socially excluded, in the case of FVECTA, Valencia, ES;
- continuation of LSC with micro-credit from a financial institution and micro-grant from the regional Institute for Social Services (Fund Ozanam, Zaragoza, ES);
- an Employment Club, financed by LSC, offered support in search for employment to LSC beneficiaries (A V Kent, Campo de Gibraltar, ES);
- Innovation and Employment programme of the local authority accessed by some MPs (FVECTA, Valencia, ES);
- follow-up funding facilitated by the IB, came from national, regional and EU programmes (LEB, Weser Ems, D, IFA, AT);
- the LSC project allowed MPs to get in contact with existing communication networks and structures and obtained additional funding for follow-up by the Ministry of Urban Development (Deutsche K&J, Berlin, D);
- services in search for employment offered by the IB's insertion company (Fund Ozanam, Zaragoza, ES);
- city and employment funds support continuity of MP3s (Huhtasuo, Jyväskylä, FIN);
- the IB directed MPs to additional funding through the Objective 2 and 3 ESF programme, for example directed refugees and asylum seekers to an employment project ("Routeways") for advice and help on employment (PCP, Plymouth, UK).

Box 24

Example of links with other programmes

Huhtasuo, Jyväskylä, FI

In relation to **MP3 projects**, examples of programmes/services include:

- ◇ prior to or during support from LSC, enterprise training programme, financial support from employment office (enterprise allowance-type scheme).
- ◇ generally, there seemed to be some period of overlap and/or continuity of support for business projects. 33 of the 55 MP3 accessed other financial supports including 18 combining LSC with enterprise start-up funds; 9 with loan finance (e.g. small enterprise, female entrepreneurs funds or a bank loan); 1 from a regional financing scheme; while the 5 coops started with LSC assistance got additional grants provided by Employment and Economic Development Centres, or from other sources.

For **social cohesion projects** (MP1/2):

- ◇ the majority (46 of 66 projects) relied purely on LSC aid and their own contribution to the project; the remainder (20) had mixed financing involving LSC with employment grants and other assistance such as regional development funds provided by the city.
- ◇ **continuity** of projects seemed to rely on **city and employment funds**. Specific examples from interviews include “Young Voices”, a project of the city, modelled on the family support project supported under LSC; city funds for continuation of the cafeteria project promoted by the Street Mission; funds from the employment office for continued support of the project for mentally-ill people (which includes employment office services). EU-supported Refugee Fund (ESF) for continuity of the immigrant project. At this stage, 38 of the 66 social cohesion projects are being continued.

Partners were not directly involved in accessing funds for continuity of MPs. But involvement of partners and positive reports on Antenni-project seem to have had an important influence on opening up access to funds. Skills learnt in preparing application and development plan also important part of capacity development of MPs. This was considered to have influenced ability to access funds.

Box 25

Example of access not only to other programmes/services but also to the IB's own training which is very pertinent to the needs of MP promoters

FVECTA, Valencia, ES

- ◇ “Servicio de Ventanilla Unica” service provided by the **Chamber of Commerce**, which signed an agreement with FVECTA (the IB). This service facilitated transactions for promoters in the context of LSC;
- ◇ **Innovation and Employment** programme of the **local authority** for entrepreneurs, which was accessed by some MPs, for example the MP “Ditur” for the promotion of rural tourism and the MP “Mileni” for the physical education of old, disabled, psychologically ill and other people with mobility problems. The **role of the LDA** was **key** in pushing the local authority to address LSC promoters through this programme;
- ◇ **Training courses of FVECTA (IB)**: more than 50% of promoters followed some type of course offered by the IB and more are expected to do so even after the LSC support is over. Examples include: a 30 hour course on managing co-operatives attended by 3 women who have set up a co-operative which offers domestic help to old people; a course for managers attended by members of the “Camelot children’s park” co-operative. **The IB was committed to offer training support to LSC beneficiaries even after LSC is over;**
- ◇ **The Regional administration** supported the social economy through a programme that finances investments required to sustain jobs created by groups of people who have social inclusion difficulties. However, this programme had the **drawback** of delays as the money is disbursed long after the investment is made. In addition, there was no guarantee that the beneficiary would receive all the money applied for: for example a promoter invested in a truck that was required for his job and the regional administration financed only 15% of what was promised initially.

In conclusion, taken together with the extensive links that the projects established with the private, public and NGO sectors through partnership working and the mobilisation of resources, the above represents strong evidence of complementarity and synergy at local level.

2.5.5 Capacity for financing projects

The capacity to finance projects is a factor that contributed to effective implementation and impact on target groups through support for **innovative** actions and initiatives that offered **unique** opportunities to excluded groups. This capacity is assessed though:

- capacity to finance innovative actions;
- efficiency of budgetary procedures;
- capacity to address legal/fiscal problems.

2.5.5.1 Capacity for financing innovative actions

Micro-projects selected include innovative actions, especially the MP1/2 projects, and offered unique opportunities to some excluded people who would not started the project had it not been for LSC. There are plenty of **examples of innovative actions**, with evidence from site visits:

- Research and training for schools on racism related issues involving both parents and children (IFA, AT);
- Counselling for young women in rural areas, including IT training, counselling for girls with eating disorders (IFA, AT);
- MP1/2 s in the case of IFA (AT) were mainly NGOs and stated that LSC was their first project activity with funding allowing them to establish their activities on a stable financial basis;
- Meeting points for young immigrants, one to meet and socialise, another (“International culture meeting point”) to meet and discuss cultural issues (LEB, Weser Ems, D);
- Contact fair, to establish links between schools and small enterprises in the neighbourhood (eg, internships, etc) (Deutsche K&J, Berlin, D);
- Meeting place for young, muslim girls, who are not allowed to go out without supervision and who are not involved in social activities. They belong to a **highly excluded sub-group**, that of **immigrant women**, who live in specific neighbourhoods (those covered by the LSC project) and are very isolated from the Danish society and social life both because they are muslim and women (Fribørsen, Aarhus, DK);
- A video on 3 MPs (an IT project, a second-hand clothes shop and a music project) so as to present them to the general public. The main purpose of the project was to create a feeling of common responsibility for the LSC project in the area where it is carried out, to prepare a course to teach young people how to produce such videos and to offer the video to IB for internal use, to municipality for information and show on the local TV (Fribørsen, Aarhus, DK);
- Investigation of training and employment needs of deaf people: Development of a study that analysed the employment situation and characteristics of deaf people in the target area, the type of actual and potential employers of deaf people in the area and their attitude towards deaf people and the training needs of the deaf community in order to respond to the demands of the job market (Fund Mujeres, Caceres, ES);
- Ceramic workshop: carried out by the Association for accompaniment and support to prisoners in Aragon and consisted of ceramic classes to prisoners. Their work would be displayed in the association’s events (Fund Ozanam, Zaragoza, ES);
- Raising awareness on environmental issues for citizens of the historic centre of Zaragoza through observation and study of the main trees and animals that can be found there, their role and benefits for the city’s ecosystem, through a training programme and the publication of a report based on field work (Fund Ozanam, Zaragoza, ES);
- Social centre for women prostitutes, established by a large NGO where they can socialise, learn how to make crafts, cook, receive classes on reading and writing (many are illiterate) and receive psychological support/counselling (A V Kent, Campo de Gibraltar, ES);
- Participation in an Employment Club and training of young people who come from backgrounds with a tradition of drug-trafficking and smuggling, so as to learn that there is a legal way into life and get a proper job (A V Kent, Campo de Gibraltar, ES);
- Possibilities for young, homeless people to set up a business, where they could recycle old clothes in their own shop (Huhtasuo, Jyväskylä, FIN);
- Social activities for mentally-ill aiming to help them back into work (Huhtasuo, Jyväskylä, FIN);

- A centre for advice and counselling to young people with social problems (early school leavers, family problems, etc) in order to show them alternatives for integrating into society (PCP, Plymouth, UK);
- A Community Association offered advice to young people through a drop in service. The aim was to make young people who are socially excluded and may have been involved in petty crime, feel accepted (PCP, Plymouth, UK).

Box 26

Example of innovative MPI/2 actions

CeSIE, Kortrijk, B

- ◇ Centre for deaf people: the objective was to increase possibilities of deaf people to find employment, through a combination of advice/support to them and co-ordination of different institutions related to deaf people in West Flanders (eg, Employment Institute, Deaf people association);
- ◇ Services to disadvantaged people: the project was called “Vivre d’une autre manière” and was organised by a small group of people in a neighbourhood of a small municipality of West Flanders. This group offered services to disadvantaged people in the neighbourhood (old, disabled, single mothers, etc), including the provision of a minibus service to take people shopping, to the doctor, take children to their after-school activities, etc, and other small jobs (cleaning, packing and removal, gardening) which are difficult for those people to carry out but too small to ask for professional help;
- ◇ Provision of guidance to young immigrants in a centre for young immigrants, where they can spend their after school time, learning the language, doing their homework, socialising and carrying out other activities such as sports. Guidance includes how to approach the local authority, the Job Placement Centre and other issues related to integration into the Flemish society, information on training, career orientation, etc;
- ◇ Social centre: This project supported a social centre in a poor neighbourhood (20% refugees, 80% unemployed, pensioners and disabled) of a small municipality in West Flanders which offered a restaurant, a meeting/social area, a play area for children and a “hobby club” for the women of the neighbourhood to carry out their hobbies;
- ◇ Training to people with psychiatric problems: The project offered training to unemployed people with psychiatric problems, who had great difficulties in finding a job. The grant was used to pay for the training, which was organised in 3 themes/modules, including PCs, social/personal development and gardening.

Box 27

Example of innovative MPI/2 actions

OATEP, Crete, EL

- ◇ Set up and mobilisation of a communication network (including local authorities and the local community) that carries out activities related to social integration of socially excluded groups (or at risk of exclusion). The project involved (a) **capacity building** for the staff of the newly created network; (b) **communication meetings** between local authorities, socially excluded people, the local community and families with disabled children; (c) **settin-up of an association** of parents with disabled children;
- ◇ Workshop for teaching traditional Cretan arts: an informal group of women in the one municipality created a workshop for training unemployed rural women on traditional Cretan arts, like weaving and sewing methods;
- ◇ Inter-cultural information centre set up by the Cultural and Tourist Development Centre in one municipality aiming at the social cohesion of the area, through the following activities: (a) a **theatre group** consisting of Greek and some immigrant children; (b) a **6 day cultural event** called “the bread way”, where the local community participated in the process of making bread from cultivation of the land to baking the bread; (c) creation of an **information centre for immigrants**, including a library;
- ◇ Workshop for clay sculpture: **Training** organised by the Cultural association of Hersonisos municipality on clay sculpture, for socially disadvantaged people, especially unemployed women, with poor educational background and lack of skills. Their work was displayed in a small local exhibition and is also sold through a shop, although many women produce clay objects for their own

pleasure as well. The training was carried out by an unemployed single parent in the area who was hired by the association.

MP3 projects were not particularly **innovative** with respect to the economic activity supported, but **in relation to opportunities offered and the procedures and methodology used** to reach excluded people, more specifically:

- **unique opportunities** were offered to some excluded people who could not have accessed other types of finance due to their insolvency situation (for accessing credit) and/or the lack of initial capital to start up a business (necessary for accessing other, public programmes, which usually disburse the money after the investment has taken place);
- the **procedures were clear, fast and efficient**, compared to other programmes, which enabled highly excluded groups with very low skills to apply;
- target groups were reached through contacts with local organisations and actors, like the IB, local development agents, social workers, etc (**efficiency of outreach methodology**);
- promoters were **supported during the application stage and accompanied** during implementation. This methodological feature constitutes a key innovative element for supporting MP3, especially in the case of highly excluded groups who could not have set-up a business without this **direct and continuous support** (efficiency of support).

Examples of business start-ups that offered unique opportunities to excluded groups include:

- Unemployed or people without professional qualifications were able to open small service businesses (IFA, AT);
- Creation of a small laundry business by an unemployed woman facing particular problems with social and labour market integration (OATEP, Crete, EL);
- Washing and dry cleaning business addressed at commercial customers (hotels, restaurants, etc) set up by long-term unemployed women (Fund Mujeres, Caceres, ES);
- Provision of social services to children, disabled, old people and groups with social difficulties that respond to demand not covered by public Social Services (FVECTA, Valencia, ES);
- Creation of a merchandise society of African immigrants who were previously selling goods on the streets (A V Kent, Campo de Gibraltar, ES);
- Screen printing business by an unemployed, failed business, male (Huhtasuo, Jyväskylä, FIN);
- Local handicrafts: a small shop set up by a rural woman in a village that makes traditional handicrafts using old techniques. She complemented this with ironing and clothes mending services (NERSANT, Torres Novas, P);
- Fruit commerce by an unemployed rural woman, with ideas but without opportunities (NERSANT, Torres Novas, P).

Box 28

Example of innovative MP3 projects

FVECTA, Valencia, ES

- ◇ **Rodamoms Theatre**: Creation of a **theatre group** that uses music, dance and poetry to reproduce traditional plays. The grant was used for salaries, social security and some material;
- ◇ **Estampaciones el Mediterraneo**: Production of **metallic objects** for various commercial and domestic uses, for eg, ornaments for horses, bases for chairs, strips of metal for commercial businesses, door knobs and handles, etc. The grant was used for salaries and social security;
- ◇ **Ludoteca Raco del Joguets**: Creation of an indoor recreation area for small children. The grant was used for salaries, social security and material;
- ◇ **Cooperativa Mujeres Gitanas**: Making/mending clothes and selling them in street markets. The grant was used to buy machinery and rent the market space;

- ◇ **Reciclaje Trasters Scoop:** This co-operative obtains furniture and big pieces of equipment, they recycle them and sell them through their own shop. The grant was used for rent and start-up costs;
- ◇ **Icaro & Tecnifer:** Introducing psychologically ill people into graphic arts in order to motivate them, make them go out of home and offer them some occupation. The grant was used for salaries and small investments;
- ◇ **Iniciativa Betania Scoop:** Provision of social services to children, disabled, old people and groups with social difficulties that respond to demand not covered by public Social Services. Services offered include occupational training, complementary support to school children, playgroups, childcare, sanitary services, domestic help, family planning, prevention of drug-dependency, integration programme for immigrants, socio-cultural animation and activities for children and old people. The grant was used for salaries, social security and rent;
- ◇ **Protoner Scoop:** Recycling of printer cartridges and sale of recycled cartridges as well as some original accessories for printers. The grant was used for start-up expenses and salaries.

2.5.5.2 Efficiency of budgetary procedures

As was described in *section 2.4.3.1*, **budgetary procedures** used by IBs for distributing small grants were **efficient in assuring a smooth flow of funding** to micro-projects. Rules were generally clear and payment procedures fast and efficient, with only minor delays in receiving payment from the Commission (reported for example by Fribørsen, Aarhus, DK), which did not however jeopardise efficient implementation of MPs.

Difficulties were only reported with respect to the **time required for filling in monitoring forms** for the Commission. Many IBs regard there was too much paperwork to fill in and this resulted in a significant amount of time and resources spent, while there was a strong need to devote resources to support and accompaniment of MPs instead. Otherwise, IBs did not experience difficulties with financial reporting, which was generally carried out by the IB with only minimal requirements on the MPs (mainly types of expenses and receipts provided or filing in simple reporting forms).

There were only a **few difficulties** reported by IBs:

- in a few exceptions the IB was not clear on all the amount of financial information required by the Commission, for example, in the case of CeSIE, Kortrijk, B, the IB did not ask for information on additional costs from MPs and, as a result, there were some gaps in the final information provided (for some MPs, total cost is missing, only the use of the grant is provided);
- a few IBs also reported lack of clarity with respect to EC requirements, for example requirements not clear from the outset, changing continuously, requests for information answered late (LEB, Weser Ems, D; PCP, Plymouth, UK, FVECTA, Valencia, ES);
- most IBs found the rules presented in the manual very rigid and not very user friendly and generally resolved any issues by contacting the Commission directly, while some IBs which applied these rules strictly found this gave rigidity to the programme (PAUL, Limerick, IRL).

Most **MP promoters did not encounter difficulties with complying with the IB's contractual and reporting requirements**, but this was mainly due to the support they received from the IB and/or, in some cases, from local development agents and social workers (eg, Fribørsen, Aarhus, DK, FVECTA, Valencia, ES, Fund. Mujeres, Caceres, ES). It must be stressed that **constant contact with the IB and support to MPs for financial planning and management was key to successful management of their projects**, as most excluded groups lacked the knowledge and skills to have done it themselves. Interesting evidence from a highly decentralised, very participative structure (PCP, Plymouth, UK) reveals that the most **innovative aspect** of the project from a financial perspective was **the way in which it enabled local people to make decisions on how, and to what, money should be awarded to the projects**. This built the skills of local people and across the lifetime of the project enabled them to think

through and develop their thinking and abilities to make complex decisions regarding contractual and financial issues.

2.5.5.3 Capacity to address legal/fiscal problems

No significant legal/fiscal problems were reported by IBs or MPs during assessment visits or in their final reports. In only a couple of cases (Fun Mujeres, Caceres, ES; A V Kent, Campo de Gibraltar, ES) the IB experienced difficulties at the beginning for securing the financial guarantee, but once this was achieved, the project continued smoothly in terms of legal and fiscal issues.

soca0246ch2.5fn