

# Strategic Development of Social Innovation at National, Transnational, and EU Level

## Discussion Paper



The FUSE project has received funding from the European Union Programme for Competence Centres for social innovation (European Social Fund and European Programme for Employment and Social Innovation) under Grant Agreement number VS-2021-0157.

## **Background**

In 2020, the European Commission issued a call for proposals for 'Competence centres for social innovation VP/2020/010', funded in part by the European Social Fund and the European Programme for Employment and Social Innovation. Six consortia were established to undertake a variety of intra-consortium and inter-consortia activities and tasks to grow social innovation at national and EU levels and to set up National Competences Centres for Social Innovation (NCCSI). The timeframe for this project is 2021-2023.

The purpose of this paper is to draw together the views from across the consortia formed to develop NCCSI on the value of the process to achieve the outcomes so far, and the recommendations on how to best facilitate the development of social innovation in the relevant countries.

Genio, as part of the Facilitated United Approaches to Social Innovation in Europe (FUSE) consortium, committed to developing a discussion paper based on insights gained over the course of the 24-month project that have relevance to the development of innovation policy at national and EU levels. To assist with the development of this paper, we invited organisations involved in the six consortia to a consultation event, to draw on insights gained over the last 24 months into the development of social innovation policy at national and EU levels - particularly in the context of promoting coherence between social innovation activity across the EU and the societal challenges being faced across the individual countries. This event was attended by representatives from the six consortia. This paper summarises the points made at this event and draws some conclusions that may be helpful for the development of future policy and strategy.

Three overarching themes were identified as being of particular importance and formed the focus of this discussion paper.

### **Theme 1: Establishing a National Competence Centre for Social Innovation (NCCSI)**

This theme centred on determining the vision, challenges, and opportunities of establishing a NCCSI and are broken into five sub-themes:

#### *Current situation in Member States*

Member States (MS) are at different stages of SI development, and although the challenges to Social Innovation (SI) are similar across all MS, getting consistency across the EU would be difficult to achieve because of national differences and priorities. The majority of MS do not have a national policy on SI and the vision and pathway to developing one still seems somewhat unclear. However, there are various policies on social enterprise and social economy integrating employment, and although there are similarities across some areas, there are also significant differences. Learnings can be gleaned from the experience of countries across consortia who have developed and implemented policies.

#### *Challenges in establishing a NCCSI*

There are mixed views about what a NCCSI should 'look like' and how the concept might be operationalised. Questions being considered include - Should it be an organisation? Should it be a network? How should it be funded? How will it be governed? Will there be collaboration across public and private partnerships? Will there be collaboration across different EU funding streams? Some are of the view that the NCCSI is more about relationships, processes, and eco-systems. The need for blended funding should be considered. There is a sense that having an entity could potentially create competition between organisations currently working in the sector. For some, not having ESF Managing Authorities (MAs) as members of the consortium affected the political will to

get the centre started. On the other hand, having a ESF MA on board placed a stronger focus on ESF+ regulation, therefore broadening the scope of SI.

Opinion is divided on the idea of a single NCCSI with some countries seeing the need for a single capacity building entity, while others with more complex federal/regional systems questioning whether a single centre could address all the issues in every region. At the same time, a 'one-stop shop' at national level could provide stakeholders with a way to navigate the complexity of federal services. Interestingly, some questioned the need for a NCCSI, when there are local, regional, and national agencies. Lastly, there are various interpretations of what SI is, and there was a need expressed to have a common language/understanding of what SI is, across all areas, government, public, private, civic, and academic – and this should be one of the main tasks of the NCCSI. Being able to address these issues is seen as crucial for the development of a NCCSI.

#### *What's working well/what are the opportunities?*

There is a sense amongst MS that the European Commission (EC) focus on development of a national policy will help drive the agenda of social innovation. As already outlined, while there is a wide variance of progression in terms of advancing SI amongst MS, this presents an opportunity for learnings across consortia. Exercises that mapped the SI ecosystems have helped to shape the direction of policy, and this, combined with the development of blueprints for a strategy and action plan, will strengthen and enable further progress to be made. Additionally, it is evident that strong national and transnational relationships across all sectors of public, civil, academic, and private have been built and strengthened. In MS where SI is more developed, being part of a consortia helped further strengthen a common understanding of SI. While the EC definition of SI is broad, some countries feel the need to have a more specific definition/understanding, which is more relevant to their context.

#### *Funding/Financing the NCCSI*

There was strong opinion that whatever form the NCCSI takes, it will require a funding mechanism, and blended funding mechanisms should be considered. The discussion of who should fund the NCCSI generated debate. Some expressed the view that if the NCCSI is to be a mechanism to manage ESF funding, then funding of the NCCSI should come from the EU, e.g., as a fixed part of ESF Technical Assistance in national programmes. Others felt that it is important to move beyond dependency on EU funding, especially in the context of life after ESF+, and to look at relevant infrastructure and roles at local, regional, and national levels. Others suggested a NCCSI under a public entity with the benefits of being able to operate with the private sector – a distinctive entity with its own freedom and operational financial sustainability. It is evident that clarifying the roles and functions of the NCCSIs will help advance the conversation regarding where responsibilities might lie between national governments, MAs, and the EU.

#### *Functions of a NCCSI*

Experiences of countries that have established a similar structure of a NCCSI reflected that having a dedicated 'centre' can be limiting, with a preference for a NCCSI to be seen as a system, with a more holistic view suggesting that a NCCSI should be more about relationships, processes, and ecosystems and not just a 'centre'. There could be a danger of a centre resulting in a power imbalance. There were varying opinions as to whether it should be managed by a MA or a NGO, which in turn channels funding to other socially innovative organisations. Many felt it should primarily focus on capacity-building, networking, and knowledge-sharing. A network also has the advantage of a greater diversity of actors who bring their respective perspectives to the table. As referenced above, there seems to be mixed opinions about the structure of a NCCSI, with some suggesting giving competences to specific stakeholders, e.g., public, NGO, academic, private, etc.

## **Theme 2: Being part of a consortium**

This theme explored the experiences and learnings of being part of a consortium, and is broken into three sub-themes:

### *The added value of being part of a consortium*

Synergies, feedback, transfer of knowledge, sharing of policies, tools, and methods, were seen to be of great benefit, both at national and transnational levels. Gaining insights into how other organisations work, learning from inspiring examples and the different applications of SI across organisations has really helped inform and guide the development of SI. There was a suggestion of holding an award ceremony for countries and innovations that are producing good results. The development of the Social Innovation Match (SIM) provides an opportunity for social innovations to promote the transfer of and/or scaling-up of SI across Europe.

Collaborative working across a mix of stakeholders, such as MAs and NGOs brought opportunities for people to work more strategically. Consortia that had a MA involved often found that this was a good way to advance the development of funding frameworks for programmes and thus the development of SI. For others, being part of a consortium helped “put pressure” on MAs to better support SI by bringing ecosystems together at local, regional, and national levels. Finally, nurturing the networks already in place as well as creating new connections, demonstrated the potential for SI stakeholders to reduce dependency on public structures.

### *Challenges of being part of a consortium*

This Call came during the COVID-19 pandemic, which for some, delayed the start of the work and reduced the opportunities of face-to-face meetings. However, it also presented the opportunity for more collaboration across consortia through online mechanisms. Despite this, significant progress has been made by all six consortia. Some of the challenges identified centred on the diversity and complexity of each country’s structures and position on SI development. Government departments working in silos present the challenge of how a NCCSI/network can impact and inform the work of separate government departments, to develop a cross-departmental approach to SI. In some MS, the political commitment to SI is lacking. This variance in structures and complexities is something that needs to be looked at. Partners highlighted the need of structures and centralised methodologies, for example, when mapping the SI ecosystem across MS. Given the timing of this discussion paper, many questioned what the future of the NCCSI/network is and how to continue the work.

### *What would you do differently?*

Despite some of the challenges outlined above, the sense is that the nature and focus of the Call was well structured. Two main reflections noted - from the outset, for smaller organisations, make it explicit what the value add is in being part of the SI ecosystem, and creating a common understanding on the role SI can play on addressing societal challenges. Consortia would have liked more opportunities and time for cross consortia learning and collaboration on missions, mandates, and what works to grow SI.

### **Theme 3: Social innovation policy at national and EU level**

This theme reflected how the work of consortia over the last three years can influence policy at national and EU levels, and is broken into two sub-themes:

#### *National level*

Overall, it was felt that the work of creating SI capacity is at the beginning/early stage and that there is still a lot of work to do. For many, there was agreement that SI needs to be integrated in a more central way with the work of government departments. On the basis of learning about the situation in each MS, efforts could be made to anticipate societal challenges where SI could be central to developing solutions, by identifying points of connection within existing structures. There is a sense of uncertainty. In policy making and shaping, institutions can benefit from the innovative character of people's social capital and thereby become both more inclusive and innovative; SI is a tool to turn the relationship between institutions and grassroots initiatives from a vicious into a virtuous circle.

#### *EU level*

There has been much learning and investment to date by all consortia, which should help inform national and EU policy. In terms of how to build on the work of national NCCSI, there needs to be a strong connection between the NCCSIs and the European Centre for Social Innovation+ (ECSI+). A suggestion proposed was the creation of a committee/working group with a representative from the six NCCSI, to work with the ECSI+ to keep established networks and connections going. Additionally, the established Transnational Communities of Practice (CoP) which will continue to be supported by the ECSI+ is seen as a good mechanism to help maintain and further strengthen connections, as well as supporting capacity-building.

Considering the challenges to reconciling the different definitions of SI, there was a suggestion to set up a group of experts of social innovators/ambassadors, including MAs, to be involved at EU cross level discussions. Such expert groups could become part of the CoP, especially when it comes to definitions, where their scientific expertise could make an important contribution. There is a sense that this Call was a little limited/restrictive/regulated, and that future Calls should be dynamic and flexible, with more of a focus on outcomes.

## Conclusions

Overall, the support provided by the EU and national governments over the past two years under the Call has had many beneficial effects, and it is hoped that these conclusions will be of use, going forward.

1. The many benefits of being part of the Call include - mapping national SI ecosystems; sharing of knowledge transnationally; creation of synergies; development of tools and methodologies; collaborative working and capacity building across public, NGO, academic, private organisations; and renewed focus on growing SI at national in EU levels.
2. It is clear that the development of SI is at different stages. This was acknowledged in the original Call, and it would be important to support a variety of approaches to further development within MSs. It will be more important to secure good outcomes than achieve consistency of approaches.
3. The gathering of information as a result of the work done by the consortia will contribute to understanding the similarities and differences between countries. This will allow next steps supported by the EC to enhance and build on good work already in place and allow for transnational learning from a diversity of methods and approaches to encouraging the development of SI across Europe.
4. The appetite amongst those who have been involved in the consortia to date to make further contributions to the development of SI is evident, notwithstanding the fact that these consortia may not exist beyond the lifetime of work undertaken as a result of the Call. The opportunity to register as an expert has been opened by the ECSI+ and hopefully this is a route individuals can take to make further contributions in addition to participating in the SI CoP. The specific suggestions made regarding forming a committee/working group with a representative from the six NCCSI, to work with the ECSI+ to keep established networks and connections going, could also be considered.
5. There is a degree of uncertainty about how current work will progress in a context where most countries do not yet have a policy on SI and a lack of clarity as to if, and how, NCCIs (in whatever format) might be funded. Those involved in consortia are identifying the questions that need to be considered and the challenges involved, but do not have the authority to answer such questions or determine how the identified challenges might be overcome. As well as the continued exchange of ideas across consortia, ongoing support provided by the ECSI+ will be most welcome.