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SOCIAL INNOVATIONS IN ZAGREB, CROATIA

Gojko Bežovan, Jelena Matančević, Danijel Baturina,

Faculty of Law, Zagreb

CONTENT

INTRODUCTION - LOCAL BACKGROUND OF THE SOCIAL INNOVATIONS

The concept of social innovation, its meaning and understanding is a relatively new approach for all stakeholders, even for the academic community. This concept comes more as a part of Europeanization of social policy, one kind of top-down concept of modernisation of social policy. Social policy is mostly centralised and in the hands of the government. In some cases, in particular specific social care programmes, local authorities also have responsibility. Mainstream programmes are implemented in rather bureaucratic ways, following certain procedures, with lot of paper work, isolated from other stakeholders in the field and are less sensitive to alternative approaches or partnerships with other stakeholders dealing with same issues. It is evident that these places of policymaking and policy implementation controlled by the state are not places of creativity and innovation.

Recent research (Bežovan 2010) on the roles and contribution of local stakeholders in the development of welfare mix states that civil society organisations are more aware than state organisations of the concept of social innovation. Projects in child and elderly care, community development projects and advocacy of the social rights of vulnerable groups are mentioned as spaces of social innovation.

Some innovative practices in employment and development of sustainable pension systems might be seen as real social innovations and even best practice. However, to have such best practice status they need "political recognition," which is very often not a rational choice. However, concurrence of the country with European Union laws requires legitimacy for social experimentation and social innovation.

2. WELFARE INNOVATIONS IN THE THREE POLICY FIELDS

The three social innovations presented in this report were chosen based on background interviews with local stakeholders, experts, civil society representatives, practitioners and our own investigations of available resources (newspapers, websites and policy documents). The portraits of the three innovations, introduced by a comprehensive description, are organised alongside three basic themes: 1) types of services and ways of addressing users; 2) internal organisation and modes of working and 3) embeddedness of the project in the local welfare system. The innovations are presented alongside policy fields. The innovations chosen were a social mentoring project for employment of disadvantaged and marginalised groups, CSO RODA – Social Innovation: From Civic Engagement to Social Entrepreneurship, and the public rental-housing programme

2.1. Social mentoring project for employment of disadvantaged and marginalised groups

2.1.1. Short description

Within the IV component frame of accession assistance (IPA) "Development of human resources", the Ministry of Health and Social Care (currently the field is within the Ministry of Social Politics and Youth) implemented the project "Establishing support in social integration and employment of disadvantaged and marginalised groups." The estimated duration of the project was 22 months, and it commenced in late 2010. The overall objective is to promote social inclusion of long-term unemployed beneficiaries of social assistance through the provision of support for their inclusion in the labour market. The purpose of this project is to develop an approach based on the needs of the users to access the labour market. The project consists of two interrelated components, in accordance

with which it wishes: 1) to empower cross-sectorial and inter-agency cooperation in the field of employment and social inclusion; and 2) to improve the quality of services in social welfare centres aimed at the inclusion of long-term unemployed to help support the market.

The project was connected to JIM (Joint Memorandum on Social Inclusion) and its measures relate to social services and referrals by customising and integrating social services, giving customers choices and improving the quality of professional services in the welfare system. There is observable impact of Europeanization and EU convergence. These changes are intended to modernise the system to be more in line with criteria and standards of the European Union, and to improve the quality of social services. In addition, previously prepared and tested reform concepts and intellectual potential are seen in other countries, which then are transmitted to Croatia via the influence of foreign stakeholders. Here we find that not only is the project funded by the IPA, but also the core project team is from international consulting and other agencies. Doubts remain as to whether these experts know the Croatian social policy system, values and characteristics of action, and whether they lack contextual elements regarding planning and execution of the programme.

We can distinguish between the economic and political aspects of this invention taking into consideration that there is a lack of programmes that help and support social integration and employment of disadvantaged and marginalised groups. The economic aspect is their possible inclusion in the labour market. This will be step forward in dealing with marginalised and long-term unemployed, which is a group with specific social risks and is difficult position in the labour market. The political dimension of the action is in the goals of the project, which are to modernise the social care system in line with criteria and standards in EU countries.

2.1.2. Conceptions of and ways of addressing users

The goal of the project is to improve the quality of service in social work aimed at long-term unemployed beneficiaries and their retention in the labour market. Training for social service mentoring was conducted related to skills for setting up the basic principles and tools necessary for its implementation. Mentors for social inclusion, in the testing of model of social mentoring, applied their knowledge and expertise to effectively connect theory and practice in order to define the final model that is applicable at the national level. Social mentoring is an extremely important component of the social inclusion process because it provides an individualised approach to working with long-term unemployed beneficiaries of social assistance or socially disadvantaged and marginalised groups. It is directed to enhance their involvement in the labour market. That kind of approach is innovative in our context. The model is based on the assumption that social workers will provide individual programmes to their clients by using some of the key elements of mentoring (duration of the relationship, quality of the relationship, continuity, empowerment, empathy, and communication based on feedback, active listening, etc., goal setting) as soft skills. Through the guidance of an individual plan and social mentoring, centres for social care will address potential structural, personal and world-view barriers that might prevent access to the labour market or other activities to long-term unemployed users of social assistance. The goal is to motivate people who are the most marginalised and the most distant from the labour market by focusing on their strengths and potential. In some cases, participants progress to employment, training or further education, while others gain increased self-confidence and increased strength and willingness to participate in further opportunities for self-development. Expected results are not only in labour market activity. Taking into account the level of social exclusion experienced by some users, such results improve quality of life, and further education and

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increased social and basic skills are of equal importance and in some cases may be a step towards potential inclusion in the labour market.

2.1.3. Internal organization and mode of working

Analysis of the practices of services in the field of social inclusion and employment was conducted in order to strengthen inter-sector and inter-institutional cooperation in the field of social inclusion and employment. Eight working groups necessary for the development of models of social mentoring were formed based on the consultation process. Each of the working groups involved approximately 10 representatives of various institutions (social welfare centres, the Croatian Employment Service, NGOs, social partners, representatives of cities, counties, etc.). The results of the consultation, as well as results of the implemented activities, contributed to the preparation of the draft of the "Code of Conduct" in the provision of services to long-term unemployed beneficiaries of social assistance." In addition, representatives of the Directorate of Social Welfare of Ministry of Health and Social Care (now the Ministry of Social Politics and Youth), centres for social care and the Croatian employment service have contributed to the development of protocols that was signed by the stakeholders mentioned above. Testing of the model of social mentoring was conducted in the initial phase of social mentoring. The testing phase model included professionals who had undergone training on social mentoring. Each of the skilled workers had chosen several people who, via their professional work, were using skills and knowledge that they gained through education on social mentoring. During this phase, two meetings were held on the principle of "learning from colleagues" (peer learning) to discuss the experiences in relation to the model of social mentoring and the intention of the discussion was to devise solutions for the difculties professional workers encountered. Via this activity, experts that worked on the implementation of the project developed the "Handbook of self-evaluation", which served as a tool for qualified workers providing instructions and information on the development, management and successful implementation of social mentoring, focusing on the long-term unemployed. The handbook will help future sustainability of the social mentoring approach by enhancing the approach with new solutions for contextual problems and providing a firm basis for further expansion of the model.

The social benefits of mentoring for the users are stated satisfaction with the informal and individual approach, a realistic assessment of needs, possible actions and results, improved knowledge, development of potential, and building self-esteem. Benefits for professionals are increased capabilities and self-esteem because of the adoption of new knowledge and skills; satisfaction with enhanced services for users, especially in compliance with quality standards, increased motivation to work, good feelings in dealing with customers, learning through supervision and learning from colleagues.

2.1.4. Interaction with the local welfare system

Within the project, the action plan for media campaigns to raise public awareness of the needs of vulnerable groups was developed. The campaign aimed to raise awareness and inform the public about the issue and to create a climate to provide support to vulnerable and marginalised groups. Moreover, the purpose of the campaign was to activate a wide range of relevant stakeholders, on local and national levels, involved in the integration of disadvantaged and marginalised groups, such as social welfare institutions, civil society organizations, public institutions, social partners, local communities, to become actively engaged in spreading awareness and providing support for socially vulnerable groups. The campaign was designed to transmit a message to the general public, but also to all project stakeholders and potential partners in order for them to become familiar with the problems of socially vulnerable and marginalised groups related to access to the labour

market. Through a campaign, the right to work as one of the citizens' basic rights was advocated as key to the prevention of social exclusion. This kind of action is aimed to have a wider impact with the expected result that the goals of this project would become rooted in the general public but also among all partners in the project. This seems important for the sustainability of the project and future work.

Awareness of stakeholders together with the results of social mentoring should open the option to extend the programme and other similar activities within the local social policy. Thus, four public forums entitled "Social inclusion of vulnerable groups - challenges and solutions" were organised. In addition, in order to strengthen cooperation between stakeholders at the local level and promote the social model of mentoring to support social inclusion and employment, the project organised eight seminars entitled "Promotion of cooperation in the field of social inclusion and employment." Providing training for a larger group of social experts, prospective mentors for social inclusion and the creation of a manual for social mentoring will affect the further expansion of access to social mentoring through social policies and facilitate the adoption of its principles of action.

In conclusion, the goal was to educate a group of experts who would have knowledge, skills and tools to foster social inclusion of long-term unemployed beneficiaries of support, or socially disadvantaged and marginalised groups through the provision of support for their inclusion in the labour market by social mentoring model. In the long term, social inclusion would strengthen the social and economic cohesion. The project created a new kind of collaboration and networking. It promoted the following basic goals and tasks: providing quality services to more users, improving the quality, effectiveness and efficiency, encouraging innovation and new ideas, using the experience that each partner brings, and directing more resources to the provision of services rather than the multiplication of administration and infrastructure.

This project contributes to and is based on creating new kinds of partnerships, networks in the local community and to stimulate new form of governance, which puts the emphasis on using the available resources of state, municipal and private bodies. The project has the potential to be transferable to other cities as example of crosscutting principle of providing services for long-term unemployed and marginalised groups. Capacities and knowledge of social mentoring is especially promising to widening the project's approach in future. Social mentoring is an innovative model of work in social welfare and involves a partnership between professionals and users with the aim of activating and motivating them to change. Social mentoring is an extremely important component of the process of social inclusion because it provides individualised approach to the long-term unemployed beneficiaries or socially disadvantaged and marginalised groups and their integration into the labour market. Mentoring is a model for social improvement of service quality and customer satisfaction, which is one of the priorities of welfare reform.

Ultimately, the goal of the project was to ensure full adoption of new tools and practices in Croatian institutions as result of activities and knowledge gained on the project. The task of the project was to support the development of strategies to increase the number and quality of services based on their needs, and help professionals in institutions involved in the project with adaptation needed to introduce and use newly acquired tools.

There are some key challenges for future of the programme. Regarding the centres for social care: reorganization of work (training of social workers on the tools and skills of social mentoring, creating a network of mentors) for future expansion of the model. Regarding local communities: building a network of services, coordination through local partnerships, and engaging in a process of social planning. At the system level: creating a common ground through key documents (laws, regulations, protocols and guidelines). In

addition, there are some key difficulties for scaling up of the project. The main difficulty is lack of time and difficult working conditions of overburdened social workers, lack of network providers - the differences between counties, the lack of financial resources to support users in some activities, and high expectations regarding employment.

2.2. RODA – Social Innovation: From Civic Engagement to Social Entrepreneurship

2.2.1. Short description

The association RODA - Parents in Action, with its innovative programme of activities was formed in the social space that was previously considered private and perceived as the responsibility of parents in traditional societies and their extended families. The need for such an initiative came with the increase in the number of young families with children, with better education, in a big city (Zagreb), who do not have the support of parents and close relatives and still face the challenge of reconciling professional and family commitments. Initially, the efforts of the association were centred on the protection of vested social rights, but with a lot of volunteer work and enthusiasm, the initiative resulted in multidimensional social change and social innovation.

As for family policy in Croatia, it is being manifested mostly through material benefits, such as children's allowances, tax reliefs and maternity leaves, rather than through provision of services for children. To some extent, this is related to the structure of a traditional family: women used to work less, while relatives and members of extended families used to be on hand. The lack of child care services is particularly evident in large cities, where nurseries and kindergartens often cannot accommodate the children of working parents (Zrinščak 2008). The number of children covered by preschool care has been increasing in the past 20 years and it now amounts to 35 per cent.

According to the National Family Policy Strategy (2003), an increase in the number of child care institutions and increase in the number of children covered with organised preschool care and education was one of the priority areas for family policy development. This strategy also proposed measures related to education and training of parents, incentives for implementation of programmes of civil organizations, educational programmes that include education on family, partnership, parenthood, etc. It was pointed out that family policy should therefore contribute to creating a friendly social environment, which would help families solve a variety of problems, first and foremost the ones related to children's development.

The problem of accommodation of children in preschool institutions only occasionally becomes a part of local public debates, as this is a service falls under the scope of local authorities. Rarely have there been cases of protests or highlighting problems in ways that would capture wide public attention. The practice of parents associations and their organised efforts, as beneficiaries to improve the provision of child care services were almost non-existent.

The issue of placing children in nurseries and kindergartens in Zagreb would usually appear on the agenda in early autumn only, when some children would be left without a place in kindergarten. Due to the pressure of extensive numbers of unenrolled children, private kindergartens and different forms of informal playrooms were established.

The association RODA - Parents in Action - was founded in mid-2001, as a spontaneous reaction of parents, women with children, who raised their voices against reduction of maternity allowance and protested in front of the government office. The women connected over the Internet. The association had continued to advocate the rights of

parents persistently until the maternity allowance was not increased and maternity leave became longer and more flexible.

2.2.2. Conceptions and ways of addressing users

By promoting and advocating the rights of children, RODA has impacted changes in public policies for children, women and families. Through their consistent cooperation with the media, they have made a recognizable influence on public opinion and lobbied for changes in child care. RODA encourages active and responsible parenting through direct support and assistance to parents, to equip them with knowledge, empower them and make them better advocates for the rights of their children. They are joined and networked, which makes them strong and decisive in their public statements.

Parents are the ones who make decisions about their children. The children do not belong to the institutions, but the parents can affect the quality of services that children receive in child care institutions.

RODA has become an important stakeholder in the debate on the right to adequate maternity allowance and maternity leave, the right to medically assisted reproduction, pregnancy and improving birthing conditions, as well as promotion, education and counselling on breastfeeding, education and support to parents and children safety in traffic.

The association has gradually developed into somewhat of a "union of parents". They have created a new paradigm of parenting in Croatia, promoting the idea that children need their parents and their greater affection. This is a kind of attachment parenting based on emotions and first experience of parenthood. "When you do not have a family to help you, you turn to those similar to yourself."

RODA is familiar with problems of the many parents barely surviving, seeking their help: they state the cases of families of five who live in apartments of 26 m^2. The housing situation is a limiting factor in the expansion of families and the decision to have two or more children. Temporary, 1-year employment contracts also present certain constraints. The association has helped some families to cover delayed rent payments.

For 8 years, RODA has been providing support and advice on breastfeeding through their breastfeeding phone line. They have also organised a school of breastfeeding, a conference and printed, and distributed relevant materials. These activities become a strong lever for the social integration of young mothers.

Considering the vulnerability of children in their parents' cars, RODA launched an initiative for proper use of car seats for children. The result of the initiative was the increase in the number of children who are driven in car seats, as well as in the portion of car seats, which are correctly installed and used appropriately. In the framework of this programme, a large number of brochures have been printed and good cooperation with the police established, in so far as they organised quick traffic controls near kindergartens and on the city roads.

Four times a year, RODA organises sales of second-hand children's clothing, shoes and equipment. So far, 30 sales have been held, and each was visited by an average of 800 parents. Organising such a 3-day event requires the help of 40 volunteers.

2.2.3. Internal organisation and mode of working

The activities of the association are mainly financed through state and city programmes, which support civil society. Citizens have been participating with small-scale donations, while a company donated 100,000 kuna to RODA instead of giving the money for Christmas cards and gifts. RODA also receives various kinds of non-monetary assistance and they are allowed to use storage space free of charge. Initially, they decided not to accept donations from companies that violate the International Code of Marketing of Breast-milk Substitutes, tobacco and pharmaceutical industries and the companies using unethical marketing targeted at children. However, activities of RODA rely mostly on voluntary engagement of members.

Deep involvement of RODA in active parenting initiatives has resulted in a social entrepreneurship project of sewing and selling cloth diapers and connected products. Since 2004, RODA has been promoting the use of cloth diapers as a healthier, more environmentally friendly and cheaper solution, and in 2006, they launched the whole venture. With their production of cloth diapers, RODA has set an example of social entrepreneurship among associations. What is manufactured is a high-quality product made from natural materials, healthy and safe for children, while disabled and difficult-to-employ persons are involved in the production. The production facilities are established within Vocational High School in Varaždin and there are 56 women working there. Social entrepreneurship is sustainable, it brings profit to the association, develops and expands and creates new jobs. The profits generated are reinvested in the business and core activities of the organization. The association has recently established a limited liability company for further production of cloth diapers.

RODA has 12 branches throughout Croatia and they have organised various activities in more than 50 Croatian cities and towns. Now, it is a strong network embedded in society and is the voice of advocacy for social change.

In order to strengthen its mission and public acceptance, every year RODA gives out awards to the relevant stakeholders who have contributed to fulfilling the mission of their organisation within the society. They also give out a kind of anti-award to those who have been prominent in their negative approach to the vision of the association. In 2011, this anti-award went to the Croatian Minister of Health who had advocated for a restrictive law on medically assisted reproduction.

RODA is known to the wider public via the RODA forum, which has over 40,000 monthly visits. This is the platform where new members with new ideas appear, and they contribute to strengthening the community spirit of the association and its constant renewal. This usually refers to the first experience of membership in an organization and first experience of volunteering. New members always have the time and passion to volunteer and help others, and in that way, they also develop their own character: it is not only about giving, but also receiving to a great extent. Advising other people is a completely new experience to them - to have a feeling that they help others and that the others believe them. These are solid foundations of a sustainable social network ready to take on the new challenges.

The main organising principle is that the association is managed like a household, with better-educated members - 95 per cent of them have never been members of any associations before. Ideas and projects belong to the association, while volunteer work builds trust and the atmosphere in which members are accepted and respected and they enjoy support of others.

The fact is that these are the persons who are quite well-off, middle class, and none of them receives children's allowance, so the association is not concerned with this topic.

The dynamics of social innovation here remains visible through the provision of services: there are tangible and recognizable results. However, advocacy activities are harder to see and they provide long-term results. These two processes and priorities in the association are intertwined. As an association, RODA keeps changing as the children grow up and this is something that will be interesting to follow in the future. It is simply the dynamics that are difficult to predict. We are talking about a sense of membership in the network in which women share the same or similar values. This is a support that many people need in their lives. The strength and substance of the women is felt in the association.

Interestingly enough, none of the politicians has approached the association or expressed direct interest in their work.[1] It might be seen as a critical issue in terms of governance and perception of this group among politicians as the "opposition".

RODA operates in a society where too many people remain silent about things that bother or disturb them; they do not protest, they were raised to obey. If they seek changes, they have to speak publically about it – those who provide services will hear them in one way or the other. What is announced publically always has a certain resonance. Through such public speech and statements, RODA has become a recognizable stakeholder in the family policy, which improves the quality of programmes for children, their accommodation and diet.

Adequate levels of trust and promoted norms and values are shared by all members of the association, especially the ones practicing volunteer work. In that way, the contribution to social capital multiplication has been made, as a basis for social innovation in the association and beyond. In this case, social change is visible in an area that used to be the area of privacy and the space of few government services. It was a framework for social innovation that strengthens social cohesion in general public.

RODA has passed their knowledge to the organisations in South East Europe, in Sarajevo, Belgrade and other cities. However, it has been impossible to implement such a programme in these countries, as there is neither readiness nor need for volunteer work. So in this case, it can be clearly stated that social innovation emerged from civil engagement and volunteer work of citizens making effort to protect and promote their interests.

2.2.4. Interaction with the local welfare system

RODA, as well-known stakeholders and advocates of social services for children, had an impact on the practice of making and implementation of child care policy in Zagreb. In partnership with other organisations, they have pressed city administration to organise a special session of the *Committee for Education and Sport* with the topic of prices for child care services in Zagreb. Instead of paying the cost of services for parents on the income test basis, they insisted, and the Committee concluded that it should be means tested (income, property, etc.). With such impact, the proposal of increasing the cost for such services on an income test basis has not been accepted.[2]

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[1] However, in case of discussion on increase of prices for children day-care, some stakeholders have seen that civil society organizations are happy to come under the umbrella of political parties, this association included, if it meets their interest.
[2] In that time, it was strong opposition to the Mayor in the city assembly.

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Also, RODA put on the agenda question of quality of child care services in terms of space per child in kindergartens, quality of food for children and educational programmes. In representing users of services, they are very much respected as a stakeholder and gradually they are witnessing a process of quality service improvement.

After RODA's actions, civil society organisations of parents have become a visible part of the governance structure of the local welfare system and it made the local welfare system more vibrant and responsive to public and, specifically, to users of social services. As the media were covering all debates and events, the general public got the sense of the importance of civil society organisations and, in this case, of self-organised mothers.

This case, for the first time, opened debate on public issues where citizens have vested interests and show strengths of civil organisation to address public issues and to influence policy process. With this experience, a new culture of communication of the city with civil society organisations might be seen.

2.3. Public rental housing programme

2.3.1. Short description

Public policies and reforms in the public sector, on the different level of state administration, are predominantly made via a top-down approach, often with political connotations (political will) and with lack of respect for empirical evidence or analyses related to the topic (Bežovan 2008). Over the last 20 years, the practice is that the new governments or the new majors do not respecting the achievements of previous governments[3]. When they come to office they change professional staff, and they change policy programmes without debates or analysis. In such circumstances, there is "policy with a thousand new starts", and creative professionals are very often forced to leave offices of public administration and set up civil society organisations to confirm their creativity and innovative skills. Public policies in fact are not places for real innovation, because of cognitive barriers - everything should be written in regulations or in policy programmes, before someone starts with new initiative.

A recent survey,[4] carried out among relevant stakeholders for local social welfare programmes implementation, stated that officials from public administration fail to understand and trust to the importance of social innovation. Civil society organisations are more aware of the importance of social innovation and they have produced more such projects and ideas. However, public officials are often suspicious of the range and usefulness of such innovations. Thus, it is not easy for civil society organisations to produce visible innovation that may receive the status of good practice in relevant policy area. In addition, the concept of good practice is not recognised as part of the possible policy agenda.

Housing policy, as a space for social innovation, is decentralised, fragmented and left to local politicians' will. Although the housing crisis is evident in larger urban areas and empirically documented as results of different surveys, vulnerable social groups (young families, single households, internal migrants, elderly, divorced people) are not organised

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[3] The problems of limitations of state administration are recognised, for Croatia and other transitional countries, as serious obstacles for further modernisation and development.
[4] Bežovan, G. (2010) *Achievements and challenges of welfare mix development*, (in Croatian) Zagreb: CERANEO.

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in civil society organisations.[5] Besides that, there are no advocacy organisations addressing priority of housing needs and the need for affordable rental housing.[6] Recently, a civic organisation addressing family violence influenced by-law regulation. Victims of family violence are on the priority list for social housing. However, lack of affordable renting housing is *ceterum censeo* of very rear public debates. The majority of these debates are in different internet forums.[7]

Publicly debated Strategy of Housing Policy in the City of Zagreb (2006) with well-documented issues of the lack of affordable rental housing for the people from younger generations, with the required level of political will, supported by professionals outside the city administration and capacity of administration in the city were driving forces of this innovation. This social innovation originates from pressing social needs and its potential is in the idea that innovation is implemented and driven by housing needs and recognised by different stakeholders.

Recent housing needs assessment for the city of Zagreb (Bežovan 2002) again stresses the vulnerability of young families and single people. These populations are not eligible to receive housing loans and they are exposed to uncontrolled housing rental, which is marked where they cannot afford decent housing.

Processes of drafting and putting the innovation on the agenda were examples of transparent policymaking processes. A draft of the public rental programme has been presented to the public via a press conference with additional explanation in radio programmes to contact of possible users. Public debate lasted for 15 days and interested citizens were in position to give the comments, to ask questions or to give proposals for improvement of the draft of the programme. All inputs have been analysed and publicly commented on by the policymakers and it gave additional legitimacy to this innovative housing programme. Comments made by the citizens have been built into the final version of the programme, which was framed in a proposal to the City Assembly.

Process of decision making of the programme in City Assembly was followed by lively debate. Representatives of different parties agreed about the importance of the programme, to finally address housing issues, and to meet the needs of young households. Remarks of oppositional party were more formal and directed to some legal issues related to the ownership of flats, which will be distributed in this programme.

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[5] In the survey of a WILCO project member of civil society organisations, RODA documented how their members live in terrible housing conditions, a four-member family of young generations live in a flat of 26 m^2. Affordability is a crucial problem for young families and it is a serious obstacle for them having more children.
[6] As a curiosity, one major recently stated that civil society organisations pressurised him into investing money in a shelter for abandoned dogs, but he wondered why there was no such pressure from civil organisations to invest money in affordable rental housing, as a real priority.
[7] An example of this debate addressing pressing housing needs says about housing deprivation "I live with my folks in 40 square metres and my younger teenage brother and I have had it! On top of it all, a cousin from Dalmatia came to stay with us for a month to attend a college preparation course… we all almost ended up killing each other…" http://www.kupiprodaj.net/forum/showthread.php?t=838

2.3.2 Conceptions of and ways of addressing users

This innovation is entitled to young households, age up to 35 years, with more kids who are sub-tenants on the private rental market (that market is mostly not regulated at all) or living together with larger family but in unfavourable housing conditions. In different ways users suffered because of housing conditions. In cases of sub-tenant status, they are in a position to rent small and often poor-quality flats for very high prices. For a flat of 30-40 m^2 they pay rent of about 240 euros, whereas via the innovation 240 euros could pay for an 80 m^2 flat. As they do not have contracts, they cannot register their permanent residence. Permanent residence is a pre-requisite for obtaining a place in kindergarten. Households with such unstable tenures are at risk of moving and, so, if they cannot find other affordable flats in the neighbourhood, they are forced to change schools. These households are at risk of not being in a position to plan their life. In different aspects mentioned experiences in meeting housing needs made these families a prototype of socially excluded peoples.

Young families living with their parents or with other members of families, often three generations of a family living together and sharing a small flat, are at risks of conflict in such large households. All family members suffer from the lack of space and need for privacy.

Within this innovation, users selected via a public call for application, get a contract for 5 years with the possibility to extend it. They pay less for the rent than on the private rental market and they have very decent, large enough flats in newly built neighbourhoods. In these cases, their quality of life is visibly improved and they are in a position to plan their lives. In meeting the needs of such users, it is visible how housing, as the fundamental determinant of people's welfare, plays a crucial role in strengthening social integration and social cohesion. Here, decent housing can ensure participation of people in community life.

This type of service is new and bridges the gap between residual social rental housing and the unregulated housing market with the solution to avoid unaffordable flats. This service empowers young families and gives them more opportunities to take active citizenship and to create careers.

This innovation produces different types of tangible services, visibly serving earlier politically unrecognised needs, where, instead of social rights, there are contractual relationships with the potential to develop a new culture of responsible tenants.

2.3.3. Internal organisation and mode of working

Internal organisation of the innovation is part of the responsibilities in offices of local government and local city companies responsible for managing housing stock. The process of getting tenants in the public rental housing programme is very transparent and all families who are eligible according to mentioned criteria can apply. Tenants make a contract and they make a down payment to guarantee that they will pay rent regularly and keep the flat in good condition. Such down payments, as a pedagogical measure, are a kind of innovation in the local social welfare system.[8]

One important criterion for applicants to be eligible for this rental programme is that households must give evidence that they have reasonable income per household member.

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[8] Tenants in social housing programme very often are not willing to pay rent and other costs related to housing (electricity, gas, heating, water, communal fee). Besides that, internal maintenance in social flats is a problem for owners.

The level of income per household must be at least 30 per cent of the average income in Zagreb. This criterion gives advantage to families where the mother and father are employed and, in fact, guarantees regular payment of rent[9].

Here social innovation involves vulnerable social groups. The boundary between "social" and "economic" blurs and learning from this innovation should be crucial for reapplication of the programme to other cities. Empirical evidence on social return: contribution of this innovation to social integration and social cohesion should be the topic of future research [10] . Also, empirical evidence says that this innovation is sustainable and economically efficient.

There are several reasons to evaluate this innovation and to see ways to improve it.

Lack of coordination between activities of local government offices responsible for making call of applications for this programme and local city companies responsible for managing the housing stock makes this programme less visible to interested public. In such circumstances, marked with political conflicts in the governance of the city, publicity strategies or social marketing of this innovation, unfortunately, are not on the agenda.

2.3.4 Interaction with the local welfare system

Public rental programme brought a new spirit of local welfare system where officials used to deal only with poor people as a vulnerable population. Here, in this social innovation, there is the sense of a social investment programme with very viable returns in the near future. For the time being, tenants sharing newly build settlements with social renters and homeowners, do not have any form of influence on the programme or participation in its development.

The public rental housing programme is a case of path-breaking in the fragmented housing sector and the new role of local government addressing visible social needs of vulnerable populations. As a visible innovation, this programme has given a new face to the local welfare system and has made them more modern and responsive. Definitely, this project might be a milestone in process of reforming local welfare system and provides more space for social innovation and experimentation. Also, this innovation put the issues of planning and cooperation of different local stakeholders on the agenda of local social policy.

Besides that, this innovation shows its capacity to become the model for other cities. Mayors and officials of other cities perceive public rental housing as an investment in competent labour force, and with such a programme, they see possibilities to attract young professionals who should be employed in public services (schools, health and social services, police, local administration). The economic crisis has influenced many fiscal capacities of Croatian cities and, for the time being, stopped re-implementation of this innovation in other cities.

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[9] Now there are 558 families as tenants in his programme and local government officials see that some families threatened with recent crisis might be a problem, as they are not eligible for housing allowance, to cover increasing housing costs. In cases of worsening of economic situations, this issue might be critical for sustainability innovation or scaling-up as part of the learning process, making the housing allowance programme eligible for public rental housing tenants.

[10] Inside the WILCO project, for the purpose of further understanding outcomes of this innovation, a survey will be carried out on the sample of tenants in this public rental housing programme.

CONCLUSIONS

The concept of social innovation, its meaning and understanding is a relatively new approach for all stakeholders, even for the academic community. Social innovation as a driver of change and further development are poorly recognised among stakeholders in Zagreb. Although some of them are quite innovative and creative, they do not express a sufficient understanding of the concept. It is a completely new concept in Zagreb. Some innovative practices in employment and development of sustainable pension systems might be seen as a real social innovation and even best practice. However, to have such best practice status they need "political recognition," which is very often not a rationale choice. It might be important to stress that respective local stakeholders with professionals from city administration bring more positive change than politicians can accept on public agenda.

The presented social innovations in the city of Zagreb are very different in nature, and in initiation and outcome. Innovation in labour market social mentoring comes as a transfer of innovation placed in existing institutional infrastructure, fully funded by EU money and remaining mostly in professional circles. Embeddedness of this innovation, with top-down legacy, in the community of local stakeholders was questionable and traces of the project are not visible.

Although RODA's innovations show the capacity of civil society to understand and address social problems and become co-governor in the child care system. The civic initiative provides evidence of developmental capacity in terms of creating a strong network and setting-up social enterprise. It should be stressed that the innovation is a bottom-up development. Besides that, new generations of social services produced here provide a sense of a potential welfare mix system.

Innovation regarding the public rental programme, as a contribution to welfare pluralism in the housing crisis marked with affordability issues for younger generations, in fact is innovation that has come as the result of political will and the professional capacity of the local authority.

City administration, particularly in the area of social politics, demonstrates openness for the development of new solutions and supporting new good ideas. This is particularly true in their cooperation with civil society and civic initiatives where they have built certain partnerships. For the time being, in the local welfare system, the challenge is coordination with governmental programmes of social care and employment. Parallelism of governmental and local authority in social care and employment programmes on the local level are starved of social innovation.

In larger cities (Zagreb), civic initiatives for public good and engaged citizens are less visible that in smaller cities (Varaždin). In that sense, mobilisation of local stakeholders and facilitation of social change appears to be a more demanding and difficult process. Citizens in large cities are not so visible and civic energy looks to be less productive with outcomes only tangible only on the neighbourhood level. "Bringing" social capital from the neighbourhood to the city level is a rather long-lasting process.

Investment in knowledge and skills of those employed in local authorities and public sectors might be of crucial importance for the modernization of local welfare systems and the development of social innovations.

Nevertheless, accession of the county to the European Union provides legitimacy for social experimentation and social innovations. We expect some new framework of thinking and

new initiatives to be developed, fostered by support, which will be primarily financial, from the EU. For further sustainability of social innovation, it would be necessarily to show to the city government the usefulness of this kind of action and/or raise public attention and awareness to generate interest. That may demand increased management or marketing skills of people involved in social innovation projects. There is also space for the involvement of the private sector, which is as yet unrecognised. In addition, there is an opportunity for applying for EU funds for such projects. Actions in these areas would certainly help to increase the stability and opportunities for sustainable social innovations, relying on the capacity and support of public administration and social capital among all of stakeholders in local welfare systems.

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