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SOCIAL INNOVATIONS IN MILAN, ITALY

Authors: Giuliana Costa and Stefania Sabatinelli
Team leader: Costanzo Ranci, Politecnico di Milan

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INTRODUCTION - LOCAL BACKGROUND OF THE SOCIAL INNOVATIONS

Milan is the capital city of the Lombardy region. The economic and financial capital of Italy, it is a rich and economically dynamic context (see Costa and Sabatinelli 2012a). One of the vertexes of the former industrial triangle with Gène and Turin in the Fordist era, it was one of the main destinations of internal migration from southern regions during the period 1950-70. Employment demand was very ample, and employment represented a key element for the social inclusion of migrants, to acquire social citizenship and pursue social mobility. A deep-rooted legacy, since a medieval (religious) reference defines the “Milanese citizenship” as a status that anybody coming to the city could obtain by contributing to its welfare through work. Also thanks to the wide possibilities of social inclusion through employment, Milan has a long-lasting reputation of social solidarity. Since the end of the 1970s, female employment and activity rates have increased more than the national average, also thanks to the concentration of service-based activities in the area. The shift to tertiary and advanced tertiary sectors is the major characteristic of the city economy at present.

From the political point of view, after a rather long experience of centre-left local governments during the 1970s and 1980s, the city was deeply shocked at the beginning of the 1990s by the wide, national corruption scandals known as *Tangentopoli* (Bribes City), shaking the image of the city as the “moral” capital city of the country, also as opposed to the opacity of Rome as the place of national institutional and political powers. After the political collapse of the early 1990s, and the introduction in 1993 of direct elections of mayors,¹ 20 years of centre-right local governments followed, first with a Northern League majority, then with mayors from Berlusconi’s party. Such coalitions have boosted the use of some non-profit making instruments, especially the contracting-out or privatisation of provision of public and welfare services. This fit coherently with the regional frame that was being developed in the same years, emphasising the setup of quasi-markets, the freedom of choice of users, and the use of cash-for-care tools such as vouchers. Also relevant in this period was the political emphasis on security issues, coupled with a rhetoric against immigration flows, a tightening of rights of access to services for irregular immigrants, either due to local initiatives (child care services, school canteens, etc.) or national (healthcare).

In spring 2011, a radical change in the local administration took place. First, the primary elections within the centre-left coalition were won by a leftist outsider candidate mayor, Giuliano Pisapia, who proposed a participatory definition of political programme and campaign, and who later won the municipal elections against the outgoing centre-right mayor. This emphasis on participation is one of the key elements of the municipal coalition’s action. For instance, two editions of the municipal “Forum of Social Policies” have already taken place, and a first edition of the Forum of Youth Policies (“MI Generation Camp”). This approach is reflected in some of the programmes analysed here.

The financial and economic crisis, which first burst in 2008 and is still ongoing in Italy, hit the city rather sharply, due to the high concentration of firms in the urban and suburban area. An increase in unemployment, in the use of short-time work schemes, in the use of temporary instead of permanent contracts is observed (Costa and Sabatinelli 2012a). Non-public stakeholders, such as the Milanese trade unions and the Catholic *curia*, have been active in creating solidarity funds and distributing forms of support, monetary and in-kind, to individuals and families hit by the crisis.

¹ For municipalities with more than 15,000 inhabitants, based on a two-ballot system.

Some expectations in terms of economic and labour market development are placed in the coming International EXPO 2015, the only project to promote the local economy of some relevance in recent years. Delays in the implementation are observed, also due to disagreements in the definition of the projects; the selection of the involved areas and the type of public-private relations in their purchase and management, and their future use; and conflicts among institutional levels about the distribution of competences. Infrastructural works were also jeopardised by the scarcity of resources due to the economic crisis and the constraints of the European and national stability pacts. Between inertia and small innovations, Milan needs to find a way out from the crisis and recession, and a (new) place in the changing world (Bonomi 2008; Lodigiani 2010).

2. WELFARE INNOVATIONS IN THE THREE POLICY FIELDS

The three social innovation cases presented here predominantly concern three different policy areas: Milan Welfare Foundation (*Fondazione Welfare Ambrosiano*, or FWA) relates to income support and labour market integration; *Maggio 12* (M12) regards early childhood education and care policies and services; Funds for Social Housing (*Fondazione Housing Sociale*, or FHS) concerns housing policies. Nevertheless, as will be seen, in each of the cases, overlapping, trickle-down effects and synergies with other policy fields are observed, pointing at directions for integration among programmes and sectors. The role of the municipality of Milan differs in each of the three cases, as we shall see, ranging from being the promoter of the project (M12, section 2.2), to being one of the founding members of a public-private foundation (FWA, section 2.1), to being part of a wider network involved in programmes initiated by a large non-profit stakeholder (FHS, section 2.3). In all the cases analysed, the relationship between public, private and third sector stakeholders is a prominent issue.

The following paragraphs present the three cases analysing:

- 1) the story of the single case;
- 2) the types and contents of programmes developed and the way needs or demands are addressed;
- 3) the patterns of organisation of the bodies partaking in the initiatives; and
- 4) the embeddedness of the projects in the local welfare system and its evolution.

Each case study is based on interviews with representatives of the different stakeholders involved in the programmes, as well as on the analysis of available documents, official websites and press information.²

2.1. Income support and labour market integration: “*Fondazione Welfare Ambrosiano*”

2.1.1. Short description

The “*Fondazione*³ *Welfare Ambrosiano*” (FWA) was created by a heterogeneous core of both institutional and associative stakeholders: the Municipality of Milan; the Province of Milan; the Milan Chamber of Commerce, Industry, Handcraft and Agriculture; the three main Milanese trade unions (*Camera del Lavoro Metropolitana*, or CGIL; *Unione Sindacale Territoriale di Milano*, or CISL; and *Milano e Lombardia*, or UIL). After being announced in 2007 by the former Mayor of Milan, and created in 2009, the foundation really initiated its

² We warmly thank Romano Guerinoni, Cristina Tajani, Silvia Barazzuoli, Maria Grazia Guida, Maurizia Pagano, Donatella De Gaetano, Giordana Ferri, Francesco Minora, Monica Moschini, Laura Pogliani and Felice Romeo for their participation and support.

³ A foundation is a body made up of a capital aimed at pursuing a specific goal, either directly, through its organisation, or indirectly, by financing other subjects that also pursue the same goal.

activities only in 2011 under the new municipal administration. The long gestation was due to “technical difficulties”, mainly related to the possibility to pay loans to citizens, for which it was necessary to define agreements with the banks. The foundation pursued an agreement with the National Association of Banks, but this attempt failed. The present municipal administration blames on the former mayor and councillors’ scant political will and resilience to rapidly tackle the problem.

The foundation was initially created after the impulse of Milanese trade unions that wanted to make available to the City a capital of 6 million euros, was accumulated during the 1970s as part of collective bargaining. Originally meant to implement social development projects, and particularly to support women’s access to the labour market, due to difficulties in coordination with local bodies this capital had never been used. In the framework of the foundation, two-thirds of the available budget is destined to support innovative local welfare initiatives that are being designed and developed together by the members of the foundation and with other third sector bodies, such as *Caritas Ambrosiana* and *Fondazione Cariplo* (a big bank foundation⁴) [interview FWA-2].

The foundation has the mission to support individuals and families who either live or work in the city of Milan, or who have a firm, or want to open a firm operating within the administrative boundaries of the city, disregarding their place of origin and their previous or current type of working contract, and who are in conditions of temporary need for various reasons (job loss, illness, *etc.*). These could be either persons who are not protected by existing, category-based social protection measures, and therefore are exposed to new forms of social exclusion, or persons or families who do not live in disadvantaged conditions, but who - due to temporary and unexpected difficulties - risk falling into real poverty. The aim is not, then, to substitute existing institutions assisting long-term situations of need (such as long-term unemployment). Rather, the aim is to intercept short-term risks of workers or jobless people who experience exceptional economic problems that often have serious long-lasting negative effects for the whole household. For instance, “families with budget problems may make decisions, such as the interruption of children’s education, that they would not make in other circumstances, and that may affect the future of family members on the long run, since they are hard to catch up later” [interview FWA-2].

The targets of the foundation’s measures are therefore all persons living or working in Milan with economic difficulties that make it impossible for them to make ends meet. The definition of the household is flexible, and for instance disregards whether the applicants are married, separated or cohabitating. This reflects a secular orientation of the foundation and of its members, which distinguishes it from other bodies, especially confessional ones, acting in the area. Two fundamental features of the foundation’s action are the active approach and the rotation in the use of funds. The *active approach* is reflected in its slogan: “we help you to help yourself”, which underlines that the commitment of the recipients to project their own path to solve their problem is understood as necessary. The *rotation in use of the funds* is obtained - as we shall see - by privileging financing tools such as micro-credit, as opposed to non-repayable financing; this choice is specifically due to the will of the involved trade unions to create an economic capital for the city that could last in time.

⁴ The Italian bank foundations have an overall capital of 50 billion euros. In 2010 they carried out more than 30,000 social interventions, for which they paid 1,400 million euros. These interventions can integrate existing measures, and can also be innovative, but they cannot substitute the “traditional” welfare (Ferrera and Maino 2011).

2.1.2. Conceptions and ways of addressing users

The foundation intends to answer emerging social needs and reduce economic precariousness. At present, this purpose is basically pursued through the promotion of guarantee funds to favour access to credit, *via* the micro-credit tool (Yunus 1998).

The first goal of the foundation was in fact to build instruments to overcome one of the main negative effects of the present financial and economic crisis, i.e., the credit crunch, which prevents many individuals with few resources to access to bank loans despite of the deservingness of their need conditions and/or of the feasibility of their projects. FWA favours the access to micro-credit of the so-called “non-bankable” persons, that is persons who have slight or no chance to access bank credit, due to lack of guarantees and/or to a past record of “bad payers”.

Two types of micro-credit are foreseen:

- “social credit”, reserved to persons who - especially, but not only because of the crisis - can hardly afford expenses such as the payment of university fees of their children, or unexpected health expenditures;
- credit for self-employment, to overcome an unemployment or under-employment or harshly precarious condition.

The access to micro-credit is promoted through a network of selected local stakeholders that operate as territorial “front-desks” intercepting existing needs. At present, eighteen front-desks are operating, mainly managed by trade unions, but also by social cooperatives, associations, parishes that are not among the members of the foundation (e.g. ACLI, Legacoop, etc.). New front-desks are going to be opened, with a “light accreditation system”. The idea was not to create new structures or offices in addition to the existing ones, but rather to ask those organisations that already deal with poverty and vulnerability in the city to become the “working branches” of the FWA.

These bodies are asked to stand “moral surety” for the families that they introduce to the foundation. They carry out:

- *First screening*: during the first interview, information about the micro-credit programme is given to the applicant and, at the same time, information about the applicant is collected.
- *Orientation*: applicants may be addressed to other welfare agencies (managed by public or third-sector bodies), that may be more appropriate for their case.
- *Take-up and counselling*: if after the first interview the case appears to have a profile that fits the requirements to access micro-credit, a second interview is organised with an expert of the Bank Volunteers for Social Initiatives association (*Volontari Bancari per le Iniziative nel Sociale*, or Vo.b.i.s.).⁵ In this interview, an analysis of the need and/or of the project is carried out, a feasibility study is formulated, a work plan is outlined.
- *Monitoring and tutoring*: moral and bureaucratic support is provided throughout the development of the project.

⁵ An association of retired bank clerks, created in 2009 to favour the financial inclusion of “non-bankable subjects”. The experts assess many variables, such as personal story, income situation, family situation, social context and territorial relations, in order to estimate whether the recipient may overcome his/her economic problem thanks to the loan.

The capital to be lent is between 2,000 euros and 20,000 euros per applicant. On the basis of the preliminary inquiry, the front-desk “presents” the application to a commission of the foundation that may or not approve the project. If the project is approved, FWA issues a guarantee of 80 per cent of the capital. With this guarantee, applicants can make a request for credit to one of the banks that have signed the agreement with the foundation,⁶ that will treat the application within 30 days and - in the positive cases - allocate the money.

The loan is basically granted on the basis of a trust relationship. The interest rates are much lower than the average bank rates, and differentiated by type of credit: 4 per cent for social credit (against an average rate for credit to persons of 11.21 per cent according to *Banca d'Italia*) and 6.5 per cent for self-employment credit (against an average rate of 10.25 per cent of credit to firms). The duration of repayment is such that should allow sustainability for everyone: during the first year only interest is repaid. The repayment of capital begins after the first 12 months and can be spread over up to 6 years. In case of insolvency, the foundation covers up to 80 per cent of the capital.

Since the first loans have been granted 1 year ago, repayment is beginning in these months; therefore, it is too early to evaluate the degree of solvency, and the reasons of possible insolvency. However, a monitoring system has been organised to assess the results and introduce changes if needed.

A preliminary evaluation of the applications received in the first 6 months of the programme has been carried out. Between October 2011 and November 2012 772 applications were received, 73 per cent for social credit and 27 per cent for self-employment (Bramanti and Spina 2012). In December 2012, of all presented applications: 30 per cent had received the credit; 54 per cent received a negative evaluation by the technical committee of the foundation, because of lacking requirements or excessive indebtedness; 9 per cent were reoriented towards other social services because of non-sustainability of the loan; those remaining were still under evaluation. Only 9 per cent of applications forwarded to banks are further refused.

Applicants are rather balanced by gender (57 per cent men and 43 per cent women), but diversified by age (33 per cent are aged 41-50 years; 26 per cent 31-40 years; 22 per cent 51-60 years; while those aged over 60 years represent only 6 per cent of applicants). Applications of young unemployed living with their parents are generally refused as not corresponding to the profiles of beneficiaries that could overcome a temporary difficulty with the FWA's help [FWA-interview 1]. Seventy-six per cent of applicants are resident in the municipality of Milan.

Among social credit applications, the main reasons identified are housing expenses, debt discharge or reduction and family needs, followed by training expenses, health expenses and mortgage loans. Indebtedness of the household is behind most of the applicants' situations, together with the job loss of one of the family members, or the presence of atypical contracts (Mallone 2012). The amount awarded is rather moderate: 54 per cent of applications for social credit are in the lowest amount range, between 2,000 and 5,000 euros. As to demographic characteristics, 57 per cent of social applications are made by Italian citizens (Bramanti and Spina 2012).

Applications for self-employment credit concern start-up projects in 31 per cent of cases; in a larger number of cases they are due to economic difficulties, or need to purchase

⁶ At the time of writing: *Intesa Sanpaolo*, *Banca Prossima*, *Banca Popolare di Milano* and *Banca Popolare Commercio Industria*; other agreements are in progress.

goods or services, of already existing activities. The amount paid is higher than in the case of social credit: 38 per cent of self-employment applications are between 17,100 and 20,000 euros. Most applications for this kind of credit are presented by Italians (71 per cent). The selection for self-employment micro-credit is rather strict: around 30 per cent of applications are accepted (Mallone 2012). As a sign of commitment, applicants need to create a firm, operating in Milan, before receiving the answer from the foundation committee, and that means for them to face up to an expenditure, albeit minimal. In self-employment credit the counselling activities developed by the operators and volunteers also aim at building some business culture and awareness in the recipients.

2.1.3. Internal organisation and modes of working

The different orientations, traditions and interests of the founding members of the foundation is reflected in the negotiations about objectives and programmes. Trade unions have a tendency to privilege initiatives for standard workers; the chamber of commerce is inclined to promote the creation of new firms; the municipality is more willing to search for overall solutions to problems that concern the general citizenship.

Also, the distribution of positions reflects the heterogeneous composition of the members. The president of the *Fondazione* is the mayor of Milan, while political competence is devolved to the town councillor for Employment, Economic Development, University and Research; the vice president is indicated by the trade unions, while the general director of the foundation is a member of the council of the chamber of commerce. The governance of FWA is dualistic: a steering committee (*Consiglio di Indirizzo*), named by members and chaired by the mayor, and a management committee, named by members and by the steering committee. A technical-scientific committee, formed by academic and institutional experts, evaluates applications and formulates proposals.

The agreement with the banks about micro-credit proved to be a very difficult coordination issue that took a long time to be solved. Even with those banks that did sign the agreement, procedures are not smooth yet. Although an answer to the credit request is in principle due within 30 days, banks tend to expand this time very often and for long. The agreement with the banks was complemented with an agreement with the Lombardy Anti-usury Foundation which contributed a supplementary insurance of 30 per cent of the capital to the project, thus *de-facto* widening the available resources. The FWA charter foresees the possibility to collaborate with external bodies, and negotiations in this sense are already ongoing. The access-to-credit activities of FWA are possible thanks to the voluntary contribution of the Vo.b.i.s network (see above). The foundation also counts on the counseling of *Permico* (<http://www.permico.it/>), a company specialised in micro-credit targeted at entrepreneurship.

Common procedures are shared among all the members of the network and all the front-desks on the territory. Training and update meetings are organised for this purpose. The front-desk operators have attended a specific (2-day) training course to be prepared to carry out social tasks of welcome and listening. The foundation carried out a rather wide communication plan, advertising its micro-credit activities via the local press, Internet, flyers, and the network of local public and third-sector welfare agencies.⁷ Among the persons who applied in the first 4 months, 71 per cent knew about the project from the press, 18 per cent by word of mouth and 11 per cent (mainly Italians) from the internet (Mallone 2012).

⁷ See for instance the website of the foundation: www.fwamilano.org

2.1.4. Interaction with the local welfare system

In the words of its founding members, the foundation intends to go back to the historical Milanese solidarity tradition and update it to issues currently at stake, as well as methods of intervention and patterns of governance. In this sense, the FWA seems to be an innovative experience deeply rooted in the local context. The head office is located in a periphery area, *Quarto Oggiaro*, a symbolic choice to underline the approach to improve and enhance the role of the working-class neighbourhoods out of the city centre. The programmes developed by the foundation are defined as relevant by the promoters, since few tools are available for public subsidised loans, whereas access to credit is a major concern due to the credit crunch that followed the financial crisis.

In the words of its director, the foundation can and must become a laboratory for social innovation, a place for the exchange of experiences and practices, and the study of original solutions (PSW 2011). In addition, for the competent city councillor, the challenge of the foundation lies in the “degree of project innovation” that it will be able to develop [interview FWA-2]. Accordingly, the aim of the foundation at present is not to enlarge the available capital, but rather to collect and elaborate ideas and proposals to exploit as best as possible the available resources. In this perspective, the collaboration with other territorial stakeholders is wished for (PSW 2011).

Born as an anti-crisis initiative, the foundation is currently envisaging its role also beyond the (hopefully close) end of the recession. New projects are on the go. A programme has just started that aims to anticipate the payment of short-time work schemes to concerned workers, since the bureaucratic procedures generally take several months before the benefits are effectively paid.⁸ The foundation will then be paid back by the National Social Security Institute (INPS), thus maintaining the approach of the rotation of resources.

New projects in progress aim at revising and updating - after a proposal of the trade unions - the nineteenth-century tradition of mutual approach of the *Società di Mutuo Soccorso* (friendly societies),⁹ in order to try and fill the gaps of the Italian category-based social protection that leave workers with atypical contracts and most of the jobless uncovered. Other initiatives are being studied in the health field.

The foundation also promotes the analysis of local social problems, via seminars, training courses, fellowships and prizes. Up to now, FWA has promoted three doctoral fellowships (financed by private sponsors) aimed at comparatively studying urban poverty, with a focus on weak groups such as migrant women and the young, and the experiences of micro-credit, its functioning, types of applicants and territorial impact. These initiatives are not only aimed at deepening knowledge on related themes, but also more specifically at assessing the FWA projects' results and, in the future, what the citizens have learnt about the functioning of the micro-credit tool that is new for the Milanese context.

2.2. Early child education and care services: “*Maggio 12 - Nuovo Manifesto Pedagogico per la Città*”

2.2.1. Short description

Investing in and reorganising the early child care services system was one of the programme points of the campaign for mayor Giuliano Pisapia in the winter/spring of

⁸ http://www.fwamilano.org/index.phtml?Id_VMenu=1010

⁹ A famous case based in Milan was the Friendly Society of Railway Workers of Northern Italy, now named “Cesare Pozzo”, after one of the first and most influential presidents of the association.

2010/2011 (Costa and Sabatinelli 2013). The commitment of the new administration for a more inclusive, open and plural city was intended as a frame of intervention also for this policy field. In a typical “social investment” approach (Morel *et al.* 2011), expenditure on education and early education is understood to be an investment for the present and future wellbeing of the city and of the citizenship.

Such a commitment stems from the acknowledgement of the transformations that have occurred in the life conditions of Milanese citizens and families in the last decades. First, the working conditions of parents, and especially of mothers, have deeply changed, with high requests in terms of flexibility and hard fatigue to reconcile work and family time. Secondly, family structures have diversified, and bear different needs: from needs that concern babies and children to needs that concern disabled adults and dependent elderly. Besides, the presence of children with foreign parents steadily increases (around 20 per cent). All these changes originate new social and educational needs and demands.

In this context, a debate was launched stemming from the idea that childhood services have an educative mission, as opposed to being an assistance task. According to Maria Grazia Guida (vice mayor with competence in education until January 2013) “it was since the mid-nineties that the city council did not organise a table to reflect and update the pedagogic model to which our child services should refer to. We want to put the child back at the centre of the city life” [M12-interview 3].

The project “*Maggio 12*” (May 2012, initially named after the deadline of the first year of participated planning) aimed exactly at promoting cultural debate and confrontation with all services’ workers, educators, families and experts, as well as with all the citizens on the themes related to the Child Education Services of the Milan Municipality. The widest participation of all “souls” of the city - civil, social and professional - was considered necessary by the promoters.

A team of experts was appointed to work on the project, including pedagogues, psychotherapists, neuro-psychiatrists, paediatricians, journalists and third-sector representatives. The team was committed to draft a new “pedagogic manifesto” for the city, to re-elaborate in an innovative way orientations and directions, re-formulate pedagogic guidelines, and inspire the re-organisation of municipal education services and the overall education system. The experts participate for free, which is relevant in a period of economic crisis and severe budgetary constraints.

2.2.2. *Conceptions and ways of addressing users*

In the case of “*Maggio 12*”, it is difficult to separate the contents of the programme from the governance pattern, even for analytical purposes, since the participative path is at the same time a style of coordination of stakeholders and part of the objectives to be achieved. In fact, the project was developed along a “participated path” involving all the almost 3,500 educators of municipal day-care centres and kindergartens, representatives of private bodies managing parts of the municipal services, representatives of private providers, as well as the families with children of pre-school age.

This path included a number of meetings, coordinated by the team of experts and organised at the neighbourhood level around seven main themes:

- 1) *Children as everybody’s good and as everybody’s responsibility.* Centrality of the child in the educative processes, to be promoted in a pedagogic and didactic humus, promoting its autonomy, proposals, freedom and rights.
- 2) *Public and private dimension of childhood services.* Solid synergies to be promoted among all stakeholders caring for children.

- 3) *Family as protagonist*. A focus on the role of the family in generating identity, even amid the huge contradictions that characterise contemporary years.
- 4) *Children with handicaps*. Goals: overcoming discrimination, promoting autonomy and proposals, supporting services' staff and improving the equipment of facilities.
- 5) *Children anyway, Italians or foreigners*. A focus on diversity as peculiar characteristic of the whole of mankind.
- 6) *Professional education and life-long training*. A focus on the importance of sharing, exchange and confrontation moments, especially among educators and teachers.
- 7) *Miscellaneous*. Diverse pedagogic reflections.

For each of the themes a number of meetings in the different city areas have been organised over the months. Synthesis contributions of all thematic meetings have been made available on the city council website. Each meeting counted the presence of around fifty people. According to some of the participants, the wide participation was due to enthusiasm towards the new course, as opposed to the centralist management of the previous administration, whose meetings were only informative and organised in a top-down way [interview M12-2] (see also section 2.2.2).

A public event was organised in May 2012, when the pedagogic manifesto was presented, together with the results of the thematic sessions, and where public debate was launched not only at the city level, but also at the national level, with the presence of representatives of other Italian metropolitan cities. The 2-day conference was titled *Maggio 12: bambini di oggi costruttori del nostro futuro* (May 12: children of today, builders of our future). The title clearly shows the adoption of a social investment approach (Esping-Andersen 2002; Jenson 2007; Morel *et al.* 2011). The declared inspiration is the theory of “ethical community” of the psychologist Howard Gardner (2007). This theory focuses on the idea that children feel that the community cares for them and, growing up, they will give back the care they received.

Vice-mayor Guida described the approach of the municipal administration as follows: “Caring for the youngest means caring for the future of the whole city”. The child is defined as a “good investment”, since the cities that have invested in children have largely gained in quality of life for all citizens. In the words of the municipal administration, then, a new start from children means giving back hope and future to a city that asks for development and social cohesion, despite the crisis and the divisions it is undergoing. “Looking at Milan from the point of view of the youngest can help us see what does not work and has to be changed” (Guida 2012).¹⁰

“Maggio 12” is understood as a sort of umbrella programme for various types of projects and programmes, of different size and scope. Among the wide-scope objectives of the city council in this policy field we find:

- 1) The reorganisation of municipal ECEC services (day-care centres and kindergartens).
- 2) The release of a new regulation for the ECEC services, the first revision since 1975.

¹⁰ In the same perspective, a city council deliberation of a few months ago (not directly related to the M12 programme) has established that it must be allowed for children to play in the courtyards of condos, which had been hampered for decades. This was a zero-cost message to families with children that Milan is operating to become a child-friendly city, from where young families could possibly not feel obliged to escape.

- 3) The revision of the rules, procedures and criteria for the accreditation process of private ECEC services and for the agreement process (*convenzionamento*) with accredited private providers to “buy” places in day-care services to be reserved to children on the waiting lists for municipal facilities.

Among the more specific projects currently ongoing is *Appunti per la città - Giardini scolastici* (Notes for the city - school gardens). This was developed from an idea of two associations (*Legambiente* and *ABCittà*) and promoted by the municipality of Milan, after the children of the city had asked city councillors, during the last International Day of the Rights of Children, to improve the school gardens. The project involves 4,500 children of sixteen schools. Nine gardens have been identified in nine municipal kindergartens (one in each neighbourhood of Milan), located in areas that suffer from a lack of urban green areas. In order to be selected, the kindergartens needed to be available to open to the neighbourhood (the gardens need to be accessible from a public street) and willing to undertake a re-design of the gardens, together with the children themselves who will work on the projects during the winter, and on the restructuring from the spring, together with teachers, parents and local associations. After the re-design, which will be carried out thanks to a residue of 600,000 euros from a national fund on childhood (law 285/97, see Costa and Sabatinelli 2011), these gardens will be opened to all citizens out of school hours. In this sense, school gardens become bridges between the services and the neighbourhoods, spaces for the construction of citizenship. This project has therefore not only material objectives (improving the green areas at the disposal of children), but also cultural objectives, developed along a path that keeps together “accountability, participation and environmental education” (city council website).

Another small project, “Happy Popping” concerns the organisation of areas where mums are welcome to breastfeed babies in public places. This initiative is coherent with the approach of making of Milan a child-friendly (and mum-friendly) city.

2.2.3. Internal organisation and modes of working

Coherently with an approach that defines childhood services as educational interventions, the municipal Directorate for Education has been reorganised and recreated, after a period of 30 years during which competences were split into separate areas [M12-interview 1]. The municipal administration intends to pursue the continuity of provision for the whole 0-6 years age range, but institutional and legal constraints that overarch municipal regulations have limited this possibility up to now. The reform of the governance of education and childhood services also foresees the establishment of children’s city areas councils, consultative bodies that had been promised during the electoral campaign and that are currently being organised.

Specific to the M12 programme, as we have seen, the municipal administration claims the adoption of a participatory approach, a public dialogue and a listening path. Nevertheless, the organisation was reported to be insufficient, and the general objectives were not always clear to the different participants. Participating in the whole path was described as rather demanding in terms of time and organisation but - at the same time - some of the stakeholders felt excluded from the steps in which synthesis was made and conclusions were drawn [interview M12-2]. Moreover, it should be noted that some trade union organisations of ECEC services did demonstrate outside the theatre during the “May 12” event, denouncing that after a participative path that had lasted several months, no voice at all was given to them during the official event, and warning that staff working conditions may not be safeguarded in the organisational changes that the city council administration was about to apply to municipal ECEC services. Other stakeholders have defined this final public event as a “shop-window” kind of happening [M12-interview 2]. Yet, the vice-mayor states that after the actual introduction of reorganisation, and the

hiring on a permanent basis of quite a large number of formerly precarious educators (see below), the tensions with trade unions were overcome [M12-interview 3].

The municipal administration, under the impulse of the Milan town councillor and vice-mayor, has actively sought to establish a relationship with the town councillors of education services of the other Italian metropolitan cities. By the way, these are all women, and all part of administrations elected in the same year (in 2011, that is, in the midst of the crisis). This was built within the National Network of Italian Municipalities (ANCI), but at the same time, a specificity of the biggest Italian cities was maintained. A first result obtained was a confrontation with the national government about the possibility to bypass the Stability Pact for specific objectives and in presence of precise conditions. In the municipality of Milan this meant in particular the possibility to hire on a permanent basis around 150 precarious educators of municipal ECEC services. This contributed to relax the relationship between trade unions, educators and the municipal administration.

2.2.4. Interaction with the local welfare system

The *Maggio 12* programme intends to innovate local policies and services for childhood and families, within the frame of steadily wide needs for reconciliation policies and services in the urban and metropolitan context (see Costa and Sabatinelli 2012). The recent crisis had ambivalent impacts on the needs for child care services for children aged <3 years: overall demands decreased, since those who are jobless tend to take care directly for their children, but demands for care for babies and toddlers have instead increased, since those who do have a job tend to reduce their period of leave [M12-interview 1]. All in all, the intention of the Municipal administration is to maintain (not enlarge, due to lack of resources) the traditionally wide core of direct municipal provision, point of reference also for private providers for quality standards and pedagogic projects, to be used as a sound basis on which to build well-balanced public-private relations, with a strong coordination role for the municipality itself.

May 12 is not intended to be a sporadic event: the municipal administration understands it as a space for continuative participative reflection around childhood issues. A second edition (May 13) has already taken place, during the year 2012/13 under the guide of the new city councillor Francesco Cappelli. Even more than in the previous edition, the aim is to involve not only the municipal educators, but the whole city, around the main theme of the ability to care for children. The reflection was organised around three topics:

- *Milano e i suoi bambini* (Milan and its children) on the relationship between children and the city, on the knowledge of the different services available, their organisation, costs and features, and on the role of families and how to create an “educating community”.
- *Vivere insieme nella pluralità* (Living together in plurality) on multiculturalism.
- *Bambini comunque* (Children anyway) on social and cultural disadvantages.

The final event was a national seminar titled *La città si prende cura dei suoi bambini* (The city takes care of its children), in May 2013.

2.3. Housing inclusion: ethical funds for social housing, the case of “*Fondazione Housing Sociale*”

2.3.1. Short description

The *Fondazione Housing Sociale* (FHS) has been chosen as a case on innovation in housing policies in Milan even if its scope is regional and now, as will be explained, national. It is a

pioneer experience that gave birth to the first ethical fund for social housing in Italy, anticipating *ad hoc* legislation and policymaking that has undergone a scaling-up process. It is considered to be a very interesting case by policymakers and by public and private stakeholders, because FHS expanded its activities since its creation and has been replicated around the country.

Here we will describe its genesis and development, focusing on a plurality of aspects, each of which can be considered as an innovation in local welfare, even if there are some critical aspects. So, the FHS will be presented as a whole, then we will focus on the description of the developed social funds, and, finally, we will illustrate very briefly some of the social housing projects launched by the foundation. Our analysis is based on interviews, internal and public reports, articles and other available materials on the web.

The FHS case has to be shortly contextualised. In the past years, a new form of social housing emerged in the Italian market. Contrary to what happens in other countries, until the beginning of the decade “social housing” was implicitly intended as the “public” component of this policy field. In many cities characterised by high housing or rehousing needs, many private housing initiatives have been developed to cope with (or to try to cope with) the scarcity of dwellings devoted to low and middle-low incomes, normally through the constitution of social cooperatives and associations that promote self-building activities, buy and restructure private buildings for rent or sell at lower prices and get concessions from public agencies to remould and manage entire buildings with the same aim. Following local experiences, law 244/2007 defined a new typology of dwellings defined “residence of general interest destined to location”, non-luxurious real estate localised in municipalities with “high tension housing needs” and bound by contract to at least 25 years renting destination. The law introduces an important principle: dwellings destined to long-term renting, even if private, represent an economic service of general interest. They can be privileged by tax exemptions and by planning and economic support by public stakeholders (ANCI 2010).

One year later, The *Ministero degli interni* with the decree 22 April 2008, defined social dwelling (*alloggio sociale*) as “a unit for residential use in a permanent location aimed to reduce housing problems for individuals and disadvantaged families, who are not able to access to renting housing solutions in free market conditions”. The definition of “social housing” in the decree is quite general and can be actuated through: the imposition of a minimum number of dwellings rented at a “fair rent” for builders that use lands prior devoted to “standard services”; the free assignment of municipal land imposing the construction of dwellings only devoted to rent at fair values (in any case lower than private market rates) plus municipal urban tax exemptions and, last but not least, the involvement of private stakeholders that privilege ethic investment aims and accept lower returns on investment but ensuring that the municipality will pay in case of tenants’ arrears and that they will be supported in matching demand an offer (Baldini 2010; Plebani and Merotta 2011; Giaimo 2011).

The issue of “social housing” is quite important in Milan because of needs pressure (there is an acute shortage of affordable dwellings in the city and the number of families that cannot afford to get into the private market is growing) and because it is one of the big cities where “trials of innovation” are taking place, thanks to the development of a web of stakeholders that are trying to promote public-private partnerships in order to enlarge the rental housing stock. Along with new stakeholders, traditional ones are involved in this effort.

2.3.2. Conceptions and ways of addressing users

FHS was founded in 2004 by the *Fondazione Cariplo*, the largest “foundation with a bank origin” in Italy. These foundations are a kind of private, grant-making foundation specific to Italy, set in 1991.¹¹ *Fondazione Cariplo* has addressed the issue of disadvantaged housing conditions since 1999, contributing to the realisation of housing projects dedicated to the weakest segments of the population (homeless people, ex-convicts and ex-drug-addicted), mainly through grants to third-sector organisations (Barbetta and Urbani 2007, Urbani 2009). Aware of the limited amount of resources available in the form of grants, the foundation decided to experiment with innovative financing instruments based on sustainability and ethical investments (and no longer on grants) to expand the range of social housing projects involving other public and private institutions and stakeholders. A feasibility study carried out by the Architecture and Planning Department of the Milan Polytechnic (DiAP) confirmed the potential of the ethical investment of proposal of *Fondazione Cariplo*. The initiative thus took concrete form in the social housing programme and the creation of the *Fondazione Housing Sociale*, instituted to implement the programme itself.

The social housing programme has a dual identity, according to institutional documents:

On the one hand it is an economic enterprise providing for very significant levels of investment and thus requiring the definition of robust management methods that provide the necessary guarantees to private investors; on the other, it is an institutional enterprise aiming to produce not only initiatives but also, and especially, new organisational propositions and models that show how public administrations, the not-for-profit sector and private operators can become effective partners for addressing the issue of housing needs.

(FHS website)¹²

Created in 2004 by *Fondazione Cariplo* and supported by the Lombardy Region and *Anci Lombardia* (the association of Lombardy municipalities), the FHS is an active member in the Italian real estate panorama as an innovative stakeholder in the field of the so-called “modern housing policies” intended as a response to the problem of the growing gap between the housing supply (dwellings in the free market, mostly expensive and not affordable) and the actual economic means of Italian families. Although most Italians own their houses (more than 80 per cent), a strong demand of rental houses has arisen by the population unable to buy, to be homeowner. It is in this scenery that FHS steps in with a long-term strategy intended not only to promote access to housing by those who are in the grey area, those who are not eligible for public housing and at the same time, are not financially able to stand in the private market.

The mission of the FHS (at least in what is declared in their institutional documents) is also to ensure residents’ empowerment and their social integration. Such commitment has also meant promoting the building of new houses, but above all devising a new model of urban development proper to ensure a high standard of life for residents and for the neighbourhood in which its activities are inserted, thanks to special attention to proximity

¹¹ It “manages the assets gathered over 180 years by *Cassa di Risparmio delle Province Lombarde* to carry on its long-standing philanthropic tradition. *Fondazione Cariplo* aims at operating on the basis of the principle of subsidiarity, anticipating needs and fulfilling its special mission of being a resource that helps social and civil organisations better serve their community” (www.fondazione-cariplo.it).

¹² <http://www.fhs.it/eng.pdf>

services, to the promotion of positive and solidarity relations among those who are directly involved in the projects (as users or neighbours) and to the development of social programmes devoted to facilitate and improve cohabitation conditions.

The work of FHS developed along three main axes: promoting ethical financing initiatives, and in particular, real estate funds dedicated to social housing; testing of innovative, non-profit management models; and developing project design instruments to be shared among all sector operators and promoting public-private partnerships to develop their initiatives complementing the existing public housing policies and substituting them.

The first endowment by *Fondazione Cariplo* permitted FHS to move the first steps into the real estate world and thereby create an ethical fund, the *Fondo Abitare Sociale 1*, in 2005. It is limited to institutional investors such as public institutions, big firms and bank foundations. Its purpose was to finance the building of apartments and services to solve tenants' housing problems, supporting the public administration and the third-sector agencies' efforts in this direction.

The fund's aim is to give birth to affordable dwellings for students, elderly people, one-income families, migrants, young people, and more generally, those who cannot afford market prices to cope with their housing needs. According to what is stated in FHS documents, "another portion of the fund is allotted to supporting projects inspired to the principles of the 'ethic estate finance', which specifies that no investment should be made in projects of buildings used for the trading and stocking of weapons, tobacco, alcohol and similar items".¹³

The ethics of the fund was related to the fact that it was devoted to "non-speculative investors", assuring yearly returns in the range of 2-4 per cent plus inflation. These investors have been defined in interviews as "patient investors" (but also in the literature: Giamo 2011). The fund has a lifespan of 20 years and its management has been assigned to Polaris SgR (savings management firm) as indicated by legislation for all real estate funds; while the follow-up of social purposes obtained through the fund itself has been entrusted to FHS. The *Fondo Abitare Sociale 1* has been financed with 85 million euros by the following investors: *Fondazione Cariplo*, *Regione Lombardia*, *Cassa Depositi e Prestiti*,¹⁴ *Banca Intesa San Paolo*, *Banca Popolare di Milano*, *Assicurazioni Generali* and *Cassa Geometri* with 10 million euros each and *Telecom Italia* and *Pirelli* with 2.55 and 2.45 million of euros, respectively (*Fondazione Housing Sociale* 2009).

In 2006 the *Abitare Sociale 1* fund was transformed into a new fund called *Fondo Immobiliare di Lombardia* (FIA), participated mainly by *Fondazione Cariplo* and FHS, along with the same partners of the first fund and other new investors such as *Prelios* and *Fondo Investimenti per l'Abitare*, a national "fund of funds", composed of more than thirty ethical funds for housing spread all over the country (see further on), managed by CDP *Investimenti sgr*. FIA has the same mission as the first fund but is much wider both in terms of geographical scope (the entire country) and in capital (it reached 2 billion and 28 million euros by March 2012; 1 billion given by *Cassa Depositi e Prestiti*; 140 million by the Italian Infrastructure and Transports Ministry; and 888 million by banking and insurance groups). It has a lifespan of 35 years with a possible extension of no more than 3 years. It will invest exclusively in real estate, and, until June 2012 it could participate with no more than 40 per cent of its total capital invested in each local initiative or social real estate development along with local funds (as the FIA one). From June 2012, due to the current

¹³ <http://www.fhs.it/eng.pdf>.

¹⁴ <http://www.cassaddpp.it>. Footnote to be completed in order to explain the nature of this public agency.

economic and financial crisis (mainly to the credit crunch), participation can reach 100 per cent of investment in order to unlock planned initiatives by local funds and agencies around Italy that lack 2 or 3 million euros in most cases.

FIA invest and will invest in social housing initiatives to increment the supply of affordable housing, both for renting and for selling, applying the same logic as before, supporting and integrating public (national, regional and municipal) housing policies. The target of its activities is, as written above and as stated by interviewees, “the grey area of housing demanders”, those who cannot access the free market but are not eligible for public housing (*edilizia residenziale pubblica*).

The whole system of social and ethical funds has further developed with the creation of *Cassa Depositi e Prestiti SGR* in 2009 promoted by *Cassa Depositi e Prestiti S.p.A.*, the Association of Bank Foundations (*Associazione di Fondazioni e di Casse di Risparmio S.p.A.*, or ACRI - actually directed by the president of *Fondazione Cariplo*) and the Italian Bank Association (*Associazione Bancaria Italiana*, or ABI), to build a platform for launching real estate closed-end funds, also in the form of funds of funds, the “Real Estate Fund System” (SIF) intended to expand the supply of social housing units in Italy. CDPI Sgr’s capital is held by *Cassa Depositi e Prestiti S.p.A.* for a majority stake of 70 per cent and by ACRI and ABI for a 15 per cent stake each. Currently CDPI Sgr runs the FIA, among others. In figure 1 the evolution of ethical funds for social housing is represented by a timeline.

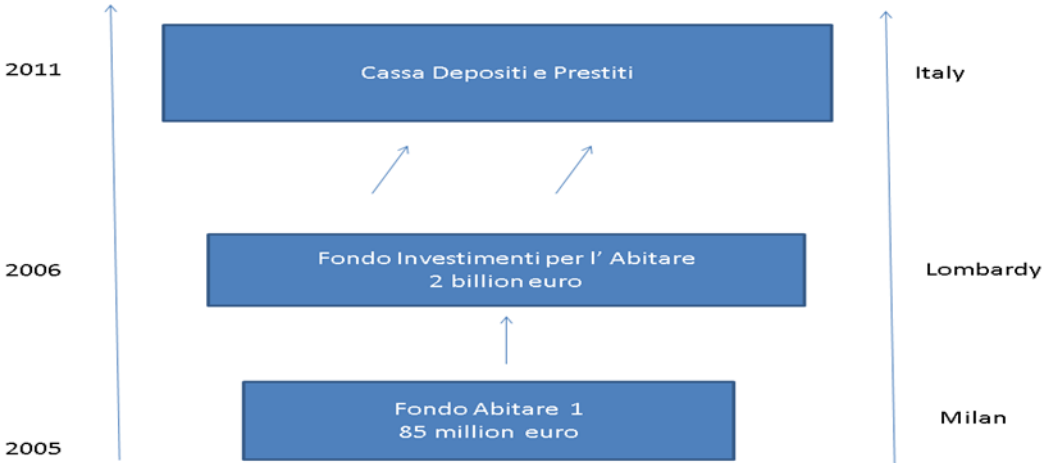


Figure 1 - The evolution of social funds for social housing

2.3.3. Internal organisation and modes of working

Until 2011-12, FHS was organised into two main offices, the “finance area”, focused on the financial structure of private social housing initiatives and on the management of associated implementation procedures (preliminary analyses, feasibility studies, negotiation support, financial structuring, financial planning, strategic partner search, governance and real estate market analysis); and the “planning and development area”, specialised in urban and architectural design and also on the social aspects of the projects (e.g. design guidelines, local relations, social management and participation, occupant selection, service design, urban analysis, urban redevelopment and the legislative framework). With the creation of the FIA, the finance area has been absorbed and

internalised by *Cassa Depositi e Prestiti*, which needed specific competences in this pretty new and complex corpus of policies, instruments and issues of and for social housing (it has to be considered that also the legislation is very recent).

Currently, within the Integrated Real Estate Fund System (SIF), FHS actively manages the promotion and organisation of more than thirty local real estate ethical funds managed by different investment management companies (SGR) throughout Italy for initiatives with an aggregate value of more than 3.5 billion euros. FHS has been asked to operate as a technical advisor for all these funds, with a “coaching” and sometimes, “scouting” role.

The evolution of the initial innovative idea of FHS and *Fondazione Cariplo* is huge in terms of scope, capitalisation and capacity to operate as a policymaker at national at local levels. Nowadays the FHS’s aim is to be, as stated by the project manager of FHS, “an incubator of housing policies”, therefore not only to promote the encounter of demand and supply of housing - particularly in favour of the weakest - but also to ensure, through its action, good life opportunities, integration, services and housing quality. Now that the system of ethic funds is solid, FHS, seated in Milan, will finally focus its attention in “developing community welfare programmes” (as stated in interviews) in its housing initiatives. It will fully experiment what FHS calls “sustainable communities”. In their words:

The integrated management plan envisioned for these social housing projects proposes a process of community building mainly addressing accommodation needs. The inclusion of people in disadvantaged circumstances is also favoured via specific projects that not only help meet the needs of their direct beneficiaries but also help strengthen the community identity, the network of interpersonal relations, and a shared feeling of a more sociable living dimension. This scenario entails the objective of achieving an appropriate social mix, i.e. a heterogeneous and balanced community including disadvantaged segments and a good range of diversity, implementing instruments and organisational methods that facilitate the management of cohabitation and community functions and safeguard its components. The social mix must be accompanied by a functional mix incorporating a variety of services into the residential context, contributing to improving the quality of life and ensuring services in the territory, oriented especially to help the most vulnerable. The development of a sense of identity and membership in the place where one lives is considered to be one of the most critical elements in providing incentives for active participation in community life, transforming the residents from simple beneficiaries of a service into active players in the determination of the quality of their condition and their context

(FHS website)

2.3.4. Interaction with the local welfare system

FHS’s challenge is therefore complex: to encourage different stakeholders towards common goals, attracting investments for social housing projects, monitoring their results and developing management sustainable models that can be replicated in other contexts than the Milan or Lombardy one. Looking for sustainability in the Italian context means mainly finding economic and financial conditions that make social housing projects attractive not only for dedicated stakeholders (as FHS) or public ones, but also to private stakeholders. In this sense, FHS need and want to be fully embedded in the local welfare system, aware that its projects need to be supported by local authorities and partners that

have (by mission or by convenience) the same long-term horizon for investments. According to what is declared in institutional materials and in interviews to FSH and *Fondazione Cariplo* executives, innovation is such when it becomes a practice and such practices may be followed by action models acquired by policymakers.

A brief presentation of the Milan projects developed by the “*Fondo Immobiliare Lombardia*” (FIA) will give some idea of how the interaction of the local welfare system takes place. It has to be considered that all these projects are developed with the Milan municipality in different kinds of partnership (use of public land, use of other public resources and institutional support) and that buildings are designed to ensure high energy technology and energy standards at a reasonable cost of construction and maintenance. The actual projects that are being developed (in construction if *ex novo* buildings or in action if implemented re-using spaces) are *Cenni di cambiamento*, *Figino Borgo Sostenibile*, *Maison du Monde 36*, *Abit@giovani*. Each of them is based in a different public-private arrangement and try to respond to different social/housing needs. It is important to point out that none of these projects have yet produced lived-in spaces; people have not yet entered the social housing buildings. Some observers state that projects held by FIA and FHS take too long criticise this as a weak point.

All these projects aim to develop communities of residents that organise themselves to manage their spaces and common life. The core idea is that this can happen when people know each other and with the help and support of social managers that can “accompany” residents to share some activities. All the projects are also based in the co-opting of an organisation that functions as “social manager”.

Cenni di cambiamento means “signs of change” in Italian. *Cenni* is also the road in which the social housing intervention is located. The title of the project plays intelligently with words and “speaks” about its philosophy. It was one of the first building realisations of FHS, 124 flats in the western part of the city. The main targets are young people, intended as newly formed families or singles who have just left their family. On the ground floor there will be premises assigned to social and community businesses, designed to improve quality of life and to encourage social contact among residents. The core of the project is the inner court, meant to become a small park and open to residents of the district, which includes playgrounds, a resting area and pergolas. On 30 March 2012, the apartments started to be assigned on the basis of a rent of 5000 euros for a two-room flat per year (that is less than 500 euros per month), thereby allowing low rents (publicly regulated) and high housing quality.

Almost half of the apartments are proposed with a rent-to-buy formula. The social manager of *Via Cenni* will be *DAR Casa*, a third-sector housing agency. In *Cenni* will be developed in cooperation with “*ARCI Barabba*” (a historical and very active young association associated to the national and regional network of ARCI¹⁶) a foyer for young people, for temporary housing needs (2/3 years of possible stay). Five apartments will be devoted to this specific target and a residents’ association will be created to promote self-organised personal services, such as taking care of children, supporting voluntary activities for and by neighbours, and so on.

The *MAISONDUMONDE36* project’s aim is to recuperate a building located in *Via Padova*, n. 36, one of the most ethnically oriented streets (and neighbourhoods) in Milan. It is planned to offer 50 apartments with affordable rents to young couples, migrant families, students, workers and researchers with temporary housing needs that cannot cope with free market prices. The project aims also to offer better living conditions to those who already live

¹⁶ www.arci.it. Footnote will be completed to explain what ARCI is.

there, and that constitutes “the historical memory” of this place. The logic is the same as that of *Via Cenni*, building and implementing an economically sustainable model of social housing experimenting new public-private governance and developing good housing quality. The historical building is being renewed, fifty apartments (different sizes) will be made, as well as collective spaces for “integrative services for living”, two commercial spaces (for shops) and an office on the ground floor. Work started in December 2011 and will be finished by March 2014.¹⁷

Figino Borgo Sostenibile

This project has the aim of valorising the social dimension of a *borgo* that still characterises the neighbourhood and support informal positive social relations. The programme consists of the building of 320 apartments to target young couples, families with many children, professionals that work from home and families that are available to host disabled people; and commercial spaces and spaces devoted to integrative services to residents.

Abit@giovani (www.abitagiovani.it) is a “diffused social housing project”. It is a new project developed by FHS with ALER Milan, the public housing agency of the city, and with the Milan municipality. Its aim is to recuperate and valorise single dwellings belonging to the public housing stock that, for many and different reasons, are not used or are empty. It stems from an original idea of Don Gino Rigoldi, a well-known priest who works in the city in many welfare services. The objective of the project is to identify 1,000 dwellings in the city. The first 250 have been already identified by the partners. They will be renewed and devoted to young people who will pay an affordable rent in which is embedded (if they wish) a buying component (in a rent-to-buy scheme). Residents will be allowed to buy these apartments at the end of the 8-year period. Single adults must be a maximum 35 years old, couples must have a combined age of less than 70 years. In the first part of 2013 a first call has been launched for the first apartments and more than 500 persons/couples have responded to it, in some way sharing the philosophy of the project that asks, here again, the availability to share time and common spaces and services to future residents.

CONCLUSIONS

The cases of innovations presented here cover three areas of policy: income support and professional reintegration; early child care and education; and housing. A few elements emerge as relevant in all cases considered.

A first major issue at stake appears to be the amount of available resources as opposed to increasing and changing needs, a trade-off that the economic crisis and consequent austerity plans have sharpened. Social innovation also stems from the need to use scant resources differently, and/or not to abdicate to reflection around welfare issues because of the lack of resources. In the FWA case (section 2.1) an innovative feature has been the aim to implement a circular use of available capital. In the M12 case (section 2.2), on one side one observes the successful attempt of the municipal administration to unblock the use of available funds frozen by the rules of the stability pact, and to also put to good use meagre residual funds, to implement small-scale projects. On the other hand, it has aimed at initiatives that were low-cost from the economic point of view, but that promoted participation and public debate in view of a rethinking of the approach to, and a reorganisation of, the services’ system.

¹⁷ The site of the project is: www.maisondumonde36.it

A second element is in fact about participation and empowerment. In the FWA micro-credit project this is a major element, in that recipients are helped to overcome a transitory difficult moment mobilising also their own resources and being responsible of their personal project. In M12 the empowerment element is understood as inherent in the wide involvement of citizenship in the participative path that aims to give voice not only to the expression of needs, but also of proposals and resources.

A third element refers to inter-institutional and spatial relations. The difficulties of the Italian incomplete federal reform are evident in the conflicts among local, intermediate and central levels on the release of resources, on the definition of priorities, on the distribution of competences. The announced but never-accomplished reform of metropolitan areas leaves also the services and projects analysed here in an institutional limbo that reduces the potential synergies and scale effects in the use of (always scant) resources.

The experience of *Fondazione Housing Sociale* (section 2.3) and its pioneer ethical fund for social housing is a very innovative case in the Italian panorama. As explained, the creation of a special agency to develop social housing projects, detached from the bank foundation (*Fondazione Cariplo*) enabled the pluralisation of activities and a call for the participation and funding of strong institutional/financial stakeholders and put the issue/problem of lack of affordable and good accommodation on the local scene. The most positive aspects of this experience (that needs to be developed further for definitive conclusions in terms of sustainability) was the alignment of FHS policies to public ones, the enactment of public-private partnerships and resource pooling, the development of new models of social housing oriented to high building standards and to focused social mix criteria (which is possible because of the derogation of public dwellings allocation criteria) and, above all, the scaling up of the first ethical fund, which now is much wider and richer and the inspiration given to other contexts and groups of stakeholders around Italy.

The case of FHS has to be read considering that it is backed by a very big and rich institution. *Fondazione Cariplo* is the second biggest foundation in economic terms in the world, following the Bill & Melinda Gates Foundation. All the critical events of FHS could count on the resources of *Cariplo*, both financial as well as more intangible ones. Moreover, FHS could use some of the last empty plots to develop its projects, thanks to conventions with the Municipality of Milan. Social housing initiatives need in general a complex montage and the participation of different stakeholders to be attractive and compatible for private and public aims at the same time. Some observers state that FHS and the FIA are using their resources very slowly and that they are not risking enough to produce affordable dwellings, that they are using (as other operators) public resources (mostly public land) to produce too small proportions of housing to rent. Some critiques are more profound in the sense that they accuse subjects like FHS of draining scarce public resources from the most needy and deprived in the housing market. In a context of scarcity of resources for this policy sector, it is very difficult to cope with differentiated needs.

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