



MEETING REPORT

WPT1

1st AlpSIB Transnational Co-creative Lab meeting

1st SENIOR Co-lab meeting

1st NEETS Co-lab meeting

Augsburg 4th and 5th of May 2017

by

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&

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Day 1 (4th of May 2017)

1. Welcome Speech (City of Augsburg)

The representative of the city of Augsburg presented the organisation of the city and welcomed all participants.

2. Objectives of the Cocreative Lab (Alice Jude, MNCA)

- Familiarise all partners and observers with existing SIBs in Europe by presenting ongoing and closed SIBs in Austria, France and Germany.
- Translate challenges and opportunities from the local context to transnational context
- Come back home with new ideas and answers for the questions raised by our local stakeholders

2.1. Presentation of the Engaging event in Nice on the 27th of April 2017

- Organiser: GIP FIPAN
- Partners: MNCA, PSP PACA
- Participants: 40
- Moderator: 1 French expert on SIB
- Presentations:
 - o Concept of Sib, examples in Europe and latest development of SIB in France: Call for proposal of the Government launched in march 2016, selection of 7 SIB.

- 1 case study testimony with investor (Burger King) and social Provider (Impact Partenaire) on Youth employment in fragilised neighborhoods.
- 3 testimonies from observers on their needs which could be converted into SIB: Mission Locale Objectif Jeunes Nice Côte d’Azur, Pôle Emploi PACA, ADMR PACA Corse.
- Main concerned raised:
 - The access to data is difficult sometimes and often there is a lack of resources to finance a preliminary evaluation of a project. In this way many stakeholders find difficult to prepare a scenario. This is a problem in front of a private investor requiring an accurate analysis and prevision of costs and results.
 - Find private investors and present the project idea is perceived as complicated by some stakeholders such as associations because they are not used to negotiate with private investors.
 - There is not a defined procedure to submit and develop the project: the procedures are not as clear as other funds. This could disorient some stakeholders used to work with well known measures
 - The social expenses in France are nowadays significant and enterprises finance already social actions through taxes. Moreover there are a lot of SMEs (Small and Medium Enterprises) on the territory, but usually they return project propositions to the main headquarter. Consequently it is often difficult to stay in a local perspective. However there are a lot of investors at a national level ready to invest in local projects.
- Main Results:
 - It was very important that the expert was French and was able to explain the SIB in a French context for a French audience, in order for the audience to really understand the concept.
 - Several participants asked for bilateral meetings in order to deepent the reflexion on SIB

3. SIB Case Studies:

3.1. SIBs in France (Alice Jude, MNCD)

Contrat à impact social

In March 2016 the French Ministry of Economy launched a Call for Proposals for French SIB, called ‘Contrat à impact social’, in any field concerning public policy, as long as they foster innovation and prevention of social risks. Since the call has closed in January 2017, 13 of 20 submitted proposals were selected and three contracts signed. More information can be found on Google Drive and [here](#).

The SIBs had the following provisions from the Ministry:

- 1) The State reimburses proposed projects under the responsibility of the Government (e.g. in the field of employment);
- 2) The Government certifies projects. Selected projects get a label by the Government;
- 3) The Government helps to find missing partners and investors.



The three examples of SIBs:

- 1) *Solidarité nouvelle face au chômage*: finances and supports the creation of jobs in the social economy sector with contract lasting of one or two years. This working experience is recognised by a certificate of competences. Cost for the French Government: 1.700.000 €
- 2) *Cravate solidaire*: The idea is to support people far from the labour market preparing their job interview by providing them professional outfits. The action will be larger thanks to the association's bus which is riding in two disadvantage neighbourhoods in the Paris area. Cost for the French Government: 1.700.000 €.
- 3) *Impact création*: The objective is to create at least 200 stores in the next five years in the priority districts, to train 350 people, thus generating at least 2000 new employments. The investors' money (60M€) facilitates the access to finances of the potential store-owners /franchisee. The fund of Impact Partenaire covers 40% of the budget, 50% is covered by the banks and the franchisee has only to invest 10% of the total budget required.

3.2. „Eleven SIB“ Augsburg, Germany (Knut, Eckert School)

Knut Wuhler from Eckert Schools in Augsburg presented the first Social Impact Bond in Germany and Continental Europe, known as Project Eleven. All details of the project can be found [here](#). Benckiser Foundation Future who initiated the first SIB was inspired by SIBs in the United States.

Description:

- Objective of the SIB: 11 NEETS shall find and stay in employment for 9 consecutive months.
- Duration: 2 years
- Overall costs: 1M€
- Partners:
 - o Public Authority: Bavarian State
 - o Intermediary: Juvat
 - o Social Provider: Eckert School
 - o Evaluator:

Added value for Eckert School:

- Gained new contacts,
- The university of Erfurt assessed the Social return on investment of the Eckert School action: For each 1€ invested the organisation creates 2,5€ added value.

Lesson learnt:

- Involvement of the social provider in the formulation of the contract and the evaluation criteria is essential to assess the real cost for every parties involved.
- The social provider must be very experienced in one's services to be prepared to take on the extra administrative work that a SIB provides.
- It is necessary to ask a couple of questions before starting a SIB:
 - o what is a problem that the state does not offer a solution for?
 - o What are the exact benefits of the SIB?

Discussion points:

- Participants were interested in how the costs and requirements were calculated.
 - o As it was a pilot project, the financial assessment was corresponding to the available dedicated budget of the Bavarian Government.

- Reporting on impact will be necessary for service providers in the future as they are competing for scarce funding.
 - Eckert reported to intermediary [Juvat](#) every month along 20 criteria
 - Reporting was difficult as it was passed between different stakeholders.
- Problems: participants didn't want to share their names yet the Ministry required it.

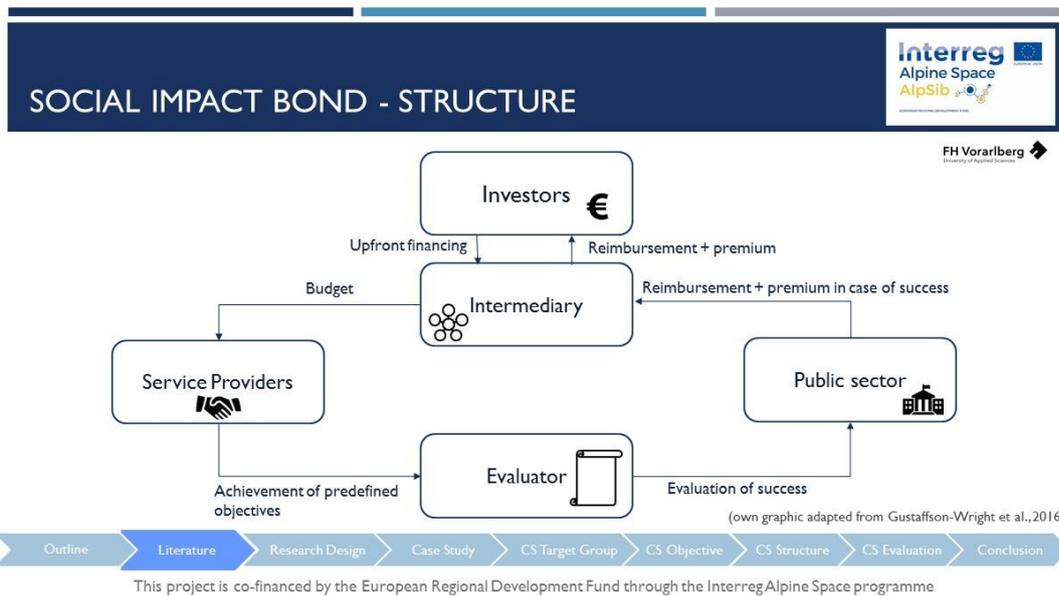
4. SIB in Austria (Nina Schneider, FHV & Eva Miklautz, Federal Ministry of Labour, Social Affairs and Consumer Protection, Austria)

Nina Schneider from the Fachhochschule Voralberg (Austria) presented a general assessment on SIBs. Subsequently Eva Miklautz (Federal Ministry of Labour, Social Affairs and Consumer Protection, Austria) talked the first Austrian SIB, which is currently ongoing.

- More information on the Assessment is also available via Google Drive.
- Nina Schneider is currently working on a paper discussing what constitutes a successful Social Impact Bond using the example in Austria; a paper which can be shared with partners in the future.

Relevant actors within a SIB.

SIBs are a tool to shift financial risk from public to private actors and support interventions and preventative measures, such as youth unemployment and health services. Since SIBs have been created, 60 SIBs in 15 countries have been launched.



Success Factors:

An SIB is not only successful if the predefined outcome is reached. She therefore warns that there is a risk of cherry picking, meaning investors only invest in beneficiaries with the highest likelihood of achieving the defined goals.

A SIB hence needs:

- A realistic aim
- A meaningful and measurable outcome
- A reasonable time frame
- An easy identifiable target group

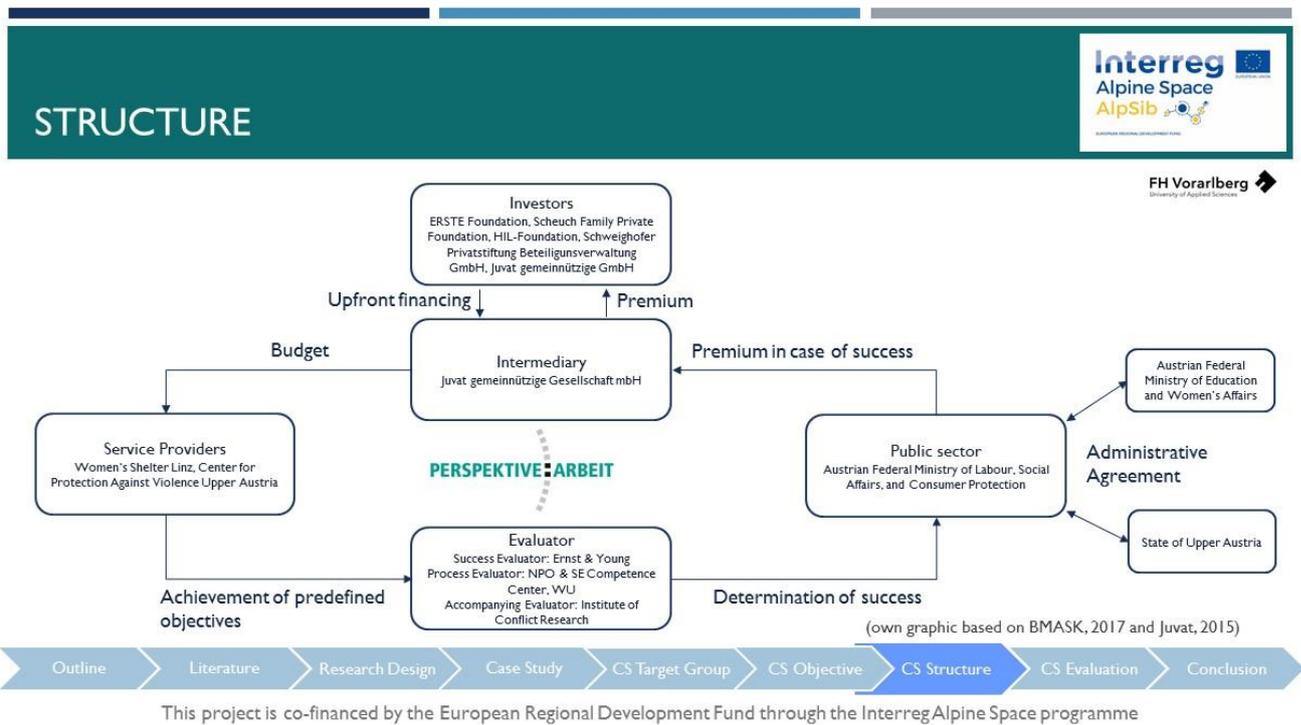
- Government support.

Case Study: Women affected by violence in the state of Upper Austria

A detailed description of the Austrian SIB can be found under the following [link](#).

Eva Miklautz summarized the above mentioned Austrian SIB detailing the roles of the partners, in particular the Ministry and the intermediary.

- Federal Government has a direct contract with the intermediary and was given the chance to refuse investors and service providers.
- The Austrian ROI is lower than in other regions with 3% total for 3 years.



Discussion points:

Legal aspects:

- Eva Miklautz stresses the importance of setting up a legal public procurement framework as a basis for Social Impact Investment. She invites AlpSib partners to take this on as legal provision so far is scarce to non-existent. The SIB now presupposes very distinct conditions and was therefore set up as a pilot.
 - Maria Chiara Pizzorno agrees. In Italy there is a conflict of interest, since you cannot participate in a SIB if you are part of the call.

Financial aspects:

- In order to calculate a budget, the Austrian Federal Ministry used among other data its employment service unit's data and compared costs of these units for comparable projects with social service providers. These numbers were used to create budget scenarios.
- As it is a pilot project, the RoI is only paid out to the intermediary if the SIB reaches a 100% success rate.
 - It would make sense to align RoI with success rate in order for projects to be more sustainable and investors appeased.
 - On the other hand, a low RoI is useful to keep the focus on social work and not financial speculation.
- In the case of the Austrian SIB, the intermediary pays the evaluator.

Construction of the SIB:

- It took over two years to set up the SIB, from a first research on topic and target group in 2013, through negotiation phase and its start in 2015.

Contracts:

- Juvat has templates available for contracts and evaluation, however, these do not take national regulations into account.

Repeated findings during Day 1:

- Public procurement is difficult for SIBs under the European procurement law
- Failure is likely, a good cooperation is crucial!
- It is important to discuss good terms with investors. Even if 50% is reached, 50% of investments are returned.
- Without a meaningful and measurable outcome, it will be difficult to succeed at a SIB.
- Difficulty to make new idea accepted by the public, as private investors interfere in public area
- You can make a difference while making money – promise needs to be seen with caution.
- Reporting is difficult as it was passed between different stakeholders.

Day 2 (5th of May 2017)

1. Workshop Seniors (Lab leader and moderator: PSP PACA)

1.1. Introduction¹

“SENIORS” CONTEXT:

Demography:

- Increased number of people more than 65
 - o Slovenia: assumptions in 2015 = 17,9% / projections in 2057 = 31%
 - o Germany: 20% (the oldest society in Europe)
 - o France: public dependence expenditures = 1,05% of the GDP
- Increase in the number of elderly who are single, seniors feel socially isolated (suicides among population 65+ in Slovenia)
- More women than men: higher average life expectancy, so more dependent too
- The human and technical helps; and telemedicine is not used to its full potential

Ageing of the population impacts:

- Labour market: the decline of the working age population impede economic growth, slow down productivity and affect the structure of consumption
- Education and skills: professionalization increased training
- Public expenditure / Healthcare costs: reducing financial sources and increasing expenditure on social protection, increase in expenditure on pensions
- Housing, spatial planning and regional policy: needs for planning, construction and transport policies adapted to elderly people, funding models to support independent living are inadequate

“SENIORS” KEY ISSUES:

Various health issues, about autonomy (healthy ageing) and dependence

- Supportive environments
- People centred health and long-term care systems fit for ageing populations, development of ambulatory medicine and telemedicine, alternative housing solutions, help for family caregivers

Prevention

- Hospitalizations, social exclusion and isolation, falls prevention
- 7 loss of autonomy risks: nutrition / falls/ medication/ physical suffering / mental distress / behavioural disorders/ caregivers health

Others

- Increase and improve coordination of care needs: treatment/care pathway
- Increase the number of trained caregivers
- Investing in nutrition and alimentation for elderly people / Adapted physical activities
- Old-age poverty / Lower personal incomes / Financing models for independent living are insufficient
- Develop ageing policies adapted to all the senior profiles (and not only for the pathologic advanced age)

¹ The content of this introduction is based on the analysis of preparatory questionnaires done by project partners



1.2. SENIOR Co-creative lab: objectives and guidelines

Objective:

Develop ideas / proposals of potential SIB projects (activities) for seniors.

Guidelines:

A co-creative and participative session, based on the design thinking approach and focusing on operational aspects of seniors SIB projects.

Proceedings:

4 groups (5 persons each with diverse profiles). Each group has a senior profile to work on it through 3 co-creative sub-sessions:

- At first, groups complete the identity card of a senior who has a particular sign related to the main seniors issues: Nutrition; Help for family caregivers; Isolation and Leisure; Safe housing and Physical activity;
- Secondly, the groups complete a "user profile", based on the identity card of the senior and on his/her related objectives ("what does he/she want?"). 2 empty boxes have to be completed: obstacles and levers to attend the objectives;
- Thirdly, the groups have to find collectively some ideas, actions or activities that could satisfy these desires/objectives despite the obstacles and taking into account the levers.

Between each step, each group presents its study cases to the participants.



1.3. Results

Group n°1:

 <p>Senior ID: Wilhelm, 86 years old, lives in a farm in a mountain village in Austria Particular sign: Loss of appetite since he takes medicines. He is “fragile”. He has no car, but a tractor and a cat. His neighbours are helping him a lot. He likes TV shows. He has 2 children who are far away from home (Milan and Vienna) and who don’t visit him often.</p>			
Objectives	Obstacles	Levers	Actions/activities
1. Regain some appetite	Heart problem, medicine, change of alimentation, feeling depresses	If possible, change the medicine, visit another doctor (nutritionists), alternative solutions (vitamin, etc.), anti-depression medicine	Visit other doctors – Seek for solutions - Organise transport in remote areas to health doctor - Organise mobile unit of doctors - E-health (distance consultation)
2. Continue maintaining the garden	Getting weaker due to health condition and loss of appetite : less energy	Asks neighbours for help with the physically more demanding work, easy sport exercises for seniors, buy some modern machines	Start regular exercises - Mobile units for public park open exercise
3. To see family more often	Distance (because he has no car); he dislikes travelling, too weak to use the public transport; no use of internet	Ask friends/neighbours to take and drive him, be more in contact with children and invite them for visit, get equipped in ICT and get a training	Get equipped and trained in ICT

Group n°2:

 <p>Senior ID: Rina, 85 years old, lives in small town in an independent house in Italy Particular sign: Exhausted because of her husband’s disease She lives in a small village, in remoted area in Italy. Transportation is a problem, especially in winter time. Above all, she is exhausted. With her husband, they have a daughter.</p>			
Objectives	Obstacles	Levers	Actions/activities
Wants her husband stay at home and, at the same time, having a possibility to take some time for herself	<ul style="list-style-type: none"> - She does not like strangers to come into her house; - Difficulty hearing, ashamed of going out because of her looks and hearing problems; - No driver’s licence, can’t afford to pay for an at-home nurse; - The husband does not want other people to care for him; - Her daughter has to eventually return to work so she cannot continue helping her mother take care of her father 	<ul style="list-style-type: none"> - A Daughter - Social workers, nurse, medicine doctor (Centre of social services – run by local government) - Priest - Caritas (non-profit religious association) - Association of pensioners - Robots for cleaning 	<p>Visiting caregivers that verify that treatment of the husband is going well and that “everything is ok” at home : shopping, cleaning, etc.</p> <p>Hearing aids to be adjusted so that they work well and she can hear well</p> <p>Robots for cleaning as presents/gifts (Christmas), from the “library of things”</p>



Group n°3:

	<p>Senior ID: Andrea, 85 years old, lives in a rural area without public transports or neighbours Particular sign: Lives in a small village</p>		
	<p>Objectives</p> <p>Having a social life, care and help, despite the geographic isolation</p>	<p>Obstacles</p> <ul style="list-style-type: none"> - Missing social spaces, interactions - No offer (culture, music, etc.) - No mobility - Lack of social services in the area 	<p>Levers</p> <ul style="list-style-type: none"> - Bus service - Car pools - She likes to tell life stories - E-learning courses - Share gained knowledge

Group n°4:

	<p>Senior ID: Bruno, 84 years old, lives in the countryside in his own house with floors Particular sign: He broke twice last year his neck of the femur because he fell down He is French and Italian. He has 2 children and lives in small house (with stairs). He needs some physical activity. He has bird and likes playing accordion.</p>		
	<p>Objectives</p> <p>Stay at home</p> <p>Get physically fit</p>	<p>Obstacles</p> <ul style="list-style-type: none"> - Nutrition. He is not able to cook well since his wife died - Stairs in the house - He has no money to afford a carer - Osteoporosis / health 	<p>Levers</p> <ul style="list-style-type: none"> - Student to share house - Carer to live at home with him - Friends to spend time with him - Refugee share home - Senior communal sport group - Tablet to show services/exercises - School students visit old people



Activities proposal vote

Each group voted for the top 3 of the activities proposal which will be reused at the next meeting:

Actions / activities	User's benefits	Society benefits	Points
1. Start regular exercises	More energy Longer autonomy	Lower health cost Postpone entrance in medical institutions	10
2. Find someone to live at home with the senior (refugees, students)	Help everyday live Less lonely	Housing and social integration of refugees	8
3. Get equipped and trained in ICT	Happiness	Lower health cost	7
	Prevent mental health Prevent fragility		
4. Robots for cleaning	The user is less tired, has more free time available to her	Better health for the citizen Lower medical expenses	7
5. To train cooking (adults, children)	"Being part of", social involvement	Keep tradition alive	6
6. Visiting caregivers	User has some time off for herself and she can continue staying at home with her husband	Social inclusion Cheaper than the hospitalisation/nursing home Prevention of health problems for the wife	5
7. Visit other doctors – Seek for solutions	Regain appetite Find adequate treatment	Reasonable health cost	4
8. Change organisation of the house	Possibility to remain at home		3
9. Hearing aids	Improved communication (by phone for example)	Improved communication with neighbours, children, social workers, etc.	2
10. Find cheap solutions for transportation to rehabilitation centre	Cheaper motivation to go to rehabilitation centre Cure properly relationship		2
11. To sell pastries	Increase income	Increase income for the community as well	2
12. Cook pastries	Emotional satisfaction Satisfaction of being "useful"	Knowledge improvement	1

On the basis of the selected ideas, we will look further for a full SIB track (thematic and problems to be settled). For instance, present the role of each actor in the creation of a SIB based on these activities to be developed.



2. Workshop NEETs (Lab leader: Eckert Schools)

2.1. NEETS Co-creative lab: objectives and guidelines

Objective: Understand how NEETs challenges can be addressed through private investments

Guidelines: A co-creative and participative session, based on design thinking approach and focusing on thinking like a potential investor for an SIB project.

Proceedings:

4 groups (5 persons each with divers profiles). Each group focus on a NEETs challenge and develop an SIB approach, focusing on which investors and why investors could finance it

1. Challenges:
2. Youth unemployment
3. Youth crime
4. Education
5. Health

Steps:

- First, groups should understand how not to think about young people but about one person, in order to think in a SIB project way. The person who caused the problem. Because, the only person who is able to solve the problem is the person who cause the problem.
- Secondly, the groups must think about one question “where is the money?” and “how can we find a way to have this money to solve the identified problem”? (in identify and determining a potential investor). The way for developing a SIB is to identify the manner of helping companies to solve their problems: what the company needs? What can be done? How to make company pay for it? (example of Nestlé, and water problem in Africa).
- Thirdly, each group must undertake a sort of marketing study to find a win-win situation for every stakeholder (company who give the money, the services provider, the public instances, the target group, etc.). It is necessary to find sustainable SIB project ideas: example of overweight among youth population – what is the problem? What State is doing? If not much (or nothing) – what can be done? and propose “win-win” solutions.

At the end of the 3 steps, each group presented its idea.



2.2. Results

Group n°1 - Youth crime (Online behaviour)

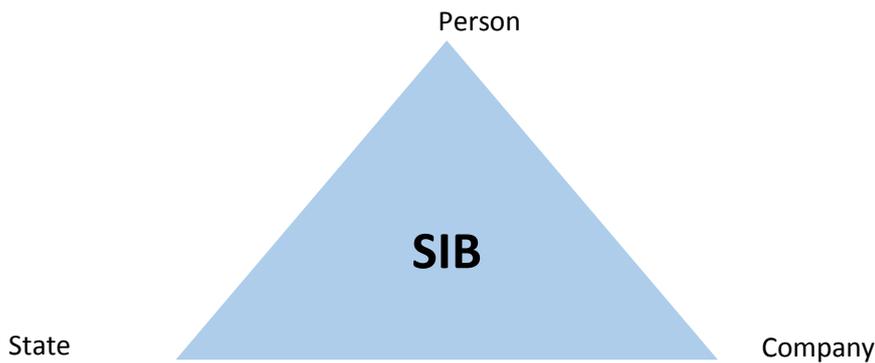
SIB idea: An app against Cyber-crime / Cyber-bullying

Potential investor: Facebook or online company. We think to FB because they are interested to increase their reputation and their social responsibility and also because of their attractiveness.

SIB project: Develop an app taking the online messages (status, best tweet, etc.). This app is a kind of intermediary between the tapping and the online posting. It gives a feed-back to the user and asks again for publication. This app could prevent some people from bad manners or attitude online. It's a kind of prevention of online bullying.

Win-win situations:

- The users can check their Facebook messages again. It's a kind of intermediate step between tapping and publishing.
- Online manners and online rules get educated thanks to this app.
- The State, who is the keeper of this SIB, has to invest less money into the healthy policy to influence youth. They have a less prevention effort. And, in total, they have less online crimes.



Group n°2 - Education

SIB idea: Management school for refugees.

Context: Migrant students are over-represented in vocational training despite their knowledge and skill level. They are all enrolled in vocational training.

Potential investor: Companies interest: if these students are not enrolled in vocational training, companies risk losing talents. They will never have these skilful young people working like managers in their companies.

Other approach to this topic: involving companies in investing in academic track for migrants students (special classes where the migrant students can be supported during the long way to the university) because in this way, companies can have talents and skilful young people also coming from other cultural backgrounds.

Sectors where we can collect the money:

- **In Italy:** Tourism is a good business, so manager coming from different backgrounds can be very interested because they have intercultural skills, they may speak different languages.
- **In France:** High fashion company like Chanel.



Group n°3 – Health

Specialisation: Nutrition / sport / healthy food

Idea: Give the opportunity to the young people to do sport for free or a really low cost and try out different sports and inform the parents about healthy food.

Potential investor: the companies which use too much sugar (like Nestlé – problem of reputation, image / brand).

Win-win situations:

- The State: reduction of health costs
- The public target: better health
- The company (Nestlé): increase reputation/image

Group n°4 – Youth unemployment

Context: The enterprises themselves are part of the problem:

- 1- With the culture of the experience they do not give the chance to inexperienced young people, .
- 2- They are replacing traditional young employment with machines.
- 3- They don't replace the older workers with young people.

SIB idea: Create training programs for the enterprises: Young people who are unemployed or out of the system, can access through specific communication targeting them offered by social media (what the public institution are not so able to do) some trainings offered and financed by Nike or Apple in order to offer them a job opportunity in those enterprises.

Potential investor:

Enterprises are the reason of the youth unemployment so that is why they have to compensate. Enterprises popular for the young people = entertainment companies (Samsung, Nike, PlayStation, Apple...).

Win-win benefits:

- Young people: training and job opportunities
- Enterprises: positive marketing, increase the consumer, improve the workforce, fidelisation and the ROI,
- State: Increase the national GDP, decrease unemployment money