

The local arena for combating poverty Malmö, Sweden



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Abbreviations

The National Board of Health and Welfare (Socialstyrelsen) observes, analyses and give further instructions to local authorities on how to interpret the Social Services Act, yet without having any legal mandate to impose changes (www.sos.se)

PES Public Employment Services (Arbetsförmedlingen) is the national and central state funded and administered employment service, responsible for job-seeking, matching those who need employees with jobseekers (www.arbetsformedlingen.se)

SKL The Swedish Association of Local Authorities and Regions (Sveriges Kommuner och Landsting) represents the governmental, professional and employer related interests of Sweden's municipalities, county councils and regions (<http://english.skl.se/>)

SRA The Social Resource Administration is one administrative department in Malmö with responsibility to provide funding support to those voluntary organizations which focuses the social sector.

List of interviewees

Interview with Project Coordinator representing Malmö Church	2013-05-27
Interview with Project Coordinator representing The Workers' Educational Association, Malmö	2013-05-27
Interview with senior manager, Public Employment Services, Malmö	2013-05-28
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Foreword

Reducing poverty and social exclusion is one of the main challenges for ensuring social cohesion in Europe. The research project COPE – Combating Poverty in Europe: Re-organising Active Inclusion through Participatory and Integrated Modes of Multilevel Governance’ – analyses trends of poverty and social exclusion in Europe, and examines the dynamics of minimum income protection policies that potentially help alleviate the risk of poverty in Europe. A particular focus is on the situation of single mothers, long-term unemployed and the working poor, who face particular risks of poverty and social exclusion. To what extent have minimum income policies functioned as last resort social security for these three groups, and in what sense can ‘active inclusion’ policies credited with protecting them from poverty and social exclusion?

Co-financed by the European Commission in the 7th Framework Programme, the COPE project unites researchers and stakeholders from six European countries, the UK, Italy, Poland, Sweden, and Norway. Having started in February 2012, COPE runs over a three-year period. COPE’s method is comparative – analysing developments in five European countries (Poland, Germany, UK, Sweden and Italy). Its focus is inherently multi-level, looking in turn at developments at European, national and local level.

The present report is part of COPE’s effort to uncover the dynamics of local level policy reforms in the area ‘active inclusion’, namely reforms affecting local policies that specify the adequacy of minimum income benefits, the provision of employment services, as well as the organisation of access to social services.

The present report is complemented by local case studies covering developments in the other four countries. It feeds into a comparative report on similarities and differences in the development of minimum income protection across Europe, to be published later in 2013.

1. Introduction

The aim is to analyse the task of local agencies responsible for the provision of minimum income schemes (MIS) for single mothers (SM), long-term unemployed (LU) and working poor (WP) by focusing the local implementation process of policies and organizational instruments structuring local MIS. The intention is to understand both policy outcomes and procedures. This includes the activities of key actors/providers (public, non-profit, profit, family) within MIS and an analysis of their discourses and strategies, and the corresponding institutional local governance structures, based on form (partnership, network, public contract) and in relation to national and European levels. Furthermore, we are going to analyse the relation between the local minimum income schemes and other types of local services. One key element into such an analysis is the link between minimum income schemes and activation policies. Another key element includes portraying the degree of decentralization, marketization and contractualization of activation and how such services relate to minimum income support.

We have selected Malmö as a large industrial municipality in Sweden featuring a history of high poverty, long-term unemployment rates and social exclusion in a national context. Malmö has undergone industrial restructuring and the municipality is characterized by social innovation in combating poverty.

2. Local socio-economic factors

In this section, we provide a description and brief analysis of the City of Malmö's industrial heritage, age cohorts and ethnic composition in Malmö. Moreover, we discuss the local employment and unemployment patterns over the last ten years. Furthermore, we provide an overview of the local expenditure for social assistance and specify different aspects about households receiving minimum income provision. In the last part of this section, we will discuss the socio-economic situation for the three target groups in this report (SM, LU and WP).

2.1 Patterns of industrial re-structuring

The national report (Angelin et al 2013)¹ referred to the 1990s as the main period for economic and financial disturbances in a Swedish context. This is also reflecting changes and patterns of industrial reconstruction as materialized in the context of Malmö. From being an example of an advanced welfare state that succeeded in combining full employment with high welfare ambitions, Sweden ended up in an employment shock at the beginning of the 1990s. The employment rate decreased from the comparatively high figure of over 80 per cent of the work force in 1991 to just over 70 per cent in 1994. From 1991 to 1993, unemployment increased from approximately 1–2 per cent to 8 per cent. In 1993, the unemployment rate was 18 per cent for young people. During the same years, the number of people in employment decreased by 540 000 persons and the GDP fell sharply (Statistics Sweden 1997). This meant that in only a couple of years, the Swedish economy underwent a severe crisis with falling production, high unemployment and decreasing employment rate. In the late 1990s, the unemployment rate has decreased to approximately 4-5 per cent (Ministry of Finance & Ministry of Industry 2000).

A similar process of labour market transformation took place in the City of Malmö. From being a city with extensive industrial production, large shipping companies, manufacturing in textile, businesses were closed down rapidly and like the national labour market, the number of jobs decreased quickly in Malmö. For instance, in the year of 1994, more than 25 000 jobs disappeared and the local job market continued to struggle with adjustments to structural changes. But the years at the early 1990s were not the start of the process of industrial reconstruction as this had started already at the late 1970s and beginning of the 1980s, yet these years marked a more significant shift in a gradual transformation of the local labour market. From being one of the most industrialized towns of Scandinavia with a heavy industry, Malmö's main industry sectors now includes environmentally friendly technology, logistics, retail and wholesale trade, media and service industries (Malmö City 2013a).

One key factor is the establishment of the local University (Malmö Högskola) which was founded in 1998 by the Social Democratic central government, partly in an effort to expand higher education and partly as a general labour market measure (several universities were established at the same time). Malmö University offers 100 degree programmes and 500

¹ The aim in the national report was to study the Swedish national regulation, reforms of programmatic orientation and organisational instruments in governing participatory approaches to active inclusion.

courses in a wide range of subjects accommodating 25 000 students. Malmö University is the ninth largest institute of learning in Sweden (Malmö University 2013). The City of Malmö has increasingly adjusted and tried to change its image and nowadays describes itself as a ‘city of knowledge’.

2.1.1 Financial strain in the 1990s

These structural changes had severe effects on the City’s budget. Whereas the central government experienced a period of extensive deficits, followed by cost containment measures, the City of Malmö followed a similar path, yet facing an even deeper period of financial difficulties. For instance, in 1994 (as the financial and labour market crisis peaked), the City of Malmö had the highest financial deficit ever by any municipality, with a deficit of 1.3 billion SEK for one year (151 million EUR) (Malmö City 2007). This certainly reflected lower employment rates (i.e. lower taxation), higher unemployment and costs for social assistance (partly due to increase in unemployment). The City took on several measures to handle this financial deficit (selling out public properties, e.g. the local energy company) and after some years managed to get a budget in balance. For the last ten years this has been the case and during the first part of the European financial crisis, the City of Malmö experienced a budget in balance as well as extensive surplus between 2008-2011 amounted to 1.8 billion SEK (209 million EUR). The local financial department declares in local reports that for the year of 2013, the City of Malmö will operate with an unbalanced budget mainly because restructuring in administration of the City and changes in the school system (Malmö City 2013e). The City further argues that the 2008 economic crisis had a minimal impact on Malmö. The businesses, companies and corporate services are at approximately the same level as before the crises. Therefore, the employment level is not affected by the crises.

Malmö has not taken implemented any direct austerity measures over the last years. Malmö’s budget for 2009 and 2010 has been cut only with 1 per cent for all services (Guidoum 2010). In the city’s budget for 2012, it is stated that the main group in focus is young people. It is explained that the access to housing and creation of new jobs are to be considered as the most important welfare issues (Malmö City 2011). In the budget for 2013, the main ambition is to improve students' school performance and provide good education, so pupils can get the best opportunities to succeed in school (Malmö City 2013c).

2.2 Population and demographic changes

Malmö is the third largest city in Sweden with slightly more than 300 000 inhabitants. However, local demographic patterns have changed considerably over the last decades. As we described, Malmö was up until the 1970s a city occupied by large industries, which had been a local features since industrialization started to expand in Sweden from the late 20th century. Due to urbanization, as well as possibilities to get work in local industries, the number of inhabitants in Malmö grew steadily and peaked at the beginning of the 1970s as the local population amounted to 265 000 people. As Sweden in general and Malmö in particular was struck by the oil crises and greater international competition in the manufacturing industry, a period of population decrease erupted. From the early 1970s and until the mid-1980s Malmö lost more than 35 000 inhabitants, approximately 13 per cent of the City's population. This decline came to a stop at the late 1980s and since then the population have steadily increased with a very high speed. According to recent Eurostat data, Malmö is one of the quickest growing cities (in terms of size of population) throughout Europe and during the last years the population have grown with about two per cent annually. There seem to be different reasons for these changing population trends:

- Changes in local infrastructure (and above the construction of a bridge between Malmö and Copenhagen) opened up for Malmö becoming a regional centre in Southern Sweden.
- Like many other Swedish cities, the local University has expanded tremendously which has contributed to both short-term and long-term population growth.
- During the last two decades, Malmö become one of the main cities for foreign born individuals to seek refugee status and to settle down in Sweden.

These patterns (combined with a general population growth in Sweden and urbanization patterns) implies that more people than ever live in the City of Malmö and also that Malmö has one of the youngest population cohorts in Sweden.

One of the most obvious demographic changes concerns the number of foreign born, illustrated in table 1. Just before the end of the industrial era, the number of residents with a foreign background amounted to five per cent of the population. At the beginning of the 1990s, the share had increased to 15-16 per cent and today the number amounts to slightly more than 40 per cent of the number of residents. The group of foreign born accounted for a major part of local population increase, e.g. in 2006/2007 up to 90 per cent. Since then, the

number of foreign born as part of total population growth has decreased slowly, yet remains at a high level, e.g. in 2010 approx. 60 per cent and in 2011 about 50 per cent (Malmö City Office 2012). To conclude, the population growth in the City of Malmö is as primarily related to a large influx of people with foreign background.

Table 1. Population after country status.

	1995		2012	
	N	Per cent	N	Per cent
Born in Sweden	182 437	75.2	179 304	59.2
Foreign origin	60 269	24.8	128 835	40.8
<i>of which foreign born</i>	<i>48 233</i>	<i>19.9</i>	<i>92 228</i>	<i>30.5</i>
<i>of which born in Sweden, both parents foreign born</i>	<i>12 036</i>	<i>5.0</i>	<i>31 303</i>	<i>10.3</i>
Total	242 706	100.0	302 835	100.0

Source: Salonen (2012).

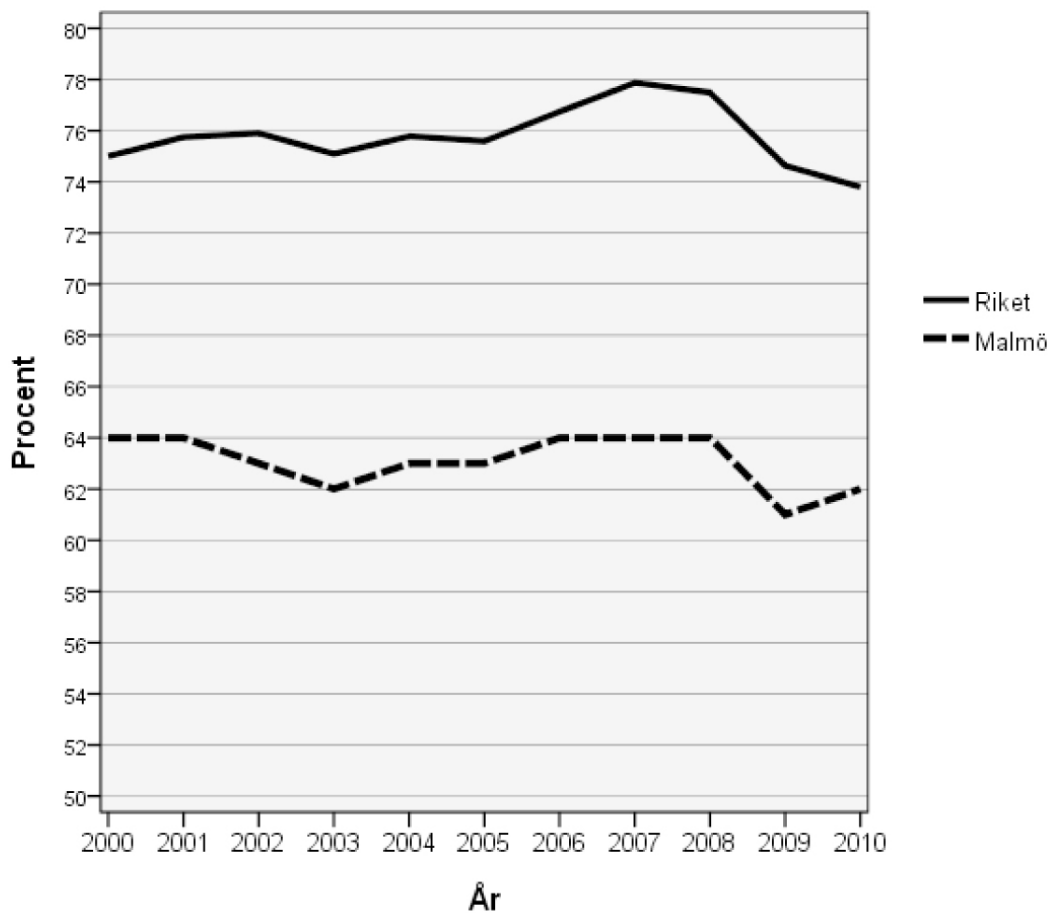
Recent calculations indicate that the City now has residents from more than 170 different nationalities. The two main groups are people from Iraq (a major immigrant groups throughout the 1990s amounting to almost 11 000 people) followed by Danish, at present just over 9 000 residents.

2.3 Employment and labour market changes

The local labour market has undergone severe changes during the last decades. Like Sweden in general, Malmö was severely struck by the economic recession in the early 1990s and this recession was extremely strong in the City of Malmö as the large manufacturing industry (e.g. shipping) already had undergone structural changes due to rising international competition regarding production and labour costs.

The following figure illustrates the general differences regarding levels of employment between Malmö and Sweden; the upper line demonstrates the employment levels in Sweden in general and the dotted line demonstrates the employment level for the City of Malmö. This statistical information illustrates two important issues. First, that Malmö's local labour market trends follow similar patterns as the country in general, however that Malmö never really recovered from the fall of the industrial era and second that local labour market participation constantly lies on approximately 11 to 14 per cent less than the national average. This marks out extensive problem pressure mounting on the City of Malmö over the last years.

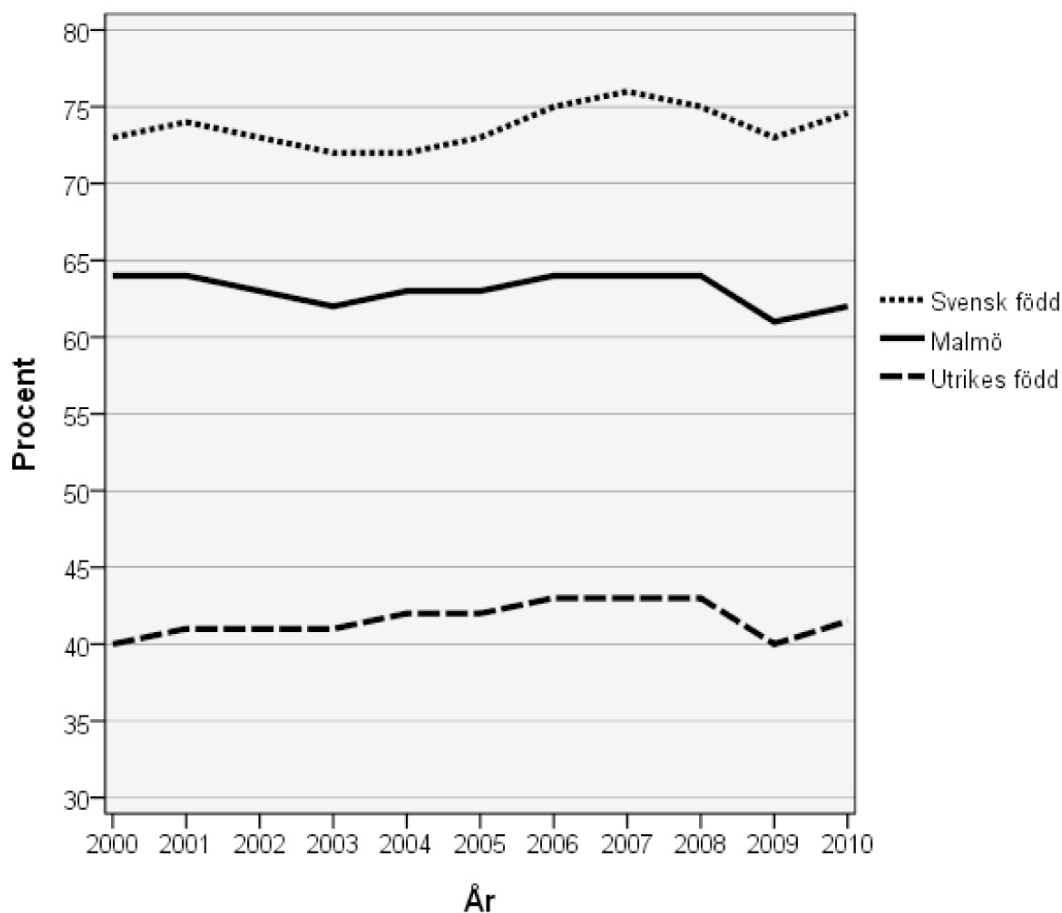
Figure 1. Employment levels 20-64 years, 2000-2010 (percentage).



Source: Statistics Sweden and Salonen (2012).

These patterns of labour market participation could be explored further when demonstrating differences among segments of the population. Figure 2 points out differences between the group of the population born in Sweden and the part of the population having a foreign background. As we can see, the population cohort of Swedish born residents have a similar employment pattern as the country in general, that is ranging between 72-76 per cent (dotted line) whereas the employment level for people with a foreign background amounts ranges between 40-43 per cent over the last decade. This difference is without a doubt extensive and according to this statistical information the pattern remains fairly stable over time.

Figure 2. Local employment rates, Swedish and inhabitants with foreign background, age 20-64 years (percentage).



Source: Statistics Sweden and Salonen (2012).

The employment rates between native born and people with a foreign background differ by more than 30 percentage points in Malmö. This difference was quite constant over the past 10 years and stands for a strongly negative contrast from the national average (Salonen 2012). The situation is further illustrated in table 2.

Table 2. Employment in per cent by age structure, gender and country of birth (native born and foreign born) for 2010.

Age group	Men		Women		Total
	Native born	foreign born	Native born	foreign born	
20-24	54.2	29.1	53.6	24.4	45.3
25-44	78.6	41.6	78.4	39.5	63.2
45-64	76.5	47.4	77.5	47.3	66.1
20-64	74.7	42.5	74.5	40.5	62.0

Source: Salonen (2012).

This discussion illustrates the gap between national patterns of labour market participation and patterns in the City of Malmö. Recent investigations based on the reports from the Social Commission (politically independent Commission for a Socially Sustainable Malmö established in 2010) present different explanations why labour market participation constantly remains at a lower level in Malmö, compared with the country in general and to the other two main cities in particular (Stockholm and Gothenburg). Several explanations have been put forward: (i) that the labour market establishment generally takes longer time for people with a foreign background, a feature that appears especially relevant in the Malmö context, (ii) that large groups work in the Copenhagen district and these are not counted as working according to national statistics, about 10 000 people were counted as working in Copenhagen while living in Malmö for the year of 2010 (see Salonen 2012) which estimate to 3 per cent of the labour force in Malmö and (iii) that labour market establishment among young people tend to take long time and due to the young population, this is a key feature of Malmö local labour market.

One additional conclusion also often put forward as illustrating labour market trends in general and Malmö's labour market development in particular, regards that a large proportion of the population is neither in work (employed) nor unemployed (registered as unemployed at the Public Employment Services). Recent calculations indicate that this group could amount to approximately 30 per cent of the population (15-74 years old) in Malmö. This seems to be extensively higher in Malmö than in the other two main cities and for Sweden in general.

2.4 Local unemployment patterns

Unemployment has been a constant challenge in Malmö and above all so at the beginning of the 1990s. Local industrial restructuring, demographic changes and a major influx of immigrants combined with the national crisis constituted major challenges for the local labour market and as the crisis peaked, Malmö had Sweden's highest unemployment rate in the year of 1995. The high unemployment rate remained high and in 1996, 15.3 per cent of the population aged 16-64 was unemployed and 20.2 per cent for 18-24 years old. Local unemployment levels then declined until the beginning of the new Millennium and remained stable as approximately 9 per cent of the population. The local unemployment levels remained fairly stable for a series of years but increased to almost 12 per cent in 2005 (15-74 years old). The table 3 compares the unemployment level in Malmö to the other two major cities as well as to the national average.

Table 3. Unemployment in the age group 15-74, three main cities and national average (2005-2012).

Year	Malmö	Gothenburg	Stockholm	National average
2005	11.8	8.8	7.0	7.7
2006	10.4	8.5	6.0	7.0
2007	8.4	6.5	5.9	6.1
2008	9.4	6.7	5.2	6.2
2009	10.1	10	6.6	8.4
2010	9.6	10.2	6.8	8.6
2011	11	9.5	6.7	7.7
2012	12.2	9.5	7.0	7.8

Source: Statistics Sweden (2013).

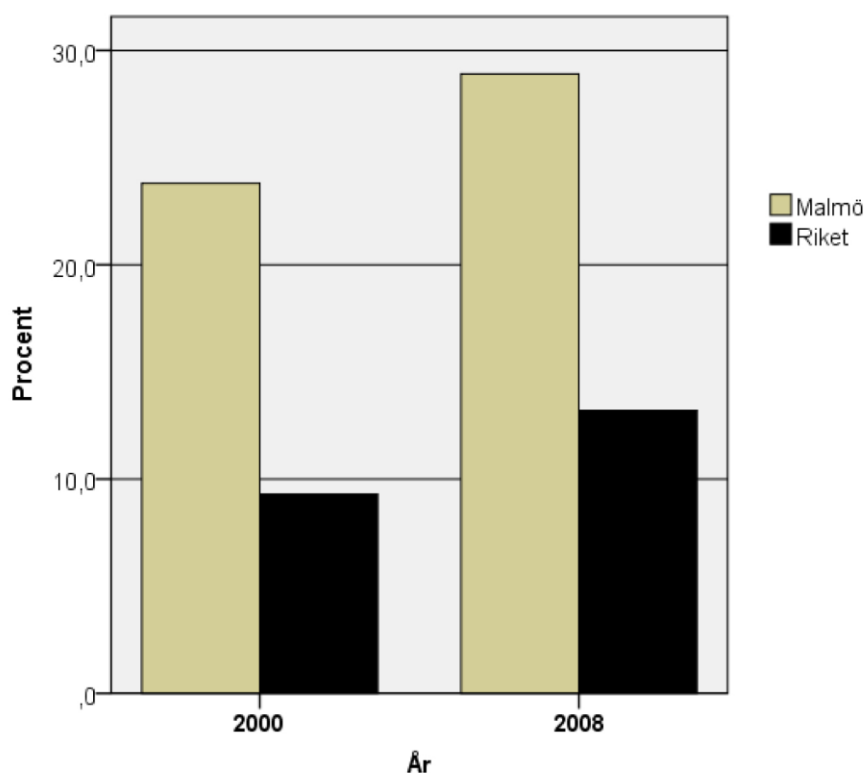
The table illustrates that since 2005, local unemployment levels follow similar patterns as the country in general and other main cities in Sweden. However, unemployment in Malmö is constantly at a higher level than compared to similar figures for Gothenburg, Stockholm and the national average (excepting Gothenburg for 2010 when the unemployment was slightly higher than in Malmö). Another aspect which can be discussed has to do with the crisis in 2008. As we argue in the national report (Angelin et al 2013), in the fourth quarter of 2008, Sweden entered a recession. Based on statistical data from table 3, we can draw the conclusion that unemployment increased in 2009 which can be interpreted as an effect of post-2008 crises. It should be said that the unemployment has not risen as dramatically as in many other European countries as a result of the crisis in 2008. Sweden's GDP grew by roughly 5 per cent annually in 2010 and 2011 but this development has not affected the unemployment levels in a positive direction; in contrary, in Malmö, the unemployment rate for 2011 increased from an already comparatively high figure to 11 per cent and in 2012 to 12.2 per cent which is almost a double so high rate level for unemployment compared with Stockholm. Young people have been particularly struck by these changes and youth unemployment – for Sweden in general and particularly for the city of Malmö – remain high also in a European comparison. For instance, the unemployment rate of the registered workforce in Malmö was 13.8 per cent of those aged 16-64 and 22.4 per cent for the age group 18-24 years (Malmö City Employment 2012).

2.5 Poverty and social assistance indicators

There are several ways to measure poverty. Nevertheless, despite which measure we use, Malmö is generally coming out as one of the most poverty struck cities in Sweden. For instance, in a recent published report from one well-known scholar in the field, we notice a

tremendous difference on levels of relative poverty (60 per cent of median income, EU definition) between Malmö and Sweden in general (see figure 3). The black stable indicates poverty levels for Sweden in general for the years of 2000 and 2008; we know from previous reports that the relative poverty level have increased considerably in Sweden during the recent decade. This also seems to be the case in the City of Malmö, as the local level of relative poverty follows the national development. However, we find a similar pattern as regarding employment and unemployment levels, i.e. a major gap between a national mean and the situation at local level in the City of Malmö. According to this recent study, almost 30 per cent of the population in Malmö, in the age group of 18-64 years lived in 2008 in relative poverty.

Figure 3. Relative poverty, age 18-64 years (60 per cent of median income).



Source: Statistics Sweden and Salonen (2012).

Another way to picture the phenomena of poverty and the lack of financial means is to address factors relating to the local MIS, i.e. social assistance. One way to approach this issue is certainly to address local costs for social assistance. Tables 4 and table 5 illustrate the rising costs for social assistance from the early 1990s. These tables ought to be further explored, yet we can shortly illustrate that the costs peaked in 1996 (1999 in Malmö), although the costs (see table 4) seem to be approaching similar levels in 2009.

Table 4. Costs for social assistance, 1991-2009 (in thousand SEK).

	1991	1993	1996	1997	1999	2000	2001	2002
Malmö	402715	535464	812829	874459	889531	843351	770878	754100
Stockholm	782 638	1 225 718	1 468 524	1 642 422	1 422 998	1 281 985	1 107 655	1 076 349
Göteborg	583 882	1 018 202	1 361 947	1 440 026	1 283 859	1 212 762	1 155 130	1 094 232
Riket	5 628 625	8 705 566	11 829 869	12 269 180	10 465 183	9 520 509	8 704 408	8 527 952
	2003	2004	2005	2006	2007	2008	2009	
Malmö	695679	690783	660606	629882	616933	639668	824653	
Stockholm	1 093 224	1 163 848	1 167 091	1 150 318	1 049 281	976 965	1 020 329	
Göteborg	1 021 066	1 039 973	1 002 077	990 277	940 160	956 495	1 132 867	
Riket	8 273 852	8 687 468	8 583 644	8 709 747	8 857 744	9 464 730	11 058 960	

Source: Statistics Sweden.

Table 5. Social assistance costs in Sweden, some key numbers

Social assistance in Sweden 1983 - 2008, some key numbers

Year	Number of recipients (thousands)	Rate of recipients Percent of the population	Average number of months of receipt	Total sum Million SEK (Prices for year 2008)
1983	475	5.7	4.2	5 160
1984	524	6.3	4.2	5 787
1985	536	6.2	4.4	6 538
1986	564	6.5	4.5	7 442
1987	540	6.2	4.4	7 441
1988	524	6.0	4.3	7 090
1989	505	5.7	4.3	6 907
1990	492	5.7	4.3	6 835
1991	511	5.9	4.4	7 464
1992	560	6.5	4.6	9 062
1993	642	7.4	4.8	10 753
1994	696	7.9	5.1	12 426
1995	689	7.8	5.4	12 719
1996	722	8.2	5.7	13 938
1997	718	8.1	5.8	14 421
1998	660	7.4	5.8	13 347
1999	581	6.6	5.8	12 169
2000	522	5.9	5.8	10 974
2001	469	5.3	5.7	9 796
2002	434	4.9	5.8	9 397
2003	418	4.7	5.6	8 944
2004	417	4.6	5.7	9 354
2005	407	4.5	5.8	9 202
2006	392	4.3	5.9	9 212
2007	378	4.1	6.0	9 166
2008	384	4.2	6.1	9 465

Source: Socialstyrelsen (2003B) and Socialstyrelsen (2009B).

Note: There are various breaks in the times series documented in the publications. For example up until 1989 people who received social assistance in more than one local government (for example due to migration) were counted more than once. Since 1993 does the statistics include introduction compensation to refugees and some other foreigners.

Figure 4. Source: Gustafsson (2011)

These tables and other information discussed in this report hence illustrate once again ‘a gap’ between national mean and the local situation in the City of Malmö. Table 6 indicates statistical data on the proportion of the population on social assistance (including children) for the last decade. We recognize that the rate of social assistance recipients have been increasing during the 1990s, both with regard to the situation for Sweden in general as well as for the local situation in the City of Malmö. At the start of the new Millennium, 15 per cent of the population received social assistance in Malmö. Ten years later the figure had dropped to 8.7 per cent of the population.

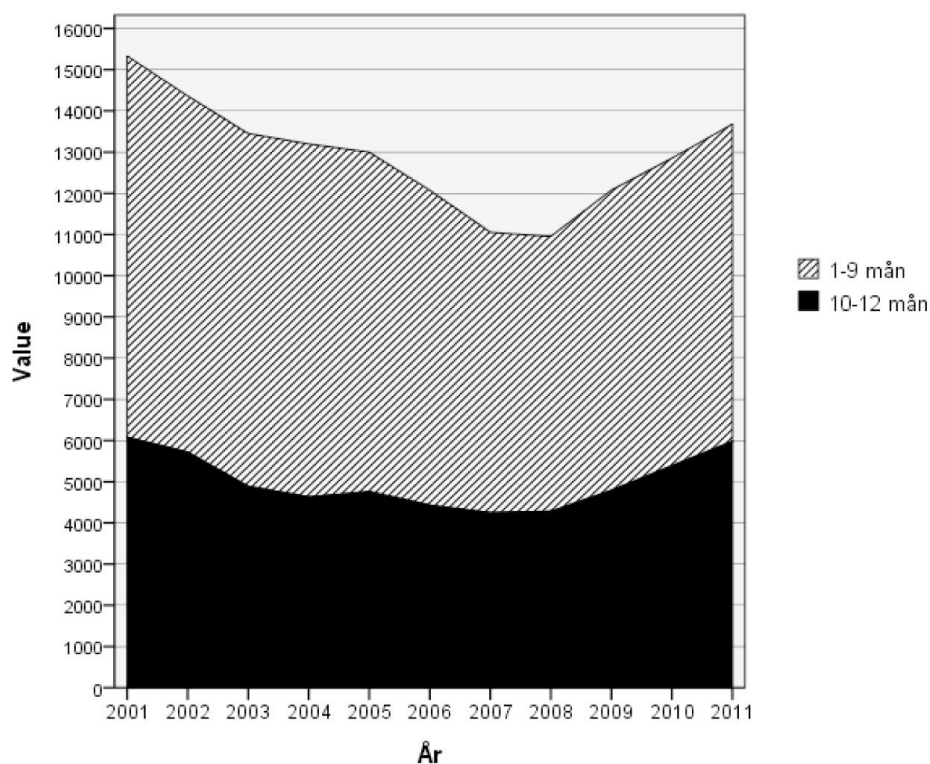
Table 6. Social assistance households 2000-2011 (rate of recipients, per cent of population).

Year	Malmö	Sweden
2000	15	6
2001	14	5
2002	13	5
2003	12	5
2004	11	5
2005	11	4
2006	10	4
2007	9	4
2008	9	4
2009	9	5
2010	9	5
2011	8.7	4.5

Source: Statistics Sweden and Hjort (2012).

This marks a clear change. However, we need to recognize that at the same time the population has grown considerably in Malmö, so the decline in rate does not reflect the number of recipients and the costs for social assistance. Such a complexity could be illustrated in the figure 4, demonstrating the number of households receiving social assistance in Malmö during the period of 2001-2011. The table 6 illustrates that in 2001, 14 per cent of the population received social assistance; figure 4 illustrates that this corresponded to slightly more than 15 000 households in Malmö. The decline in household numbers then continued until 2007 and 2008, however, as the financial crisis hit Sweden, social assistance costs started to rise. Often these costs also lags behind as social assistance is the last resort, i.e. unemployment insurance, personal savings and other means should be emptied before social assistance provision can come in question. The number of households has since 2008 continued to raise substantially in Malmö, both with regard to those receiving social assistance for a shorter period (1-9 months of a year) and for those receiving social assistance more or less for the entire year (10-12 months).

Figure 5. Number of households on social assistance in Malmö, 2001-2011.



Source: Salonen (2012).

For an updated statistics on the growth in number of households receiving social assistance each month between 2010 and 2012 see table 7.

Table 7. Number of households receiving social assistance per month in Malmö, 2010-2012.

	2010	2011	2012
January	7283	7823	8657
February	7355	7732	8570
March	7850	8270	8920
April	7667	8127	8799
May	7694	8434	9002
June	7851	8313	8920
July	7924	8533	9046
August	7567	8392	9054
September	7536	8277	8696
October	7656	8438	9066
November	7754	8550	9195
December	8000	8826	9332

Source: The table is based on information from Malmö City's annual statistics from 2010-2012 (Malmö City Statistics 2012, 2013).

With regard to different household types, the three most frequent household categories on social assistance usually are single mothers, young adults and foreign born (Hjort 2012).

The status of the City of Malmö in comparison to Sweden and region of Skåne in general and other comparable cities in Sweden are explored in table 8. The selected indicators in table 8 demonstrate for the year of 2012, that Malmö to a large extent follows the development for the other main cities and also for the country in general, yet more marked and from a worse starting positions, i.e. higher costs, longer spells, a greater proportion of the population on social assistance etcetera.

Table 8. Selected social assistance (SA) indicators, three main cities, region of Skåne and national average, 2012.

	Claimants as part of population ²	... of which long-term SA ³	..of which very long term SA ⁴	Costs for SA per inhabitant ⁵	Children in families with SA ⁶	Young adults receiving SA ⁷
<i>Stockholm</i>	3.6	42.6	28.5	1112	5.9	5.0
<i>Malmö</i>	9.0	45.1	31.4	2526	16.2	13.3
<i>Gothenburg</i>	6.8	42.1	28.3	2133	11.3	9.2
<i>Region of Skåne</i>	5.0	40.3	26.1	1308	8.6	8.5
<i>National average</i>	4.4	34.3	21.3	1089	7.0	8.1

Source: National Board of Health and Welfare (2012).

It is also important to notice that the socio-economic situation differs extensively between Malmo's ten city districts. The table below demonstrates the extensive differences using some key socio-economic indicators. Some city districts have a very low proportion of the population receiving social assistance, whereas the situation is extremely different in other parts of the city, as almost 30 per cent of the entire population receive social assistance any time during the year, and of which more than half receive social assistance more or less during the entire year.

² Number of social assistance claimants as part of population (adults and children)

³ Adults receiving social assistance 10-12 months last year, percentage out of all social assistance claimants

⁴ Adults receiving social assistance for at least 27 months during the last 3 years, only with max of two months without social assistance

⁵ Costs for social assistance/inhabitant (SEK), 2011

⁶ Children in families receiving social assistance anytime during the year, percentage of all children in population.

⁷ Young adults (18-24 years) receiving social assistance anytime during the year, percentage out of all young adults in population

Table 9. Selected indicators for city districts in Malmö, 2012.

City district	Proportion unemployed (18-64 years old)	Percentage of entire population receiving SA (any time during the year)	Percentage of long-term recipients (10-12 months during a year) of all SA recipients
Malmö, Centrum	12.9	4.9	33.4
Malmö, Fosie	19.9	14.9	48.1
Malmö, Husie	11.1	2.6	29.8
Malmö, Hyllie	16.6	10.7	38.5
Malmö, Kirseberg	15.7	9.9	40.9
Malmö, Limhamn Bunkeflo	8.3	1.5	29.8
Malmö, Oxie	10.7
Malmö, Rosengård	23.8	27.1	54.4
Malmö, Södra Innerstaden	18.4	13.4	50.8
Malmö, Västra Innerstaden	10.5	2.6	27.8

Source. National Board of Health and Welfare, 2012.

2.6 Conditions for three target groups

With working poor means individuals in the labour market with a disposable income less than 60 per cent of the median income in the country. Previous studies demonstrate a fairly large part of the population as being working poor in the City of Malmö. Salonen (2012) for instance found that 29 730 individuals or 17.1 per cent of population (aged 18-64) had an income related to work or study which was lower than the threshold for income poverty for the year 2008. Working poor is, however, neither a targeted group in national reforms nor in local reforms. There is also highly limited research on this group in Swedish context. Salonen (2012) concludes his investigation by arguing that we don't know the patterns over working poor; it can be low-skilled employees, low-wage earners, part timers or single mothers belonging to this group.

Long-term unemployed are also of special interest for the COPE project. Eurostat defines long-term unemployed as individuals being unemployed for at least 12 consecutive months. In 2012, the rate for unemployed for more than a year in Malmö was 37 per cent among the unemployed population aged 16-64. Every fifth person from long-term unemployed individuals in the same age group has been jobless for more than two consecutive years (Malmö City Employment 2012). Long-term unemployed have been a targeted group in both national and local active labour market reforms. For instance, the City of Malmö runs a program called `The Portal` which provides work rehabilitation for long-term unemployed

(then defined as people out of work longer than 6 months) and older than 24 years and in need of personal coaching. The program includes psychological counseling sessions for participants with psychological and emotional needs (Malmö City Job 2012). The program is, however, not particularly extensive as only 49 long-term unemployed participated in 2012 (Malmö City 2013 Statistics).

The third group analysed in this study are single mothers. Single mothers are on average at a higher risk of poverty and social exclusion than the total population in Sweden (Angelin & Salonen 2012, Köhler & Djurfeldt 2012). For instance, about 20 per cent of all single mothers in Sweden received social assistance at some point during 2010. At national level, single mothers have been identified as one of the groups losing out in terms of social and economic resources over the last years (Stranz & Wiklund 2011). A total of 20 per cent of all mothers were single parents and 60 per cent of them had at least one child in 2010 (SCB – Välfärd 2010). National statistics demonstrate that on average single mothers earn less, work more often part-time and find it more difficult to establish themselves in the labour market. Single mothers bear a stressed financial situation and are overrepresented in living on social assistance allowance. Furthermore, the education level of single mothers is lower than that of mothers in a partnership. The average proportion of single mothers receiving social assistance in 2005 was five times higher than that of mothers in a partnership. Even if the Swedish welfare state provides a supportive environment for single mothers, this group still have a 12 per cent lower chance of leaving social assistance than the total population. Single mothers are also the group most likely to begin to live on social assistance (Dahlberg et al 2009).

A completed study with representatives from the social services in Malmö concluded that single mothers is among the groups that has the greatest difficulties to manage a reasonable living standard while receiving social assistance (Angelin & Salonen 2012). A large proportion of Malmö's poor families consist of single parents. To increase the opportunity to enter into the labour market – and to keep employment positions – childcare services are a top priority. This not only regards the City of Malmö, yet is a central aspects of the Swedish social model as childcare services are offered at a universal basis (with certain restrictions for unemployed, students and individuals on parental leave). The City of Malmö aims to offer inhabitants a flexible and accessible child care system and has allocated 5 million SEK (581 000 EUR) in 2012 to provide night time childcare and childcare for inconvenient hours (ibid.).

There are several factors that explain the relatively high proportion of single mothers on social assistance. First, maintenance support levels, which the parent that does not live with the child must pay, hardly increased since the 1990s – a fact that has been severely criticized by single parent advocate organizations. As a result, the maximum maintenance support paid to the parent with whom the child lives is 1 273 SEK (148 EUR) per child and month (unless the parents have agreed on a higher compensation). Secondly, the poverty reducing capacity of the various social insurance systems policies targeted at families decreased over the last decade. Consequently, the previously equalizing effect of these systems in relation to vulnerable families is less pronounced. Thirdly, social rights arising from the social insurance system presuppose previous work experience to an increasingly greater degree. Yet, at the same time, labour market entry and establishment is more and more delayed leaving an increasing amount of parents relying on the flat rate basic level of 225 SEK (26 EUR) per day. This is an insufficient income level that often requires social assistance supplement. This is especially prevalent among single parents where no contributing income from a partner is provided.

3. The local social and political context and the local poverty debate

The section provides information on the social and political context in Malmö. We will also describe the City's initiatives to social innovations and integrate the general analysis on the political context with empirical findings based on the interviews with local actors with focus on the local debate on poverty.

3.1 A Social democratic legacy

Sweden is generally portrayed as a Social Democratic welfare state (Esping-Andersen 1990) and has – in international comparison – always had a strong political support from the Social Democratic Party (SDP), yet during the last years, the party's public support has fallen considerably. The City of Malmö is partly a reflection of the rise of the Swedish welfare state and the climb to political power by the labour movement throughout the 20th century. Since the late 1910s, when universal suffrage was introduced, the political arena in Malmö has been dominated by the local Social Democratic Party which has been in office almost continuously for 100 years, with exceptions for 1985-1988 and 1991-1994. In other words, whereas the Social Democratic Party has lost in power at a national level, it has continued to be the most important political factor in the City of Malmö. Currently, the City is governed by a coalition

of Social Democrats (with five Local Government Commissioners), the Green Party (with two Local Government Commissioners) and the Left Party (with two Local Government Commissioners).

As already mentioned in a previous COPE report (Angelin et al 2013), local authorities – municipalities – have a strong position in a Swedish context. They are allowed to collect taxes. The main part of taxation is collected by the local municipalities as in average tax income with approximately up to 30 per cent for all residents. These local revenues are supposed to cover costs for social services (elderly care, disability care, schools, childcare services, social assistance costs, local infrastructure costs etcetera). In total Sweden has almost 290 municipalities and the state has only constrained possibilities to actually influence decisions and policy design in these areas as this are to be left for local politicians to finance and to decide upon. Of course, the state and the national parliament decides on national laws and regulations and it is within this legal framework which local administration and politicians are to act upon local problems and solutions. This implies that social services might have different profiles depending upon the decisions taken by local politicians. For instance, the strong position of the Social Democratic Party in Malmö has influenced local welfare solutions and the fact that Malmö is still highly dominated by public rather than private solutions and that the City has been rejecting reforms decided by the national government to increase the number of private providers in welfare services, as this would endanger equality and the right to equal social services for local residents (Johansson et al 2013).

3.2 Extensive political efforts to combat social exclusion and marginalization

Malmö – and its local politicians and administrative staff – has over the last decades taken an entrepreneurial stance on fighting social exclusion and inequalities. The City has been very active in running projects and programmes aiming to counterbalance social problems. As we will already illustrated, the City has been facing major social problems such as high unemployment rates, high costs for social assistance, pervasive patterns of marginalization and social exclusion. These factors form the basis to which the City has been very active in accepting nation-wide social interventions as well as developing local programme, projects and methods on their own.

In 1998, the Swedish government decided to run a major social investment program titled the *Metropolitan Initiative* (Storstadssatsningen) to improve the conditions for people living in deprived city areas (Government Bill 1997/98:165). A small number of municipalities were considered as facing more extensive challenges than others and the Swedish government's investment program was designated to support seven particular municipalities: Gothenburg, Malmö, Stockholm, Botkyrka, Haninge, Huddinge and Södertälje. The government wrote local agreements with each of these municipalities and provided 245 million EUR for local projects to break with marginalization and social exclusion. Four city areas were identified as of special significance in the City of Malmö and the aim was to create new employment opportunities, to tackle problems with social, ethnic and discriminatory segregation and to generate equal conditions for people living in the City. Most of the initiatives were organized in project-based policy settings. To some extent, local evaluations indicate that many inhabitants had found employment, completed or improved their level of education, developed more extensive knowledge of Swedish language and expanded social contacts and networks. However, the ethnic residential segregation has been strengthened and the City of Malmö has continued to struggle with social segregation as vulnerable and resource-poor areas doesn't improve as expected. Although one of the cornerstones with the Metropolitan Initiative was to generate equal conditions for people living in the City despite ethnic characteristics and geographical location, the achievements were below the expected results (Anderson et al 2003, Bevelander et al 2003).

Possibly due to the lack of positive results coming out of the Metropolitan Initiative, the local City Council decided in 2003 to initiate another social program to improve living conditions, employment and possibilities for political participation in the City of Malmö. The program was called Welfare for everyone (Välfärd för alla). Like the central Social Democratic government, politicians in Malmö set up a number of ambitious goals that ranged from increasing the employment level from 64 per cent (number for the year of 2001) to 75 per cent until 2008; to decrease the number of school drop outs from 21 per cent to 10 per cent; to decrease crime and to raise housing production (Malmö Stad 2003). The local government expressed critique that the central government did not shoulder its responsibilities, a critique partly stemming from the large influx of immigrants into the City of Malmö and the decision by the central government that the immigrants are allowed to settle down 'freely' across the country and not based on central administrative guidance on where it was possible to find housing or jobs. With regard to the ambition to increase employment levels a series of related

measures were implemented, some of which had direct connection to the issues discussed in the COPE project. With regard to the local MIS, the local government strongly argued in favour of a stricter work strategy in relation to social assistance provision, stronger and more coordinated efforts to reduce costs for social assistance and also increased efforts to secure that social assistance standards were not interpreted and used differently among local city districts. Illustrating these ambitions, a new organizational model was implemented into local social assistance provision, relying on a one-stop shop logic (AUC) and stronger cooperation between central Public Employment Services (PES) and local administrative departments (the City of Malmö's social assistance units).

Despite the strong political support and high ambitions, extensive social problems have continued to be an issue for debate and discussion in Malmö, and also reflecting the image of Malmö in national media reporting. An issue that has attracted extensive attention was small-scale riots in resource-poor areas of Malmö with young people attacking police and fire department. The program Welfare for everyone had barely been closed as local leading politicians initiated a new program. The City Council decided in March 2010 for a new policy for the next five years for an environmental, economic and social sustainability inspired by EU 2020 Strategy for Smart, Sustainable and Inclusive Growth. The focus was put on four disadvantaged city districts with the greater aim to foster social sustainability. The intervention program was further divided into five key themes (employment, housing, learning, safety and participation). However, one could question the capability of the program since no extra funding was distributed to support actions within each of these designated areas. In other words, the program was implemented within the frame of the administrations' normal budget with a hope for co-financing from the EU Structural Funds (Guidoum 2010).

The 2010 social intervention program has been complemented by an ambitious mobilization of academic and political support. Just a few months after the initiation of the program, the City's Executive Committee decided (May 2010) to establish a *Commission for a Socially Sustainable Malmö* (Social Commission). The Social Commission was politically independent and had the aim to produce scientific strategies to combat health inequalities in Malmö, including a wide number of policy areas such as issues of poverty and income inequalities. The decision to enact such a Commission was inspired by the so-called Marmot Commission and the work by the WHO on issues of poverty and health inequalities and is the first of its kind in Sweden.

The Social Commission enrolled a large number of key experts and academics and has resulted in 31 scientific reports and 200 proposals to improve local health inequalities (Isacsson 2012, Isacsson 2013). The final report, delivered in March 2013, demonstrated that social factors play a significant role in the development of public health. The report presents also strategies in order to reduce health inequalities in Malmö. A general recommendation is that Malmö should establish a social investment policy that can level out differences in living conditions and make social systems more equal. Even the way to understand social investments should change, social interventions should be seen as investments, not as costs and therefore as a burden on municipal finances. We recognize the thinking from EU debates on Social investment packages as well as from academic debates on the Investment state. The Social Commission made a strong statement in favour of public investments in people to realize their full human potential, especially on childcare services yet also investment in education and measures to encourage people to (re-)enter the labour market. From a social investment perspective, it was also important to strengthen the relationship between economic growth and equality, improve the quality of jobs and to emphasize social security as a value in itself (Isacsson 2013). As part of these debates, the City of Malmö has decided to create a so-called Social investment fund to finance social innovations for children and young people. The fund (total of 50 million SEK, about 5.8 million EUR) should aim to encourage new methods and procedures to create a more equal growth for all children. These interventions are expected to lead to lower costs for the municipality in the long term (Malmö City 2013b). As part of this initiative, the City Council has allocated 34 million SEK (3.9 million EUR) to prevent families living in long-term social assistance support by creating opportunities to support themselves and improve the efficiency and quality of school education.

3.3 Reflections on the local political context and the local poverty debate

The previous discussion demonstrates the City's ambitious social programs over the last fifteen years – either supported by the central government or reflecting local aims and ambitions. The long-lasting Social Democratic heritage colors these initiatives. However, in congruence with our previous analysis in the COPE project (Angelin et al 2013), poverty is a delicate issue in the Swedish welfare state. Not only has it historically been perceived as an indicator of welfare state failure, it has also been largely absent from the wider political debate. At national level, no actor was actually pursuing poverty as a political issue and we

find a similar situation in the City of Malmö. Despite that the City of Malmö has extensive problems related to issues of poverty, the very notion of poverty seem to be excluded from the local political debate. Throughout interviews with local experts⁸ – representing different local administrative units, the local public employment services and local voluntary organizations – it is generally held that poverty is rarely used in local political debates on the problems facing the City.

Some of our informants maintain that poverty is a non-issue for local politicians and for local social services. Still others add that although poverty is not being used in the local political debate, they think that poverty ‘is a relevant theme’. One senior official give us an illustration of the delicate nature of the poverty issue in a Social Democratically governed City as he states that:

... poverty is sometimes being used, but poverty is a delicate word. Poverty is an important question for the City of Malmö. It concerns the increasing gap between those included in the labour market and the unemployed.

We also find other evidence of the delicate nature to the poverty issue in the local political debate as many informants said that one rarely use the term poverty, but several types of synonyms to poverty. One of our informants gives ample illustrations thereof as she maintains that:

The word poverty is not used, but poverty is a relevant theme in the City of Malmö. I think that we use synonyms for the word poverty that are related to our assignment [as public authorities]. So when we describe lower levels of living standards, we are actually talking about poverty.

Other officials make similar notifications on how poverty might well be a social problem for the City, yet rarely included into the local political debate or formal assignments for local authorities. One of the key officials holding a central position at the City Council explains to us that in the formal guiding documents for local social services, poverty (reduction) is not a priority or even expressed as an aim. Instead the City has developed policies in relation to several other social problems such as homelessness, housing problems and social assistance costs but whether these should be considered within a broader framework of poverty is not

⁸ We have done 11 semi-structured interviews with managers and senior officials representing local authorities, PES and non-public actors in Malmö. Each interview was recorded and transcribed. The interviewees wished to be anonymous. Each interview was based on a thematic framework that was followed up with specific questions for the respondent (Bryman 2012). The selected quotations are found to be representative of the empirical material.

spelled out in local documents. This statement continues to run through most of our conversations with local informants as they partly describe that poverty is not part of their assignment as civil servants and if poverty is being discussed, this to a large extent equated with costs for social assistance. In a rhetorical fashion, one of the senior staff members of the local social services elaborated thereupon as she said that:

Poverty is a politically charged question with regard to discussions about relatively and absolute poverty, which leads to two different approaches to poverty. Poverty is a matter of definition and you will find very different opinions about it. But the word in itself – poverty and poor – is not used, or we rather talk about measures to help people establish themselves in the labour market and governance and management of the social assistance system. It's all about long-term social assistance dependency, that is what we talk about, what is the problem. We work with long-term social assistance recipients, not poverty in itself.

These statements construct a local discourse in which poverty is not the main driver of the local debate, but rather governance of the local social assistance scheme in combination with local costs for social assistance. One leading representative of the Social Democratic Party states that:

We do not use the word poverty, but we talk a lot about the high costs for social assistance. We know that all families who live on social assistance are poor in a way, social assistance provide a low standard of living especially if you do it over a long time (at least 10 months).

The limited recognition of poverty as a political issue is challenged by representatives from different civil society organizations as they maintain that local politicians have renounced from the political obligations, as they have given up the fight against poverty. This more ideological positioning is even further elaborated as one informant takes this as an intake for an individualized conceptualization of poverty, and blaming the poor and unemployed for their situation. The same respondent believes that this negative rhetoric towards the poor is a result of the EU's approach to the poor in Europe. Although this is only one voice among many – and also a highly ideological positioning – this later statement demonstrates the de-politicized nature of the local debate on poverty. Most of our informants are swift in turning the issue of poverty into administrative issues such as costs, numbers and an administrative task on how to deal with the local social assistance system, partly also reflecting their status as civil servants and not as politicians.

Our previous analysis of the national debate on poverty in Sweden (Angelin et al 2013) to a large extent indicated the primacy of the work ethic and the work strategy as overshadowing any conceptualization of poverty. The debate in the City of Malmö is not an exception in this respect. One of our respondents argues that ‘... it is clear that the way to not being poor is all about having a job’. There is also a tendency to define poverty (read: social assistance) as caused mainly by structural problems or factors outside the hands of local authorities. For instance, when commenting upon the rising costs for social assistance, some respondents interpret this development as a result of deterioration of the social security system (health insurance and unemployment insurance), a system which is decided at the national level. To some extent these positions find support in current academic and public reports as changes in the social security system seem to transfer costs to the social assistance system. Most of our interviewees, however, argue that a major reason for increasing the number of social assistance recipients and related costs has to do with the mismatch between individuals’ competence and local labour market demands. It is claimed that a large group of the unemployed lack the competence and skills required on the local labour market. Some unemployed do not even have upper secondary education, making it impossible to get a job. It is mentioned that there are plenty of jobs opportunities in Malmö, actually there has never been so many vacancies in Malmö but the booming jobs recruitment market is only for highly skilled employees. Therefore, the new jobs go to people living in neighboring municipalities instead for unemployed in Malmö.

As already described, the City of Malmö is – in a national context – facing extensive social problems and has weak labour market participation. National and local statistics indicate that Malmö has a high problem-pressure, e.g. with regard to high unemployment rates, low labour market participation, high costs for social assistance, pervasive patterns of marginalization and social exclusion. However, has the City been affected by the economic crisis in 2008? One senior official dismisses the significance of the 2008 crisis, ‘The crisis of 2008 has barely affected Malmö’. Others of our informants are more nuanced on the role of the international/national crisis. One of our informants, a senior manager at the municipality’s center for local activation measures, maintained that ‘... the crisis can have affected Malmö, but the City’s problems go further back in time.’ Others interviewees are to some extent pointing to the fact that the municipality’s costs for social assistance started to rise at the time of the first part of the international crisis in 2008, but they are more uncertain if this negative development can be linked to the crisis. Arguably, the City of Malmö is caught up with

mounting socio-economic problems that coincide with the 2008 crisis, but our respondents do not frame this development in terms of a crisis.

4. Actors involved in fighting poverty at local level

In this section we aim to present issues of welfare mix addressing the actor-set up in combating poverty at local level.

4.1 Traditions of involving non-public actor in poverty policies

Voluntary organizations are not to any greater extent involved in delivering social welfare services in the Swedish welfare state. In line with classic thinking on a Social Democratic welfare state, it is the central, regional and local public authorities that primarily have been producing services to different categories of citizens. This has been illustrated in national and international comparative projects (see e.g. Kazepov 2010). In a recently completed investigation into how many people actually are employed in different types of sector providing social services, the following results emerged.

Table 10. Number of persons employed in welfare service sectors including elderly care, disability care, Social Services Office, childcare service and education.

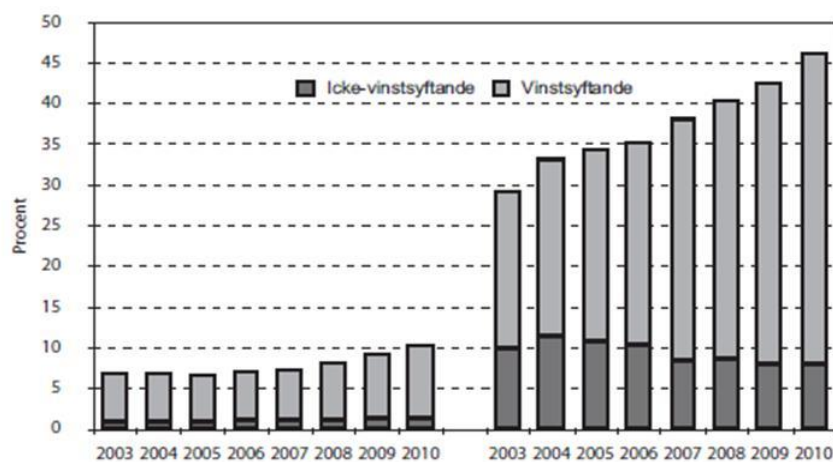
Type of service provider	2002	2003	2010	Increase (2002-2010)
Non-profit organizations	24 434	26 035	35 510	45 %
For-profit companies	38 467	44 500	94 364	145 %
Public organizations	505 777	604 689	614 450	21 %
Public companies (AB)	267	553	2 537	850 %
Total	568 945	675 777	744 861	31 %
Share non-public	11.1 per cent	10.4 per cent	17.2 per cent	

Source: Hartmann (2011).

These figures needs to be read cautiously as definitions might be overlapping, yet the general tendency is clear. Changes in actors involved in welfare production have primarily increased regarding for-profit companies (and persons employed in public companies). Also non-profit organizations have gained a greater status as producers of services of different kinds, yet still remain a fairly limited service producer.

The picture becomes even more elaborated considering the following table focusing the share of for-profit and non-profit organizations involved in delivering services within the areas of disability and elderly care (the light grey staple representing for-profit actors and the dark-grey non-profit actors). Within these policy areas we can illustrate the same general pattern of a greater variety of actors involved in producing services in the Swedish welfare state, yet where we can see a general trend of marketization of services, as more for profit providers are engaged in welfare production.

Table 11. The rate (per cent) of persons employed in elderly care and disability care in for-profit and non-profit organizations.



Source: Szebehely (2011).

These changes might reflect a growing ambition by the present Centre-Conservative government to involve non-profit and for-profit organizations in the production of welfare services. This is done by contracting out certain services (for open competition between non/for profit organizations), changing funding structures for local non-profit organizations e.g. by linking public funding to certain assignments, stronger financial evaluation instruments etcetera. These changes take place to a large extent in policy fields such as education, active labour market policies, elderly care and drug abuse treatments.

Although poverty alleviation is not used in national statistics, a number of reports from major public bodies have highlighted that churches, religious communities and voluntary organizations fulfill an important function, especially in situations where the public safety net fails to deliver services and support (see for instance Socialstyrelsen 2005). There is however limited statistical information on the degree to which this has taken place, yet we can make the following observations based on previous studies in the field (e.g. Harju, Montesino & Hjort 2009). With regard to the actors involved, these scholars have the following reflections:

- Although the Swedish welfare state and public services is the most frequent provider of financial support to people living under financial hardship, voluntary organizations provide them with a wide variety of services.
- Non-public actors include a wide range of actors, including religious organizations, the Red Cross and Save the Children.
- These non-public actors are fairly well established and have developed administrative routines and practices to handle applications coming in from people living under financial hardships.

With regard to what kind of services is being offered, the following tentative conclusions can be made:

- Services offered include direct financial support, counseling activities as well as social activities for people in need.
- With regard to financial needs, people tend to apply for a wide variety of needs ranging from food and clothing to medicine and dental care services. Applicants also often apply for financial support to cover for basic expenses regarding housing and heating costs.
- These activities to a large extent seem to be financed by these actors themselves (membership fees, donations, flea market sales).

As already mentioned, it is difficult to make any judgments whether these services have become more frequent in the Swedish welfare state, yet the abovementioned study in three larger Swedish municipalities indicate that a greater number of people seek support from these voluntary organizations. In some cases, informants express that the local authorities even direct them to the local voluntary organizations to get support for certain needs, not being covered by local social assistance standards (ibid.).

4.2 Actors involved in fighting poverty in the City of Malmö

In the city of Malmö there is a fairly large amount of local voluntary organizations active. In a recent calculation made by the city's administration they accounted for approx 570-580 local voluntary organizations that got some degree of funding from the city. Reflecting the Swedish tradition of popular movement organized, based on large degree of membership stocks and also a high degree of voluntary involvement, these organizations are rarely directly operating on direct contract from the public authorities. Most of them are also active in fields such as sports and cultural activities, and not in the fields of welfare services provision (see Johansson et al 2013).

The City of Malmö seems to reflect and resembles a classic Social Democratic position on which actors to be involved in delivering services and goods to the population. Yet, it appears as if the City of Malmö has been highly reluctant to contracting out different forms of welfare services to private for-profit providers (Johansson et al 2013). The situation is similar regarding the role played by voluntary organizations. The City has not developed any direct formal policy on how to act vis-à-vis voluntary organizations. The City seems to support and defend the idea that welfare is best produced by public agencies (ibid.).

Nevertheless, the City of Malmö has different forms of cooperation and coordination with the voluntary sector, yet in most of these cases, voluntary organizations fulfill the role of expressing the voice and raising the concern of their members. Voluntary organizations are working in the field of social welfare covering a broad range of topics such as homelessness, disability, elderly issues and violence against women. Non-profit organizations can apply for money from the local Social Resource Administration (SRA), which has a fairly large budget to fund different type of activities. This administrative unit distributes approximately 16 million SEK (about 1.9 million EUR) each year to different voluntary organizations in Malmö. The main requirement to get support from the City of Malmö, through SRA, is that the voluntary organization's concept can be judged as an important alternative or complement to the City's own efforts to help people in vulnerable situations; however, these vulnerable situations rarely include living under financial hardship, as none of the three target groups (SM, LU, WP) are prioritized by the SRA. Public authorities are hence generally considered as the main provider of services, and especially with regard to people living under financial strain.

Although the previous study by Harju, Montensino & Hjort (2009) seem to demonstrate that non-public actors play a ‘substantial role’ in fulfilling needs for people living under financial strain in the City of Malmö, few of our informants seem to recognize this and generally they maintain that voluntary organizations, charities, churches and private foundations have a minor role in providing services and guidance to the poor. Our informants express that combating poverty is mainly a municipal responsibility. A senior employee with experience from different local public authorities provides us with an eloquent illustration as he expresses that:

The voluntary sector is excluded, it is the public actors who make the decisions, this development we've had the last 3-4 years ... and I regret that. It is almost impossible for a non-profit organization to get money from the municipality. Non-profit organizations that want to be able to participate in order to fight against poverty feel that the municipality has a far too complex system of rules. Voluntary actor's ability to fund such activities [in combating poverty] is equal to zero.

We find similar types of arguments among other informants, who express a certain degree of self-reflection as they declared that it would be desirable for municipal agencies to show more openness towards non-profit actors.

Personally, I think that it should be possible to get more out of the efforts if we had a more comprehensive cooperation with non-profit actors. In other European countries there are more arenas where public authorities can work together with non-profit actors, even if we have different assignments.

One area where voluntary organizations seem to be directly involved in providing services and support is for newly arrived refugee and asylum seekers. In a more general fashion one of our informants informed us that ‘... asylum seekers, if they counted as poor, they can get help from the church and from the Mayflower foundation [a non-profit organization]’. Other informants are more directly expressing that ‘... non-public actors are not present in the field of poverty reduction’ and another respondent states that there is no active collaboration or any planning to cooperate with non-profit actors regarding poverty alleviation. However, also on this matter our informants provide us with mixed answers as one senior official representing the local social service administration expressed that:

Save the Children and Red Cross are involved in various initiatives and projects on poverty alleviation, if you can call it combating poverty. Voluntary actors are key players; we have a lot of money for them. We grant money for different activities which non-profit actors can manage such as go to the forest and go to the sea, summer activities for children who cannot leave the town. But right when you say poverty, we

do not use that word, but we work focusing on social sustainability, inclusion and gender Equality.

Another senior civil servant working at the municipality expressed that, even though the local authorities have the main responsibility to cater for people in need and to administer a social assistance system, voluntary organizations provide some support.

It is the municipality which has the responsibility to manage the social assistance system but nowadays more and more clients are turning to the church for financial help.

When being asked why the municipality doesn't work closer with local voluntary organizations a series of factors are being expressed by our informants. One expressed that '... there is no money to give to non-profit actors'. Other stated that non-public actors do not have enough financial resources, voluntary organizations can collaborate with the local public authorities as long as their own economy allows, non-public actors lacking in many cases employees with skills that can work in a professional manner, non-profit actors do not have a clear assignment and their activities do not follow any specific legislation. All these factors are then seen as barriers that circumvent any greater involvement of voluntary organizations working in close cooperation with the local municipality.

The situation of weak or limited involvement by voluntary organizations is even further confirmed by our informants working for one of the local churches and for the Workers' Educational Association. One representative explained that the City of Malmö avoids contact with voluntary organizations. Meanwhile, non-profit actors also avoid collaboration with the municipality because Malmö City tends to take over in co-financed projects. According to the same respondent, it is difficult to have an equal partnership with Malmö City in projects which aim to combat poverty. Our informants representing non-public organizations refer also to the City's long tradition of Social Democratic political leadership, which means that the political arena in Malmö is permeated by the idea that the state and the municipality have and should have the competence and finance responsibility to address social problems. These informants expressed a different description regarding the actually role being played by the voluntary organizations, than the one provided by officials working in the City's administrative units. They argued that non-profit organizations are, in fact, the main actor fighting for poverty reduction. In addition, it is explained that voluntary organizations are the only actor providing high-quality services to people furthest away from the labour market. In sharp contrast to public authorities and the local social assistance scheme, these respondents

acclaimed that the local non-profit actors have a tradition to rely on the ability of people, respecting their autonomy and self-determination. Local public agencies seem to have strict and constrained assignments without possibility to adapt to the participants own wishes and abilities.

All in all, the City of Malmö seems to have some interest in cooperation with non-public actors, yet our respondents express different opinions about the role of voluntary organizations. Non-profit actors are described partly as ‘a key player’, partly as ‘non-existent actors’ in the field of poverty alleviation.

5. Local governance structure of minimum income schemes in Malmö

This section aims to analyse the local governance structure of minimum income schemes (MIS) at local level. Relevant topics to analyse are to what degree local authorities can decide over minimum income system in Malmö (centralization-decentralization), how and to what extent non-public actors are involved in decision-making over local minimum income system (multi-agency approach) and what local administrative units have the decision-making authority over local minimum income schemes.

5.1 The decentralized nature of a the national framework Act

We previously addressed the decentralized nature of the Swedish MIS in the national report (Angelin et al 2013). Some important remarks are however necessary to make. First and foremost, the Swedish national regulatory system of minimum income protection (MIP) is the social assistance system, which in turn is regulated by the Social Services Act (2001:453). The Social Services Act is a national framework law drafted in general terms (Government Bill 1979/80:1; 1996/97:124; 2000/01:80), mostly in forms of general intentions and imprecise requirements regarding benefit eligibility. The municipality has a complete funding responsibility and is ultimately accountable for ensuring that the residents receive the support they need.

The Social Services Act, in effect since 1982 and restructured in 2001, is divided into chapters. The general aims and fundamental democratic principles are presented in chapter 1, in the first paragraph:

Public social services must on a basis of democracy and solidarity promote peoples economic and social security, equality of living conditions and an active participation

in community. With consideration for the individual responsibility for his own and others social situation, social services shall emancipate and developing the individuals' and groups' own resources. The public social services must be based on respect for individuals' self-determination and integrity.

The right to apply for social assistance is regulated in chapter 4, in the first paragraph where it states that:

Individuals unable to provide for their needs or meet their needs in other way, have the right to assistance from the social welfare committee for their livelihood (income support) and for their living in general. The individual shall, through social assistance, be assured a reasonable standard of living. Such assistance must be designed in such a way as to strengthen his or her ability for an independent living.

The national regulation hence allows local governments room for local interpretation, since implementation is given to local actors and based on their discretionary power. The local municipalities have the possibility and responsibility to shape their own more detailed rules. However, certain regulatory mechanisms restrict a full decentralized profile of the minimum income system.

First, since 1998 the National Board of Health and Welfare has had the responsibility to develop national standards for social assistance, both defining the amount given to households (depending on type and size of household) as well as what kind of needs are to be included in the standard. Since 2013, changes in national regulation have made it possible and advisable that local governments take a stand on what is to consider as reasonable amount to cover each need which is included in the standard, yet not change the total amount.

Second, the Social Services Act (and previous legislations) has provided individuals with a right to appeal to an administrative court, through a procedure known as administrative appeal (the County Administrative Court has the decision power). The right to appeal can be applied to all decisions made under the Social Services Act. If the applicant is displeased about the treatment from front-line staff, then it is possible to complain to the County Administrative Board which is the supervisory agency for the Social Services Office.

These regulatory mechanisms are important restrictions and have implied that variation between local municipalities has decreased. Previously (up until the late 1990s) local municipalities developed social assistance models on their own (only restricted by court rulings); there was also more or less voluntary recommendations from the National Board of

Health and Welfare. Throughout the 1990s several instances of conflicts and tensions between national steering and local implementation took place, as local models were not considered as `in the spirit of the law`. The formal enactment of a National standard have limited this plethora of local models, and hence created a greater extent of centralization of local MIS standards. Nevertheless, the principle of subsidiarity is still highly central in understand the local governance of social assistance support.

Last but not least, an element of individualization is also evident in the legal and national regulation on local provision of MIS. According to the Social Services Act, the Social Services Office must always make an individual action plan. The plan should be established together with the applicant. The main purpose is to indicate what measures are necessary, the responsibilities of the applicant and each official involved in the case, any other possible actions taken by anyone other than the local Social Services Office and who have the overall responsibility for implementation of those agreements specified in the individual plan.

During the last decade few changes have been made in the national regulatory system. No major legal change was made with regard to the basic minimum income protection infrastructure, no new transfer payments were implemented within the MIP framework either. Neither does the social assistance system specifically refer to the three target groups in this report (SM, LTU and WP).

5.2 The local governance of the social assistance system

The main political and administrative units responsible for MIS in the City of Malmö could be described in the following manner. The City's highest decision-making political body, the City Council, has 61 members which are appointed by the people of Malmö in general elections every four years. The City Council decides on budget, vision and many other practical and ideological requests, which form the issue for debate and decision making by City Council members. As mentioned, the Social Democratic Party, the Green Party and the Left Party now forms a local coalition governing the City. The decision-making system is furthermore specialized in 14 committees covering all different areas of responsibilities for the local government. Some of these committees are mandatory while other committees might be reflecting local political priorities and concerns. These fourteen committees in Malmö are the following: i) Recreation and Leisure Committee, ii) Trust Committee, iii) Equality, culture and leisure, iv) City Executive Board, v) Environmental Committee,

vi) Auditors' Council, vii) Services Committee, viii) Social Resources Committee, ix) City Planning Committee, x) City District Council, xi) Education Committee, xii) Election Committee, xiii) Chief Guardian Committee and xiv) Technical Committee.

Each of the committees reflects the balancing between the strength of the political parties as they are allowed to appoint delegates to each of them. Each political committee is also related to (at least) one administrative department (Malmö City 2013a). For our concern, the most relevant departments are:

- The Individual and Family Department, which has an overall responsibility for social assistance provision, social support, child and youth care, homelessness and substance abuse.
- The Integration and Employment Department which is responsible for integration, equality, anti-discrimination, labour market issues and certain introductory activities, adult education including Swedish for Immigrants.
- The Department of Internal Services, which manages labour market arrangements for people who have difficulty entering the regular labour market.

Like many other Swedish municipalities, these political committees and administrative departments are even further decentralized, illustrating a political ambition to improve democracy and increase political participation for local residents (bringing the decision-making process close to the people) as well as the belief that political as well as administrative decisions are more effective if they can directly consider local conditions (also within a municipality). The City of Malmö has therefore been divided into ten City districts with a budget on their own and got also a great leeway with regard to decisions on minimum income support.⁹ Currently there is an ongoing process of reducing the number of City districts, yet this is just in the process of being implemented.

Considering the profile of the Social Services Act, local municipalities are fairly autonomous political and administrative bodies in relation to proposals and propositions coming from the central government. This certainly depends upon the regulatory mechanism at hand and the policy area in question, yet local decision-makers (politicians, key administrative staff members and also front-line staff members) have an extensive leeway to interpret and act

⁹ The City districts are: Centrum, Fosie, Husie, Hyllie, Kirseberg, Limhamn-Bunkeflo, Oxie, Rosengård, Södra Innerstaden and Västra Innerstaden.

upon national legislation in general and very much so relating to the areas of active inclusion and MIS. Non-public actors are not involved in local decision-making on social assistance system or in providing advice and support to applicants in claiming their benefits. There is no association or non-public organization representing social assistance recipients per se. The European anti-poverty network has a local and regional branch, yet appear not to be involved in local decision-making to any greater extent.

To receive social assistance, the applicant turn to the local Social Services Office and in most of cases, at least when seeking social assistance for the first time, meet a professional trained social worker for assessment. Individuals normally claim social assistance if either economically active but not entitled to unemployment benefits or economically inactive, e.g. due to health reasons. Each application is assessed individually. The activities at the Social Services Office are overseen by a board of local politicians.

5.3 Reflections on the local governance of the social assistance system

The long-lasting tradition of granting local authorities a wide degree of local discretionary powers on how to organize, administer and work with social assistance related issues is still the most evident feature of the Swedish social assistance system. Local municipalities might be organized differently – with respect for certain basic functions. This raises several questions on interaction between central and local dynamics, as well as intra-city dynamics between central administrative units and local city districts.

Our interviews with key experts on the social assistance system give a fairly unproblematic view on how the social assistance system is being governed, above all with regard to central-local dimensions. We find no direct attention to the fact that the state interferes too much or too little, or that the local decision-making system should be organized differently in the City of Malmö. On the contrary, several of our informants rather express a certain degree of satisfaction with how the social assistance system is being designed in the Swedish welfare state, balancing national recommendations and autonomy for local authorities to decide on how to organize locally. Whether the governance of the social assistance system is taken for granted and only reproduced by our informants needs further empirical analysis. In principle most of our informants are pleased with how the social assistance system should function as being a last resort, yet sometimes more critical to the fact that it in practice has become a system that caters income support for a fairly large proportion of the population, many of

which primarily have labour market related problems and less so social related problems. Here one can certainly detect a certain criticism on how national-local governance mechanisms function (spill-over effect due to changes in other systems), yet still support for the spirit of the Social Services Act. One key civil servant reflects upon the delicate situation for the municipality in the following manner:

... and here the municipality is in a difficult situation, whereas active labour market policies and other policy areas at national level directly interfere with the poverty situation for inhabitants in Malmö. Here we operate in a much broader context, at the same time as we have social assistance as our main tool for our disposal, which is a local concern...

Another respondent comment upon the 'spill-over effects' from changes in social protection systems in the following manner:

If there had been a general and compulsory unemployment insurance system which had secured for all who were unemployed at a level they could live on, then we had after all gotten rid of more than 2 000 households which live on income support. If there had been a health insurance that people could live on, then we had gotten rid of another 1 000 households from the social assistance system. More than one-third of our costs for income support are about this group of people.

These central-local dynamics, is further complicated by the fact that local authorities have to guarantee a certain degree of equal treatment for all citizens and at the same time as the social assistance system as based upon principles of individual assessments (needs and means-testing).

The most obvious disadvantages are that equal treatment might be hampered – the Municipality Act states that all citizens should be treated equally as citizens in the City of Malmö – yet here we have a tension between individual needs-testing and the equality principle in the Act, which is a disadvantage with a decentralized system. The advantages with a centralized system are equal treatment, at the same time as too much central regulation, routines and rules will lead to a rigid system, in which the individual actually does not get less needs-testing. So, it is always a tension between these models.

With regard to other actors involvement in the governance of the local social assistance system this is generally rejected. One of our informants gave a vivid and colorful answer to our question as he stated that: 'The municipality has monopoly on the social assistance system'. However, there seem to be an ongoing discussion within the municipality on how to cater for the involvement and potential participation of social assistance claimants in debates and deliberation on the functioning of the system in itself. The municipality holds several

committees that bring together representatives of local civil society organizations and key politicians, e.g. within the areas of elderly issues, mental health problems and functional impairment. Only one of our informants mentioned that it is an ‘interesting question’ on how to involve representatives of social assistance claimants, but generally nothing is done on that direction; in Malmö does not exist local associations representing social assistance claimants that could get involved either.

Previous studies also demonstrate a fairly low interest from leading politicians in the local committee on social welfare issues, to interfere with social assistance related issues. In an extensive interview study with local officials, Hjort (2012) found that members of the local board are rarely asking for extensive information on how the City is working with social assistance related issues (understood here as benefit related issues). Their interest is to a large extent directed to flows (numbers of recipients) and costs (increase or decrease) (ibid.).

Another relevant theme regards intra-city governance mechanisms. We previously explained that the City of Malmö is in itself divided into ten city districts, each district governed by a politically elected board with a unit of social workers to implement local decisions. One might expect that this could lead to extensive intra-city variation in the governance structure of the local minimum income scheme, but this seem to be only partly true. In a previous study (Hjort 2012) drawing on a large set of interviews with social workers in each of the ten city districts, it is illustrated that a certain degree of centralized steering exist also within the City. The City Council and the administrative unit in charge have developed local directives for how to work with social assistance in the City. However, Hjort (2012) notices that at times when certain city districts have aimed to introduce a model on their own, this has caused tensions with the City’s central administrative units. Despite this, Hjort (2012) find that certain city districts have organized their work differently, often reflecting the socio-economic situation in the district at hand, e.g. by the means of focusing on certain categories of beneficiaries. In other words, although we find elements of intra-city governance and steering, this seem to be primarily reflecting how money are being spent, and not so much what kind of methods that are being used.

6. Regulation of local social assistance standards in Malmö

This section aims to provide a presentation and analysis on the materialization of local minimum income provision with focus on what's included in a local MIS standard and how are such standards providing coverage for our three target groups (SM, LTU and WP).

6.1 Regulation through national standards

As already mentioned, the Social Services Act which regulates the social assistance system is a national framework law drafted in general terms. Each application is assessed individually but the Social Services Act covers some national standards according to which clients should be valued on their eligibility. Social assistance is a last-resort safety net for people who temporary cannot sort out their own financial situation. Each individual who turn 18 and residing in Sweden has the right to apply for social assistance. Parents have the duty to support their own children, if the youngster still a student at upper secondary school then this obligation is extended until the children turn 21. Recently coming refugees are entitled to introduction fee instead for social assistance. The requirements regarding benefit eligibility are the following:

- The applicant and other members of the household (primarily the partner, married or cohabiting) totally lack financial resources. The applicant may have to sell all own assets and demonstrate that there is no money left in the bank account.
- The applicant must prove that he/she is not entitled to any other general benefits such as unemployment insurance benefits, sickness and housing benefits, parental allowance or maintenance support.
- The claimant must be assessed as being available for work or make efforts to enhance their own employability by participating in recommended employability measures such as work experience programs, work rehabilitation measures, training programs, education courses and other knowledge-building activities.
- The claimant must actively searching for a job and be prepared to accept any jobs. The aim is to support itself by paid work and find a full-time job but accept part-time employments also. The applicant must agree to take even jobs outside the own professional field and be willing to commute or move to another city or different part of the country, if this is required to get a job.

The main principle is hence to design a system that seeks to maximize claimants' abilities to – as soon as possible – live a life without being dependent on social assistance benefits. The Social Services Act states special requirements on unemployed youth under 25 years old to take part in occupational schemes and other skills-enhancing activities; since 2013, municipalities are allowed to make such demands to all social assistance recipients, irrespective of age.

The national regulation covered by the Social Services Act allow local authorities to take sanctions if an applicant turn down recommended employability measures or refuses to take a job without an acceptable reason. The sanction could be to reject an application for social assistance or to reduce the level of social assistance. The applicant has the right to receive the decision in writing and then to appeal the decision. The Social Services must follow the court's decision. The local authorities are not allowed to take other sanctions in addition to the already described but the local social welfare board has the right to top up the social assistance or benefits granted under the Social Services Act. There is no time limit for how long a claimant can receive social assistance.

The process of decision making is further carried out at the local political level and in most cases by social workers who define the eligibility criteria in order to distinguish deserving from non-deserving claimants. The social worker assesses whether the claimant lack financial resources, if the applicant is to be judged as actively searching for a job and when and in which way sanctions should applied against the applicant who turn down recommended employability measures. In most cases the application for social assistance is for a month at a time.

The aim with social assistance is to help the applicant to maintain a reasonable standard of living. The social assistance includes support for upkeep and for other items. The upkeep or income support contains financial support which follow a national norm and support for reasonable costs for other common needs such as housing.

The *national norm* includes expenses for food (sweets, snacks and wine are not included), clothes and shoes, leisure and play, health and hygiene, insurance of children and young people, a daily newspaper, telephone and TV license fee. The Swedish Government establishes the national norm each year based on calculations from the National Council for Consumer Affairs representing a normal level of consumption. The financial norm in 2013

for a single person is 3 880 SEK per month (450 EUR) and for a couple 6 360 SEK per month (740 EUR). The norm for dependent children in a benefit unit (one or two adults) is linked to the child's age.

Table 12. The norm for dependent children and youth in a benefit unit (since 2013, the local governments can take a stand on what is to consider as reasonable amount to cover each need included in the standard, yet not change the total amount).

Age	0-3		4-6		7-10		11-14		15-18	
	SEK	EUR	SEK	EUR	SEK	EUR	SEK	EUR	SEK	EUR
Food	862	100	1121	130	1289	149	1525	177	1804	209
Clothes, shoes	415	48	446	51	543	63	582	67	629	73
Leisure, play	135	15	260	30	407	47	500	58	522	60
Consumables	100	11	100	11	100	11	100	11	100	11
Health, hygiene	498	57	83	9	102	11	163	18	225	26
Insurance	70	8	70	8	70	8	70	8	70	8
Newspaper, telephone, TV	180	20	180	20	180	20	180	20	180	20
Total	2 260	262	2 260	262	2 690	312	3 120	366	3 530	410

Source: National Board of Health and Welfare 2012.

The support for *reasonable costs* for other common needs refers to costs for housing, household electricity, home contents insurance, work-related travels, membership fees for a trade union and unemployment benefit fund. There is not a national standard which regulate this costs. The law states only that the costs should be reasonable. The expenses for these needs are assessed individually and it is the social worker which decides what reasonable cost at a plausible level is. Housing costs are not included in these calculations, as the Act regulates that the applicant has right to reasonable housing costs. The guideline for what is to be consider as reasonable housing costs are based on what a low-income earner in the applicant own municipality normally can afford.

However, social assistance allowance can also be granted for costs which are not included in the support for upkeep. The authority to decide over what type of costs that are to be consider as 'other items' are taken at local level based on individual assessments. The National Board of Health and Welfare exemplifies that such costs could include assistance for medical and dental care, recreation and funerals, glasses, equipment for the home or moving house and in exceptional cases help with debts. As already mentioned the Social Services Act does not particularly focus on the three target groups in this report: single mothers, long-term unemployed persons and working poor.

Reflecting the advanced degree of decentralization of administration and delivery of social assistance, a large body of Swedish research indicates that the assessment for eligibility, the treatment and the amount of cash benefits significantly depends on where in the country applicants apply (Byberg 2002). There is even variation within the same organization depending on who makes the decision. Clients with comparable needs for help do not obtain the same decision and treatment, and those who receive social assistance do not acquire the same cash benefits (Hydén et al 1995; Gustafsson et al. 1990). The ability to predict decisions is limited for the client who must rely on the official's discretionary power (Puide 2000; Minas 2005; Billquist 1999). This explains to some extent why several clients that experience financial strain, which would actually entitle them to social assistance, often avoid to apply for benefits because the process for granting social assistance is perceived as deeply arbitrary (Mood 2004; Gustafsson 2002) and associated with a lack of respect of their integrity, autonomy and self-determination; this process is furthermore linked to stigma and feelings of shame (Angelin 2009).

6.2 Local adoption to national standards

Our informants were generally pleased with the social assistance system and how it could function. It was generally held that – in principle – it was a good complement to the more insurance based social security systems, regulated by the state and national authorities. One of our informants declared that ‘The social assistance system it’s a good system’. Informants maintained that the social assistance system secured that nobody needed to starve or be begging in the streets. That is, securing that no one will suffer from material needs or live under material deprivation. However, at the same time several of our informants expressed that social assistance did not function according to the original codification of the system (being a last income resort for short-time income supply); the social assistance system had been deteriorated as it increasingly functions as a long-term income support for a larger group of people.

The idea is that you should get income support if you end up in a temporary crisis but then it's not so in reality. There are a lot of people living on social assistance, year in, year out. Then it's not a good system. Neither the economic level is enough, everyone thinks that it is inadequate, but also that the recipient need to apply for social assistance every month. It would have been better with more general forms of welfare benefits, some form of comprehensive unemployment insurance or health insurance ... Having the right to benefits. We see that some people are going to live on social assistance for lifetime.

Informants were also critical as the social assistance system was seen to have poverty generating effects in itself, due to its extensive means-testing regulation. As part of the eligibility test, individuals are namely required to seek all other solutions (and also use all other means) before social assistance could be granted. Those who become eligible have more or less emptied savings and other resources.

The City of Malmö has made few deviations from the national recommendations and standards. As our interviewees reflect upon the City's adjustment to the patterns of national regulation, it is generally held that the City has to a large extent followed the national standards since they were introduced in 1998. Arguably, it appears that the national standards have been the local model for a considerable period of time (i.e. since these national standards were first put in place).

However, we also found instances of local variation within the City of Malmö. As already mentioned, the City administration is split into ten districts (albeit currently being reduced to five districts). Each district is working quite independently, actually as almost an autonomous small municipality with its own Social Services Office. According to public documents, some districts have developed local profiles and put much more emphasis on activation, compared with other districts (but also causing some internal disturbances). Other districts seem to have paid greater attention to combating child poverty. This illustrates that even though the City of Malmö appears to be following the national standard, there exist local variation within the City and most likely further enforce by the discretionary powers social workers possess (Hjort 2012). Possibly as a means to overcome this intra-city variation, the City Council has just recently decided that local Social Services should seek to develop an evidence-based practice and thus make use of evidence-based working models, including social assistance provision. Moreover, there is an ongoing discussion within the City to make local amendments to the national standards. The local guidelines for social assistance are currently being rewritten and different proposals are being made to develop a more generous local standard than what is nationally regulated by the National Board of Health and Welfare. The City Office has the following proposals:

- Families with children living in long-term social assistance support (support for at least 10 months) should be granted 4 450 SEK (517 EUR) to purchase a computer and 200 SEK (23 EUR) per month for internet access.

- Families with children living in long-term social assistance support should receive 2 400 SEK (280 EUR) per child and year for recreational activities.
- Assistance for glasses must be reasonable. The actual decision should be taken by each city district; no standards for this cost will be announced at the municipal level.
- Travel expenses amounting to 700 SEK (81 EUR) per month for social assistance recipients who participate in local activation measures will no longer be paid automatically but considered case by case.
- Increase the assistance for buying a couch from 2 000 SEK (232 EUR) to 2 200 SEK (255 EUR) and for buying a TV from 1 500 SEK (174 EUR) to 2 000 SEK (232 EUR) (City Office Malmö 2013).

Whether these proposals will be turned into practice is too soon to answer, yet demonstrate that the City – for the first time – aims to divert from the national proposed standards, but topping up on certain budget posts, possibly reflecting the delicate situation many inhabitants in Malmö experience receiving social assistance for a long period of time.

It is apparent that the national standards are pivotal for how the municipality has organized its local operations. Nevertheless, the national framework Act gives extensive discretionary powers to local authorities and social workers which seem to be an issue of constant debate and internal criticism. We experienced extensive criticism from key informants regarding the allocation of resources from the City's central administration to the local Social Services Offices. It is generally held that due to the lack of resources, social assistance officers (social workers with higher education diploma in most cases) cannot always work in a professional way. The social workers do not have enough time to meet each client and dedicate the time needed to each visit in order to take correct decisions and better motivate and support the individuals to enhance their own employability. The same respondents note that the social workers do not have the proper time to listen to the individuals own planning and wishes either.

We may well see that we do not achieve the goals, we have a heavy workload, we do not have time to meet people as much as we would like and we can see the results, the effect of the work it is not good enough.

Other informants expressed a similar type of criticism vis-à-vis the lack of time to provide adequate support for individuals in need; this leads to turn social workers into administrators of financial support.

The social workers need to lift their own eyes from checking the receipt and instead working with individuals helping them become established in the labour market ... there is a risk that social workers only administers money.

These short quotes point in favor of a defense of individual assessments as a central dimension in the local social assistance system – and central to social workers self-identity as professional social workers.

One should not be too rigid when people really need things, the social workers should not give priority to a bureaucratic system. A long assessment process will be a very inefficient system. On the other hand, I get the impression that social services officers pay welfare benefits very much on routine once the client has entered the system. Instead to pay social assistance month after month, the social workers should insert other efforts and give people the chance to come back. But the most problematic is the way into the system of social assistance. If you well enter into the system, then you can hardly get out of. The social workers are working on routine basis...

It should also be reported that several respondents argued that it is important to make realistic and well thought out individual plans, the social workers should not use absurd or ridiculous requirements that do not lead to a positive development of the individual,

There is much discussion about the requirements. We should have a certain degree of requirements but not mindless or punishing requirements in exchange for social assistance which can obstruct a development for the individual, requirements such as sitting and pack birdseed only to prove that you are active.

Arguably, interviewees representing municipal authorities indicate that social workers carry out and enforce the actions required by the Social Services Act, yet social workers have wide professional discretionary power over the assistance provided. Several respondents mentioned that Malmö should be able to improve the management of social assistance. The City Council recently encourages a clearer practice at the Social Services Office and therefore wishes to find and introduce models to support effective casework practice. There is a proposal from the City Council to invest 30 million SEK (3.5 million EUR) to develop practice models for social assistance in Malmö.

7. Minimum income systems and active inclusion policies

The aim with this section is to analyse the relation between the local minimum income provision and other types of local services. A key element into such an analysis concerns the link between minimum income schemes and activation policies. Another key element

includes portraying the degree of decentralization, marketization and contractualization of activation and how such services relate to minimum income support.

7.1 A national tradition of work-strategy and work-tests

In the previous COPE report, the national report (Angelin et al 2013), we have recognized the long-lasting tradition of active labour market policies in a Swedish context. Sweden stands out as an active corner in a European context. The major part in delivering services and training for the unemployed are offered by the Public Employment Services (PES), a system regulated at national level. PES has 320 local employment offices widespread throughout the entire country. The aim is to support unemployed find jobs, make sure that employers can find needed labour, to seek out and advertise as many vacancies as possible and to improve the match between skills supply and labour market demand. Being registered at the PES and following a certain set of criteria, unemployed persons are entitled to unemployment benefits up to 300 working days. These criteria are:

- Ability to take an offered job and work for at least 3 hours each working day or at least 17 hours a week.
- Readiness to accept an offered job (unless formal exceptions are approved by the PES).
- To be registered as formally unemployed at the PES.
- Willingness to participate in the development of an individual action plan, activity in seeking a suitable job and in participating in a labour market training programme assessed as suitable by the PES.

Priority groups and the amount of unemployed persons involved in national programs is decided by a set of factors which lies beyond the agenda of local decision-makers and above all local politicians. In 2013, PES prioritizes the group of people with the least job opportunities (PES 2013). Just to give a short overview of the number of unemployed persons in active measures at local level for the last decade, the PES has provided us with the following data presented in table 13.

Table 13. Participants in activation programs driven by PES in the age group 16-64 (number of participants and participants in per cent of the population), annual average – three main cities and national average, 2003-2012.

Year	Malmö		Gothenburg		Stockholm		National average	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
2003	3 300	1.9	4 667	1.5	2 968	0.6	76 632	1.3
2004	3 686	2.1	5 414	1.7	4 064	0.8	87 053	1.5
2005	4 151	2.4	5 063	1.6	4 670	0.9	98 103	1.7
2006	3 712	2.1	5 683	1.7	5 486	1	100 874	1.7
2007	2 325	1.3	3 536	1.1	3 686	0.7	59 054	1
2008	2 846	1.5	4 410	1.3	4 115	0.7	70 796	1.2
2009	4 448	2.3	7 136	2.1	6 116	1.1	120 671	2
2010	6 760	3.4	10 669	3.1	9 715	1.7	179 757	3
2011	6 807	3.4	9 943	2.8	9 639	1.7	170 951	2.8
2012	8 042	4	9 951	2.8	10 669	1.8	179 636	3

Source: Public Employment Services (2013).

The table demonstrates that between 2008 and 2010, the rate of participants in activation programs in Malmö run by the PES has more than doubled and the level for 2012 is even higher compared with 2010; the same trend also appears in the other two main cities and in the figures for the national average. But when it comes to Malmö, we can draw the same conclusion as above regarding unemployment and social assistance rate. The rate for participants in activation programs in Malmö is every year higher compared with the figures for Gothenburg, Stockholm and the national average.

Arguably, local municipalities have not had a similar role in providing services and guidance to unemployed people as their main target group has been other groups and services, e.g. childcare, care for the elderly, school education and support for people with social problems. Starting from the mid-1990s, local governments increased their efforts to run local activation programs and projects (Angelin et al 2013). An important factor regarded changes in the Social Services Act, was to formally allow local authorities to demand social assistance recipients to participate in local activation projects. Such conditionality had previously been a debated topic by all actors involved and tested several times by administrative courts. Legal changes from 2001 gave, however, local authorities the right to demand such participation, yet only for people below the age of 25 and if measures were considered raising the persons competence. At the same time, the central government decided to decentralize parts of the different active labour markets programs run by the PES and above all the responsibility to cater for the young unemployed. As we already pointed out, in 2013, the central government

made additional changes and allowed municipalities to make such demands to all social assistance recipients, irrespective of age.

The start of this local tier was also due to extensive reform activities already taken by local authorities. Municipalities started to craft out local active labour market policies as a policy area, designed and modelled according to their own conditions and needs. As social assistance costs rose quickly, many local politicians started to question why they should pay for the costs of unemployment; particularly since unemployment – more precisely, not being entitled to unemployment insurance – became the main reason why people applied for social assistance. As a result, within a few years local activation projects mushroomed across the country. Local municipalities continued to develop local activation measures and their own administrative units to govern local unemployed persons, often directly linked to eligibility tests for social assistance benefits.

The Swedish Association of Local Authorities and Regions (SKL) estimated that municipal expenditures on labour market policies amounted to 2.7 billion SEK (314 million EUR) per year between 2000 and 2005 (SKL 2007). A more recent study (SKL 2012) indicates that 85 per cent of the municipalities have local labour market units – run and paid by the local budget – that not only complement but also compete with the PES. A previous study (Salonen & Ulmestig 2004) suggested that, in the early 2000s, over 800 local activation projects were run by local authorities involving more than 13 000 participants. While we lack current data on participation in local active labour market projects, a SKL report from 2011 suggests that approximately 8 000 social assistance claimants were referred to the local labour market unit in the City of Stockholm alone. Nybom (2011) studied the placement of unemployed people on social assistance in four municipalities and found that a large majority of them participated in municipal programs (78 per cent) and just 17 per cent in PES projects. These figures not only indicate the duality of Swedish active labour market policies, but also point to significant coordination problems between municipalities and PES at the local level.

7.2 Local activation policies run by the City of Malmö

The City of Malmö is no exception when it comes to this development of a local tier of activation services. On the contrary, Malmö has been heavily involved in developing local activation projects and programs to foster labour market integration among social assistance recipients. Whereas we might have detected some reforms in activity with regard to how the

City handled the issue of a local social assistance standard (i.e. to a large extent following national standards, albeit based on a large degree of autonomy for the city districts), activation services seem to be a much more intense reform arena for local politicians.

One high-profile initiative took place at the start of the New Millennium as the City of Malmö decided to implement local one-stop shop models, so called Work and Development Centers (Arbets- och Utvecklingscentra) which were set up in four of the City's ten districts. These Centers were localized to the districts with the highest degree of social assistance claimants and levels of long-term unemployment, indicating both target groups and the Centers' main aims. Support for this local attempt was given by the central government to combat social exclusion in the country's large cities. The City of Malmö chose – among other things – to start these Centers to handle urban challenges. Each Center implied a re-organization of previously separated public initiatives and administrative responsibilities as the Centers included social workers from the local Social Services, the local Public Employment Services (employment officers) and also civil servants from the Social Insurance Office.

The professional mix was, however, mainly consisting of officials from the Social Services and PES as these organizations contributed with 10 employed staff each, whereas only one from the Social Insurance Office. Nevertheless, the employees kept their formal affiliation and also legal jurisdiction from the own main administrative unit, yet were located in the same building to foster cooperation. During the first years, about 2 500 to 3 000 people were participating in the activities run by these local Centers (annual basis) (Bevelander et al 2003). These Centers also strongly focused on working with so-called individual action plans as a means to better use the different measures to help people back into regular employment. The main target groups was long-term unemployed often on social assistance, who were considered (either by the PES, the local Social Services or the Social Insurance Office) to be able to enter the regular labour market or education in one to two years (ibid.). The participants have access to all kinds of services from both the municipality and the PES. The local Centers were heavily criticized (like many other activation projects) for not providing unemployed individuals with sufficient support, guidance and training, and mainly being an instance of increased public control, extended conditionality in the social assistance system and waste of individuals time and competence. Actually, local demonstrations took place with the aim to close these local Centers. These local one-stop shop models were eventually

closed down in 2008 and replaced by Integration and Development Centers, with a slightly different profile.

Recently Malmö has much more focused on expanding its internal units for offering support to unemployed individuals (e.g. on social assistance). The most recent initiative with regard to local activation measures in Malmö concerns the Job Malmö (JobbMalmö) launched in March 2011, which could be pictured as an internal umbrella unit for a large number of local initiatives and services to foster labour market integration among inhabitants. The unit, with about 260 employees, approximately 3 000 participants per year and a budget of 173 million SEK (20 million EUR) for 2013 (Malmö Handlingsplan 2013), focuses on groups such as young unemployed (regardless of unemployment duration), jobless with various forms of disability and long-term unemployed who have received social assistance for more than two years (Malmö City 2013c). The purpose of this unit is to complement already ongoing activities by the PES, covering different types of active labour market measures and groups of unemployed. The main profile of these activation services are training, education, help with job search, assessment of work skills and job placement. Job Malmö is organized into five different subunits:

- The Job and Training Unit provides activities (e.g. personal marketing, study- and career guidance, job training, practice for job interviews) for jobless over 18 years old who need to strengthen their skills to get into work or to initiate studies.
- The Job Center offers job activities and job rehabilitation helping jobseekers back to a suitable work at the earliest possible time. The main group consists of long-term unemployed usually send by PES. Job Center provides also sheltered public employment up to 12 month. Job Center cooperates to some degree with non-profit organizations.
- The Activity Center carries out job capacity assessments and work trials. It furthermore offers job training in appropriate environment for jobless with a weak or uncertain labour market attachment.
- The Resource Unit performs work rehabilitation programmes and provides individual support towards work/study to certain groups which are considered to have difficulties in finding a job (e.g. young adults 18-24 years, long-term unemployed over 24 years old, immigrants with post-traumatic stress, women in the age group 18-30 with mental illness in need of short group therapy).

- The Company Unit has a network with local businesses and numerous authorities from City of Malmö looking for new jobs and seeking new types of cooperation to help jobseekers find innovative paths to the regular labour market. The unit runs several employment projects. For example, one project (SEF Unga) can be considered as a local employment agency looking for short-term employments up to 6 months for young people aged 18-24 years within the administration of the City of Malmö; in this way, youngsters can find new contacts and in the same time get work experience which hopefully enhance their chances to establish themselves on the regular labour market (Malmö City Job 2012).

One important aspect of these local activation services certainly regards if and to what extent they are linked to social assistance provision and eligibility. In public documents, participation in the city's local active labour market policies is described as voluntary, yet at the same time, if an individual neglects participation without an acceptable reason, then the sanctions put in order for social assistance recipients can be to question the entitlement for social assistance or to reduce the level of social assistance. As explained in the previous section, an applicant for social assistance must be assessed as being available for work or make efforts to enhance their own employability by participating in recommended employability measures. Therefore, Job Malmö has a clear link to the local social assistance scheme.

Such eligibility tests, sorting out claimants that are to participate in Job Malmö activities, necessitates a certain degree of cooperation between the Social Services (social workers making tests for social assistance eligibility), the local PES (offering services in addition to the Job Malmö services) and Job Malmö (running local activation services). Completed desk research has not made it possible to fully detect the degree and content of these interactions, yet one can notice that there is no longer a one-stop shop model like the Work and Development Centers, in which there was a co-localization of services under the same roof.

However, Job Malmö is currently investigating whether it would be possible to introduce an internal one-stop shop model, i.e. that all unemployed persons seeking help, counseling and guidance would be met by a front-desk function. The intention with this front-desk seems to be to create an internal one-stop-function 'light' as a smaller group of staff members at Job Malmö would first meet with unemployed individuals, and based on the primary information

given, direct these applications inside Job Malmö to the most appropriate unit and type of service. The front-desk would, however, not imply any greater coordination or integration with other authorities or actors, for instance the PES or the municipality's unit for social assistance benefits.

7.3 Cooperation and a dual system of active inclusion

The discussion above have already indicated one of our main conclusions in the analysis of governance practices and policy coordination regarding active inclusion in the City of Malmö. Despite a history of innovations in terms of integrated services (although always with separate formal assignments), the City of Malmö has in recent years developed extensive activation services parallel to the PES and also institutionalized these to a large extent within the City's formal political and administrative structures. However, whereas we before could detect ambitions and aspirations to foster policy coordination or even horizontal integration, these efforts are less obvious nowadays. In other words, the City has developed a dual system of active inclusion services in combination with a problematic link between minimum income schemes and local activation policies, which could be illustrated along the following lines.

Job Malmö has an important assignment in Malmö regarding local activation services. One respondent mention that:

We have in Malmö a huge need for education combined with local activation services. Malmö has a huge mismatch in the labour market. In 2011, we had 27 000 job vacancies. Despite this positive development we still have 18 000 unemployed. This means that available jobs cannot be taken by the unemployed from Malmö because they don't have the proper education and skills. Malmö cannot sit still, we had to do something. Therefore we have Job Malmö to offer education in combination with work placement or apprenticeship.

But the cooperation between the local administrative units is not satisfactory. Our analysis demonstrates that the social services units are rarely involved in managing or running activation services in cooperation with Job Malmö. Our respondents explain that all municipal activation services gather under Job Malmö, while the Social Services Office handles social assistance benefits. As illustrated, the City of Malmö does not use one-stop-shop models anymore to integrate and provide several municipal public services under 'one roof'. Each organization has its own budget and assignment and is located in a separate building. Different political committees also govern them. From 2013, the Education Committee will govern Job Malmö, possibly illustrating the ambition to strengthen a human

capital dimension to the unit's operations. It is interesting to notice that keeping these units separated is seen as something positive according to some respondents. One official working at the City's central administration described that:

It is important for us to distinguish between local activation services and social assistance. Labour market initiatives must be free from connection to benefits. There's actually a link to benefits but these decisions are to be taken by the Social Services Offices. The services offered by Job Malmö will be based solely on needs, quality and motivational work to improve individuals' employability.

At the same time, the local activation services are combined with the obligation for the unemployed to follow the individual action plan in order to receive social assistance. This means that civil servants representing social assistance and Job Malmö should collaborate in order to assess that the client stick to the individual action plan. But the obligation to be available for work and make efforts to enhance the own employability by participating in recommended employability measures is played down by the interviewees. It is supposed that each individual have a positive attitude towards changes and make all efforts to get a job; therefore the interviewees are reluctant to connect activation services with conditions and obligations.

Several of our informants express that nobody has an overall view of the social assistance system and municipal activation services. They provide us with ample examples of the problems this might cause, e.g. organizations with different views on what is causing social problems and also different ideas on how to handle such problems. Although this 'drain-pipe' logic seems to prevail, a majority of our respondents demand a more intensive and better collaboration between local public authorities in order to become more effective in reducing poverty. One informant representing the City's central administration mentions that:

The collaboration between local public authorities can be improved. The collaboration has actually been deteriorated in recent years. We have now too much of a 'drain-pipe logic'. In addition, we need a more comprehensive perspective and a way to working based on the family's needs rather than on organizations own budget and requirements.

We also find extensive justifications of why the City is involved in offering local activation services for unemployed people living in the City of Malmö. Job Malmö is generally considered as an important complement to PES. Senior civil servants working at the municipality explain that PES and Job Malmö are working differently.

The municipality is working with those who are furthest from the labour market. PES is supposed to help people to get jobs. But we [the municipality] see that there are groups, such as disabled and school-leavers, situated very far from the labour market and for these groups we believe that our municipality can do more than the PES. Therefore, Malmö is invested a lot of money to finance local activation services through Job Malmö, especially with focus on those groups who are furthest from the labour market. Malmö makes far more efforts than a municipality really need to do; helping these groups is actually the government and PES responsibility. But the more the municipality does [through Job Malmö], the smaller efforts PES put in to follow their own assignments [to support unemployed].

To illustrate Job Malmö's complementary nature, our informants informed us that PES did not – usually – work with unemployed youth during their first 90 days of unemployment. Instead, young unemployed people could get help from Job Malmö from the first day of their unemployment spell, and hence directly be offered services such as work experience programs, training programs or education courses. One senior manager also claimed that Job Malmö is more accessible for unemployed and asserted that as soon as an unemployed person comes in contact with Job Malmö, she/he would meet a competent staff member instead of waiting for three months at the PES. Moreover, municipality officials argued that a civil servant at Job Malmö has a different workload compared with officials at the PES, as each of them has responsibility for 70 clients compared with 400 unemployed individuals for a case manager at the PES. It is moreover asserted that:

Job Malmö does not really have a different mission compared to the PES, but these two organizations are based on different values regarding unemployed individuals. PES seems to think that unemployed people easily can be seen as numbers. Job Malmö never works with individuals in such a way. We're talking about preferences and conditions. It is ok not to want a cleaning job, perhaps it's not the individuals own plan A to take a cleaning job, perhaps it can be seen as plan B, but now you have to run plan B in order to get to plane A which the individual can achieve later. PES never takes these discussions; they only instruct the individual what to do. There are basic value difference between PES and Job Malmö. Sometimes I get very upset, so upset that I call the manager from PES and argue that we are working with individuals and explain that there is very important to do action plans together with the unemployed. I think PES treats individuals sometimes as numbers.

Another informant explain that Job Malmö can apply a flexible work approach responding to local needs while PES (being a centralized government agency), must follow directives set out at national level. However, several respondents states that the local public authorities and PES works sometimes with exactly the same groups using similar approach and solutions which lead to waste of resources; there is not a clear line for who should do what between local and central governmental agencies.

These justifications regarding differences between Job Malmö and PES are met by criticism from local politicians in charge, as they question whether Job Malmö actually meets up the demanded goals. In one of our interviews, Job Malmö was described as ‘adult kindergarten’ and during 2012/2013 there has been much local media attention that Job Malmö does not delivery the stated objectives.

We can conclude that the labour market policies in Malmö can be characterized as a two-tier system: local activation measures taken by the municipalities and centrally regulated measures offering support to unemployed people operated by PES.

When we are discussing forms and extent of cooperation between the PES and the municipality, the following picture emerge. One senior manager representing the City’s central administration stated that ‘The cooperation between local public authorities and PES is a delicate issue’. At the same time, respondents representing PES express general satisfaction regarding cooperation with the municipality and Job Malmö, even if these informants pointed out that the cooperation can and should be improved.

Furthermore, we find differences in how PES and the local authorities use for-profit providers for production of activation services. Compared with Job Malmö, PES is much more operating according to marketization logic, due to decisions taken by the central government. The present Center-Conservative government pushed for an increasing role of private profit-oriented providers in order to support unemployed with more effective types of coaching activities. One senior manager representing PES explained that ‘They (the private actors) get paid based on their results. If they manage to get people into jobs then they are paid’. It means that a part of PES traditionally assignments has been privatized. Parallel, the City of Malmö which finances the local activation measures purchasing some services from private actors in terms of apprenticeship and education for unemployed people. This may involve contracts with private actors to find tailored skills training needed for unemployed to provide skills training and work experience or programs related to direct jobs; e.g. Job Malmö buy training places for unemployed who wish to get a school bus driver's license. One manager representing the municipality tells that:

One might think that the bus companies should have own internal training. But we must be very careful that we do not deprive companies from their own responsibility to conduct internal training and not overheat the labour market either as we have already done with truck license in Malmö.

PES and local authorities also seem to have different views on involving non-profit organizations in developing services to unemployed people. One senior manager at the PES explained that they rarely work with voluntary organizations. It is stated that PES has:

...some cooperation with non-profit actors like the Red Cross. We are restrictive in terms of cooperating with non-public actors. It should be about creating jobs for the unemployed in terms of employment with the quality that we want ... The aim is that the cooperation with non-profit actors leads to some form of employment.

Nevertheless, the interviewees representing PES have slightly different views on this account. Another informant illustrates a greater openness regarding collaboration with the voluntary actors:

PES works with non-profit actors, with competent non-profit actors. This collaboration has been intensified during the last 5 years. This is because the labour market policy at national level has changed and therefore chose to work together with supplementary actors.

However, during interviews we have not received one clear example of cooperation between PES and voluntary actors. From what we understand, PES restrictive position towards voluntary actors is based on the organizations different ideologies, resources and assignments. While PES, as a centralized organization, has a clear mission and resources for supporting the unemployed through different activities to find a job as soon as possible, the non-profit actors, often following a self-governance model, are depending on resources that they can get from PES or municipality for activities based on voluntary participation and adapted to the participants own wishes and abilities. PES policy is to cooperate with non-profit actors if they can create jobs for the unemployed with 'the quality that we [PES] want'. Non-profit actors claim to have a high level of engagement among the client's problems and their activities do not primarily have to do with finding a job or employability for participants. It seems that the cooperation take place on PES terms.

Hardly surprising, representatives from the City of Malmö express a more positive attitude in relation to working with voluntary organizations, yet this seem to be less systematic with regard to Job Malmö's management of local activation services. We do not find extensive use of voluntary organizations as service providers of activation services, although they are certainly involved, yet mainly on an ad hoc basis, e.g. by projects funded by Job Malmö or ESF.

Informants representing non-profit organizations are also dissatisfied with cooperation both with PES and local authorities, most difficult is the cooperation with PES. One respondent explains that when the measures taken by public agencies is clear than nothing more is offered to the participants, `Non-profit actors are most useful precisely when municipal agencies are finished with their own work`. It is mentioned that both the municipality and PES are rigid bureaucratic systems, each organization looks only to its own task and budget, which risk that people are falling through the cracks.

8. Europe and the local fight against poverty

This section is based on empirical findings from the interviews with local actors in Malmö answering the following questions: Have EU policies for combating poverty and promoting active inclusion influenced the local debate on poverty since 2000? Have the EU developed quantitative anti-poverty targets as part of the Europe2020 strategy influenced the local debate on poverty and anti-poverty measures in Malmö? In which way, has the organizations in Malmö been involved in the process regarding the definition of the national anti-poverty strategy and the work with National Reform Programmes and National Social Reports? Which role do European social funds play in financing anti-poverty and active inclusion measures in Malmö? Which are the most relevant or innovative local programs financed by EU funds in Malmö?

The majority of our respondents at local level are not acquainted with EU 2020 strategy. The informants comment that EU policies may affect Malmo's strategies for combating poverty but not in a comprehensive way. One senior civil servant representing the City's central administration mentioned that:

EU policy on combating poverty may affect Malmö, we have a staff member from Malmö placed in Brussels. Moreover, Malmö participates in different European networks as for example in Eurocities. In the same time, much of Malmo's policies regarding poverty alleviation is determined by Malmö and is a result of Malmö's own initiatives.

Another respondent from the City's central administration expressed himself as follows:

I have not heard about initiatives taken at EU level which have had any major impact in Malmö. EU is not of a significant importance regarding Malmo's own way to combating poverty.

The informants representing PES are uncertain whether EU has any significance for their organization and activation services offered to unemployed. One manager from PES remarked that:

If EU has any influence then it would be at the national level, not at PES local activities in Malmö. I feel that the talk about poverty and combating poverty is more frequent used in PES and in cooperation between public actors than it was historically. PES has a responsibility to be part in combating poverty - if this is due to the Swedish government or EU it is impossible for me to say.

However, several informants pointed that EU is an important actor when it comes to financing projects which can be linked to poverty reduction, 'EU - that is where the money is', explained one informant. Another respondent affirmed that EU sometimes is funding several parallel projects which actually are doing the same thing and therefore leads to waste of money.

An informant representing a voluntary organization takes a different stance on the relevance of the EU in relation to the policies being run at the local level. He maintains that the EU might have had impact with regard to different funding opportunities, yet also draws attention to the fact that the EU might have had an impact on the broader discourse on poverty and the poor in a national context. He asserts that both the Swedish government and the EU is pursuing a discourse and a framing of poverty as an individual problem, which entails a strong element of blaming the poor and unemployed as well as a general trend to favor greater inequality and more labour market flexibility to make people accept any job offered.

9. Conclusions

In this section we will shortly demonstrate the main findings with regard to background indicators for the City of Malmö, the local governance of minimum income scheme and the regulation of local standards and active inclusion policies at local level.

9.1 Local political legacy and labour market changes

The study has identified Malmö as not only a typical but also an extraordinary Social Democratically governed municipality in a Swedish context. Among the larger municipalities, Malmö is one of those which have had a long lasting Social Democratic regime, only interrupted by occasional periods of Centre-Conservative local government. The Social Democratic Party has for a long time dominated the political scene and also been in

office for a large part of the last 100 years and even more so uninterruptedly for the last two decades.

Following a larger national pattern of a welfare state and labour market crisis, Malmö underwent a period of extensive transformation during the 1980s and 1990s. We have detected how the City of Malmö experienced high levels of unemployment, sharply decreasing levels of employment and shrinking labour market participation in general. Although the City of Malmö follows general national patterns of labour market changes, the 1990s implied a watershed for Malmö as it was more extensively struck by structural and industrial transformations than most other cities across the country. Structural changes severely affected the local labour market and a long-lasting transformation started towards a service centered labour market combined with knowledge industry. Although these changes dates back several decades, the City of Malmö still experience a gap in relation to the national average and in relation to the other two main cities, Stockholm and Gothenburg, on key socio-economic and labour market indicators.

It is relevant to notice that the recent financial crisis, have of course also affected Sweden and Swedish municipalities. Key indicators such as unemployment, labour market participation and social assistance changed in 2008 and the slow recovery from the beginning of the 1990s have come to a stop. Despite these changing conditions, we do not find a local discourse or debate on the relevance of the crisis for the City's social policy related programmes, social assistance policies or active inclusion policies. Although the City's budget is under strain, it appears that this is more due to 'normal' retrenchment policies rather than austerity measures. This falls well in line with the broader policy development at national level (Angelin et al 2013).

The report has also highlighted that Malmö has extensive and ambitious social intervention programs, sometimes connected to national programs, at other occasions as a reflection on local initiatives. However, despite that Malmö faces higher poverty levels than the country in general and extensively higher social costs for social assistance (and also stands out in comparison using other indicators), these social intervention programs rarely focused directly on poverty or reforming the local MIS. Attention is instead oriented on social exclusion and labour market integration. This seems to have continued as the City of Malmö stands out as one of the municipalities that spend considerable amounts of money in active labour market measures as a complement to active labour policies run by the national PES.

One of our general findings concerns that Malmö appears to be an ‘extreme’ case in a national context with regard to the problem pressure, yet seems to be fairly ordinary when it comes to the policy activities and measures being introduced locally linked to the MIS (i.e. social assistance). The City has, however, been involved in extensive local reform activities in related policy fields, e.g. activation policies. These general findings will be explored further below.

Another general finding regards that poverty is not a political problem in the City of Malmö. Despite an extensive problem pressure, neither politicians nor civil servants express that poverty is on the political agenda. On the contrary, we find ample illustrations of ways by which poverty is being replaced by related concepts and terms (e.g. low levels of income, social assistance costs). We interpret this as an illustration of the City’s long-lasting Social Democratic legacy in which poverty is generally considered as failure to the welfare state. The multifold ways by which poverty is turned into an administrative issue furthermore illustrates a de-politicization of poverty at local level. Poverty and poor people are mainly conceptualized as an administrative category, i.e. social assistance claimants.

9.2 Local governance and regulation of MIS

The Swedish social assistance system is regulated by a national framework law drafted in general terms. Malmö, as well as other municipalities in Sweden has an extensive local discretion and therefore both possibility and responsibility to exercise local interpretation and implementation of national regulation. Our report demonstrates that the City of Malmö to a large extent follows established national standards. Despite the large room for local discretion and the extensive problem pressure facing the City, Malmö has not to any greater extent developed local (diverging) models of social assistance provision that to any greater extent diverts from elements of central regulation. The City, however, seem to open up for a more flexible adjustment to the national standards. The central government decided in 2013 to allow or even encourage municipalities to make local adjustments to the national standards. In the backdrop of these changes, the City Office in Malmö has – for the first time –proposed additional needs posts to be integrated into the national standards, implying a more generous position towards social assistance recipients than recommended.

We also find multi-level governance within the City of Malmö. Like many of the larger Swedish municipalities, Malmö are divided into intra-city districts run by elected politicians

with administrative units under ‘their command’. Malmö is divided into ten city districts (to become 5 in 2014). These city districts have a high degree of delegation to decide on local practices with regard to social assistance benefits and conditionality. However, Malmö provide an example of vertical steering as the City’s central administrative units decides on guidelines for the city districts. Moreover, we notice extensive usage of individualized measures, partly embedded in the work of social workers, yet also as part of the extensive usage of individual action plans in social services.

With regard to the activities and support offered by local agencies, we find that much of the work done by the Social Services Offices relates to providing individuals with funding (social assistance benefit). The content of the benefit follows national standards and the types of basic needs that are considered to be a part of a basic living standard. However, Social Services Offices are also running other types of programmes for those with extensive social problems and provides services relating to housing issues.

There is an element of conditionality embedded into the social assistance system. Not only is the Swedish case an extremely example of means testing, which we also found has poverty generating effects in itself, but the Social Services Act also allows for extensive work tests. However, these work tests does not seem to dominate the local practices.

The COPE project focuses particularly on three target groups (SM, LU and WP). The Swedish welfare state and also the City of Malmö have rarely targeted benefits according to categorical definitions. This also concerns the local management of the social assistance benefit.

We find limited participation of non-public actors in the governance of the local social assistance system. This form of a last resort means-tested financial support is generally conceptualized as a monopoly for the public authorities. Nevertheless, our informants (and previous research) demonstrate that voluntary organizations are involved in providing support (food and shelter) for inhabitants and according to our respondents, their role and function seem to become more important.

9.3 MIS and active inclusion

Sweden is generally considered as an active corner in a European context when it comes to running active labour market policies for unemployed. The City of Malmö also seem to be an active corner in a national context, as the City has developed an extensive set of policies,

programmes and measures for different groups of unemployed people. Local governments have – however – rarely played an extensive role in these policy areas as they have been centrally regulated and governed by central authorities, particularly by PES. Recent changes, however, illustrate the development of a two-tiered activation system in the Swedish welfare state as local governments since the early 1990s have started to develop local activation programmes often in close connection to local social assistance systems.

The City of Malmö is no exception. On the contrary, Malmö appears to be a forerunner in developing local activation programmes which are funded, regulated and administered by local budgets, politicians and officials. Malmö was one of the first local municipalities that actively started to use one-stop shop models in which local social assistance provision was integrated with public employment services. The different administrations were not formally integrated but co-localised under the same roof and having a joint entrance, yet different formal responsibilities and mandate. This local one-stop shop model was abandoned in 2008 and since then, the City of Malmö has concentrate its local activation offers and services in larger administrative unit that integrates all types of education, training and activation offers for unemployed inhabitants. We interpret this as a more extensive ambition on part of the local government, yet also that the explicit connection to eligibility test for social assistance are still central, however not the main principle for local organization efforts. In other words, although we find extensive ambitions with regard to activation offers, we find weak horizontal integration with other policy areas at local level (social assistance) and also weak cooperation and integration with the PES.

Local activation services are much more due to contracting out, private for profit providers as part of the type of services being offered by the PES. Although the municipality and the Job Malmö unit includes services run by alternative providers, we cannot see any greater efforts of privatization or using a market logic and market mechanisms by the municipality, probably reflecting the City's Social Democratic legacy.

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