

# Policy watch n°3

## New urban economy

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# Introduction

SEiSMiC Policy Watch reports are published twice a year between January 2015 and October 2016. These reports provide updates of the initial scoping paper<sup>1</sup> that was published in September 2014.

The Policy Watch reports keep project participants aware of the state of play of key European and national policies in the urban and social innovation fields. They also link these policies to debates taking place within the SEiSMiC National Networks.

This edition features a section on global urban trends, provides a European policy update, and also has a section highlighting good practices in local initiatives. The objective is to show what is being discussed and what is being done in cities to find creative solutions to societal problems (social innovation) and to bridge science and society.

## New urban economy

The SEiSMiC project started with an initial scoping of issues related to social innovation in an urban environment. All the issues raised have been grouped under three headings:

1. New urban governance
2. New public space
3. New urban economy

Policy Watch n°2 focused on new urban governance and also featured a sub-chapter on new public space. The present report focuses on new urban economy. It explains what is meant by the term, and what ideas and initiatives are behind it.

## What is the SEiSMiC project?

1. SEiSMiC is about thinking about urban development in Europe in a socially innovative way — that is, imagining solutions to social challenges at the same time as empowering society to act on them.
2. The two main objectives of SEiSMiC are to:
  - create 10 national networks<sup>2</sup> gathering a large variety of stakeholders working on urban development; and
  - gather the ideas coming from these networks and feed them back at the European level towards initiatives such as JPI Urban Europe<sup>3</sup>.
3. The SEiSMiC project is funded by the European Commission, Directorate-General for Research and Innovation.
4. The 7th Framework Programme for Research (FP7) is the source of funding. The work theme "Science in Society" is the inspiration for the strong link that SEiSMiC aims to create between stakeholders in urban development and urban research.
5. SEiSMiC project activities are carried out by a consortium comprising organisations from different countries that team up and share planned tasks in order to achieve the project objectives.

## Global urban watch

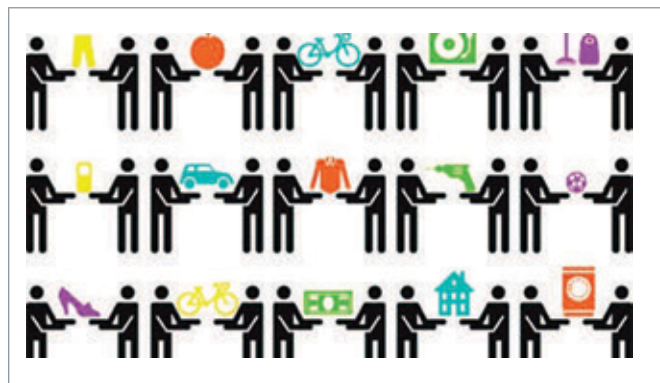
The Global urban watch section highlights current high-level trends related to urban development and social innovation. It sheds light on the sharing economy as a global trend and policy debate in social innovation in cities. It also introduces the regional and thematic conferences leading up to Habitat III, the major United Nations conference that will take place in October 2016 to develop a new urban agenda at the global level.

### Global trend and policy debate: The sharing economy — From community-based initiatives to world economic giants

#### Defining the sharing economy

The sharing economy is a new-look economic model and an innovative way of understanding goods and services. It challenges perceptions of resource scarcity by focusing on access to and shared use of many different goods and services, rather than on ownership of a few. The sharing economy is an umbrella term covering a range of global mega-trends, including crowdsourcing, crowdfunding, co-creation, collaborative consumption, peer-to-peer (P2P) networks, zero marginal cost production, digitisation, the Internet of Things, social media, open source and sustainability.

Whether we focus on the digital aspects (the importance and role of platforms in promoting the exchange of goods and services), the peer component (the relationships that are born from and promoted by this exchange), the trust mechanism (at the root of sharing actions), the sustainable aspects (the reduction in emissions achieved through the exchange of goods, as opposed to the creation of new ones) or the economic impact on users who can save or earn money — the sharing economy is generating considerably disruptive effects across numerous sectors.



#### Small-scale initiatives and global economic giants

Airbnb and Uber are two of the most well known business examples, and both started in cities. They are based on the principle of sharing resources through digital platforms that connect demand and supply, providers and clients. Both have, together with thousands of other smaller-scale initiatives, significantly challenged existing legislative frameworks in their respective sectors regarding employment and service provision.

At the same time, many observers have highlighted the potential of the sharing economy to transform sectors and industries. And all of this has emerged in the context of a financial crisis that announces a dire need for a new economic model that can deliver both growth and sustainability. Smaller-scale initiatives, SMEs and social enterprises focused on developing a sharing business at the local level form the backbone of the sharing economy, and, for the most part, they rely on widely known models such as bike sharing or shared office space.

A number of SEiSMiC project participants are involved in these kinds of economic ventures. Urban agriculture, for example, is integrated into the fabric of the local economy, while something like Impact Hubs<sup>4</sup> enables the setting up of shared office spaces.

## What are the differences between 'collaborative economy', 'sharing economy' and other related terms?

As a new economic sector, the sharing economy is not yet well defined, but some attempts have been made to frame its scope and clarify definitions.<sup>5</sup>

**Sharing economy:** An economic system based on direct sharing of underused assets or services, whether for a fee or free of charge.

**Examples:** Blablacar, Airbnb

**Collaborative economy:** An economic system of decentralised networks and marketplaces that unlocks the value of underused assets by matching needs and provision in ways that bypass a traditional middle person.

**Examples:** Etsy, Kickstarter

**Collaborative consumption:** The transformation of traditional market behaviours — for example renting, lending, swapping, sharing, bartering, gifting — through Internet-based technology, in terms of both means and scale.

**Examples:** Zipcar, Ebay

**On-demand services:** Platforms that directly match customer needs with providers to immediately deliver goods and services.

**Example:** Uber





## The sharing economy in cities

The digitalisation of society over the past 20 years has given the sharing economy an unprecedented scale. Likewise, the density of cities — bringing together a critical mass of people, ideas, innovation, goods and services — reinforces the development potential and possible effects of the sharing economy. Cities are ideal for sharing things like bikes, cars, lodgings or office spaces. Idle resources are thus used more optimally. At the same time, sharing has the potential to cut down on greenhouse gas emissions, as car sharing reduces congestion, pollution and noise.

Shareable<sup>6</sup> is a website that is used to advocate for and enhance the sharing economy in cities. It highlights a number of policies that city governments can implement to facilitate the taking off of the sharing economy. It explains that "city governments can increasingly step into the role of facilitators of the sharing economy by designing infrastructure, services, incentives, and regulations that factor in the social exchanges of this game-changing movement." Cities do indeed play an important facilitating role in the sharing economy: for instance, they incentivise urban agriculture by giving tax credits (or other incentives) to property owners who allow farming on their lots, rather than leaving them empty. They can also boost car sharing by making parking free for car sharers. Sharing is also sometimes factored into urban design projects where shared spaces for work, meals, laundry facilities or playgrounds are integrated.<sup>7</sup>

The sharing economy also has an impact on public urban policies across many sectors. It impacts on a range of city competencies and responsibilities. Adjusting to the mechanisms of the sharing economy is work in progress and an open debate in many cities. City competencies and legislative frameworks need to adapt to regulate and manage the impact of the sharing economy across different sectors. One of the main aspects that cities are looking at is the importance of ensuring quality jobs and promoting equal opportunities for all in a new type of labour market. Updating local governance by setting up open-data policies useful to sharing economy-based businesses is another oft-considered policy.

The EUROCITIES annual conference "Sharing Cities", taking place on November 16–18, 2016, in Milan, Italy, will be an opportunity to hear about cities' experiences in this field, and to assess the challenges and impacts they are facing in light of this new way of understanding goods and services.

The role of civil society in boosting the sharing economy will also be on the agenda of the "City Markers" summit in Amsterdam, to be held on May 27–30, 2016.



## Global event: Habitat III

### What is Habitat III?

Habitat III is the third global summit on housing and sustainable urban development. It is organised by the United Nations and will take place in October 2016 in Quito, Ecuador. It will be the first conference to follow the adoption of the UN Sustainable Development Goals (SDGs) and the post-2015 development agenda.<sup>8</sup>

As explained in SEiSMiC Policy Watch n°2, the SDG on urban development (Goal 11) is one of the 17 SDGs approved in September 2015.

**Goal 11:** "Make cities and human settlements inclusive, safe, resilient and sustainable."

### Habitat III and the New Urban Agenda

Habitat conferences have been taking place every 20 years since 1976. Each of the conferences has been used to discuss an agenda for global urban development over the subsequent two decades.

The New Urban Agenda is the expected outcome of Habitat III. It will link up to Goal 11 and include an action plan, with a series of 22 objectives and methods to achieve these objectives by 2036.

The content is currently under discussion through various thematic and regional conferences, among which is a regional conference for Europe, which will take place in Prague on March 16–18, 2016. The main theme of this European Habitat conference will be housing in liveable cities, highlighting housing as a key factor of quality of human life and a major function of liveable cities.

It is worth noting that, while earlier Habitat conferences had a strong focus on urban development in the developing world, Habitat III will essentially define SDG 11, the details of which are also relevant for European cities. The key urban sustainability challenges identified by UN Habitat for developed countries are greenhouse gas emissions and urban sprawl.

The New Urban Agenda will feature four main topics that address urbanisation in both developing and developed countries:

1. Demographic change
2. Climate change and sustainability
3. Housing affordability
4. Changing economic models

## EU status report

The EU status report gives an overview of European initiatives relevant to the SEiSMiC project. This section explains the debate around the formalisation and implementation of the EU Urban Agenda. It also analyses two recent communications from the European Commission that introduce changes associated with the main theme of this issue of Policy Watch: a communication on upgrading the European Single Market that announces support for a collaborative economy; and a communication on a circular economy package that aims to foster the re-use of products to reduce waste and boost the economy. It also presents a selection of European projects relevant to the SEiSMiC project.

## The Pact of Amsterdam: Towards the EU Urban Agenda

### Background to the EU Urban Agenda

The idea for the EU Urban Agenda was launched by former Commissioner for Regional Policy Johannes Hahn, who was looking for ways to strengthen the urban dimension of EU policies.

Following up on Hahn's initiative has been the Netherlands Ministry of Interior, which has worked with a smaller group of member states, the European Commission and other stakeholders to prepare an EU Urban Agenda.

The Netherlands holds the EU presidency until July 2016. One of its key outputs will be to develop the so-called Pact of Amsterdam. This document will contain the rationale, objectives, operational framework and themes of the EU Urban Agenda. The draft will be negotiated between member states in the Urban Development Group<sup>9</sup> in spring 2016. The pact is scheduled for adoption on May 30 at an informal council meeting on urban development. The EU Urban Agenda objectives, as featured in the pact, should be to strengthen the urban dimension of EU policies, to better coordinate EU policies impacting cities, and to better involve cities in EU policy developments.<sup>10</sup>

### The Pact of Amsterdam

The draft Pact of Amsterdam outlines the following policy instruments for the EU Urban Agenda:

- Better regulation: Improving coordination between the EU, member states and cities, involving them in the design of policies and mobilising them for implementation.
- Better funding: Improving the usability, identification and possibilities for the integration of EU, national and local funds for cities.
- Better knowledge base and knowledge exchange: Promoting better data collection and growing the knowledge base related to urban development issues.

### The 12 themes of the EU Urban Agenda

Twelve thematic priorities have been agreed for the EU Urban Agenda, which are also featured in the Pact of Amsterdam:

1. Jobs and skills in the local economy
2. Urban poverty
3. Housing
4. Inclusion of migrants and refugees





5. Sustainable land use
6. Circular economy
7. Climate adaptation
8. Energy transition
9. Urban mobility
10. Air quality
11. Digital transition
12. Innovative and responsible public procurement

## Partnerships

The Pact of Amsterdam lists a number of existing and new tools to give an operational framework to the EU Urban Agenda. This includes the EU Urban Agenda partnerships. This new, informal way of working in partnerships on a limited number of themes allows city representatives to join the European Commission and member state representatives to assess current European initiatives impacting cities.

The following established partnerships are already at work:

- Air quality — Netherlands (coordinator), Germany
- Housing — Slovakia (coordinator), Latvia, Luxembourg, Netherlands, Slovenia
- Urban poverty — Belgium and France (co-coordinators), Germany, Greece, Spain
- Integration of refugees and migrants (Greece, Portugal)



## The Circular Economy Package

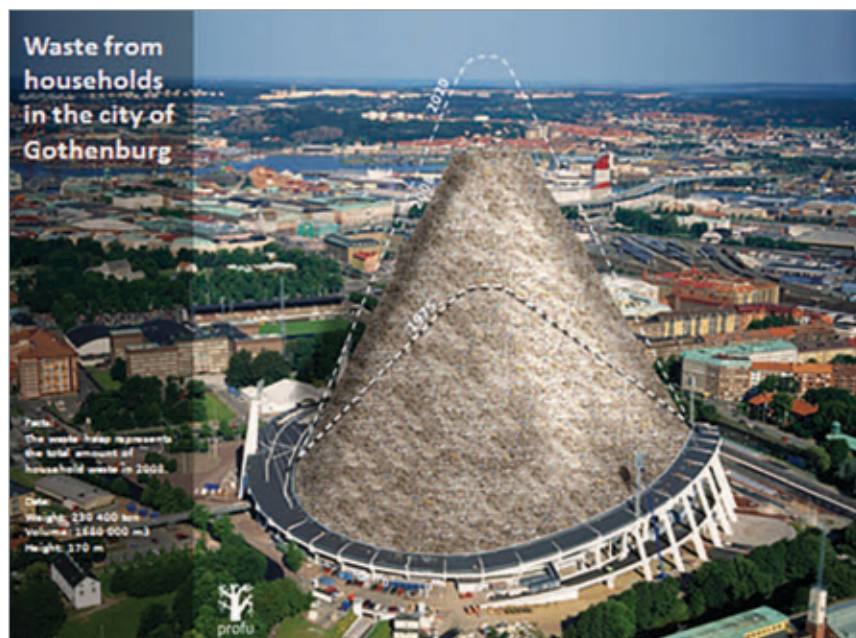
In December 2015, the European Commission published the communication "Closing the loop: An EU action plan for the Circular Economy", together with proposals to review a set of waste regulations. The idea behind the circular economy is to retain the value of the resources used in products and to return these resources into the product cycle at the end of their use.

The circular economy is described as a virtuous circle or a win-win situation, whereby new jobs can be created in innovative design, research, or the re-use and recycling sectors, while reducing our environmental footprint.

The objectives of the European Commission are:

- savings of EUR 600 billion for EU businesses (equivalent to 8 percent of their annual turnover);
- the creation of 580,000 jobs; and
- a reduction in EU carbon emissions by 450 million tonnes per year.

Legislative proposals on waste have been adopted together with the action plan presented in the communication. They include long-term targets to reduce landfilling and to increase preparation for the re-use and recycling of key waste streams such as municipal waste and packaging waste, thus having a direct impact on urban waste management and local economies.



This image illustrates the amount of waste generated in the city of Gothenburg, Sweden. It depicts all the waste produced during one year, piled onto the city's largest public square. Such a heap would be 170 metres high. By using this picture, the city of Gothenburg is also trying to communicate how the waste is treated today (compared to the year 1975), and future waste management needs.<sup>14</sup>

## Selected European projects and initiatives related to SEiSMiC

### New URBACT networks

The URBACT<sup>15</sup> III programme began in 2014 and launched a first call for the creation of 20 city networks in early 2015. A call for networks works like a call for projects: groups of six to 12 European cities can bid for expertise and financial support to design integrated<sup>16</sup> urban strategies, action plans, implementation roadmaps or knowledge-transfer networks.

Under this first call, cities were invited to submit network proposals on 10 thematic objectives:<sup>17</sup>

- Strengthening research, technological development and innovation
- Enhancing access to and use and quality of ICT
- Enhancing the competitiveness of SMEs
- Supporting a shift towards a low-carbon economy in all sectors
- Promoting climate change adaptation, risk prevention and management
- Protecting the environment and promoting resource efficiency
- Promoting sustainable transport and removing bottlenecks in key network infrastructures
- Promoting employment and supporting labour mobility
- Promoting social inclusion and combating poverty
- Investing in education, skills and lifelong learning by developing education and training infrastructure

A total of 99 applications were received, and 20 project networks were approved. Networks relevant to SEiSMiC are shown in the table below:

<b>BSInno</b>	Gdansk (PL), Braga (PT), Turin (IT), Milan (IT), Paris (FR)	Improving capacities of public administrations to boost social innovation ecosystems through participation, open innovation and entrepreneurship.
<b>Change!</b>	Eindhoven (NL), Dun Laoghaire (EI), Forlì (IT), Gdansk (PL), Nagykanizsa (HU)	Establishing a collaborative public service model in order to meet public expectations, societal challenges and financial shortages.
<b>DISARMED CITIES</b>	Piacenza (IT), Cartagena (ES), Szombathely (HU), Varazdin (HR)	Promoting the renewal and sustainable management of decommissioned military areas in urban environments to foster social inclusion and cohesion.
<b>Gen-Y City</b>	Poznan (PL), Daugavpils (LV), Genoa (IT), Grenada (ES), Klaipeda (LT), Wolverhampton (UK)	Supporting creative and innovative entrepreneurs from the 'Y Generation' by developing cooperation between science, local government and businesses.
<b>REFILL</b>	Ghent (BE), Amersfoort (NL), Athens (EL), Bremen (DE), Poznan (PL), Riga (LV)	Exploring the practice of temporarily using vacant sites to identify its long-lasting effects and the way it influences local governments in planning and decision-making processes.
<b>Urban Green Labs</b>	Budapest 18th district (HU), Galati (RO), Heerlen (NL), Maribor (SI), Padova (IT)	Creating self-reliant, community-based economies by upgrading physical infrastructures and service systems.
<b>Vital Cities</b>	Loulé (PT), Birmingham (UK), Burgas (BG), Krakow (PL)	Using innovative urban design to reinvent public spaces and break down barriers to participation within deprived and less active segments of the population.



## SIMPACT<sup>18</sup>

SIMPACT is a research project focusing on boosting the impact of social innovation in Europe through economic underpinnings. This consortium of European research institutes aims to understand the economic foundation of social innovation (SI) and targets for particular marginalised and vulnerable groups in society. 'Economic foundation' refers to economic principles, objectives and components that make SI successful in terms of economic and social/societal value. The following are some of the questions addressed by the SIMPACT project: Which enablers and characteristics substantiate SI's contribution to productivity and competitiveness facilitating smart and inclusive growth? And what are their specific cultural, economic, spatial and social contexts? Which business models are most appropriate for instigating, improving, resourcing, sustaining or scaling and diffusing social innovation? How can the economic and social impact of social innovation be measured?

## TRANSIT<sup>19</sup>

The TRANSIT (TRANSformative Social Innovation Theory) project seeks to develop a theory of transformative social innovation. Its general aim is to assess empowerment and change in society. The project's research method encourages feedback from social entrepreneurs and innovators, policy makers and academics to develop theories drawn from practical relevance. Many social innovators of today work locally but are also connected with other innovators around the globe. TRANSIT explores these linkages and has developed a number of case studies on organisations and practices, such as:

- Ashoka: A network for financial support to social entrepreneurs<sup>20</sup>
- Credit Unions: Drawing together different types of credit cooperatives
- FABLABS: Digital fabrication workshops open to local communities
- Participatory Budgeting: Communities and municipalities reinventing how public money is spent and prioritised
- Shareable – Sharing Cities<sup>21</sup>: Connecting and empowering urban sharing initiatives
- The Impact Hub<sup>22</sup>: A global network of hybrid business incubator and community centres
- Time Banks: Networks facilitating reciprocal service exchange
- Transition Towns<sup>23</sup>: Grassroots communities working on local resilience

## Urban Innovative Actions: First call

Urban Innovative Actions (UIA) is a European Commission initiative that provides urban areas throughout Europe with resources to test new solutions to address urban challenges.<sup>24</sup> The first UIA call was launched on December 15, 2015, and encouraged European municipalities to apply for their stream of funding by March 31, 2016. The main objective of the first call was to select projects that test "bold and unproven ideas" on the following topics:

- energy transition;
- integration of migrants and refugees;
- jobs and skills in the local economy; and
- urban poverty, with a focus on deprived neighbourhoods.



# Issue tracker and update on National Network activities: New urban economy

## New urban economy in the SEiSMiC project

The 2008 economic crisis and the rise of unemployment has stoked debates over economic models in Europe. Re-localising economic activities is one of the measures now advocated to lift up economic activity; thus the role of the urban economy in particular is also investigated. Different concepts are being discussed within the SEiSMiC project, and many of them share the ambition not only to contribute to economic growth but also to contribute to social values. Boosting the local economy, making the circular economy work, or facilitating the sharing economy are approaches that build upon local capacities, cooperation between different urban actors and the implementation of new business models. Some of the key questions that the SEiSMiC project attempts to answer are:

- How can local communities and city administrations work together to realise new economic concepts?
- What framework conditions are needed to reinforce innovation and economic dynamics in cities?
- What new financial models are needed to invest in this new urban economy? And what will be their consequences for future business models and the changing roles of city administrations?

The main concepts explored within SEiSMiC are outlined below.

### Social entrepreneurship

Social entrepreneurship draws on business techniques to find solutions to social problems. While conventional entrepreneurs measure performance in profits and returns, social entrepreneurs also take into account positive returns for society.

### Sharing economy

The sharing economy<sup>25</sup> refers to the peer-to-peer sharing of access to goods and services. It takes various forms and often uses information technology to provide sharing platforms online. Car-pooling platforms are one of the best-known examples of the sharing economy.

### Circular economy

The circular economy<sup>26</sup> aims at reducing waste and pollution in the industrial economy. It uses recyclable material that can re-enter the biosphere safely and implies work on the production cycle to reduce waste.

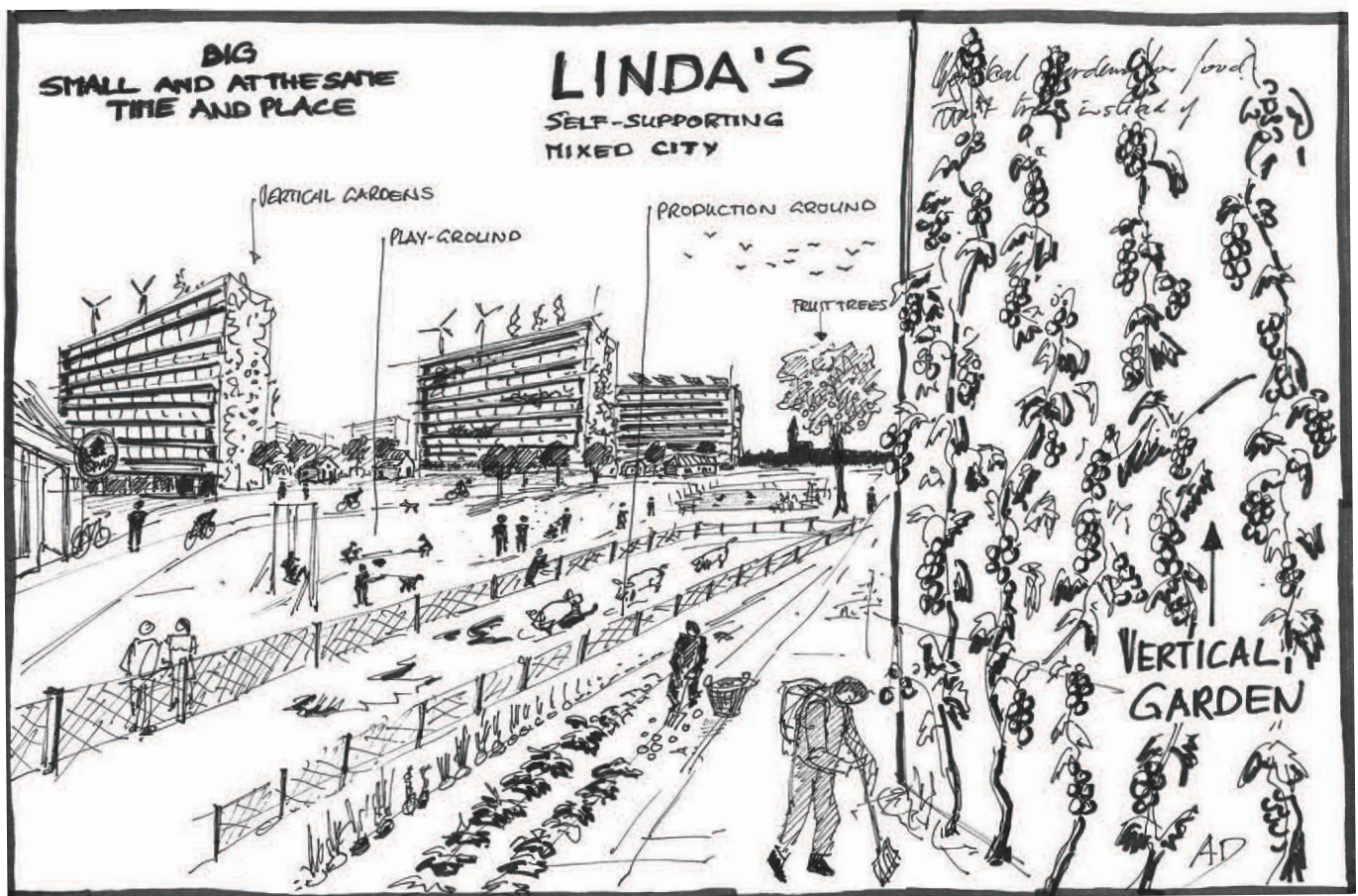
### Important links to major EU strategies

Boosting economic growth is a driving objective of the EU. New urban economy thus relates to most of the 10 priorities outlined in the European Commission's "Investment Plan for Europe" (also known as the "Juncker Plan"):

1. Jobs, growth and investment: Creating jobs and boosting growth without creating new debt
2. Digital single market: Removing barriers in order to unlock online opportunities

3. Energy union and climate: Making energy more secure, affordable and sustainable
4. Internal market: Creating a deeper and fairer internal market
5. Deeper and fairer economic and monetary union: Combining stability with fairness and democratic accountability
6. Balanced EU-US free trade agreement: Freer trade without sacrificing Europe's standards
7. Justice and fundamental rights: Upholding the rule of law and linking up Europe's justice systems
8. Migration: Developing a comprehensive European agenda on the issue
9. A "Stronger Global Actor": Bringing together the tools of Europe's external action
10. Democratic change: Making the EU more democratic

Concerning the urban dimension of the first priority, for instance, EU legislation and implementation in many areas will have a major impact on jobs, growth and innovation in cities.<sup>27</sup> Although cities are not mentioned in the "Investment Plan for Europe", they implement most public investments in the EU. Their central role in tackling unemployment, including long-term and youth unemployment, has also been recognised by the European Commission.<sup>28</sup>



## National Network updates

SEiSMiC National Networks are due to discuss the theme of the new urban economy during spring 2016. While we report on some of their meetings here and identify some of the trends that have been identified, most meetings had yet to take place as this issue of Policy Watch was being prepared.

### Update on Dutch National Network activities

"New urban economy, unusual business!" is how the Dutch National Network<sup>29</sup> promoted its meeting and debate on the new urban economy. Members of Dutch network see the future urban economy as a way to empower social innovators and allow them to enter a new, more sustainable phase.

Some of the many local initiatives that came into being during the last decade are now professionalising and becoming economically sustainable, as well as emerging as serious business partners for local governments — especially in the energy and care sectors.

The Dutch ShareNL platform is a knowledge-sharing and networking platform that facilitates the take-off of the sharing economy in the Netherlands. It organises meetings, carries out research and disseminates information about the sharing economy. The platform has, for instance, identified six sharing economy trends for 2016<sup>30</sup>, among them:

- The sharing economy is expanding as businesses become better aware of the opportunities it offers.
- Sharing Cities: Seoul became the world's first "sharing city" in 2012. Amsterdam officially followed suit in early 2015. This year, many more cities will launch their own sharing city initiative, helped by Seoul and Amsterdam launching a global sharing city council in 2016 to share their experiences.
- Healthcare will be the latest sector in which the sharing economy will bloom.

### Update on Czech National Network activities

The Czech National Network meeting took place on January 13, 2016. The meeting provided an opportunity for participants to present their socially innovative projects.

Special emphasis was placed on the local economic impacts of integrating refugees through education. Charles University in Prague, for example, provides financial support to several students who are volunteering in the Balkans to help tackle the refugee crisis. The university also provides scholarships for young people from at risk areas, enabling them to pass the university entrance exam and thus helping them to become integrated into local society. Even though the Czech Republic is not directly affected by the refugee crisis, the country's EU membership brings sharp awareness of the necessity to help. As learning institutes, universities facilitate the integration of migrants into the local economy by upskilling them and providing them with both curricular and local cultural knowledge.



## Local urban solutions

### Czech Republic: Karlinska Business Academy boosts local and social entrepreneurship

The Karlinska Business Academy is a well-established educational institute that has been working in Karlín, Prague's 8th district, for over 150 years. During the industrial revolution, properties in Karlín were counted among the cheapest of Prague, thus attracting a number of industries and bringing to Karlín a very large working-class population. In this context, the curriculum at the Karlinska Business Academy is remarkable in that it has been made very practical, allowing students to contribute to the local economic fabric through business simulation games.

The driving idea is that urban economics is a science about real life and should be taught practically. The Karlinska Business Academy teaches the shift from traditional entrepreneurship to more socially guided entrepreneurial models. It has also articulated the ideal of a responsible entrepreneur — that is, an economic stakeholder who cares about the impact of their economic activity on the local and social fabric. The regular "Be in Karlín"<sup>31</sup> conferences for teachers, entrepreneurs and students gives expression to the Karlinska Business Academy's main mission, which is to enable real business projects coming from students that will be beneficial for Karlín.



### Austria: Magdas Hotel gives employment opportunities to refugees in Vienna

The Magdas Hotel was founded by Caritas Austria to promote the concept of social business and bring it to the market in Vienna. The hotel provides employment opportunities for people who are long-term unemployed or those who have low job prospects — particularly refugees who have been granted asylum in Austria.

The Magdas Hotel now employs 25 people, including five highly experienced hospitality professionals who help to train and mentor the refugees employed in the hotel. In autumn 2015, Magdas launched an apprenticeship programme for unaccompanied minors and refugees under the age of 18.<sup>32</sup>

The setting up of this hotel has raised awareness of the lack of opportunities currently available to refugees who have been legally granted asylum in Austria but who are often forced to rely on social welfare. It thus provides job opportunities for people who need to develop their skills.



## UK: Impact Hubs Brixton and Islington build a vibrant community by boosting local entrepreneurship

The Impact Hub Network is a global grid currently comprising 73 hubs across 49 countries. The network has grown steadily over the past 10 years since the first impact hub was started in London (Islington) in 2005. The concept behind the creation of such spaces has since evolved and today is generally described as follows:

"An 'impact hub' consists of three distinct elements. First, it is a vibrant community of passionate and entrepreneurial people who share an underlying intention to bring about positive change and act as peers to cross-fertilise and develop their ventures. Second, it is a source of inspiration that provides meaningful content through thought-provoking events, innovation labs, learning spaces, incubation, programmes and facilitated conversations that support positive impact. Third, an impact hub is a physical space that offers a flexible and highly functional infrastructure to work, meet, learn and connect. The magic happens where these three elements connect and are brought to life through the art of hosting."<sup>33</sup>

Thanks to its advocacy of building and engaging with a thriving community of "impact makers", Impact Hub Brixton has become one of the primary spaces for developing and scaling up social innovation in Europe. The SEiSMiC UK Network engaged with it, showing how it contributes to developing social impact capacity and boosting the shared and local economy in the neighbourhood.

Impact Hub Brixton started in 2014 when Lambeth Council was seeking to transform parts of the Town Hall into a community-focused enterprise centre. In the context of the council's vision to enable greater collaboration and co-production with citizens, the Impact Hub Network was asked to develop a hub prototype — that is, to provide, among other things, a place for local entrepreneurs, officers and council members to work in closer proximity, as well as to provide affordable access to workspace.

One peculiarity of the Brixton hub is that, unlike most impact hubs, it has a clear neighbourhood focus. While the focus of many impact hubs is nationwide or citywide — hosting, for example, policy think tanks, impact investors or social entrepreneurs — Impact Hub Brixton's local theory of change primarily emphasises the importance of acknowledging Brixton's rapid gentrification. This has led to a focus on hosting affordable space, a supportive community and test-trading opportunities for local start-ups, as well as programmes that support the start-up journey. Secondly, Impact Hub Brixton is exploring what it means to be a 21st century "village square" in a diverse — and often highly politicised and contested — urban setting.





## NOTES

- 1 The scoping paper can be downloaded from the Library section of the SEISMiC website ([www.seismicproject.eu](http://www.seismicproject.eu)).
- 2 The 10 national networks have been established in Austria, Belgium, the Czech Republic, Germany, Hungary, Italy, the Netherlands, Sweden, Turkey and the United Kingdom.
- 3 Joint Programming Initiative Urban Europe: The aim of this initiative is to pool national research efforts and resources and to tackle common issues such as urbanisation.
- 4 [www.impacthub.net/](http://www.impacthub.net/)
- 5 Rachel Botsman: *Defining the Sharing Economy: What Is Collaborative Consumption—And What Isn't?*, [www.fastcoexist.com/3046119/defining-the-sharing-economy-what-is-collaborative-consumption-and-what-isnt#comments](http://www.fastcoexist.com/3046119/defining-the-sharing-economy-what-is-collaborative-consumption-and-what-isnt#comments)
- 6 [www.shareable.net/sharing-cities](http://www.shareable.net/sharing-cities)
- 7 Ben Schiller: *10 Steps to Create a Local Sharing Economy*, [www.fastcoexist.com/3017142/10-steps-to-create-a-local-sharing-economy?partner=rss](http://www.fastcoexist.com/3017142/10-steps-to-create-a-local-sharing-economy?partner=rss)
- 8 For more on the Sustainable Development Goals, see SEISMiC Policy Watch n°2, October 2015, page 7 ([www.seismicproject.eu](http://www.seismicproject.eu))
- 9 The Urban Development Group is an informal group that fosters coordination and exchanges between member states. Its members are ministries in charge of urban issues, while networks and associations working on urban issues are also invited as observers. See SEISMiC Scoping Paper, p. 5 (available from the Library section at [www.seismicproject.eu](http://www.seismicproject.eu)).
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- 14 Presentation by Jonas Hed, "Indicators for resource-efficient waste handling", January 28, 2016, EUROCITIES WG meeting on waste.
- 15 For more information on URBACT, see SEISMiC scoping paper, Part 1, p. 15 (available from the Library section at [www.seismicproject.eu](http://www.seismicproject.eu)).
- 16 A strategy that takes into account various policy areas (e.g. culture and economic development) linked or coordinated in the same measure.
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- 18 [www.simpact-project.eu/](http://www.simpact-project.eu/) SIMPACT (2014–2017) receives funding from the EU's 7th Framework Programme.
- 19 [www.transitsocialinnovation.eu/](http://www.transitsocialinnovation.eu/) TRANSIT (2014–2017) receives funding from the EU's 7th Framework Programme.
- 20 [www.ashoka.org/](http://www.ashoka.org/)
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- 25 See p. 5.
- 26 See p. 12.
- 27 For example the circular economy package or the revision of the Single Market, as explained on p. 10–11.
- 28 Mart Grisel and Alfons Fermin: "The urban dimension of the Juncker priorities." European Urban Knowledge Network, November 2015.
- 29 The Dutch National Network on 'New urban economy' will take place on 30 March 2016.
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## Acknowledgments and references

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