

## Policy Bulletin #6 *Local Social Capital*

### **What is *Local Social Capital*?**

Society is reliant on various forms of 'capital': **Natural:** land, water and wind; **Physical:** roads, railways, utilities, factories, machinery, etc.; **Financial:** stocks, investments, savings, loans; **Human:** the skills and abilities of individuals gained through education, training or experience; and **Social:** the social connections, or networks, norms and trust that act as the 'glue' which helps hold individuals together as a community.

Local social capital is made up of:

- the social connections we make through our families, neighbours, workplace, school, place of worship, or interest groups, associations, etc.
- the norms that encourage cooperative behaviour between people – such as not jumping the queue in the supermarket, or giving up one's seat for an elderly person on the bus
- the trust we place in other people – such as a neighbour who looks after a child in a crisis, or that patients have in their GP, that their advice will be appropriate and well founded on sound medical practice

There are three types of social capital:

- **bonding:** networking that is closed and inward-looking, such as the strong ties people have with family members, immediate neighbours, close friends, or in faith groups – groupings where people share characteristics, values, beliefs, experiences or aspirations in common. Bonding reinforces identity and homogenous groups
- **bridging:** networking that is outward-looking and characterised by more impersonal and distant relationships: distant friends, acquaintances, colleagues. Bridging promotes social inclusion through contact between people of different ages, gender, ethnicity, education, socio-economic status, faith or locality; a member of one group accesses the resources of another group through overlapping membership
- **linking:** whereas bonding and bridging are both types of horizontal networking, linking is connections between individuals or groups in hierarchical or power-based relationships. It includes the capacity of, for example, community groups to leverage resources, ideas and information from formal institutions beyond the community for the benefit of the community.

### **The Issue at European Union Level**

The term 'local social capital' has long been recognised in the European Commission as an important resource in developing social cohesion and addressing issues of long term unemployment. The building of networks, and the bridging, bonding and linking which create social capital, are acknowledged as key ingredients of the pathway to work and have been a key plank in employment policy since the late 1990s, through the use of ESF Global Grants.

### **The Issue at UK Level**

The issue of 'bonding' social capital is dictated more by personal than external factors: one's family, ethnicity, faith, and place of residence, and not readily open to external

influence. However, 'bridging' is a key element of the pathway into work for unemployed people. People excluded from the labour market need more than technical help in finding suitable employment. They also need confidence, communication skills, aspiration and motivation.

It is said that "*the well-connected are more likely to be housed, healthy, hired and happy*", and research has established that social capital is important in the search for work. People searching for work benefit from having access to people who can offer *information*: on likely job opportunities, and job search techniques; *advice and guidance*: on filling in application forms, writing CVs, preparing for interviews, etc; and *personal support*: boosting confidence, giving feedback, motivating, etc.

Unemployed people, especially those who have been long-term unemployed or not yet worked, lack a network of working colleagues or the framework of a working environment which employed people take for granted. Their chance of finding suitable employment will be enhanced by making social connections with a range of different people, including people already in work. Community organisations provide such connections through the range of activities and services that they offer and the importance of these activities in 'moving people close to the labour market' is recognised through their eligibility for support through ESF Community Grants.

Despite the increasing requirement for a partnership approach to ESF delivery, ESF Programmes no longer support the development of 'linking' Local Social Capital, previously recognised as a positive contributor to mechanisms for combating long-term unemployment.

The 1997-1999 ESF Programme in London required every borough to establish a cross-sectoral network, comprising at least a third of its membership from the voluntary sector, and as a minimum involving representation from the local authority, Further Education, Higher Education, and ESF beneficiary target groups. The 32 networks established, (together with nine regional networks each focusing on one of the ESF Programme priority target groups) were in effect forms of Local Social Capital – the development of networks providing connections between different sectors, different organisations, and between providers and beneficiaries. These Networks promoted communication about, and planning for, ESF provision, so that ESF provision would more closely meet the needs of each borough, in a coherent and coordinated way. They brought together small community groups having excellent links to those defined as 'hard to help' with larger providers (from all sectors) and provided opportunities for real partnerships to develop over a period of time – rather than, as now, in the rush to put together a partnership that will meet the criteria for a particular bidding round.

A sustainable job has long been recognised as the best route out of poverty, and the new EU policy 'Europe 2020' acknowledges the use of ESF as a key mechanism for addressing poverty throughout the EU.

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