

JOURNAL

PROJECT

WESH –
We.Service.Heerlen

📍 Heerlen, The Netherlands

TOPIC

Digital transition

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We.Service.Heerlen (WESH): Journal 1

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WESH Journal no. 1 describes the city of Heerlen in the Netherlands, a former mining city that has been struggling with substantial socio-economic disadvantages and a shrinking population for decades. The We.Service.Heerlen (WESH) project engages Heerlen's citizens by letting them bob-a-job in a digital age.

In the city of Heerlen (the Netherlands) citizens can apply for tasks assigned by the municipality, simply by downloading a smartphone app and registering on the platform. For instance painting a park bench, removing stickers from lampposts or weeding a public garden. By completing a task to the municipality's approval, the citizen will be rewarded a 'Heerlens Heitje'. The name is derived from the Dutch saying for bob-a-job: 'heitje voor karweitje'. One Heitje is one euro, which can be spent at local retail and bars.

1. Executive summary

Reinventing a former mining city

The city of Heerlen, a former mining city in the Southeast of the Netherlands, faces challenges due to its declining population. For decades, the city is struggling with substantial socio-economic disadvantages. To counter the high cost of public space maintenance, low civic engagement and high vacancy rate of retail in Heerlen, the Municipality of Heerlen and its partners created We.Service.Heerlen, shortened as WESH. Within the Urban Innovative Actions' grant, the Municipality of Heerlen developed a digital platform by applying blockchain technology for maintenance tasks performed by its citizens.

Bob-a-job in a digital age

Citizens of Heerlen can apply for tasks assigned by the municipality, simply by downloading a smartphone app and registering. For instance painting a park bench, removing stickers from lampposts or weeding a public garden. By

completing a task to the municipality's approval, the citizen will be rewarded a 'Heerlens Heitje'. The name is derived from the Dutch saying for bob-a-job: 'heitje voor karweitje'. One Heitje is one euro, which can be spent at local retail and bars.

The WESH platform contains three main features:

1. a smartphone application for citizens, showing tasks and rewards;
2. a web application for entrepreneurs to receive payments and see involvement;
3. a dashboard tool for the city authority to commission tasks and transactions.

Easy access for citizens and entrepreneurs is crucial to the success of the platform. Local neighbourhood associations involved (e.g. Grasbroek Schandelen Musschemig; GMS) will make sure the platform will be kickstarted with a group of citizens and local entrepreneurs will be engaged by the city centre management organisation (Heerlen Mijn Stad). The Brightlands Smart Service Campus provides business support and Statistics Netherlands (CBS) will monitor the effects of the project by surveying citizens. The Dutch Association of Municipalities (VNG) will provide expertise and possibilities to scale up standardised IT solutions.

Challenges and emerging lessons

The demo of the platform is operational since the beginning of 2021. At the end of March 2021 the platform is expected to go live. Currently the most crucial challenge to the success of the digital platform is providing the right content and subsequently engage users. The community service tasks are dissatisfiers, so incentives to perform them must be very clear and easy accessible. The Dutch tax authority made the experimentation by WESH possible, by exempting the task performers of VAT. In principle, all citizens are seen by the tax authorities as entrepreneurs, where they engage in gainful activity. With a maximum of 1,500 euros earnings (1,500 Heitjes) on the platform All citizens have a chance to earn a few Heitjes, without actually stimulating entrepreneurship or oppression on the employment market. A maximum profit should ultimately also ensure that as many citizens as possible can participate. These discussions underline the need for micro-entrepreneurship policy in order to define national tax regulations and restrictions. Perhaps a delicate subject for EU Member States, but in regard to the EU's Digital Strategy on digital platforms an essential one.

2. Reinventing a former mining city

2.1 Spatial and social introduction

A city of urban transformation and reinvention

The history of Heerlen, a former industrial city in the southeast of the Netherlands, is one of transformation and reinvention. Recent analysis of Heerlen's Roman bath, or Coriovallum during that age, predates all stone structures in the country. Effectively crowning Heerlen as the oldest Dutch city. During the previous century, Heerlen went back and forth from rags to riches. In the early 1900s, coalmining attracted many new residents and made Heerlen from a merely peasant town suddenly the most wealthy city in the Netherlands. The increased spending power of its middle-class citizens during the 1930s, left traces of grandeur on its current cityscape. At the time, Heerlen was the second richest city in the country (after Rotterdam). The iconic Glaspaleis (Glass Palace) for example, the first Dutch several-floored department store, as well as the luxurious cinema Royal.



Glaspaleis department store

After the decline of coalmining in the 1950s, Heerlen's gained prosperity vanishes just as suddenly. Ironically, Heerlen took this momentum – decades before the recognition of the beauty of industrial heritage – to redevelop and plan the city for a new age. Demolishing most of its mining heritage in the 1960s, in order to raise then-modern apartment blocks. Even more ironic, the instability of the mining underground, forced demolition of some of the apartment complexes a few decades later.

A city of blue collars and social vulnerability

In order to compensate the loss of mining jobs, the Dutch government decided to place its Statistics Netherlands (CBS) in Heerlen in the 1970s. A move that certainly created white-collar jobs, but deemed ineffective to counter unemployment of blue collars. As often seen in former industrial cities, the working class never really recovered. Leading to unemployment that exceeds the national average and labour participation is that continuously below. In the 1990s, things worsened for the socially vulnerable city, as poverty and drugs took a hold of the city in decline and some of its deprived citizens. Being really close to both the German and Belgian border, Heerlen became an attractive haven for those obscurely enjoying the liberal Dutch drug policy. Those drug tourists included troops stationed at the nearby NATO base in Geilenkirchen. During those days classical music was played nonstop at high volume at Heerlen's infamous train station. This created an auditive scarecrow for drugs abusers on the platforms and in the corridors and stairways.



Drug tourists halted by the police in the 1980s

A non-confirmative, raw-edged cultural hotbed

From the turn of the century on, Heerlen managed to find its way back up again. The city slowly became a non-confirmative and raw-edged cultural hotbed, filled with murals, street art and the like. Its edgy feel contrasts its southern Limburg counterpart, the historically attractive Maastricht. Recently, Heerlen's train station area was transformed into the Maankwartier (Moon Quarter), a major and prestigious urban development project of 90,000 square metres that resembles Florence's Ponte Vecchio. The Province of Limburg has designated the Heerlen region – Parkstad Limburg – a recreative zone, creating multiple attraction alongside its Pinkpop event area. Hosting a zoo, botanical gardens and the world's second biggest indoor ski-facility (35,000 square metres) on the artificial slopes of its former State Mine Wilhelmina.



Mural next to the Maankwartier

2.2 Introduction to the challenges addressed

The city of Heerlen (87,000 inhabitants), being the most populous of the conurbation Parkstad Limburg (250,000 inhabitants in total), faces three striking challenges due to its declining population.

Challenge 1: High cost for public space maintenance

The first challenge is the rising cost for the maintenance of the public space. The demolition of housing has led to an increase of public area within the city, while its maintenance budget did not grow accordingly. Since the latter is defined by the number of inhabitants of a municipality. Therefore, the municipality can no longer offer its desired level of cleanliness of public facilities or counter vandalism in the public space adequately. According to surveys among citizens, the ratings for their living environment are dropping and an increasing number find the public spaces unpleasant.



Flower boxes vandalised at Corneliusplein

Challenge 2: Low civic engagement

The second challenge is the low level of civic engagement, especially of its working class citizens. The social structure of Heerlen is derived from its mining history, a single state-driven company that, until its sudden disappearance, guaranteed work for a lifetime of consecutive generations. The working class never really recovered from the loss of jobs and therefore their trust and willingness to participate within communities is rather low.

Challenge 3: High vacancy rate of shops

The third challenge is the high rotation and vacancy rate of shops within the city centre and three main shopping centres. Due to e-commerce many mid-sized European cities cope with this retail challenge, but the number of vacant shops in cities with a declining population are far exceeding the average. The economy department of the municipality of Heerlen has a hard time in finding the right solution to break this downward spiral.

2.3 Policy context

European policy

Besides the main channels of representative democracy, the potential of civic participation seemed underappreciated in Europe until a few years ago. As problems with representative democracies in the EU Member States have intensified, both the national as well as the European governments, international institutions, civil society organisations and the public opinion itself, have been embracing participative practices more widely. Nowadays, both democratic engagement in general and civic engagement in policy-making are really encouraged by the European Commission. Furthermore, European policy is seeking for ways to foster and facilitate collaborative, user and open innovation of urban ecosystems. Both local challenges as well as user-centred processes, can be studied or experimented at best in real-life communities and settings within cities, such as within Living Labs. This type of co-creation approach can lead to a quicker development and tailor-made implementation of new solutions.

National policy

During the last decades, the Dutch welfare state has been gradually wound down, mostly because of its right-wing liberal orientation. This has led to policy based on self-reliance and the notion of the importance of civic participation in decision-making. The first coming mainly into effect in social policy and the Social Support Law (2015), that has been decentralising the execution from the national government to the municipalities. The latter in spatial policy and urban planning via the Environment and Planning Act (2016). Fuelled by the belief that civic engagement and participation early on in spatial decision-making will dwindle the number of costly and lengthy complaining procedures. Being a densely populated country, the Netherlands has a history of civic activism and Nimbys (not-in-my-backyard protests), who have managed to stall or postpone spatial plans indefinitely.



Dutch Environment and Planning Act

Regional policy

The municipalities in the Parkstad region have been struggling with substantial socio-economic disadvantages for decades. The Municipality of Heerlen describes getting rid of this backlog as a key priority and its policy as 'the most social in the country'. Central to tackling the social problems within the city of Heerlen is a clear focus on prevention, making day-to-day life of the socially deprived meaningful and breaking the spell of inevitable social problems across generations. The condition of the public space determines in part the liveability of the city and the wellbeing of its citizens. The municipality of Heerlen notes the low level of maintenance of its public space, especially of its parks and green areas. To increase local involvement, social acceptance and pride within communities, multiple small-scale neighbourhood initiatives have been stimulated. Such as letting local residents

and entrepreneurs landscape the vacant lots in the city.

3. Bob-a-job in a digital age

3.1 Introduction to the solution

To counter the high cost of public space maintenance, as well as both the low civic engagement and the high vacancy rate of retail in Heerlen, the Municipality of Heerlen and its partners developed a ground-breaking idea into an experimental project proposal: We.Service.Heerlen (WESH). With the Urban Innovative Actions' grant, the Municipality of Heerlen will be able to develop, prototype, test, experiment and implement the solution in the city. CoTown, a French startup and one of the residents of Heerlen's Brightlands Smart Services Campus, developed the software for the digital platform by applying blockchain technology for community service tasks. The digital platform of the main technical supplier contains three main features:

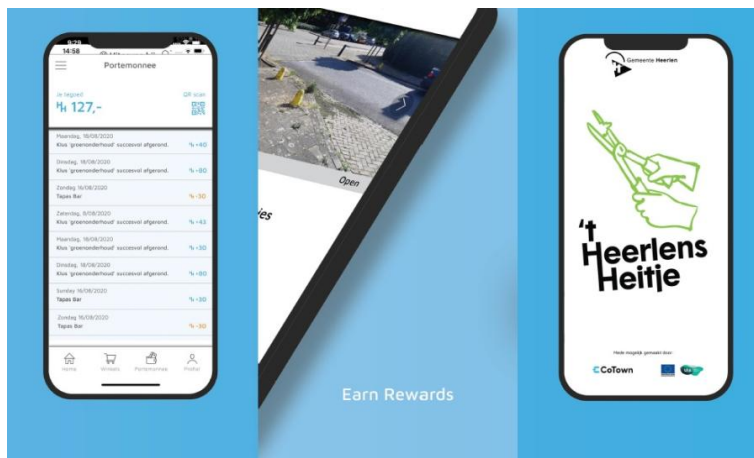
1. a smartphone application for citizens that shows the tasks and the rewards;
2. a web application for entrepreneurs to receive their payments and see who else is involved, and;
3. a dashboard tool for the city authority to commission tasks & deliver transactions.

By downloading an app on their smartphone and registering, citizens of Heerlen will be able to apply for accessible and relatively easy public maintenance tasks assigned by the municipality. For instance painting a park bench, removing stickers from lampposts or weeding a public garden bed. By completing a task to the municipality's approval, the citizen will be rewarded with a local digital currency. These coins can be spent at local shops, bars and cultural organisations within the city that have joined in. A demo of the platform is operational at the start of 2021. At the end of March 2021, the platform is expected to go live.

3.2 Marketplace and exchange medium

Digital platform and partnership

The digital platform is a marketplace between the users (citizens) and the content providers (local retail entrepreneurs), where the platform owner (municipality) enables the transactions by assigning tasks and delivering the digital currency. The municipality pays the entrepreneurs involved, just like vouchers, when the coins have been cashed in for their products or services. Easy accessibility for both the citizens and entrepreneurs are crucial to the success of the platform. The city centre management organisation Heerlen Mijn Stad (Heerlen Mine(ing) City), is responsible to engage retailers on the platform and thus provide the right content and incentives. The neighbourhood association GMS (Grasboek-Musschemig-Schandelen) has already begun to engage the first group of active users. They will help to kickstart the platform from its launch in March 2021. Statistics Netherlands (CBS) will monitor the users (where and when) and the effects of the project on the ratings for the public space and liveability in general (social wellbeing). Heerlen's Brightlands Smart Service Campus provides business support and the Dutch Association of Municipalities (VNG) captures knowledge, share experiences and helps to scale up.



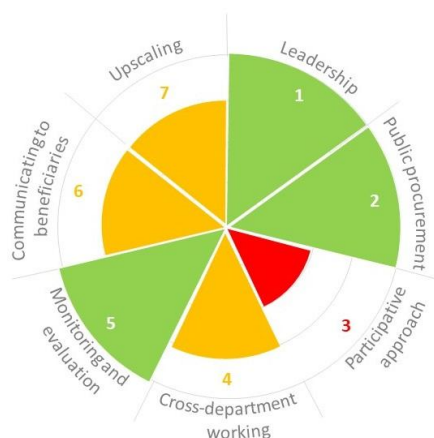
Digital currency

The reward for each of the tasks done properly, is in the form of local digital currency. These coins can only be issued by Heerlen's citizens in the local economy. The currency is named 't Heerlens Heitje, derived from Dutch for bob-a-job: 'heitje voor karweitje'. One Heitje is worth one euro. For citizens, the solution can improve their community engagement and meaningful wellbeing. The gamification aspect of the currency has been proven effective to stimulate further engagement. For entrepreneurs, the local currency can stimulate their business and attract local customers. For the municipality of Heerlen the new rewarding system, can help them to handle the maintenance of the public space and get much more insight in active community engagement.

4. Challenges and emerging lessons

4.1 Challenges overview

The UIA programme identifies seven operational challenges, that are seen as the most relevant and cross-cutting for implementing an innovation project within a city. The graph below displays an overview of the UIA challenges and how they are translated to the WESH project, with the risks coded by traffic-lights. The current state of each of the challenges will be described in the analysis.



UIA challenges risk level for WESH

4.2 Detailed analysis

Challenge

Observation

Leadership
Challenge level



Heerlen has a new Mayor since September 2020. The previous Mayor, which was temporary, had many connections within the Dutch national government. Since he was the former leader of the Socialist Party, he was really helpful in lobbying to make a tax exception for WESH at the Secretary of State of Finance. The Dutch tax authority regarded the performance of tasks as work and granting valid credits for this work part of the economic process. Initially they wanted to raise income tax for performers of tasks. This would lead to a serious hurdle for WESH, since the tax authority would regard citizens as self-employed entrepreneurs.

Procurement

Challenge level



With the project, no large procurement is expected. Local suppliers will be involved to supply content on the platform. The technical supplier of the platform itself and the municipality as the owner must make sure that a vendor lock-in is prevented when additional features are required in the future.

Participative approach

Challenge level



The most crucial aspect to the success of any digital platform is providing the right content and subsequently engage users. The community service tasks are so-called dissatisfiers for the citizens, so the incentives or bargain to perform them must be made very clear, easily accessible and outweigh the task. This is not only user experience (UX design) of the application, but also regarding the transactions and benefit for the entrepreneurs. Community engagement in the first phase is critical to the success of the project.

Cross-department working

Challenge level



The WESH project works as an additive tool for the municipality to manage the public space, so well-maintained interaction with the city's department for maintenance is required. During the course of WESH it is possible that other departments of the city management will get involved, e.g. lighting, infrastructure, waste. Therefore, cross-sector working of these processes will need to be orchestrated accordingly.

Measuring and monitoring

Challenge level



The WESH project is all about providing a digital crediting system, so the number of tasks delivered and the amount of credits granted (where, how, by whom) are easy to access and monitor. The measurement of the success can be done by ratings in the smartphone application or online surveys conducted by the Central Bureau for Statistics.

Communication to beneficiaries

Challenge level



A main focus of attracting more suppliers is by creating a collaborative platform within the Brightlands Smart Services Campus. So, the municipality can enter their challenges during the project and the start-ups and researchers at the campus can deliver solutions.

Scaling up

Challenge level



The scaling up of WESH in this phase has dependencies that are unknown at the moment. The involvement of the Dutch Association of Municipalities (VNG) and its recent shift to realising standardised IT solutions for multiple municipalities, can be very helpful in the upscaling on a national level. A crucial aspect for upscaling the project beyond the Dutch national borders are the tax regulations and legislation for employees for example (in this case performers of the tasks). This lesson is further detailed in the next paragraph.

4.3 Emerging lessons for European cities

For European cities, it can be really beneficial to see the role of the urban authority in the upcoming participative society. The civic engagement and involvement in maintenance of the direct living space of citizens, is an interesting tool in creating tailor-made liveability within neighbourhoods and understanding the needs and

preferences. Giving a purposeful meaning to their day-to-day lives, can be an interesting lead to follow for cities that deal with disgruntlement due to high unemployment.

The exemptions made for WESH by the Dutch national government and its tax authority, underline the need for discussions on a European level and EU policy for micro-entrepreneurship. These would lead to national tax regulations and restrictions for micro-entrepreneurs. Perhaps, a delicate subject for EU Member States, but in regard to the EU's Digital Strategy on digital platforms an essential one. The digital platform economy currently sees a marginal role for European platforms. According to the EU's Digital Strategy of 2020, the dominance of American platforms (accounting for 86 of the 100 largest in terms of turnover) should be turned around by facilitating the growth of European platforms. One of the major eyesores is the transatlantic nature of most of the transactions made on European soil by these digital platforms and while taxes are being paid in the States.

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