

JOURNAL

PROJECT

WESH –
We.Service.Heerlen

📍 Heerlen, The
Netherlands

TOPIC

Digital transition

EDIT 28 OCTOBER 2021
BY HARALD WOUTERS,
UIA EXPERT

We.Service.Heerlen (WESH): Journal 2

See on UIA
website



WESH Journal no. 2 describes the progress of the We.Service.Heerlen project as of October 2021. That means WESH is halfway the three years project period and approximately 6 months in the implementation phase.

1. Executive summary

In 2019 the Municipality of Heerlen and its partners developed We.Service.Heerlen (WESH), an integrated community engagement project under the EU's Urban Innovative Actions initiative (UIA). The WESH-consortium consists further of CoTown as technical supplier, Brightlands Smart Services Campus for business support, neighbourhood association GMS for user engagement, city centre organisation Heerlen Mijn Stad as content provider, Statistics Netherlands (CBS) for monitoring and the Dutch Association of Municipalities (VNG) for upscaling. Via the WESH smartphone app, citizens of Heerlen can apply for easy public space maintenance tasks assigned by the municipality. Completed and approved tasks are rewarded with local digital coins: Heerlen Heitje (1 Heitje = 1 euro). These can be spent at local shops, bars and cultural organisations within the city. The goals of the project are (1) increasing civic engagement, (2) improving the public space and (3) stimulating the local economy.

In March 2021 WESH was launched publicly by ten volunteers of the neighbourhood association and covered by multiple local and regional news reports. Alderman Claessens received multiple requests from television and printed media about the project. WESH has shown national interest as well as from cities in the Nordics and Central Europe. These were particularly curious about the approach on civic participation and the rewarding system. After lengthy discussions with the Dutch tax authority in the preparation of WESH on taxing the performance of the tasks, the project received an exemption for VAT. After the first months in action the WESH-team notices reluctance of some citizens for registering, fearing repayment of allowances. As a result the team lowered the wage for the tasks from 15 to 5 euro an hour to make it voluntary work.

The UIA initiative identifies seven operational challenges for implementing a collaborative innovation project. Each of these are translated to the current state of the project at the of writing this Journal in October 2021, with their corresponding risk level:

- **Leadership** (*low risk*): Heerlen's Mayor and Alderman reached an exempted status for WESH after discussions with top

officials of the tax authority, under the condition that the work hours were registered annually by citizens in their tax return (up to 1,500 euro a year).

- **Procurement** (*medium risk*): to avoid a vendor-locking in scaling up WESH, the software source code should become publicly available. The Dutch Association of Municipalities (VNG) is discussing this issue with the municipality and the technical supplier of WESH.
- **Participative approach** (*high risk*): crucial to the success of a digital platform are the content and users. Some citizens seemed reluctant to participate, in fear of having allowances cut. As of early October 2021, the app has over 550 downloads, 155 users, 130 tasks posted, 50 tasks completed and 15 shops involved.
- **Cross-department working** (*medium risk*): the ties between the spatial and social domains of the Municipal organisation should be intensified further. Municipal workers involved in WESH belong to the spatial domain, but beneficiaries of the project are targeted by social policy.
- **Measuring and monitoring** (*low risk*): in-dept surveys on the liveability of the various neighbourhoods of Heerlen are conducted in the project by Statistics Netherlands (CBS), including grading of the public space before and after the project's implementation.
- **Communication to beneficiaries** (*medium risk*): communication has a primary local focus, since only Heerlen's citizens and local entrepreneurs can join in. The media outreach of the launch was very regional at first, but has shown Dutch and international interest later on.
- **Scaling up** (*low risk*): scaling up the methods, conditions and approach of WESH are foreseen as part of the Public Services Lab, which the municipality, Brightlands Smart Services Campus and VNG have set up. In this lab they develop new digital services for public authorities.



2. Project update

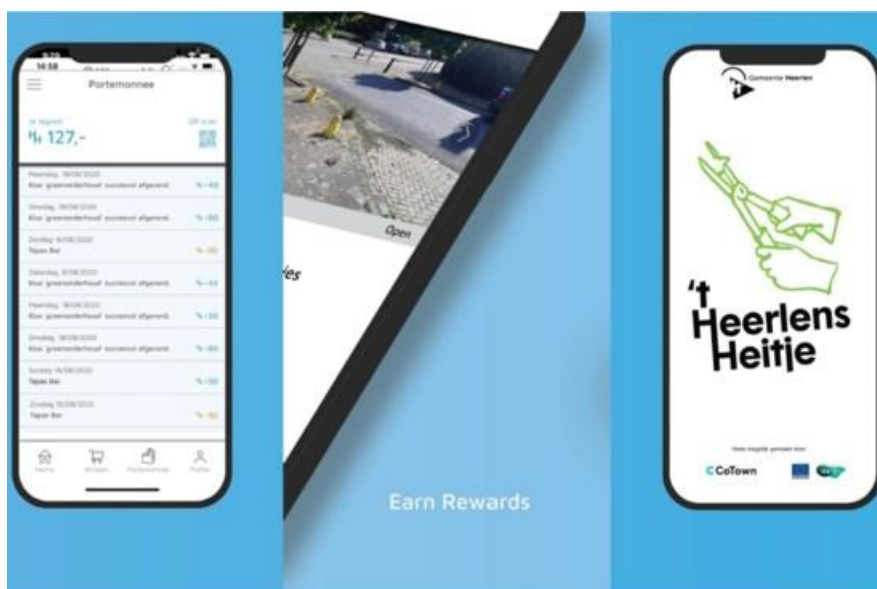
2.1 Bringing an integrated idea to life

In 2019 the Municipality of Heerlen and its partners developed an integrated idea around community engagement

and blockchain technology into an experimental project: We.Service.Heerlen, abbreviated as WESH. Under the European Commissions' Urban Innovative Actions initiative, the WESH-consortium, led by the Municipality of Heerlen, has been able to develop, prepare and test the ground-breaking solution within the city. The French startup CoTown, resident of the local Brightlands Smart Services Campus, is the technical supplier of the project. The Brightlands Smart Service Campus itself provides business support. Local neighbourhood association Grasbroek- Musschemig-Schandelen (GMS) is involved to kickstart the project with its citizens. Local entrepreneurs are engaged by the city centre management organisation Heerlen Mijn Stad. Statistics Netherlands (CBS) monitors the effects of the project by surveying citizens on the improvement of their wellbeing and the perception of the public space in Heerlen. The Dutch Association of Municipalities (VNG) provides expertise and possibilities to scale up the standardised IT solutions to other municipalities.

The WESH project contains three main software features: (1) a smartphone app for citizens to show public space maintenance tasks and their rewards, (2) a web application for entrepreneurs to receive payments or see involvement of peers and (3) a dashboard tool for the city authority to commission tasks to citizens and make transactions to entrepreneurs. The innovative aspect of the solution is a digital platform to delegate service tasks of the municipality to its citizens. By downloading the WESH smartphone app and registering, citizens of Heerlen are able to apply for accessible and relatively easy public space maintenance tasks assigned by the municipality. When a task is completed by the citizen and approved by the public space maintenance department of the municipality, the citizen will be rewarded with local digital coins: 'Heerlen Heitjes' (1 Heitje = 1 euro). These Heitjes can be spent at local shops, bars and cultural organisations within the city who have joined in. The goals of the project are therefore in threefold: to increase civic engagement, to improve the quality of the public space and to stimulate the local economy of the city centre of Heerlen.

The WESH-platform functions as an urban marketplace between the municipality, its citizens and local entrepreneurs. As for any platform, the content offered on the platform as well as the user engagement, are crucial to its success. So engaging citizens to perform the tasks as well as providing places to spend the coins are essential. Therefore easy access and minimal hassle for participation of both citizens and local entrepreneurs are requirements in WESH. Respectively, in the app and on the web portal, a very easy process in registration, administration and guidance are provided. When the digital coins are earned by citizens for performing the tasks, they can be cashed in at participating bars or retailers. Afterwards entrepreneurs can exchange them at the municipality in the same way as vouchers.



2.2 Public launch and first months in action

After a meticulous preparation by the partners of WESH in 2020, a demo of the platform was operational at the start of 2021. After three months of testing and altering of the platform's demo version, WESH was officially launched in the city of Heerlen in March 2021. Publicly both the app and the digital coins were named 'Heerlens Heitje', with Heitje deriving from the Dutch saying 'Heitje voor karweitje' or bob-a-job. On 20 March — national clean-up day in the Netherlands — a first group of 15 volunteers started working on the first commissioned tasks in their neighbourhood Grasbroek-Musschemig-Schandelen (shortened as GMS). Although the audience during the public launch itself was limited due to covid-19 restrictions being in full effect at that time, it was covered by multiple local and regional news reports. After the launch, Heerlen's Alderman Mr Charles Claessens, who is responsible for city maintenance, received multiple interview requests and television invitations about the project.

Among others, the Alderman was featured in Dutch articles of VNG Magazine and on the blog Smart City Plaza. The project received attention from cities throughout Europe, especially from the Nordics and Central-Europe. These were particularly interested in approach on civic participation and rewarding system.

In mid-2021, three months after the launch of Heerlens Heitje, the WESH-project team had a chance to reflect on how certain choices that were made during the preparation of the project worked out in practice. During the preparation of the project there were many discussions with the Dutch tax authority on taxing the wage for performing the tasks and registering it as income. Basically, the tax authority ruled that anyone who performs some form of work and is rewarded for it, must pay tax. The WESH team managed to receive an exemption for VAT. During the first weeks of the platform in action, the neighbourhood association noticed that some citizens were reluctant to register in fear of future consequences by the tax authority. This fear is mainly due to the fact that people are afraid of losing various allowances, after all the earned Heitjes are added to the aggregate income as euro. In theory, this could mean that when the limit is exceeded by only one euro, all relevant allowances over the past year must be repaid. Although the chance of this is not very high, but the consequences are such that citizens refuse to create an account, just to be on the safe side of things. This fear was further fuelled by a national scandal in the Netherlands in 2020 over ethnic profiling and wrongfully cutting allowances by the tax authorities. As a result the WESH-team lowered the wage for the tasks from 15 to 5 euro an hour to accommodate it as voluntary work. The corollary result is that there are no more interruptions or obligations at all towards the tax authorities, both in VAT and income tax.

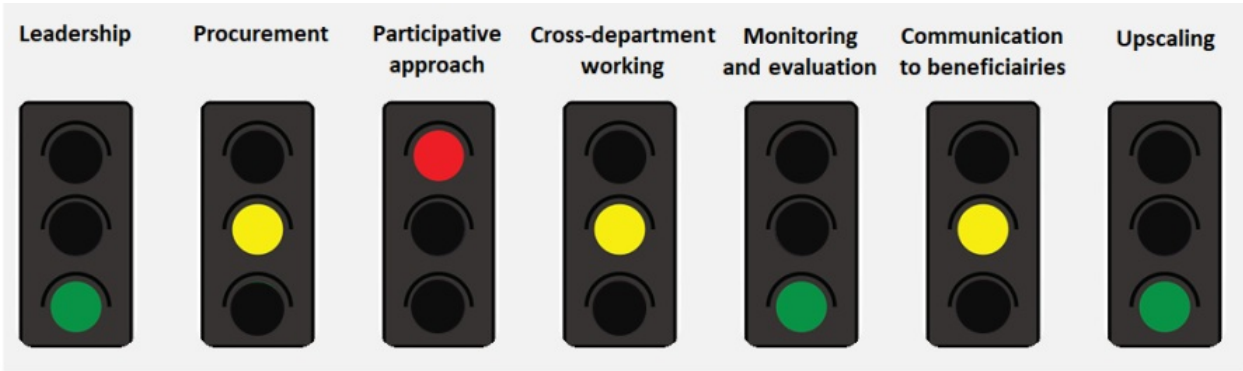


3. Challenges and emerging lessons

3.1 Challenges overview

For the preparation and implementation of WESH, the UIA initiative identifies seven operational challenges, that are seen as the most relevant and cross-cutting for implementing a collaborative innovation project within the urban sphere: (1) leadership, (2) procurement, (3) participative approach, (4) cross-department working, (5) measuring and monitoring, (6) communication to beneficiaries and (7) scaling up. Each of these seven UIA challenges are translated to the current state of the WESH project, at the time Journal no. 2 is written (October 2021). That means halfway the three years of the project period and approximately 6 months of the implementation phase. The state of the challenges are depicted as risks, coded accordingly as traffic lights: green is low, yellow is medium and red is high. The challenges will be addressed one by one in the detailed analysis

below. For each challenge, a critical analysis anchored to the project activities development is presented as well as the emerging lessons learned from that specific challenge.



3.2 Detailed analysis

Challenge	Observation
<div>Leadership</div> <div>Challenge level</div>	<div><div></div><div></div><div></div></div> <p>During the preparation phase of WESH in 2020, discussions had emerged with the national tax authority on taxing the performed tasks as well as on the expenditure of the digital coins in the local economy. The tax authority regarded the performance of tasks by citizens strictly as work and therefore would oblige them to pay income tax. Especially since the hourly wage for the tasks in WESH was set at 15 euro, in order to attract participants, which exceeded the exempted voluntary wage of 5 euro an hour. Intense lobbying from the city leaders followed. The temporary Mayor Emile Roemer, who was in office until September 2020 and well connected in The Hague since he was the former political leader of the Socialist Party, met and held talks with top officials. He was joined by Heerlen’s Alderman Charles Claessens to discuss the purpose and goals of the WESH project with the Dutch Ministry of Finance and its tax authority. There they pleaded for a tax exemption for WESH in general and its underlying tasks performed by citizens. At the beginning of 2021 they reached a breakthrough and WESH was granted this position, under the condition that the work hours were registered annually by citizens in their tax return. The maximum earning was set at 1,500 Heitjes/euro per year or 500 hours of work.</p>
<div>Procurement</div> <div>Challenge level</div>	<div><div></div><div></div><div></div></div> <p>The main procurements for the project during the preparation phase, were the platform software of the technical supplier and a subscription fee based on the number of users. In the prelude to the launch of the project and during the implementation phase, the focus went to the project outreach and user engagement. Therefore the procurement shifted towards various means of (online) communication. The fact that the source code of the platform software is not publicly available, could become a hurdle for future plans of scaling up of the initiative. The project is currently not aligned with the European Commission’s idea of creating open software standards in order to avoid vendor lock-ins. The Dutch Association of Municipalities (VNG) is discussing this issue with the municipality and the technical supplier. The partners understand that a private partner can profit from such a project, but not in such a way that all public bodies that are interested to adopt the platform will have to pay the same subscription-based fee in the future.</p>

Participative approach

Challenge level



Crucial to the success of any digital platform are content and users. Thus providing the right appealing content on the one hand and engaging (targeted) users on the other. Since the public maintenance tasks on the platform are in fact dissatisfiers, the incentive to perform them lies in the amount of Heitjes that can be earned and the places where they can be spent. In three months, the city centre organisation Heerlen Mijn Stad managed to engage ten shops and bars where the Heitjes can be cashed in. The neighbourhood association (GMS) understood that community engagement is key to kickstart the project. Ten of their intrinsically motivated citizens were the first to perform the tasks, later joined by ten low-income citizens. After evaluating these rather low numbers in depth after the first half year in action, the WESH team concluded that adding cultural and sports facilities increase and broaden the number of places where the Heitjes can be spent. They found out that citizens were reluctant in participating because of the necessity of declaring the number of hours worked and the subsequent fear of having their individual allowances cut. Especially in the current allowance affair that has been dominating Dutch media over the last year. The solution of the WESH-team is to let the tax exemption go and following the voluntary wage regulations, dropping the hourly wage to 5 euro. As of early October 2021, over 500 people have downloaded the smartphone app and about 100 have filled out a profile, which means they are ready to perform a task.

Cross-department working

Challenge level



Although WESH touches upon the spatial, as well as the social and the economic policy spheres, the main focus lies in the former within the municipal organisation of Heerlen. The Municipality of Heerlen is structured in six so-called domains: Economic, Spatial, Social, Civic, Resources and Administrative. The employees involved in WESH belong to the Spatial domain. The scouting and enlistment of the tasks for example, are performed by spatial maintenance workers. These tasks are additional to their work, so there is no replacement in effect. The municipal WESH team itself consists of Project Managers, a Finance Manager and a Communications Advisor. Since liveability has both spatial as well as social components, both domains work closely together in their tailor-made neighbourhood policy. Beneficiaries of the WESH project are targeted mainly by stimulating and supporting social policy, such as citizens with low income, low engagement, low wellbeing or unemployed. Therefore the interaction between these domains or departments should be intensified, especially since other applications or types of services could be added to the platform in the future. Cross-sector working between these involved municipal processes need to be orchestrated accordingly.

Measuring and monitoring

Challenge level



After six months in action, the results of WESH in numbers are appropriate: approximately 550 downloads, 155 active users, 130 tasks posted, 50 tasks completed and 15 local shops involved. The covid-19 situation and lockdown measures limited participation in the first months for both users and entrepreneurs, but the WESH team is working on the aspects that are possibly hindering engagement (see Participative approach). Along the direct output of the project, the measuring and monitoring of WESH focuses on the impact created with WESH. So, the project partner Statistics Netherlands (CBS) conducts in-dept surveys on the liveability of the various neighbourhoods of Heerlen, including grading of the public space before and after the project's implementation. The smartphone application itself uses a periodic success rating for its users. The technical supplier of WESH agrees that this is a valuable feature and should be developed further to determine the success of the project. Therefore, in general the measuring and monitoring of WESH is conceived as a low risk, whereas the participative approach is a high risk (see also above).

Communication with
beneficiaries

Challenge level



The project's communication with beneficiaries has a primary local focus, logically since only citizens of Heerlen can register as well as local entrepreneurs. Apart from communication on the UIA website, the project is not communicated as WESH or WE.Service.Heerlen, but solely as "t Heerlens Heitje". Extensive information about the project is on the website of Heerlen's Municipality (www.heerlen.nl/heitje) and regular updates about the project on the Municipal Twitter account (1,100 followers). On social media there are dedicated pages or accounts for Heerlens Heitje: Facebook (424 followers), Instagram (248 followers) and LinkedIn (92 followers). During the public launch of the project in March 2021 the initial outreach of the communication had a regional focus, targeting mainly Limburg oriented and based media. This was felt as a rather missed opportunity, because of the unique aspects, valuable approach and replicability of the project. Later on WESH was featured in a few national web articles (see Leadership), after the newsworthy momentum of the launch was missed. The project has shown interest from a number of European cities, when the story was shared during talks and (online) conferences.

Scaling up

Challenge level



As part of the WESH project, the Municipality of Heerlen, Brightlands Smart Services Campus and the Dutch Association of Municipalities (VNG) have forged an additional partnership to set up the Public Services Lab. In this lab they will use the methods, conditions and approach of the WESH concept, to develop new digital services for public authorities. The first focus is on having more municipalities in the Southern Limburg region join in, to scan their mutual challenges, to ideate and co-create digital solutions. The three partners have committed a team (0.4 FTE each) for the Public Services Lab, hired an Innovation Broker (0.4 FTE) and set up a Steering Group. In the course of 2021 they have developed a business plan, an acquisition plan, a proposition and marketing material. Currently, they are having talks with multiple interested municipalities, who either join in for developing new innovation projects as well as context specific version of the WESH platform and approach. Since Heerlen is located in the vicinity of both the German and Belgian border, as well as being part of one of the first Euregions (Meuse-Rhine), scaling up of WESH across the border to respectively the regions of Aachen or Liege is in line with the possibilities.



3.3 Conclusion and emerging lessons

Cities across Europe can learn valuable lessons from WESH in general, as well as specifically in the current status of the project. A lot of effort went into the preparation of the project, such as setting up the technical platform, alignment of partners and their responsibilities, incorporation in processes within the municipal organisation and engagement of both citizens and entrepreneurs. But still there were obstacles that were either unforeseen or deemed less important beforehand. Of course the COVID-19 situation fits the first category, which has very likely slowed the impact of WESH. But the legislations and framework conditions within an EU Member State count for the latter. They can be decisive in having an innovation project succeed or fail. If we continue to have hesitant responses of national authorities to experiments that touch upon the economic system and proceed rather rigid tax regulations, we surely miss out on the beneficial effects for citizens and even possible future revenues.

Bridging the gap between citizens and public authorities are topics that are on the agenda on all levels of governments across Europe. Not only by increasing citizen engagement, but also to create more trust or political interest and making more use of the power and wisdom of the crowd. For the European Commission regaining citizens' trust and revitalise the EU democracy are crucial in our age of information. Not only by developing a more responsive, transparent and participatory decision-making process, but also by having citizens participating directly in the public processes. We can state that **engagement creates understanding**. WESH shows that citizen potential can be activated by simply rewarding their help. The approach and methods used by the project can be applied to other sorts of applications, where stimulating desirable behaviour is favoured, such as sustainable or healthy activities. WESH is therefore an interesting case of governance innovation, whereas even core municipal services can be crowdsourced by using technology.

Digital transition

See on UIA website

