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## Skovgårdsmodellen (Rural Farm Model)

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The Skovgård model consists of three social enterprises: Købmandsgården, Skovgård Hotel and Råd&Dåd, which are located in former merchant houses in rural areas in Denmark. The purpose of the model is as follows.

- Give opportunities to develop resources among disabled people and other vulnerable groups.
- Provide useful products and services for the local communities in the area.

The model is an example of how the local community collectively can take over private institutions and establish socio-economic enterprises where disabled people also contribute to and are part of local rural development.

## Preconditions, Inspiration, Nurture

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Skovgård is a small village in Jammerbugt Commune consisting of approximately 870 inhabitants. Earlier, like many other villages, it had active business community with merchants, bakery, slaughterhouse, and a manufacturer, which are all closed today. The empty buildings have been converted into apartments and houses for residential use.

There are still a few active industrial companies and a few smaller enterprises. In general, Jammerbugt Commune consists of primarily rural districts and the challenges are outmigration, closure of schools, many houses for sale, difficulties to borrow money to buy a house and a generally low level of education.

In 1983, the old merchant house 'Købmandsgården' was founded as a social pedagogical initiative with room for four physical and mentally handicapped residents. Købmandsgården was established with support from several people living in Skovgård, including some who had recently moved from Copenhagen.

Købmandsgården became an independent institution with a clear distinction from private profit interests. Rather, the focus was on developing young people's independence so they could interact socially despite their handicaps, strengthening their sense of self-esteem, and providing them with a life in which contact with 'normal' society was as close as possible.

Over the following years a new philosophy was developed, and also formed the background for the two additional community initiatives that were established: Skovgård Hotel and Råd&Dåd.

Many new ideas were developed about how to work with disabled people in a normal context, and how to support them by permitting them to learn rather than debase them by placing them in institutions.

Skovgård Hotel was established as a co-owned hotel by 75 citizens in the area in 1992. It is a hotel and a venue for cultural events, and also offers workspaces for people with special needs.

Skovgård Hotel is located near the railway between Thisted and Ålborg, and was built there 100 years ago. For many years, the hotel functioned as the local setting for private parties, meetings, amateur theater, Christmas shows and in general as a gathering point for social cultural activities in Skovgård.

In 1990, there was little hope that the hotel could continue operating given the market conditions at the time. In relation to the work with Købmandsgården, a group of local people came together and developed the idea of opening the hotel as a cooperative society

that would include workspaces for individuals who were unable to work under the conditions of a normal place of employment.

In 1992, Skovgård Hotel was bought with support from 75 local habitants in the village, who all bought a share of the hotel. The board consists of seven shareholders and employee representatives, and together they decide how to manage the hotel to ensure that the concept and philosophy behind it are maintained.

The hotel continues to be a gathering place for social and cultural activities. There was no particular plan in that respect, because the aim was to make the hotel operational for the benefit of the local community and for the disabled to become integrated in the labor market. The plan was thus to make the hotel succeed and the strategy was developed accordingly. Small adjustments and improvements have been made gradually with regard to how the hotel is managed and cooperation with the inhabitants of Skovgård.

# Implementation

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## Resources

A share of the financial resources for the hotel to continue operation came from the local community: 75 people contributed with 1000 DKK each. The hotel needed some renovation before it was operational, and the financial inception provided the opportunity to borrow a larger amount from the bank.

The people living in Skovgård village were in general positive toward the development of having another place for the disabled to work, but there were also some who expressed nervousness about more disabled people becoming part of the village because they were afraid it would create an imbalance for its social sustainability.

Some of the main factors for convincing the collective were the individuals committed to the project and their social and professional competences that made it possible to get it up and running.

The municipality also supported the idea, and communication with the officials went smoothly, with no bureaucratic obstacles.

Skovgård Hotel has a concert room with space for up to 180 people at concerts and it can also be used for dinner parties for up to 120 guests. There is also a restaurant with room for 50 guests, a seminar room with space for 30 people, five hotel rooms, and a kitchen with a capacity to prepare catering for up to 1900 people.

At the hotel there are approximately 20 workplaces for people with special needs (In Danish: 14,5 §103 beskyttet beskæftigelse, 3 stillinger flexjob/skånejob/2 virksomhedspraktik/ 1 løntilskud. In English: 14,5 §103 protected occupation positions, 3 positions for flex job, 3 company internships programmes, 1 wage subsidy job). The 20 workplaces are occupied by a mixture of people excluded from the labor market and supported by the municipality with a view to reinsertion, and disabled people with different types of handicaps who handle the day-to-day work.

The ordinary employees consist of two part-time and four full-time staff, with the latter including the person in charge of the hotel, who is a qualified pedagogue.

The hotel receives no support from the municipality but sells food, services and facilities as well as providing workplaces. Annually, the hotel has a commercial operation amounting to 1.5 million DKK and when including sale of social services such as 'protected occupation positions' it amounts to 2.4 million DKK.

## **The Network / Cooperation**

The main actors developing the hotel were from the local community with support from Jammerbugt Municipality. Because Købmandsgården was already established, it was natural to use the experiences gained, which was of assistance in the process of establishing the hotel.

Today, the three social economic enterprises, Købmandsgården, Skovgård Hotel, and Råd&Dåd cooperate in a number of ways such as exchanges of management experiences, common study trips, regular representation of the social enterprises in Skovgård in the framework of professional presentations and debates, social fairs, etc., and joint contact on an ad hoc basis with municipal and national representatives/authorities.

At present, Skovgård Hotel has a broad cooperation with local associations that use the facilities for meetings, etc. One of these is Brovst Music Association, which organizes a number of concerts using Skovgård Hotel as a venue. In general, there are numerous visitors from villages and towns in neighboring municipalities. At times, larger groups come to visit, to hear about the development of the Skovgård model and to gain experience of the three social enterprises. The employees at Skovgård Hotel as well as the other social enterprises are also frequently invited to conferences or professional debates to share their hands-on experience.

In 2015, a documentary about the hotel and all its employees was made for the Danish national television, DR1. The three social enterprises and the model behind the initiative have also received a number of prizes for their efforts to foster community development and an inclusive labor market.

## **Enablers and Barriers**

It has not been an easy process, according to the founder, to test new ways of thinking in practice. Many people in the community have been skeptical, and it took time for them to fully appreciate the disabled persons and the pedagogical philosophy.

One concern that has been raised in relation to establishing the three social enterprises is that some people continue to be critical about the number of disabled people in the community. They are afraid that it will disturb the social balance, because the disabled persons will not attend the school.

Another concern is whether the limit has been reached for Skovgård village to integrate more disabled people in the local labor market. At the same time, the social enterprises have provided support for the local business community and Skovgård Hotel is, for example, an important factor for the local consumer cooperative to continue.



A main factor ensuring that all three social enterprises were established is having the right people locally to organize and defend the case and having the support of the municipality. Those involved must be prepared to accept that this is not a 'nine to five' job, and be fully committed to the work.

Furthermore, what has convinced the community each time is how the social enterprises have contributed to services and opportunities locally, which otherwise would have been closed.

Without the local community buying shares in Skovgård Hotel, it would not have existed today. By becoming rooted in the community, these people also seek to maintain an ongoing dialogue about its needs.

Skovgård Hotel took the initiative to organize a dinner on Friday nights, including a Disney show and popcorn for the children. All families were invited, but few came, so it was necessary to ask around to discover the reasons for their absence. The response was that many families were tired on Friday nights so they preferred being home rather than going out. Therefore, Skovgård Hotel changed its Friday night concept to one based on takeaway menus to take home, which was an alternative to the local pizza and grill establishment. This has been a huge success and the example proves the importance of identifying a need as well as maintaining dialogue for people in the community, rather than trying to invent needs.

Currently, considerations are in progress to extend the hotel buildings to include new facilities: a meeting room that can be used by the associations in Skovgård and an employee break room for the people working at the hotel.

The mayor in the Jammerbugt Municipality has stated that these alternative business models are the ultimate way to support rural development.

## **Interaction with Municipalities and Other Levels of Governance**

Interaction with the municipality has been of high importance for Skovgård Hotel as well as for establishing the other social enterprises in Skovgård. The cooperation functioned easily although the municipality had to pave the way forward because it could not call upon any other municipalities: this was a new initiative and no one had experience of handling such cases.

The work and the cooperation can therefore be seen as pioneering. What is particularly important is the fact that the cooperation is continuously adjusted to current needs. In the fall, Skovgård Hotel will also begin to provide food for the canteen at the local school,

which has 248 children from the first to ninth grade. Moreover, the hotel provides the catering for any village parties held in Skovgård.

## Social Innovation Effects

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### Outcomes, Impact and 'Scaling'

Since 1983, when the first social enterprise, Købmandsgården, was established there have been a number of positive impacts for the community living in Skovgård. In the process of working with socio-economic institutions serving to include disabled and handicapped people and former addicts, a number of principles have been developed. The abbreviation for them is 'PHIL.'

**P: Production:** the production of useful services which can be carried out by disabled and handicapped people for them to have a meaningful occupation in life.

**H: Handicap:** to diminish the division between handicapped and 'normal' people in society.

**I: Integration:** to integrate disabled and handicapped people into society as a resource rather than as a burden and through this process, to acknowledge them as persons.

**L: Local community:** to support the development of the local community and serve their needs.

The exchange between local society and production is a core theme in the PHIL philosophy. They are dependent on each other but quite often complement each other for certain projects such as gardening, growing vegetables, handicrafts, ceramics, etc.

An important outcome of the social enterprises is their contribution to a more dynamic local community. The hotel hosts five concerts in its grounds during the summer, and throughout the year, serves as the venue for private parties, conferences and meetings, seasonal celebrations, amateur theater as well as many other cultural and social activities.

Jammerbugt Municipality has been inspired by the Skovgård model and also decided to take a similar approach with the 'Harbour Café' which a few years back also began to experiencing difficulties because of the market conditions. The café has an excellent location, and it would have been a loss for the community if it had closed. Therefore, the municipality initiated a project whereby asylum seekers could work there as volunteers while waiting for their application for residence permits to be approved. The café recently celebrated its first anniversary and functions very well today.



## Lessons Learned

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- Individual effort is an important part of collective actions such as buying a hotel together.
- Support from the municipality can be crucial for the success of a long-term and well-functioning project.
- The needs of the local community are central in the PHIL ideas developed. When planning for disabled and handicapped people to be of use, a point of departure is necessary; services or products that are useful locally.