Academic Research Paper

Borghi National Plan: From the Pivotal Role of Stakeholders to Social Reporting

Benedetta Valeria Cannizzaro

Department of Economics, Business and Statistics, University of Palermo, Italy, benedettavaleria.cannizzaro@unipa.it. ORCID: 0000-0001-5436-3534

Abstract

The paper investigates how Sicilian municipalities and their partners plan to engage and communicate with their stakeholders in the projects funded by the *Borghi* National Plan, representing a key part of the National Recovery and Resilience Plan (NRRP) under Mission 1. The study uses the lens of the Local Territorial System (LTS) model and the concept of Territorial Social Responsibility (TSR) to assess such engagement and communication strategies. Furthermore, it explores the potential for integrating social reporting tools into these projects to enhance stakeholder accountability. The research contributes to the broader understanding of effective stakeholder engagement and communication in community-led projects and the role of transparency in fostering sustainable local development. The research is based on survey data from 31 entities, including 9 Sicilian municipalities and 22 project partners, collected in 2022. The survey consists of ten questions to evaluate the communication tools employed for stakeholder engagement and communication. Due to the different categories of respondents (i.e., municipalities, associations, and other types of organisations), the answers are shown by considering this distinction to depict if each category shows preferences towards specific communication tools in the various key survey questions. This approach allows for a deeper understanding of how different types of entities may prioritise communication strategies in the context of community-led projects. The study offers new insights into applying TSR through the *Borghi* National Plan through the LTS model. Communication strategies for stakeholder engagement, combined with the integration of social reporting tools, further enhance the ongoing discourse on transparency and accountability in community-led projects within the framework of local development initiatives and sustainability. The research underscores that municipalities should improve their social reporting tools and adopt multi-channel communication strategies to manage their territorial responsibilities effectively. The findings drawn by the research can help enhance stakeholder engagement, accountability, and transparency by the municipalities and their project partners in supporting more sustainable territorial development.

Keywords: social responsibility; stakeholders; social reporting; NRRP; accountability

JEL Codes: H83; M41; Q01

---

1. Introduction

In June 2022, the Italian Ministry of Culture announced the municipalities that secured funding under Line B of the *Borghi* National Plan. This plan represents a key part of the National Recovery and Resilience Plan (NRRP), particularly within Mission 1: Digitalisation, Innovation, Competitiveness, Culture and Tourism. The focus of Investiment 2.1 within this mission is the implementation of regenerative and innovative interventions in small towns (*borghi* in Italian). These interventions are planned to envisage solid public-private partnerships to foster local development in full compliance with the principles outlined in the Faro Convention and the European Framework for Action on Cultural Heritage.

Although municipalities are the primary implementers of these projects, their success depends on collaboration with a network of public and private partners, as is common in cultural initiatives (Cannizzaro & Ruisi, 2024). The *Borghi* National Plan explicitly emphasises the importance of directly engaging local communities, productive organisations, profit and non-profit organisations, and their intermediaries. This collaborative approach aims to produce effects regarding employment growth, counteracting demographic exodus, and increasing cultural participation and tourism attractiveness.

However, these municipalities face limited financial and human resources challenges and the complexity of effectively engaging diverse stakeholders and communicating their results. Consequently, building trust, ensuring inclusivity, and enhancing active community participation often become problematic. Furthermore, the municipalities must align with the expectations of their local communities, who may prioritise cultural preservation, job creation, or infrastructure development.

In the context of the *Borghi* National Plan, the projects are, indeed, subject to rigorous monitoring and reporting requirements, which include:

- Expenditure reporting: Essential for demonstrating the correct financial execution of the project;
- Milestone and target reporting: Focused on providing evidence of achieving the Plan's objectives, independent of financial progress;
- Intervention reporting: A bimonthly report is submitted to the NRRP Central Service through the reporting and control function of the central administration. This report may also include the two types of reporting mentioned above.

Though the plan places a very strong emphasis on stakeholders and, above all, on the participation of local communities, a missing link exists regarding explicit requirements for engaging stakeholders and communicating project results. Without clear guidelines for communicating their project results, municipalities may struggle to report the full impact of their initiatives. The lack of such guidelines may hinder municipalities' ability to validate project outcomes and align them with broader Sustainable Development Goals (SDGs), such as promoting social cohesion and preserving cultural heritage (Biondi et al., 2020). Furthermore, it may impede the building of trust and accountability, both of which are critical for sustaining community engagement and fostering long-term benefits (Preite & Falivena, 2023). To fill this gap, the present research aims to answer these two main research questions:

RQ1. How do municipalities plan to engage stakeholders effectively to ensure the success of their projects financed by the NRRP?

RQ2. How do they intend to communicate their project results?

To address these research questions, this study uses survey data from Sicilian municipalities and their project partners. In exploring the second research question, the analysis places particular emphasis on social reporting tools, which are increasingly recognised as tools to capture and convey the broader economic and social value generated by initiatives in the public domain (Farneti et al., 2019; Farneti & Siboni, 2011). Adopting social reporting tools can enable municipalities to capture and communicate how their community-led projects contribute to reversing demographic trends, enhancing cultural participation, and stimulating local economies. In the context of reporting, social reporting falls under the broader category of non-financial reporting, which refers to all the information which is not related to an organisation's finances (Saini et al., 2022). However, for the purposes of this article, given the NRRP's focus on societal impacts, the term "social" will be used. While social reporting tools are valuable, integrating them can be particularly challenging for municipalities facing priorities and resource constraints, as the process often requires time and investment in structured data collection. Despite these challenges, failing to engage stakeholders and adopt social reporting tools risks jeopardising these community-led projects' sustainability and perceived value (Biondi et al., 2020).

Building upon previous research in public sector accountability (e.g., Bartocci & Picciaia, 2013; Giacomini, 2013; Giacomini et al., 2017, 2021; Mussari & Monfardini, 2010; Roberto et al., 2020), the paper investigates the intersection points between stakeholder engagement/communication and tools which can be adopted in community-led projects. Furthermore, the study discusses how effective community-led development can be induced, together with sustainability in the longer term, by looking into innovative and culturally sensitive approaches.

The remainder of the paper is organised as follows: Section 2 reviews the relevant literature and outlines the theoretical framework. Section 3 presents the research methodology. Section 4 discusses the key findings of the analysis. Finally, Section 5 presents the main conclusions, highlighting key insights and proposing directions for future research.

2. Literature Review and Theoretical Framework

2.1 *From the definition of "territory" to Territorial Social Responsibility*

The desire and will to create value for the community and all stakeholders form the foundation of the *Borghi* National Plan. This value extends beyond the work of individual administrations, emphasising their ability to create it in collaboration with project partners and all those who intend to generate a positive impact in a given territorial context. The local community must be aware of this process. Consequently, we can speak of social reporting, but adding the adjective "territorial" would be more appropriate. The positive impact on the economy, society, and the environment that the public-private network intends to generate must concern the entire territory and the community.

Defining what "territory" means seems necessary to begin our discussion, as it represents the starting point of this study. As highlighted in previous research conducted by the Study Group for the Social Report (Associazione Nazionale per la Ricerca Scientifica sul Bilancio Sociale, 2011), we can examine the notion of territory from different perspectives:

- **Geological and natural perspective**: A territory is identified by its physical conformation and environmental assets;
- **Political-administrative perspective**: A territory is a portion that falls under the jurisdiction of one or more governmental authorities;
- **Anthropic geography perspective**: A territory is seen as a social artefact derived from human processes of territorialisation, i.e., the set of relations that societies entertain with the ecological, biological and anthropological world for the satisfaction of their needs and to obtain the highest level of autonomy;
- **Socio-economic perspective**: A territory is viewed as a set of tangible and intangible values, which includes the inhabitants, businesses, and other organisations, as well as the artistic, historical, and cultural heritage and physical assets.

However, adopting only one of these definitions means studying a place from a particular perspective and taking the risk of not grasping the complexity inherent in the very nature of the territory as a space where actions and actors are located. Today, studying a city or town requires an interdisciplinary approach capable of showing its entirety (Lapsley et al., 2010). Several economic geography studies propose adopting the Local Territorial System (LTS) model because it combines all perspectives in a unitary view. This model permits the potential development of the milieu (territorial context) to emerge by analysing the relationships between local actors and the specificities of the milieu in which they operate and act (Dematteis & Governa, 2005). Precisely, this model consists of four key elements:

- The local network of actors: This includes individuals, as well as public and private organisations, actively involved within the territory;
- The milieu: A collection of resources (i.e., cultural, environmental, societal, and economic) that belong to the territory;
- Interactions within the territory: The dynamic relationships between the local network of actors and the resources of the milieu;
- Interactions beyond the territory: Connections between the local network of actors and supra-local networks, such as regional, national, or European institutions.

According to this framework, collaboration between actors within both local and supra-local networks is essential for achieving shared objectives. These objectives include fostering economic development while safeguarding environmental sustainability and social welfare, ensuring equitable opportunities for all citizens, and enhancing the territory's role and visibility in regional, national, and global contexts.

Ultimately, the main goal of this model is to generate territorial value by harmonising the efforts of diverse stakeholders and leveraging local resources effectively (Jeannerat & Crevoisier, 2022)

The application of the LTS model fully satisfies the concept of territory emerging from the *Borghi* National Plan, which considers the territory a place where different actors create a network to achieve precise objectives on a specific territory through processes of symbolic and material transformation of the environment.

As a complex and multiform reality, the territory requires a plural and shared responsibility of several subjects. Consequently, creating networks between public and private actors is encouraged to spread the culture of social responsibility and sustainability (Basacco & Ossola, 2013)

Considering the territory as a common good means giving it a value beyond its economic dimension and recognising the importance of protecting its identity, natural resources and cultural heritage. This suggests that actors (including individuals, organisations, tourists, and public entities) must cooperate to respect and protect that territory, and their actions must be aligned with such a vision. In this context, Territorial Social Responsibility (TSR) emerges as a key approach for ensuring sustainable development. Despite being a relatively recent concept (DelBaldo & Demartini, 2016), TSR is rooted in the principles outlined in the National Action Plan on Corporate Social Responsibility 2012-2014 (2010:10), the first institutional document in Italy to expressly address the concept of TSR, which defines it as follows:

We can discuss Territorial Social Responsibility (TSR), whereby public policies promote synergies and partnerships. The interdependence between actors and local communities is a necessary element, allowing the promotion of both economic and commercial and social and cultural processes of internationalisation of the local area.

This definition, dating back to about twenty years ago, has linguistic similarities with the *Borghi* National Plan, as shown in the table below:

Table 1. Lexical comparisons.

National Action Plan	*Borghi* National Plan
synergies and partnerships	public-private collaboration
economic and commercial processes	employment growth, tourist attractiveness, revitalisation of the economic
cultural and social processes	revitalisation of the social fabric, counteracting demographic exodus, increasing cultural participation

Source: Author's elaboration based on the National Action Plan and *Borghi* National Plan.

Although it is not expressly stated in the definition of TSR, the entire document deals with environmental protection and sustainable development. Similarly, the *Borghi* National Plan repeatedly emphasises interventions to create a positive impact on the environment, as well as on the economy and society. This suggests that there is a form of TSR in which various subjects, in different ways, are responsible to those who accept the effects of their functions. To further develop this concept, it appears necessary to focus on stakeholders, who, in this context, include local communities, organisations, tourists, and other entities that can be engaged in these projects and informed. Stakeholder engagement and stakeholder communication represent two complementary approaches that project leaders must consider to implement TSR principles and achieve the goals of the *Borghi* National Plan. Stakeholder engagement is "a process where the organization strategically promotes *its* values when interacting with stakeholders: representative, transparent, accessible, responsive, and accountable. When these values are achieved, the sustainability of the organization's operations is enhanced, and mutually value-producing relationships with stakeholders are developed" (Franklin, 2020:12). Conversely, stakeholder communication involves "any process of interaction or information exchange between an organization and relevant people, groups, other organizations, or broader constituencies" (Koschmann & Kopczynski, 2017). Therefore, stakeholder engagement involves stakeholders in a constructive dialogue to understand their needs and meet their expectations. In contrast, stakeholder communication is a step that involves informing stakeholders about an organisation's initiatives.

Stakeholder engagement and communication present both opportunities and challenges. While engagement ensures diverse "voices" are heard and communication enhances transparency and accountability, differing stakeholder priorities can create tensions and complicate decision-making. Furthermore, effective stakeholder engagement and communication require investments of time and financial resources, which can be particularly challenging for small municipalities with limited capacities.

To engage and communicate with stakeholders, entities can use different communication strategies, which go from the more traditional media to the more digital ones, as well as social reporting tools, which, due to their importance within the broader non-financial reporting as stated before, are widely discussed in the following section, with a particular focus on the Italian public sector.

2.2   Social reporting in the Italian public sector

Institutional communication and social reporting have become essential in operating managerial practices, especially concerning large-scale investment programmes like the NRRP. Therefore, this subsection aims to illustrate key concepts, current practices, and challenges faced by the public sphere in its day-to-day management.

Institutional communication – or, in other words, that set of communicative strategies that any organisation performs towards its stakeholders (Cornelissen, 2023) – has recently undergone important changes. Although the private sector has traditionally focused communication on marketing and the need to gain a reputation through communication, the public sector has had to balance the need to inform with promoting civic participation (Canel & Luoma-aho, 2019). In the Italian context, Law 150/2000 formalised the importance of public communication, establishing the guidelines for transparency and accessibility of information.

On the other hand, social reporting has been developed as a practice expressing organisational activities' social and environmental impacts. There have been widespread communication tools, like social and sustainability reports, mainly due to international standards such as the Global Reporting Initiative – GRI. These tools are oriented towards transparency and can enhance the dialogue with the stakeholders and organisational performance, as stated by Laine et al. (2022).

Effective communication of the results is crucial in public investment programmes to maintain citizens' trust in the public sector. Implementing a multi-channel communication strategy to convey a message to stakeholders is also supported by EU programmes, which encourage using social media platforms, press releases, and websites of all the actors involved (see, among others, the Interreg Euro-MED 2021-2027). However, the nature of programmes represented by the NRRP puts unique challenges before communicating the results; it makes the very fine line between too much technical detail and general availability.

Relevance peculiarities about the NRRP communication can be linked to the Italian context. In fact, probably showing a thorough comprehension of the matter, the Three-Year Plan for Information Technology in Public Administration 2020-2022 points out digital transformation in public communication as an aspect on which to focus attention due to challenges with the digital divide and fragmentation of the communicative capacities of entities (Agenzia per l'Italia Digitale - AgID, 2020).

Focusing on accountability and the need to "account for," Siboni (2007) and Giacomini (2013) studied social reporting in local authorities, especially using the social report, one of the most widely used tools. Its importance became mainly widespread in 2006 with the Social Reporting in Public Administrations Directive issued by the Ministry of Public Administration and the Guidelines for

Social Reporting drawn up by the Observatory for Finance and Accounting of Local Authorities. These documents emphasise the diffusion of social reporting to be accountable for local authorities' work and make programmes, activities, and results transparent and understandable to the outside world. However, as it is voluntary, it has limited practical applications.

Giacomini's research also showed a propensity of larger local authorities (especially those with more than 100,000 inhabitants) to use social reporting standards and initiate social report processes that involve stakeholders. In comparison, in the case of medium-small municipalities (5,000-20,000 inhabitants) and medium-large municipalities (20,000-100,000 inhabitants), one social report was drawn up for every five municipalities. We have no factual data on Italian municipalities with fewer than 5,000 inhabitants on social reports. However, in another study, Giacomini et al. (2017) found a very scarce use of sustainability reports by small municipalities.

If we observe the situation in Sicily, the focus of this paper, considering the 2,122 municipalities with a population of fewer than 5,000 inhabitants, one social report was drawn up for every ten municipalities in the last ten years. If we observe the data more closely, the 21 municipalities with fewer than 5,000 inhabitants drew up a social report belonging to the Palermo area.

With the *Città Rete. Trasparenza e Legalità* project, which paid particular attention to the dimension of public communication, introduced a technical assistance and management consultancy path for public administrations to increase the culture of social responsibility, the transparency of administrative action, and citizen participation. This project addressed the 28 Sicilian municipalities of the Madonie-Termini Imerese territorial coalition. That led to the drafting of 29 social reports in 2014: one for each municipality involved and one concerning the territorial alliance from 2011 to 2013.

The *Borghi* National Plan does not require the adoption of social reporting tools (or corporate sustainability reporting to adopt the more recent terminology proposed by the European Union, European Union, 2022) despite emphasising the importance of the local community and other stakeholders. This suggests that identifying practical ways to report on the economic and social value generated by these projects within the *Borghi* National Plan is of considerable importance in understanding and representing the relationship between the mission and the activities carried out by the various partnerships to create benefits for the local community and other stakeholders. Therefore, the main research aim of this study is to explore whether social reporting tools may be adopted and, if not, identify other tools that can effectively engage stakeholders and ensure that the impact of these projects is communicated and clearly understood.

3. Materials and methods

This study uses a Computer-Assisted Web Interview (CAWI) survey to collect data from the winning municipalities in Sicily and from some partners who contributed to drafting the winning projects. The names of the 24 Sicilian municipalities – those that have implemented the projects – were taken from the official website of the Italian Ministry of Culture. At the same time, the selection of the project partners was based on a systematic approach using a Google search by using the names of the winning Sicilian municipalities combined with terms such as "project partner", "collaboration", "contributor", or "partnership". By analysing the results of this search, 35 organisations and entities were identified as project partners. They were explicitly mentioned in local press releases and media articles related to the winning projects, indicating their active contribution to the initiatives. This method ensured that the survey reached not only institutional representatives but also the broader

network of contributors directly involved in the success of the initiatives.

During the summer of 2022, the link for the CAWI survey was first sent to the mayors' e-mail addresses through Google Forms. If the address was missing or incorrect, the recipients were (in order) the Deputy Mayor, the Mayor's Secretariat, the Technical Office, or the municipality's generic e-mail address. The survey was also sent to 35 partners.

The survey was anonymous to enhance the quality of the data, as it allowed participants to provide unbiased responses. This methodological choice ensures that the insights provided are more reliable and reflect the respondents' experiences and opinions.

As the main focus of the research is to understand how municipalities and their project partners intend to communicate their results, social networks are also considered. The survey consists of eight closed-ended and two open-ended questions. Four questions, however, aim to give a general overview of the respondents, such as where the entities are located and the type of the organisation, so they are used to familiarise themselves with the sample. Through these questions, while the participants' identities remain unidentified, the survey results can be analysed in aggregate.

The response rate of 52.54% (31 respondents) is significant and suggests meaningful engagement with the survey. Additionally, the composition of the respondents (13 non-profit associations and nine municipalities, among others) provides insights into the diversity of perspectives represented in the sample, which also includes:

- Five limited liability companies;
- One foundation;
- One social enterprise;
- One agricultural company;
- One sole proprietorship.

Questions 1 to 3 below focus on stakeholder engagement and communication in the context of the community-led initiatives promoted by municipalities and their partners. Meanwhile, questions 4 to 6 examine how municipalities and their partners are familiar with social reporting tools and whether they plan to use them to report their projects' outcomes. Specifically, to carry out the research, the following key survey questions will be analysed in Section 4:

1. Suppose you had to quantify with a number from 1 to 5 (where 1 is the minimum value and 5 is the maximum value). How important do you consider the engagement of the local community and other stakeholders to be for the success of your project within the NRRP?

2. How do you plan to engage stakeholders (e.g., the local community) to get their impressions and proposals for the project's success?

   - surveys
   - focus group
   - a dedicated section on the municipality's website where users can write
   - a dedicated section on the project partners' websites where users can write
   - comments on the municipality's social networks
   - comments on project partners' social networks

- other

3. How do you plan to communicate the (intermediate and final) project results to stakeholders?

   - articles and specific sections on the municipality's website
   - articles and specific sections on the project partners' websites
   - posts on the municipality's social media networks
   - posts on the project partners' social media networks
   - social reporting tools[1]
   - articles in printed and/or digital newspapers
   - other

4. Have you ever heard of social reporting?

   - yes
   - no

5. Which tools of social reporting do you know?

   - social report
   - environmental report
   - mission statement report
   - gender report
   - sustainability report
   - integrated report
   - intellectual capital report
   - none of the above
   - other

6. Which of these social reporting tools has your organisation used in the last ten years?

   - social report
   - environmental report
   - mission statement report
   - gender report
   - sustainability report
   - integrated report
   - intellectual capital report
   - none of the above
   - other
   - I do not know

---

[1] In formulating the questions, the word "social" was used instead of "non-financial" as it is more widely known.

All the answers were compiled into an Excel file, and the data analysis was conducted using R (R Core Team, 2021). Graphical representations were created using the ggplot2 package for R (Wickham, 2016).

The following section provides the main results deriving from the survey. To better compare the results among the respondents, answers are presented by categorising the respondents into three main categories: associations, municipalities, and others, which include respondents who do not fall under the first two categories.

4. Results

The survey offers insights into the engagement and communication strategies of stakeholders that municipalities and their partners plan to implement for the *Borghi* National Plan. As illustrated in Figure 1, all the respondents agree on the importance of stakeholder engagement in ensuring project success within their territories. This suggests a shared understanding of the importance of collaborative efforts in engaging their stakeholders and effectively managing territorial responsibilities.

Figure 1. Importance of stakeholder engagement.
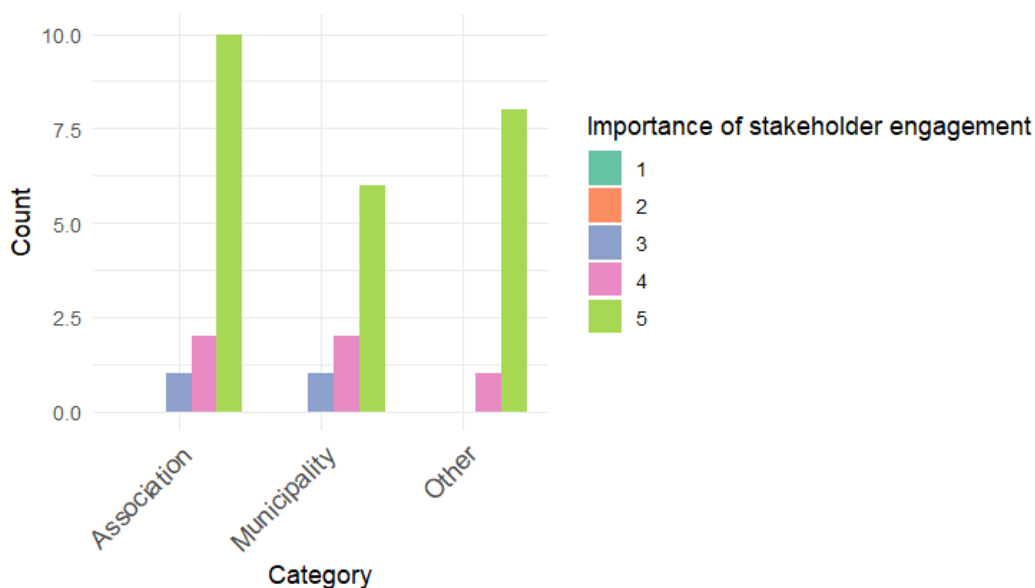
Source: Author's elaboration.

Of the 31 respondents who addressed the question regarding stakeholder importance, an overwhelming majority (n=24) rated stakeholder engagement as extremely important, assigning it the highest score of 5 out of 5. Five respondents gave it a score of 4, while only two assigned it a moderate importance of 3. This distribution indicates that entities involved in NRRP projects place a high value on stakeholder engagement, recognising it as fundamental for fulfilling entities' responsibilities throughout the project lifecycle.

Entities plan to employ various methods to facilitate this engagement with their stakeholders. As shown in Figure 2, focus groups emerged as the most popular approach (n=21) among the different categories of respondents, followed by surveys (n=17), especially for associations. Interestingly, 13

respondents want to create specific sections on municipalities' websites to engage their stakeholders, while ten plan to adopt social media platforms for stakeholder comments and feedback. This multi-faceted approach suggests adopting multi-channel communication to reach diverse stakeholders, which is crucial for addressing the complexities of territorial social responsibility. This tendency towards multi-channelling seems to be particularly evident among associations.

Conversely, municipalities do not seem prone to using partners' digital platforms. This may be because they still perceive communicating their project results as an institutional responsibility. In the "other" section, four respondents indicated they plan to create physical spaces for community dialogue.

Face-to-face meetings are not new to local authorities and their stakeholders. Most of the winning municipalities and Third Sector Organisations that filled out the survey are part of the territorial areas of Palermo and Messina. Indeed, the two metropolitan cities are implementing strategic plans for the next three years, as provided by Law 56/2014. To adopt and annually update a "three-year strategic plan for the metropolitan territory," each metropolitan city has tried to involve the territory in recent years through surveys, co-planning tables, and operational meetings.
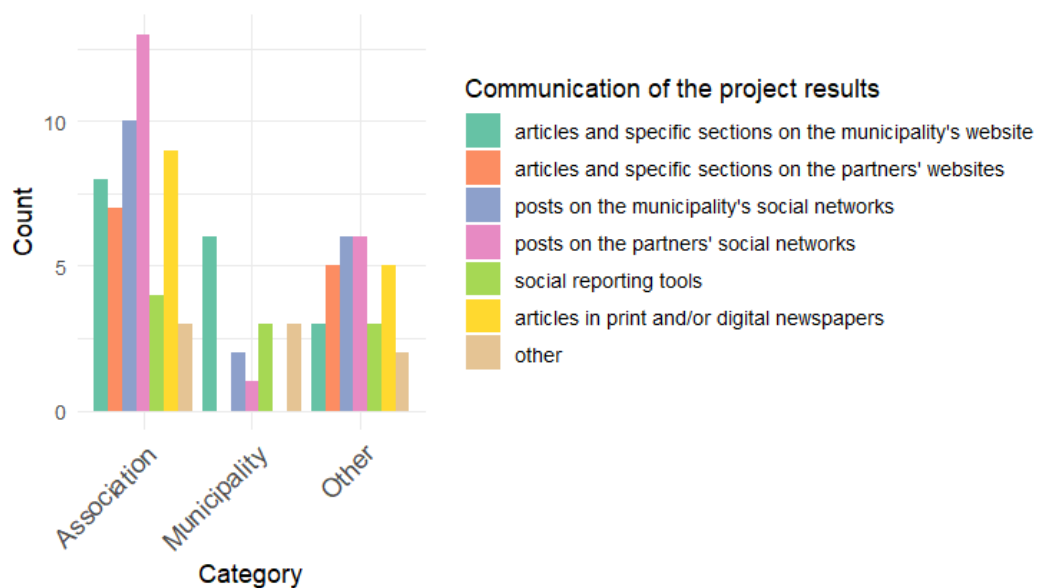
Figure 2. Tools for stakeholder engagement.
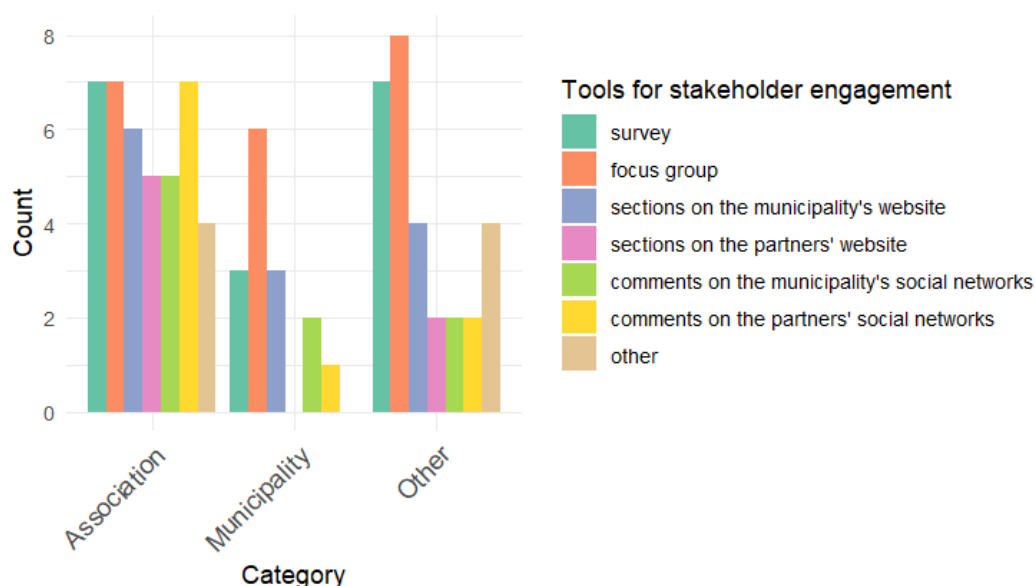
Source: Author's elaboration.

Regarding stakeholder communication, Figure 3 illustrates that entities intend to combine digital channels with traditional ones. Social media platforms (n=20) are likely to be the most adopted to involve stakeholders, followed by articles on specific sections of municipalities' websites (n=17). Traditional media are also important, with 14 entities planning to use newspapers to disseminate their results. Interestingly, ten respondents indicated their intention to use social reporting tools to communicate their results, recognising the importance of these instruments in stakeholder communication to maintain transparency and accountability within the territories.

Figure 3. Tools for communicating the project results.

Source: Author's elaboration.

Interestingly, while face-to-face meetings and focus groups are typically preferred for stakeholder engagement due to the shared space among participants, the scenario of stakeholder communication is different. Only three respondents consider it appropriate to set up in-person meetings with the local community, indicating perhaps a shift in priorities or considerations when engaging stakeholders in a more involved capacity. This contrast suggests that differences may exist between engagement and communication strategies, possibly requiring different approaches in each setting. Associations aim to adopt multi-channel communication strategies, while municipalities seem to prefer formal communication on their institutional websites. Despite only ten respondents considering the adoption of social reporting tools, the findings reveal a broader understanding of the concept.

In this regard, Figure 4 illustrates that most respondents (n=24) demonstrated familiarity with social reporting. This awareness aligns with the growing emphasis on corporate social responsibility and sustainability reporting within territorial contexts.
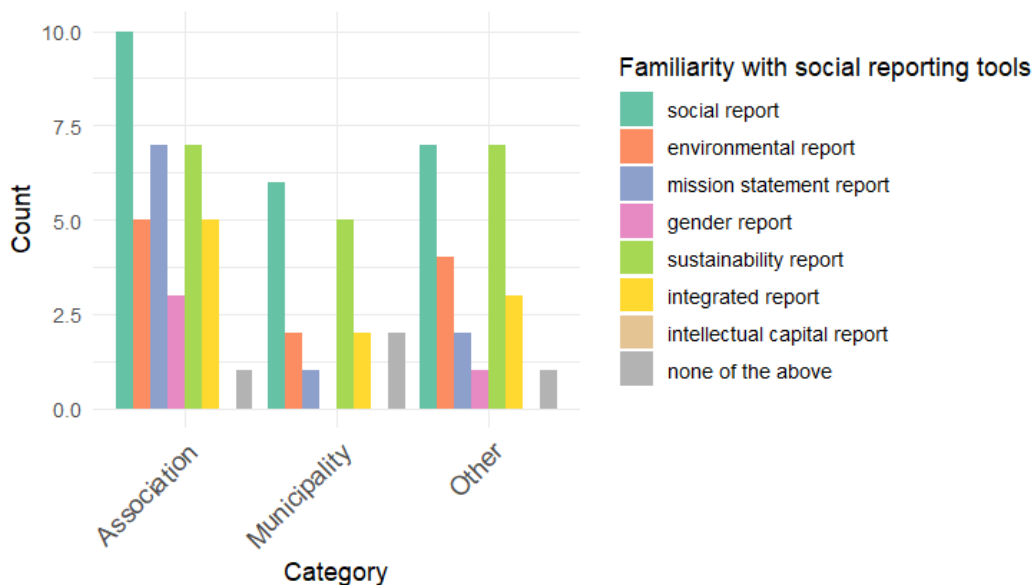
Figure 4. Awareness of social reporting.

Source: Author's elaboration.

However, respondents demonstrated varying levels of familiarity with specific social reporting instruments. Social reports are the most widely recognised (n=23), followed by sustainability reports (n=19). Environmental, integrated, and mission statement reports are familiar to approximately one-third of the respondents (n=11, 10, and 10, respectively). Gender reports are less known (n=4), while intellectual capital reports were unfamiliar to any surveyed entities, as shown in Figure 5.

Figure 5. Familiarity with social reporting tools.

Source: Author's elaboration.

The survey reveals a significant gap between awareness and actual implementation of social reporting tools. As depicted in Figure 6, when asked about using such tools in the last ten years, 12 respondents stated not using any social reporting tools. Social reports have been the most adopted (n=9), followed by sustainability reports (n=4) and integrated reports (n=3). Environmental reports and mission statement reports have each been adopted by two entities. No surveyed entities have used gender or intellectual capital reports. Eight respondents expressed uncertainty about their organisation's usage of these tools, which could indicate a lack of institutional memory or inconsistent reporting practices. This discrepancy between awareness and implementation of social reporting tools presents both a challenge and an opportunity for improving territorial social responsibility. While many organisations know these instruments, their adoption remains limited, especially by municipalities. However, the presence of project partners who publish (mandatorily or voluntarily) such reports can help increase their adoption in the public sphere.

Figure 6. Adoption of social reporting tools.
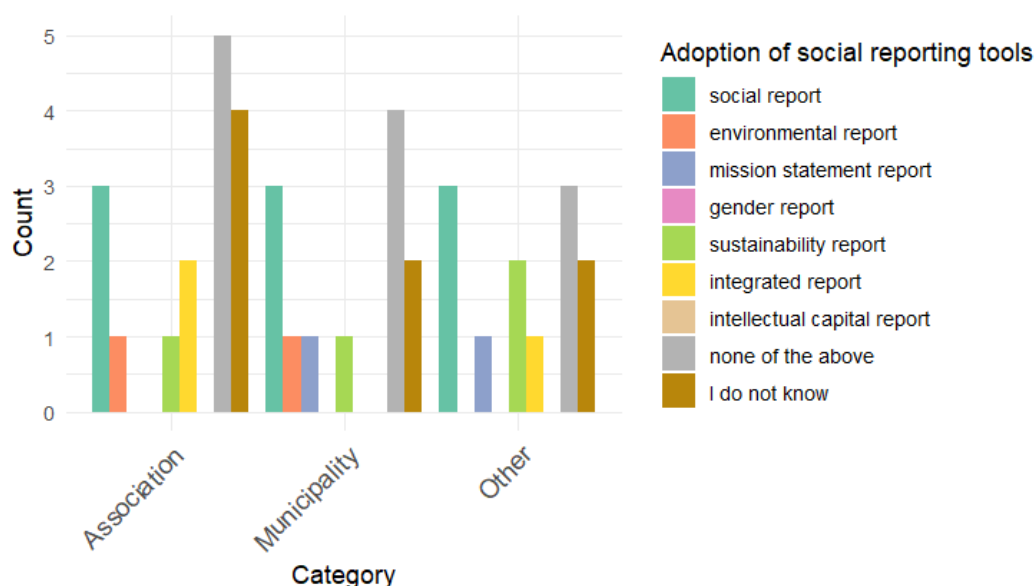
Source: Author's elaboration.

5. Discussion, conclusions, and future implications

The *Borghi* National Plan has made available the most considerable funding for revitalising the culture and revival of Italian municipalities with fewer than 5,000 inhabitants. This initiative shifts from a fixed conceptualisation of "territory" to the LTS model, which offers a broader definition. This shift allows for an interdisciplinary perspective on individual places, grasping every characterising element. In this vein, the concept of TSR fits perfectly into this framework, offering an approach that shifts its focus from individual responsibility to a collective and systemic dimension capable of involving all actors in the territory. A crucial aspect of managing TSR within the *Borghi* National Plan projects is represented by stakeholders that must be engaged for the success of these territorial projects. While many engagement methods have been established, such as focus groups and surveys, there is growing awareness of digital tools' potential, as confirmed by recent studies (e.g., Giacomini et al.,

2021).

Additionally, among tools to involve stakeholders, social reporting tools can play a crucial role in ensuring transparency and accountability. However, the survey revealed a gap between awareness and actual implementation of social reporting practices. Indeed, while 77.42% of respondents stated that they were familiar with social reporting tools, only 32% plan to adopt them to communicate with their stakeholders. These findings align with those of Giacomini et al. (2017), whose study shows that only 1.2% of the 162 small Italian municipalities with fewer than 5,000 inhabitants investigated in 2013 adopted one of these tools (sustainability reports in this case).

Considering the importance that such community-led projects have and the impact they aim to generate, such tools may represent an opportunity for municipalities and project partners to align their initiatives and practices with their responsibilities.

Another interesting finding is related to the high propensity of the municipalities to use their own channels to communicate their project results, with a preference for their websites (66.67%), seeing them as institutional means. In this sense, Braccioni (2023) argue that institutional websites are still considered the first communication tool adopted by the public administration to inform their stakeholders.

Municipalities can manage their territorial responsibilities more effectively by adopting comprehensive social reporting tools and multi-channel communication strategies. As planned activities are implemented, the culture of communication, enhanced by strategic social reporting, will become increasingly relevant. This approach will help improve project outputs and foster the trustful and collaborative relationships necessary for sustainable territorial development.

Therefore, the actors involved in *Borghi* National Plan projects are accountable to the local communities where the projects occur. Consequently, they should "account" for their activities and actions through appropriate social reporting tools. The social report is the most well-known and frequently used document for this purpose. There are guidelines for its drafting by local authorities and Third Sector Organisations, for which, based on specific characteristics, it becomes a mandatory document. While guidelines exist for its drafting by local authorities and Third Sector Organisations, there is no specific reporting model for territories. In this regard, as highlighted by the Study Group for the Social Report in 2011, the content of such a reporting model should depend on the choices made by those taking the initiative and their approach to territorial social responsibility.

In the context of the *Borghi* National Plan, the single municipality and its project partners cooperate in implementing specific interventions to impact the territory positively. If each actor were to carry out its social report mandatorily or voluntarily, the consequence would be a fragmented and uneven representation of the socio-economic value these organisations produce on their territory. This issue is compounded by the fact that project partners may be located in other Italian regions or operate in several territories, even distant from each other. Consequently, adopting plural social reports would not be sufficient. Territorial social reporting can, therefore, emerge as a solution to these challenges. It can be a valid accountability tool adopted by a plurality of actors who operate in the interest of the same territory with different roles and in synergy to achieve common objectives in favour of the local community and other stakeholders.

According to Basacco and Ossola (2013), a shared social report can achieve several goals, including:

- Defining clear objectives traceable to a more structured operational planning;

- Promoting non-self-referential communicative interchange between all the active players in a given area, creating a climate of trust and shared values;
- Providing the local community and all stakeholders with an overall picture of the socio-economic performance achieved in the area by the various actors involved in the revitalisation process of the individual village;
- Assessing the social, economic, and environmental impact of various initiatives and actions on the territory.

While there is no official standard for developing social reporting for joint projects, the present research calls for shared and collaboratively designed documents that account for the work and successes achieved and the impacts generated over the project's lifespan and contemplate possible future developments. For this reason, the study has practical implications for municipalities, emphasising the need to adopt more comprehensive social reporting tools and multi-channel communication strategies to support the broader diffusion of good territorial management practices. It also stresses the importance of aligning proposed communication strategies with TSR practices at every project stage. In this regard, Manes-Rossi et al. (2017) argue that when a territory is characterised by a high presence of actors who cooperate and are actively involved in cultural activities, a territorial report can be considered a valid tool for communicating common strategies and raising awareness within the local community about all the processes.

However, implementing these tools also presents significant challenges. Budget constraints may limit municipalities' ability to invest in the required resources, while a lack of expertise could compromise the effective design and adoption of social reporting tools.

Additionally, the need for more coordination among various project partners introduces complexity, especially when they operate in different regions. Consequently, these challenges need strategic planning and support to adopt social reporting practices successfully.

The present research also has theoretical implications. By integrating the LTS model and TSR, the study underscores the need for a more dynamic and interdisciplinary approach to community-led initiatives. The expanded definition of territory provided by the LTS model aligns with the emphasis on accountability and stakeholder engagement provided by the TSR, which underscores the importance of strategies considering social, economic, and environmental impacts. In adopting these theoretical conceptualisations, the *Borghi* National Plan offers an opportunity to reflect on the value of accountability and provides a foundation for enhancing a more integrated and sustainable approach to responsible territorial development.

However, the research has some limitations. First, the survey sample is limited in its scope. It may not fully capture the differences in practices and perspectives across the categories analysed, which adopt different frameworks to account for their activities. Second, the research is limited to municipalities and their partners involved in projects based in Sicily. Consequently, generalising the findings might be challenging outside of the Sicilian region. Future research should try to include respondents from a much broader and more diverse environment to identify potential differences across territories. Lastly, the research examines the communication strategies that municipalities and their partners plan to implement. However, future studies should investigate whether there are differences between the strategies initially proposed and those employed at the end of the projects. Such a follow-up can provide helpful information on how effective the planned approaches are, including any changes made after running the project.

Acknowledgements

Conflict of interest

The author declares no conflicts of interest in this paper.

References

Agenzia per l'Italia Digitale (AgID). (2020). *Piano Triennale per l'Informatica nella Pubblica Amministrazione 2020-2022*. https://www.agid.gov.it/it/agenzia/piano-triennale

Associazione nazionale per la ricerca scientifica sul Bilancio Sociale. (2011). *Il bilancio sociale. Documento di ricerca n. 12. La rendicontazione territoriale: Le finalità, il processo, gli indicatori*. Giuffrè Editore. https://gruppobilancisostenibilita.org/pubblicazioni/documenti-di-ricerca/la-rendicontazione-territoriale-le-finalita%E2%80%99,-il-processo,-gli-indicatori-documenti-di-ricerca-n-12

Avviso pubblico per la presentazione di Proposte di intervento per la rigenerazione culturale e sociale dei piccoli borghi storici da finanziare nell'ambito del PNRR, Missione 1 – Digitalizzazione, innovazione, competitività e cultura, Component 3 – Cultura 4.0 (M1C3). Misura 2 "Rigenerazione di piccoli siti culturali, patrimonio culturale, religioso e rurale", Investimento 2.1: "Attrattività dei borghi storici", finanziato dall'Unione europea – NextGenerationEU. (2022). https://pnrr.cultura.gov.it/avviso-pubblico-progetti-di-rigenerazione-culturale-e-sociale-dei-piccoli-borghi-storici-pnrr-m1c3-investimento-2-1-attrattivita-dei-borghi-linea-b/

Bartocci, L., & Picciaia, F. (2013). Towards Integrated Reporting in the Public Sector. In C. Busco, M. L. Frigo, A. Riccaboni, & P. Quattrone (A c. Di), *Integrated Reporting* (pp. 191–204). Springer International Publishing. DOI: 10.1007/978-3-319-02168-3_12

Basacco, B., & Ossola, P. (2013, giugno 7). *Rendicontazione socio economica di territorio delle organizzazioni nonprofit. Case history in provincia di Torino*. VII edizione del Colloquio Scientifico sull'impresa sociale, Torino.

Biondi, L., Demartini, P., Marchegiani, L., Marchiori, M., & Piber, M. (2020). Understanding orchestrated participatory cultural initiatives: Mapping the dynamics of governance and participation. *Cities*, *96*, 102459. DOI: 10.1016/j.cities.2019.102459

Braccioni, G. (2023). Social network e pubblica amministrazione: Criticità e best practice. *Rivista italiana di informatica e diritto*, *5*(2), 219–239. DOI: 10.32091/RIID0115

Canel, M. J., & Luoma-aho, V. (2019). *Public sector communication: Closing gaps between citizens and public organizations*. Wiley Blackwell.

Cannizzaro, B. V., & Ruisi, M. (2024). Collaborations Among Cultural Heritage Sites: A Network Analysis Perspective. In F. Calabrò, L. Madureira, F. C. Morabito, & M. J. Piñeira Mantiñán (A c. Di), *Networks, Markets & People* (Vol. 1184, pp. 194–200). Springer Nature Switzerland. DOI: 10.1007/978-3-031-74608-6_18

Cornelissen, J. (2023). *Corporate communication: A guide to theory and practice* (Seventh edition). SAGE.

DelBaldo, M., & Demartini, P. (2016). Responsabilità sociale di territorio, network sinergici e governo locale. *Piccola Impresa / Small Business*, *3*. DOI: 10.14596/pisb.229

Dematteis, G., & Governa, F. (2005). *Territorialità, sviluppo locale, sostenibilità: Il modello SLoT*. F. Angeli.

European Union. (2022). *Directive 2022/2464/EU of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (Text with EEA relevance)*.

Farneti, F., Guthrie, J., & Canetto, M. (2019). Social reports of an Italian provincial government: A longitudinal analysis. *Meditari Accountancy Research*, *27*(4), 580–612. DOI: 10.1108/MEDAR-11-2018-0397

Farneti, F., & Siboni, B. (2011). An analysis of the Italian governmental guidelines and of the local governments' practices for social reports. *Sustainability Accounting, Management and Policy Journal*, *2*(1), 101–125. DOI: 10.1108/20408021111162146

Franklin, A. L. (2020). Introduction to Stakeholder Engagement. In A. L. Franklin, *Stakeholder Engagement* (pp. 1–17). Springer International Publishing. DOI: 10.1007/978-3-030-47519-2_1

Giacomini, D. (2013). La diffusione del bilancio sociale nei comuni italiani. In M. Mazzoleni (A c. Di), *Riflessioni di impresa: Alla ricerca di nuovi paradigmi* (pp. 321–340). Giappichelli.

Giacomini, D., Mazzoleni, M., Rocca, L., & Carini, C. (2017). *Trends in the Sustainability Reporting in Italian LGOs: Better Stick or Carrot?* DOI: 10.20944/preprints201709.0025.v1

Giacomini, D., Rocca, L., Zola, P., & Mazzoleni, M. (2021). Local Governments' environmental disclosure via social networks: Organizational legitimacy and stakeholders' interactions. *Journal of Cleaner Production*, *317*, 128290. DOI: 10.1016/j.jclepro.2021.128290

Interreg Euro-MED. (s.d.). *Communication Strategy 2021-2027*. https://interreg-euro-med.eu/wp-

content/uploads/documents/published/en/programme-documents/programme-documents/communication/interreg_euro-med_comm_strategy_21-27_en.pdf

Jeannerat, H., & Crevoisier, O. (2022). From competitiveness to territorial value: Transformative territorial innovation policies and anchoring milieus. *European Planning Studies*, *30*(11), 2157–2177. DOI: 10.1080/09654313.2022.2042208

Koschmann, M. A., & Kopczynski, J. (2017). Stakeholder Communication. In C. R. Scott, J. R. Barker, T. Kuhn, J. Keyton, P. K. Turner, & L. K. Lewis (A c. Di), *The International Encyclopedia of Organizational Communication* (1ª ed., pp. 1–13). Wiley. DOI: 10.1002/9781118955567.wbieoc193

Laine, M., Tregidga, H., & Unerman, J. (2022). *Sustainability accounting and accountability* (03 ed.). Routledge.

Lapsley, I., Miller, P., & Panozzo, F. (2010). Accounting for the city. *Accounting, Auditing & Accountability Journal*, *23*(3), 305–324. DOI: 10.1108/09513571011034316

Law 150/2000. (2000). *Regulation of the information and communication activities of public administrations. Italian Republic*.

Manes-Rossi, F., Allini, A., & Macchioni, R. (2017). The Territorial Report as an Accountability Tool. A Proposal for Bloomsbury. In Lops & A. Trotta (A c. Di), *"DEMOCRATIC HIGHBROW" Bloomsbury between Élite and Mass Culture* (pp. 241–258). MIMESIS.

Mussari, R., & Monfardini, P. (2010). Practices of Social Reporting in Public Sector and Non-profit Organizations: An Italian perspective. *Public Management Review*, *12*(4), 487–492. DOI: 10.1080/14719037.2010.496262

National Action Plan on Corporate Social Responsibility 2012-2014. (2010). https://www.mimit.gov.it/images/stories/documenti/Piano_RSI_2012_2014_EN.pdf

Preite, D., & Falivena, C. (2023). *I comuni verso gli SDG: Analisi della spesa per la sostenibilità* (Prima edizione). EGEA.

R Core Team. (2021). *R: A Language and Environment for Statistical Computing*. https://www.R-project.org/

Roberto, F., Maglio, R., & Rey, A. (2020). Accountability and Sustainability Reporting in the Public Sector. Evidence from Italian Municipalities. In D. Crowther & S. Seifi (A c. Di), *CSR and Sustainability in the Public Sector* (pp. 19–34). Springer Nature Singapore. DOI: 10.1007/978-981-15-6366-9_2

Saini, N., Singhania, M., Hasan, M., Yadav, M. P., & Abedin, M. Z. (2022). Non-financial disclosures

and sustainable development: A scientometric analysis. *Journal of Cleaner Production*, *381*, 135173. DOI: 10.1016/j.jclepro.2022.135173

Siboni, B. (2007). *La rendicontazione sociale negli enti locali: Analisi dello stato dell'arte*. F. Angeli.

Wickham, H. (2016). *Ggplot2*. Springer International Publishing. DOI: 10.1007/978-3-319-24277-4