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Experiments in Social Activation in the Netherlands

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1. Executive Summary

The peer review in the Netherlands was the fourth in the current programme of Peer Reviews of national social inclusion policies. It took place in The Hague, Netherlands, on 15 and 16 June 2004. Representatives from five peer countries participated: Bulgaria, Latvia, Poland, Slovenia and Spain, together with two Europe-wide stakeholder organisations: the European Anti-Poverty Network and Eurocities (on behalf of the European Public Social Platform). Mr Hugues Feltesse represented the European Commission. The Dutch State Secretary of Employment and Social Affairs, Mr Mark Rutte, participated in the first part of the Peer Review meeting.

The good practice
The meeting set out to evaluate the success of the Experiments in Social Activation carried out in Dutch municipalities between 1996 and 2001, and to assess the possibilities for transfer of these initiatives to other EU Member States. Between 1996 and 2001, the Dutch government created flexibility in the national Social Assistance Act, to stimulate that people with little prospect of securing employment became more active. They could be exempted from their job search obligation, for example, and were allowed to obtain premiums for activities such as training or voluntary work, without deduction from their benefits, on condition that they were actively participating in a social activation programme.

The peer review members took also part in four site visits in the city of The Hague: a mothers’ meeting place, ‘De Koffiepot’; a health and exercise programme; a shop training course; and a centre for language and basic skills learning.

The experiments marked a new approach to social assistance, designed to help people to realise their potential and become socially integrated. Results showed an 87% satisfaction rate among clients, who reported higher self-esteem and wider social contacts. Around 16% secured work. Since the end of the experimental period, the activities have been mainstreamed into local authority policy. The government set aside €18 million as an incentive fund to encourage local authorities to launch activation schemes ranging from voluntary work and work trial placements to training and language courses, sports and cultural activities.

The relevance for transferability
The assessment focused on three aspects of transferability. Under the client-oriented heading, the group was interested in how problems are diagnosed and
objectives set. There was general agreement that extending human capabilities is a crucial element of Social Activation. The capability approach refers to activities aiming at the empowerment of clients. It has substantial effects on the participants’ resources: physical and mental health; social capital (social contacts, feeling of participation and citizenship; human capital (learning-by-doing, education, training); cultural capital; and in conjunction with other capabilities, employability.

With regard to institutional aspects, there was much debate on the Netherlands’ use of privatised ‘reintegration companies’ and whether these could be adapted to the peer countries. The government-backed central resource centre ISSA was seen as a particularly transferable element.

On evaluation, some of the group felt it would be important to have better indicators and tools for measuring the impact of Social Activation, given that the number of people obtaining work is not the only criterion, but that expanding human capabilities in a whole number of directions is also key to success.

However, several peer group members, including Spain, drew attention to the difficulty of implementing a national programme in a country where social policy is highly decentralised, although they were interested in applying the methodological aspects. Polish participants pointed out that in areas of mass unemployment, broader policies offer better value for money and more public support than approaches focused on the individual.
2. The issue: experiments in social activation

Social activation can either be seen as a first attempt to guide and support unemployed people – especially longterm unemployed – on their way back to the labour market and to paid employment. It can also be looked at from another perspective, where paid employment is not the ultimate goal, at least not at short notice, but serves as a tool to stimulate people to participate in society in other ways.

The social activation experiments in the Netherlands have been informed by these two major considerations: on the one hand, many recipients of the guaranteed minimum income appeared to be so far removed from the labour market that pathways to employment were considered unrealistic for them in the short run. On the other hand, it was felt that these people had the right to participate more fully in society than through income transfers and employment-related services. Other activities such as participation in voluntary work or training courses were seen as valuable ways to promote social integration.

In his opening words, State Secretary Mark Rutte stated that for the department of Social Affairs and Employment social activation is seen as an intermediate stage on the pathway to paid employment. He explained that this involved a change of attitude. Ten years ago the principle of social activation was not considered an option in the Netherlands. “We were good at providing benefits and bad at helping people into work.” Inwardly oriented bureaucracies were operating merely as ‘benefits factories’.

The first lesson was that institutions, and the people working in them, needed to adopt a different approach that prioritised helping people to find work. This is known as ‘activation’. The second lesson involved treating people as individuals, with possibilities and opportunities, rather than numbers on files.

These lessons have proved to be of great value and their impact is still being felt. However, much needed to be done to implement the change, across the entire range of social security.

Mr Rutte said the government had two aims: trying to prevent social exclusion, and using social activation to ensure that people have the prospect of paid work. This is reflected in the metaphor of the ‘integration ladder’ used in the Dutch National Action Plan: ‘The way in which people greatly distanced from the
labour market are again offered a place in society, and how they are led (over time) back into the labour market, can be seen as a ‘reintegration ladder’. This ladder generally begins with careful steps by means of social activation, for example. The top of the ladder is reached with regular work. Each step on this ladder demands higher skills requirements, whereby the goal to be achieved by the individual must be both realistic and challenging. What is a realistic goal for one client can change over time.¹

Social Activation is seen as the first step on the ‘ladder’ to social reintegration. As such, it is aimed at people with the most serious problems, who are furthest away from the jobs market, including alcoholics and drug addicts, people with health or psychological problems, single mothers with little support, immigrants with poor language skills, and those who are unqualified or illiterate. Many in the target group face a combination of these obstacles. Although regular employment is the ultimate objective, not everyone who takes part in social activation will be capable of achieving this goal.

For these reasons, the Dutch parliament amended the General Law on Social Assistance (ABW) as from 1st January 1996 through ‘Article 144’, allowing municipalities to deviate from the regulations in several ways. On the basis of the evaluation of these temporary experiments, the Parliament would later decide whether (and how) the social assistance law would be permanently adjusted. The most important (temporary) derogations were the following:

• ‘premiums’ received by social assistance recipients for participation in social activation activities would no longer be deducted from their social assistance benefit;
• clients could be exempted from the job search obligation while participating in social activation activities such as voluntary work, training, assessments etc.

In practice, article 144 meant that alternative forms of socially useful activities, besides work-oriented activities, were recognised as valuable pathways to social integration. It should be stressed, however, that re-integration into the formal labour market remained the ultimate goal of social activation, albeit in the longer run. Surveys among social assistance recipients revealed that the vast majority of them aspire to paid employment as the main lever for integration.

The experiments were initially meant to end on 1st January 2000, but were prolonged until the end of 2001. The two main derogations listed above have in the mean time been integrated into the General Law on Social Assistance. As from 1st January 2004, a new ‘law on work and social assistance’ (WWB) has become operational, in which the social activation experiments have implicitly been perpetuated, though with amendments: municipalities now receive block grants for social assistance, relief work etc., with greater flexibility in spending. Rules and conditions have been considerably diminished. Social activation is considered as one of the legally admitted destinations, either as a route towards work, or (if this appears to be unfeasible) as a separate objective. In this way, their degree of freedom in designing their own social inclusion policy is considerably raised.

Monthly premiums for voluntary work are no longer paid to participants; they can be replaced with a one-shot (yearly) compensation (up to a given ceiling) which can only be disregarded in the calculation of benefits following a specific decision by the municipal government. The exemption from job search remains limited to individual exceptions.
3. The European context

“It is vital, in the context of an active welfare state, to create modern systems of social protection which promote access to employment” This statement, taken from the Conclusions of the Nice Summit (2000), summarises the philosophy of social protection in the context of the EU’s social inclusion strategy. Within objective 2 (access to resources), the reference to employment-friendly social protection systems is further specified as follows:

- “guarantee that everyone has the resources necessary to live in accordance with human dignity;
- overcome obstacles to employment by ensuring that the take-up of employment results in increased income and by promoting employability.”

The Dutch social activation policy combines these two goals. It aims to foster the human dignity of social assistance recipients, not only through income transfers, but also through opportunities for active participation in social life. At the same time, social activation is seen as a stepping stone towards full integration into the labour market. The Social Activation experiments are mentioned in the 2003 Joint Inclusion Report as an example of good practice in the chapter about strategic options. Further, the section about pathways to employment in the Joint Inclusion Report refers to the concept of the ‘integration ladder’ underpinning social activation: the activities offered to welfare recipients are not meant as an alternative, but as an intermediate stage on the path to formal employment.2

Activation is a widely used strategy (see also the NAPs of Belgium, Ireland, Luxembourg, Sweden and the United Kingdom) but the Dutch experience with social activation may well be unique. The more straightforward approaches include either a tightening of eligibility conditions (including compliance with ‘integration contracts’), or a mix of financial sticks and carrots to influence the clients’ behaviour. In some countries, there are (or have been) schemes providing community work in exchange for (some equivalent of) social assistance (e.g. the New Deal for Young People in the UK, the Social Services Act in Norway, Emplois-Jeunes and more recently the Revenu Minimum d’Activité (RMA) in France); however, none of these schemes offered tailor-made, flexible pathways, nor did they involve the same degree of choice as Social Activation in The Netherlands. In this respect, the Dutch scheme is genuinely innovative.

2 Joint Report on Social Inclusion 2003 (7101/04), p. 45 and 46-47
The ultimate objective of paid employment for all is consistent with the objectives of the EU’s open co-ordination, and is underpinned by the finding that the majority of participants in the Social Activation experiments show an explicit preference for paid employment. It is also, to a large extent, endorsed by European associations with a long experience of dialogue with people living in poverty, e.g. ATD-Fourth World. The image of a ladder to employment fits perfectly with the Nice objectives\(^3\), aiming at improving human dignity and promoting the transition to regular work. Many people in poverty aspire to paid work, but is it feasible to expect everyone to be able to get a job? Some have no illusions about their inability to meet employers' demands. Therefore Dr Nicaise warned against the risk of creating an ‘activation trap’, where people achieve an acceptable level of integration and therefore have no incentive to move on towards employment.

Dr Nicaise has been a board member of ATD-Fourth World for many years and voices their criticism of employment as the sole solution to poverty. Beyond the aspiration to work lies the aspiration to equality and the rejection of low-status relief jobs by the poor. ATD-Fourth World criticises the dichotomy between work and non-work in European social policies. ‘Forced inactivity’ is the fate of those who have been excluded from paid employment and whose activities are restricted, for reasons of fraud prevention in social protection systems, to a strict minimum of daily routine activities. ATD complains about the degrading and de-moralising restrictions imposed on unemployed, sick or disabled persons and advocates greater flexibility of social protection regulations, including the freedom to exert some (self-chosen) informal activities such as voluntary work, education, home care etc. as stepping stones towards paid employment.\(^4\) EAPN representative Mr Andreas Hutter also emphasized that it is a misconception to think that poor people are inactive; they are very active already, because they have both to fulfill the various ‘expectations’ of the different administrations and to organise their more complex lives as poor persons in order to survive. Poor people are constantly struggling to get by, so activation must mean offering new opportunities.

\(^3\) Common objectives on poverty and social exclusion, agreed by the European Council in Nice, December 2000.

In the experimental phase the Dutch programme was hardly ever coercive, and was attractive for that reason, although the conditions for participation may have become stricter since the mainstreaming phase. Dr Nicaise denied a conflict between freedom and effectiveness – some coercive systems are clearly very ineffective. Recent programmes in Denmark (compulsory training for the long-term unemployed in the late 1980s) and the UK (‘Youth Training Scheme’), for example, stigmatised participants and reduced their reintegration chances. The typical US approach offers only two options: work or loss of benefits. But some people need training or family support before they can work. On the other hand, the municipality of The Hague experienced quite positive results with a more coercive approach to social activation. The more diverse a system is the more likely it is to succeed. The Dutch social activation scheme offers a good example to Europe of such a diverse system.
4. **The good practice example**

4.1 **Social activation in practice**

The content of the activities offered to social activation clients ranges from ‘purely’ social to ‘purely’ labour market-oriented, but most of them were mixed (and the tendency has been to use mixed approaches more and more). The activities can be classified into six categories:

- voluntary work in associations (in some cases, clients were encouraged to pursue the voluntary work which they already performed informally);
- other socially useful activities or cultural activities;
- work trial placements: here, for obvious reasons, the duration of the placements has been restricted and the nature of the work performed had to be different from the jobs carried out by clients in subsidized employment schemes. The activities may take place in social enterprises and include some domestic services, recycling etc.);
- continued training: courses could be vocational (e.g. ICT-courses) or focused on personal development (for example, cycling for immigrant women) or on social skills;
- care (offered to the clients themselves): debt management, drug rehabilitation, mental health care etc.; and
- other tailor-made activities such as competence assessment.

In most local projects, more than one type of activity is on offer, and clients indeed tend to combine different activities. In the majority of cases, voluntary work is one of the elements of a social activation pathway. As the target group appears to become gradually more disadvantaged, care gains importance in the package. Other frequent activities include further education and training. The average participant spends 11-12 hours per week on social activation, although there is great variation (from 1 hour to quasi-full time activity).

The activities are typically tailored to the needs and capacities of the individual, which means that groupwise activities are certainly not predominant. Yet, in many cases, the individual pathway includes participation in group sessions in alternation with individual activities. Since the launch of the Social Activation Programme, government has been encouraging municipalities to foster coop-

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eration between different local agencies on programmes for groups of people far from the labour market. Due to the complexity of clients’ problems to be addressed in the projects, municipal social services have either developed partnerships with specialized welfare services, or even outsourced projects. Partners include mental health centres, community centres, social enterprises, shelters for the homeless, schools etc.

The target group of social activation has been gradually extended. The initial experiments were targeted at social assistance recipients, the so-called ‘phase 4’ clients. In the context of the Dutch labour market policy, the labels ‘phase 1’ to ‘phase 4’ refer to the distance from the labour market, to be bridged with the individual. Phase 4 refers to the most vulnerable group(s), for whom integration into work is considered unfeasible in the short term. Most phase 4 clients combine their long-term inactivity with a low level of qualification and other personal or social problems such as psychic disorders, homelessness, language barriers or a broken family.

Some people will only take part in the first levels of activation – the first steps on the ladder towards social integration – because they will never be equipped to enter the labour market. Measures could range from helping them to kick a drugs habit or dealing with psychological problems such as agoraphobia, up to support in subsidised work. On the other hand, some people enter the scheme at a higher level because they are already nearer employment. Municipalities can use their block grants for reintegration to support both social and employment activation activities. Some 130 municipalities have made use of article 144 in the period 1996-2001. By now, social activation has been mainstreamed in almost all municipalities in The Netherlands.

4.2 Financial arrangements

Municipalities now receive a total budget of €1.6 billion per annum for the whole range of social assistance measures including training and subsidised work, covering 400,000 people. This represents a cut in the planned 2004 budget of €600 million. It compares with national spending of €5 billion for benefit payments, which fluctuates according to the number of people unemployed. Some 1.3 million people are in receipt of other benefits. Local authorities have limited tax-raising powers, and therefore limited budgets, so the government needs to provide funds each year to help them implement policies. Helping poor people has traditionally been a local responsibility, and people in the Netherlands have had the right to social support since 1963.
Until the late 1990s the government covered all social benefits payments on an open-ended basis. Under the new 2004 law on work and social assistance (WWB) municipalities have more freedom to tailor their own solutions to local circumstances. The benefits budget is fixed each year on estimates of number of claimants and then allocated to municipalities. If they fall short in their re-integration efforts they will not have enough money for payments and will have to draw on other funds. As the economic cycle improved around the turn of the millennium and job opportunities became more accessible for the most dynamic individuals from those vulnerable target groups, the profile of the remaining target population for social activation changed also, with an increasing proportion of clients needing care. Municipal social services therefore collaborate increasingly with other public and private stakeholders, even on the regional level, to reach their targets.

4.3 Implementation

Different municipalities in the Netherlands implement the programme in different ways. The municipality of The Hague was selected to present and illustrate the implementation of the social activation experiments at the local level. The Hague, with a population of 450,000, has 23,000 people on social assistance, for an average period of seven to ten years, and at least 10,000 of these will never be ‘activated’ to paid employment. Since January 2003, 2,105 have been diagnosed as suitable for social activation, which is seen as the first step on the reintegration ladder. Of these, 1,468 were transferred to reintegration companies, and 1,222 joined the programme. First results show 28% found work, 30% continued for a second year, 89 people left the programme and 30% have no result yet. The programme is mandatory, and non-compliance, when caused by unwillingness to participate, brings benefit cuts of 50-100%. Clients who fail to attend the first meeting lose 10-20% of their income. Benefits levels are decided at national level and currently are €750 per month for individuals and €1,200 for families.

The goal of social activation is to make people self-sufficient and able to work at least 20 hours a week. The typical client is socially isolated, has been on benefits for more than three years, and may have health or psychological problems. Most are non-national and do not speak good Dutch. Each year, 1,100 new clients join the programme. The programme aims to increase their resources in five areas:
• Orientation (setting objectives and becoming motivated)
• Finance (being able to handle their personal budget)
• Language (understanding, speaking and writing Dutch)
• Health (adopting a healthy lifestyle)
• Psychological and social problems (including dealing with addiction, family conflicts etc).

Once clients can master these five areas they are capable of working. A sixth topic of social skills, focused on learning to work with other people, is no longer a key area but has been integrated in the other five areas. Clients discuss their own personal plan with an individual counsellor every two to three weeks. They may take part in a wide range of activities, including computer and business courses, music and painting, language learning and community support. However, the council is now less enthusiastic about placing people in voluntary work since some people enjoy it too much and therefore do not want to get a ‘real’ job.

Mr. G. Oude Engberink, representing Eurocities, described the collective and economic dimensions of social activation in the city of Rotterdam. He has been closely involved with its early development. Until the 1980s, Rotterdam was a blue-collar city. Recession did away with a lot of these jobs, leaving many people who did not know how to do anything else. By 1984, unemployment reached 25%. By the late 1980s, Rotterdam started a policy of job-creation, identifying 14,000 jobs in areas such as security, street and school cleaning. Because they were funded by social benefits rather than wages, they were known as ‘additional jobs’. The municipality ran into strong opposition from both trade unions – who feared a downward trend in labour market wages – and employers.

This was regular work, but not on the regular market, and publicly funded. However, the ‘additional job’ instrument was quite selective. It helped those best equipped to work, but left another 30,000 people who were ‘not good enough’ for the programme – perhaps because they lacked motivation, or experience, or the social capacities. This was a ‘top-down’ policy, which failed to take account of the complicated characteristics of different individuals.

For these 30,000, Rotterdam started social activation, renaming it ‘unused qualities’. Council officers went out into communities to interview people about their aspirations. ‘Top-down’ gave way to ‘bottom-up’, with neighbourhoods defining what activities they regarded as socially useful. The municipality joined
forces with NGOs to implement the programme. Since the scheme is tax-funded, it had to deliver something in return. Contributions were deemed to be social investments into safe and orderly neighbourhoods. Every citizen had to contribute something to the world around him or her. This could be keeping order or controlling noise in their residential area.

4.4. Support structure

The Ministry of Social Affairs and Employment and the Ministry of Health, Welfare and Sport supported the development process in municipalities by setting up a joint Information and Service Point on Social Activation (ISSA) to coordinate exchange of good practice, organise conferences and disseminate information and advice. Originally six staff members were recruited from the Ministry of Social Affairs and Employment and from the Ministry of Health, Welfare and Sport. ISSA stimulated, supported and monitored the development of social activation programmes. To reach its objectives, it organised national conferences, ran a database, published a newsletter and developed tools for communication and evaluation.

ISSA also implemented the grants scheme for the development of social activation programmes in the communities. The subsidy was one of the measures taken after the evaluation of the Social Activation Experiments. The evaluation showed that it took time for municipalities to organise co-operation and get social activation started, so they were offered a moderate grant (€38,000 per authority) to organise meetings to bring people together and to develop instruments. Over 400 local authorities made use of this grant. The grant could also be used to develop projects, but not to fund them. The scheme has been very successful in building information resources and contacts.

Now ISSA is situated in the municipal domain, where its staff consist of two persons. It still runs a database, publishes newsletters and works to stimulate the further development of social activation. Municipalities are responsible for their social activation strategies and ISSA supports and facilitates them. The Association of Netherlands Municipalities receives a temporary subsidy from the government to host ISSA. After that the Association of Netherlands Municipalities will include responsibility for the work carried out by ISSA within its regular services to the municipalities.
4.5 Evaluation and monitoring

Results are promising, although hard to quantify. By mid-2001, evaluation research showed that 12,000 individuals had taken part in social activation. The profile of participants conformed to the original target group – people with multiple problems, furthest from the labour market – and suggests some positive discrimination in favour of women, older people and immigrants. However, by the end, entrants showed higher levels of deprivation, as the more employable candidates had already been integrated. The 22% drop-out rate largely represents the most vulnerable individuals, often with severe health problems. The participants’ profile shows that two-thirds were women, and 62% had been unemployed for more than six years. The programme reached the hard core of the social assistance population.

Asked about their motives for following the programme, 25% of participants said they wanted to break their isolation, 14% to do something useful, and 13% to improve their employment opportunities. The social effects, as reported by the participants, were largely positive. Some 83% said they had more social contacts, 61% experienced greater recognition in society, 78% were able to structure their lives better, 70% had more self-confidence, and 74% reported better mental health.

The labour market effects however are harder to assess. In the absence of a control group it is difficult to tell whether the figure of 16% of participants obtaining work should be interpreted as high or low. An additional 19% are actively looking for work, but many others may be prevented by problems such as health, childcare and housing. The overall satisfaction rate of 87% was very high, and researchers concluded that the results are ‘sustainable’. However some reservations may be expressed about the validity of evaluation of the programme so far, given that, for example, satisfied people are more likely to report their reaction than dissatisfied people.

6 Data in this paragraph have been derived from the following evaluation reports: Jehoel-Gijsbers & Serail, 1998; Jehoel-Gijsbers, van de Pas & Serail, 2000; Serail & van de Pas, 2001; Serail & van de Pas, 2002.
7 However, establishing a control group that will not be offered social activation services is not customary and might even be considered unethical.
5. Relevance for and transferability to other national contexts

Although the programme’s general approach was seen as a positive contribution to the social inclusion programme, different countries have varying priorities and levels of competencies. These different national contexts naturally have consequences for the capacity to transfer the good practice.

5.1 Spain

Spain has a comparable dimension, with 2 million minimum pension beneficiaries, 200,000 long-term unemployed and 100,000 on minimum income. Work is the best safeguard against social exclusion. The main difference between the Spanish and Dutch situations is that in Spain the regions are autonomous and decide their own policies, making it more difficult to implement a national programme. The only way to convince local authorities to adopt a particular approach in the field of social inclusion would be through financial incentives. However, the question is whether social activation is the best way to cope with massive levels of unemployment, since more traditional approaches are more cost effective when large numbers of people are out of work, whereas an individual focus becomes appropriate as fewer people are or remain unemployed.

Conditions and problems vary from city to city, as do responses, with some municipalities cooperating with voluntary organisations and others employing their own staff. Income in the richest regions of the country is double that of the poorest. Unemployment levels also range from 5% to 20%. Therefore the steps taken to promote social integration are also very different. However, a facility such as the Dutch ISSA was felt to be very useful in Spain.

There is no national legislation on social assistance in Spain. Each regional administration makes its own laws. National government cooperates with the regions in trying to achieve overall objectives. The focus on human capabilities could well be transferred, although problems might arise in monitoring measures.

In southern Europe the family offers a social safety net and social workers tend to operate in partnership with clients’ families. In such cultures, family and church are important means of reaching people. The Dutch social activation approach has the same experience. Some Dutch projects work through ethnic communities, for instance in Turkish coffee houses.
5.2 Poland

In Poland, high unemployment has been persistent throughout the period of transition. More than 60% of unemployed people are long-term. Half of social assistance recipients are long-term unemployed and their families, 70% of them with low education and skills levels. Economic and social activation is a huge problem, since some social assistance beneficiaries are totally inactive.

The Polish approach to social assistance is different to that of the Netherlands, based on individual assessment by a social worker of the cause of poverty and means of integration. This offers case workers a great deal of discretion. There is no minimum guaranteed income, but rather a flexible system of benefits, which can be adapted to individual circumstances to promote activation. Responsibility is at local level, and one of the problems is lack of cooperation between social assistance and employment services, which tend to cater more for the short-term unemployed.

Outsourcing could be a useful model to help resolve this problem. At present, social workers are not in favour of an activation approach, and therefore the question arises of what incentives are needed to persuade local authorities and social workers to launch social and economic activation. Two elements would be useful in Poland:

- exchange of experience and dissemination of information as done by ISSA, which could be done in Poland through high schools for social workers;
- proper indicators for evaluating the effectiveness of activities. Good evaluation should be a higher priority, since without it no judgements can be made at local level about what works.

Poland could learn from the example of integrating different services, since the country’s social and employment services operate at different levels. A new social assistance law envisages starting up social integration centres. It would be interesting to know whether privatisation and outsourcing would bring better value for money. In Poland, profit-making organisations are involved only in training, while public bodies and NGOs deliver services, although tendering does take place.

Poland could also benefit from the Dutch example of getting ‘customers’ involved in policy development and evaluation.
Target groups would be different in Poland, where there are few immigrants and illiteracy is low. However, a similar approach could help people in persistent poverty, such as agricultural workers from former state-owned farms. The main problem in Poland is one of high unemployment and a shortage of resources to deliver social activation services. Even so, this could help to create jobs among public or private service providers at local level. Although social activation might not be the most practical pathway to employment in Poland, people could take on voluntary work such as childcare and setting up local bartering schemes.

5.3 Bulgaria

With a 51% increase in the number of people receiving benefits in Bulgaria over the last four years, social activation is very important. Under a newly adopted programme, 120,000 people have found their way into work. However, the main problem arises from people who do not want to work or be integrated – often people who receive benefits and work illegally. Means must be found to motivate not only municipalities and social workers but also individuals themselves.

Bulgaria has no legal definition of voluntary work, and legislation would be required to provide for this. However, the concept of free-market reintegration companies is of great interest to Bulgaria.

5.4 Latvia

For Latvia, several discussion points remained, e.g.:
- the relationship between the municipalities and the state employment agency, as regards supervision
- the relationship of the target group with the state employment services through the continued reception of unemployment benefits
- Assistance must be provided to ensure that people’s basic needs are met
- high poverty levels in Latvia mean that special funding for such measures would be problematic.

The main problem surrounding the implementation of social activation in Latvia would be the responsibilities and training of social workers. One of the site visits, the Mondriaan facility, a community college for ages 16-60 offering vocational studies, education projects and work-skills training, would be completely transferable to Latvia. Such facilities do not exist in Latvia. An exchange of experiences between municipalities would be beneficial.
5.5 Slovenia

Slovenia underwent a ‘soft’ transition and has implemented an active employment policy since the beginning of the 1990s, whereby all those capable of work are expected to work and provide for themselves, with social benefits awarded only to those unable to do so. Unemployment rose in the mid-1990s, but then fell, and is now relatively low even by ‘old’ EU standards (6%). Everybody claiming benefits and capable of work must be registered for work. Links between employment offices and social services are good. The system is very centralised, and municipalities do not take a large role. The ministry distributes all benefits, with local offices deciding who is eligible. Local social workers only receive funds to cover their administrative expenses.

Under a recent measure, employers get a subsidy amounting to one year’s minimum salary to take on long-term unemployed. In Slovenia, there are no measures similar to the social activation programme. NGOs sometimes carry out tasks similar to the private integration companies, but coverage is patchy. Three problems would have to be tackled with a view to transferability of the good practice: an even distribution of funds would have to be ensured, local initiatives would have to be promoted, and social workers would have to be motivated. If all people cannot find employment on the free market, the notion of work has to be redefined to assess what is socially acceptable.

Slovenia has a traditional employment programme that just trains people for work, but extra personal skills are missing. Separate counselling and other services exist for people who are difficult to employ. Assessment is based on the number of people who reach the objective of finding work. Slovenia needs a national assessment to find out how employment policies are working, and what social activation could add. Evaluation would benefit from clear and firm objectives, as in the case of The Hague.
6. Conclusions and lessons learnt

The relevance and the transferability of the Dutch social activation programme can be subdivided into three categories: the client-oriented perspective, the institutional perspective and the evaluation perspective. This chapter reflects the major issues for debate. A full list of the transferable aspects of the social activation programme in the Netherlands can be found in the Annexe.

6.1 The client-oriented perspective

The declared objectives of social activation can be summarised as (a) long-term pathways into work, and (b) social integration. The peer review produced deeper insights into the underlying generic objectives, rooted in modern theories of welfare. Basically, social activation can and should be seen as an investment in ‘capabilities’, i.e. the set of attainable levels of functioning in various dimensions of life (material well-being, education, culture, work, family life, social participation, citizenship etc.).

The example of The Hague showed how social activation aims to increase the capabilities of clients in specific areas. In this city the notion of capabilities was also used to set priorities in the selection of candidates: individuals whose level of functioning is considered insufficient in at least three areas (language, work, health, financial resources...) may here get priority access to corresponding services.

The multi-faceted nature of social activation projects is precisely the most appealing feature of the scheme. Employment is just one of the criteria to be used in assessing the success of action (though a very important one).

According to the theory of A. Sen, capabilities can be extended or reduced depending on the degree(s) of freedom left to individuals. Almost by definition, limiting clients’ freedom means that their scope of available alternatives (and hence their level of welfare) is reduced. Coercion should therefore be avoided, unless it can be shown that it is meant to increase opportunities in the longer run. Noncommittal activities are often more attractive to clients. but The Hague has shown that some form of coercion might be beneficial for clients and could offer positive results.
Free participation involves an incentive for providers to offer high-quality services. Some degree of non-committal ‘contractualism’ can however be justified for efficiency reasons (e.g. to reduce the losses generated by dropout, or to avoid ‘activation traps’) or in cases where clients are unable to decide for themselves (e.g. due to psychic illness).

On the macro-level, it became clear that, even in some cases where no tangible outcomes can be observed, the mere prevention of further downgrading of the social environment can be an important achievement in itself.

6.2 The institutional perspective

Many lessons can be learnt from the Dutch experiments as regards the institutional and organizational setting.

To begin with, the multi-dimensional approach requires a partnership structure between public and private, profit and non-profit agents: municipal social services need the co-operation of housing agencies, welfare organizations, community workers, employment agencies, etc. Such partnerships can be expected to produce a value added on the level of organizations, over and above the synergies on the level of individuals.

As regards the monitoring of such collaborative networks, the pros and cons of different formulae need to be taken into consideration. More and more, Dutch public authorities are recurring to outsourcing of assignments by means of tendering procedures. This obviously boosts efficiency and gives rise to clear commitments between the partners. On the other hand, a competitive setting may prove less adequate for welfare services with large externalities (positive side-effects for third parties) as market prices usually under-value these effects. Tendering procedures also tend to boost a culture of competition and thus might undermine the necessary spirit of collaboration in partnerships.

The Dutch example nicely illustrates the benefits of decentralization. Flexibility is a conditio sine qua non for tailor-made services on the level of clients while, at the same time, the organizational setting may be very different between municipalities or even neighbourhoods. Therefore, there was a general consensus about the need for financial decentralization of the schemes: municipalities can maximize the effectiveness of social activation projects if they are allowed to combine different funds and allocate resources flexibly. The Dutch system
has shown less risk of ‘activation trap’ since municipalities have a distinct financial interest in reactivating clients to get paid employment.

The reverse side of the coin is the risk of unequal treatment of individuals between municipalities or regions. Moreover, local authorities may lack the know-how or the human resources to develop appropriate actions. Support from national knowledge centres such as ISSA, responsible for the development of methodologies, exchange of experience and dissemination of good practice was acknowledged as a very valuable asset.

For some less affluent peer countries or regions faced with mass unemployment, social activation may appear as a ‘luxury’, while job creation is seen as a more urgent priority (‘labour market activation rather than social activation’). However, there is no real opposition here. In The Netherlands, the choice has been made to start on the lowest rungs of the activation ladder. Other countries may want or need to choose to start on a higher rung. But even in countries with high unemployment rates social activation could be considered as a long-term investment in human capabilities that may increase the quality and size of the labour supply.

6.3 The evaluation perspective

Evaluating such flexible, multi-faceted actions as the social activation projects is obviously a difficult task. One of the positive features of the Dutch experiments is that a broad evaluation framework had been designed from the very start. Apart from labour market outcomes, a whole array of indicators (psychological and social effects, employment, health, citizenship) has been used to assess the impact on participants. These indicators can be used as good proxies for ‘levels of functioning’ in the capabilities approach – in evaluating social activation as well as other measures for social inclusion. Yet, it should be noted that not all effects of social inclusion policies can be captured through quantitative indicators. Nor can such a broad set of indicators be permanently measured on a large scale.

The evaluation methodology may be improved by including comparison groups in the surveys. Genuine random experiments (where some applicants are deliberately denied access for the sake of the experiment) are rather exceptional in this context, particularly in Europe, but a sample of non-participants can always be usefully included for comparison, and statistical tools are currently available to correct fairly accurately for selective participation.
7. Annexes, statistical data

Profile of participants in Social Activation compared with profile of minimum income recipients

<table>
<thead>
<tr>
<th></th>
<th>Minimum income recipients</th>
<th>Social activation clients 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>% women</td>
<td>58</td>
<td>68</td>
</tr>
<tr>
<td>% share of age group</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 30</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td>+ 40</td>
<td>54</td>
<td>71</td>
</tr>
<tr>
<td>% single parent</td>
<td>29</td>
<td>24</td>
</tr>
<tr>
<td>% non-national</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>% less than lower sec. ed.</td>
<td></td>
<td>33</td>
</tr>
<tr>
<td>% share by duration of benefit receipt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- 2 years</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>6-10 years</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>+ 10 years</td>
<td>39</td>
<td></td>
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</tbody>
</table>
### Transferable aspects of social activation

<table>
<thead>
<tr>
<th>Client oriented</th>
<th>Institutional</th>
<th>Evaluative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td>Commitment from / co-operation of social assistance agency, welfare, housing, employment services</td>
<td>Indicators for measuring effectiveness (see objectives). How do outcomes correspond to objectives?</td>
</tr>
<tr>
<td>- increasing human capabilities</td>
<td>Role of NGOs (non-profit) and reintegration companies (profit) and procedures for subsidies, tendering</td>
<td>Controlled experiments – are control groups ethically acceptable?</td>
</tr>
<tr>
<td>- pathways to employment</td>
<td>Role of social worker, community worker</td>
<td>Qualitative versus quantitative targets</td>
</tr>
<tr>
<td>- social integration</td>
<td>Levels of decentralisation: allocating responsibilities, competences and incentives to municipalities</td>
<td></td>
</tr>
<tr>
<td><strong>Non-committal versus mandatory participation</strong></td>
<td>Support structure central government (ISSA)</td>
<td>How to measure the outcome of investment in human capabilities (for instance six skills defined in The Hague).</td>
</tr>
<tr>
<td><strong>Choices for clients (without mandatory approach)</strong></td>
<td>Regional differences (unemployment/budgets) and risk of unequal treatment / priority to employment policy</td>
<td></td>
</tr>
<tr>
<td><strong>Diagnosis in six key areas: language, health, social skills, orientation, financial, social and psychological problems. Areas also assist in definition of target group.</strong></td>
<td>Need for adequate financial resources</td>
<td></td>
</tr>
<tr>
<td><strong>Sanctions and rewards (dis/incentives)</strong></td>
<td></td>
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<tr>
<td><strong>Exemption from job search obligation</strong></td>
<td></td>
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<td><strong>Participation in design of programmes</strong></td>
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<td></td>
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<tr>
<td><strong>A way of tackling persistent problems (including cultural differences)</strong></td>
<td></td>
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</tbody>
</table>