Decentralisation Social Welfare
a Rotterdam and European perspective

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Presentation

1. City of Rotterdam - some facts and figures
2. Importance of decentralisation and privatisation in the Netherlands
3. G4 cooperation
4. Visitation as a learning process
5. Lessons learned
6. European Experiences
7. Challenges
1. City of Rotterdam - some facts

City of Rotterdam
- Second largest city in the Netherlands
- 600,000 inhabitants

- 32,000 households on welfare (65-)
- 4,000 households on welfare (65+)
- 5,000 migrants in integration-programs
- 50,000 handicapped/disabled people requiring personal care (e.g. adaptations and help in housekeeping (1/3 working and 2/3 = 65 +)
- 4,000 persons need help with burdens of debt
- 4,000 disabled people in sheltered jobs
- 2,000 people in temp.transitional jobs (subsidised)

About 100,000 people depending on SoZaWe Rotterdam
This is 1/6 of the population of Rotterdam
1.2 Policy context – City of Rotterdam

- Unemployment & welfare dependency
  - 32,000 households on welfare (9% of working population)
  - 57,000 households on social security (16% of working population)
  - net participation grade: 58% (goal = 80%)
  - strong ethnic component (70% in welfare population)

- Key issues
  - long term welfare dependency, multiple social-problems and social exclusion, related to absence of work
  - Need for the development of professional skills and ‘workers’ skills
  - changing demands upon labour market
  - global economic crisis
1.3 Institutional context

- Act on Employment and Social Assistance (WWB, 2004) = decentralisation to the municipal level
- Strong financial incentive to reduce number of claimants
- Central role for local municipal social services
- Cooperation between public and private agencies in delivery of services (‘chain cooperation’)
1.4 Situation 2004 – 2010

- Caseload dropped to 32,000 = - 30%
- Many experiments in 2005, 2006
- Focus on gatekeeping and re-integration
- Also stringent on benefit-cheats
- Organisational change (split work – income)
- Central role for the case managers who have direct contact with the clients
- ‘Fit for Work’ experiment with G4 (Amsterdam, Rotterdam, The Hague and Utrecht) for re-integration of long-term welfare dependent
1.5 Measurements taken by Rotterdam to overcome the Crisis

- Crisis-team with chainpartners on local and regional level
- Preventive approach: Work-to-Work arrangements with employers
- Stick to Work-first-approach for new applicants
- Regional Labourmarket Policy in Rotterdam-Rijnmond Region
- Opening hours Jobcentres 8.00h-20.00h
- Experimental approach for ‘the hard to serve’
- Extension of programs offering temp. subsidised Jobs as a stepping stone
2.1 Decentralisation in the Netherlands

Decentralisation (with a fixed budget) creates:
- ownership and responsibility on local level;
- focus on local needs in accordance with national objectives;
- a problem-solving attitude;
- budget-discipline;
- innovative and experimental approaches on the local level
- a higher outflow from social assistance (3%)

But also creates:
- diversity and differences on regional and national level;
- an ‘everyone for himself – approach’;
- danger of silo-preferences;
- stringent ‘gate-keeping’ to decrease take-up rates;

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2.2 Privatisation in the Netherlands

Privatisation (with a fixed budget) creates:
- distance between policy-making and execution/implementation
- necessity of good commissionership and procurement
- strong focus on (contracted) results
- competition between vendors
- public-private-partnership relationships
- savings in public spending (external provision is less costly)

But also creates, unless properly contracted:
- lack of innovation
- cream-skimming and parking, but little impact of these activities on job placement rates
- decisionmaking predominantly driven by cost considerations
3. G4-Chain-cooperation on national level

G-4 ( = Rotterdam, Amsterdam, The Hague and Utrecht)
- 2,2 million inhabitants
- almost 100,000 people on welfare
- 1/3 of the national level

Cooperation G-4 with ‘Work Company’ (merger of UWV and JobCentres)
- 2010: establish 18 shared premises with a joint front office
- One uniform stop shop approach for all clients in 18 shared premises
- Bringing more people to work
- Standardization and more effective in the joint operation
- Common Employers Approach
- Common Regional Labourmarket Policy
4. Development of process of Visitation as a learning process in the Netherlands

- Until 2002:
  State financed and controlled system
  Accountants and State inspection

- From 2002
  Decentralised system
  Several initiatives (benchmarking, chain-cooperation and visitation)
  Importance of transparency and public accountability
4.2 The first phase 2005-2009

- Visitation on a voluntary basis
- Conducted by colleagues from other cities/agencies
- Instrument of learning
- Focus on improvement in business-performance
- Based on INK (Dutch Quality system)

Execution:
- interview with management;
  - desk research of documents
  - visit and interviews with staff
  - final meeting and presentation of result experiences and conclusions

- Use of mystery-guest on request

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19-10-2010
4.3 Second Phase from 2010 - ……

- Visitation on a voluntary basis, but as a part of measurement and assessment
- Conducted by colleagues from other cities/agencies, which are qualified to be a visitor
- Focus on improvement in business-performance, from the perspective of the client (jobseeker and employer)
- Focus on ‘Werkplein’ as integrated organisation
- Based on INK (Dutch Quality system)
- Use of mystery-guest
4.4 Second Phase from 2010 - .......

Execution:  
- interview with management;
- desk research of documents
- visit and interviews with staff
- final meeting and presentation of result experiences and conclusions

New:  
- agenda for improvement by local management
  - systematic approach (plan) and follow-up by local management
  - mandatory in 2012
4.5 Second Phase from 2010 - ……

- New
  - 2010: results published on werkplein
  - 2015: results published on internet for public access
  - 2012: introduction of benchmark-system based (a.o.) on results of visitation
    - 2012: execution also by experts from other organisations (mix)
    - 2015: visitation as part of reward-system
5. Lessons learned (so far in Rotterdam)

- Activation services are impossible to standardise fully and to regulate in detail. No blue prints!
- Central role for the case managers who have direct contact with the clients
- Split Work – Income is essential for improving quality of service delivery and further development
- Chain cooperation can only be established when there is strong focus on the clients interests
- Exemplary Leadership is necessary!
- Organisational change is complex, multi dimensional and requires learning processes
6. Experiences on the European level from Eurocities WG Employment

1- Many experimental approaches of cities in combating crisis
2- Creation and development of Jobcentres (Jobtorgs, Werkpleinen, Werkwinkels, Jobcenters-plus)
3- More employer involvement
4- Supportive Work-first approaches
5- Education and training for suitable jobs
6- The question of balance
7- Professionalising staff
8- Importance of Leadership
9- Networking in partnerships
7. Challenges

- Retention
- Job-carving
- Meeting future labour demand (demographic changes)
- Effective regional cooperation
- Breaking down the silo’s
- Social return on investment (lack of knowledge)
- Short-term effect of budget-cuts
- Exchange with other cities (mutual learning)
- Improving the quality of service-delivery and customer-satisfaction (e.g. visitation and client-surveys)
- Examining possibilities for further ‘internal decentralization’ by changing case-workers to social entrepreneurs (performance based and with fixed budget)

Another 3% extra caseload-reduction? or more?