



Nico VAN DE VRIE
Eurocities

Decentralisation Social Welfare a Rotterdam and European perspective

Nico van de Vrie

**Program Director Department of Social Affairs and
Employment**

Rotterdam



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



Gemeente Rotterdam

Sociale Zaken en Werkgelegenheid

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 tot 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 en 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;**



Gemeente Rotterdam

Sociale Zaken en Werkgelegenheid

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**

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 visitorator
- Focus on improvement in business-performance, form 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 ?

