

### **<Work and Social Assistance Act (WWB) -Netherlands>**

#### **General details**

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#### **Details of activity**

Background to the case study	<p><b>Details of activity</b></p> <p>The Dutch Work and Social Assistance Act provides a minimum income for all persons residing legally in the Netherlands who have inadequate financial resources to meet their essential living costs. Dutch citizens are required to do everything they possibly can to support themselves- they are self-responsible. Consequently, the claimant is obliged to take on work which is generally acceptable. The same applies to the partner of the claimant. If it proves impossible to find work, a person may apply for support from the social services department.</p> <p>Together with the CWI (Centre of Work and Income) or a (commercial) reintegration organisation, Dutch municipalities help a claimant to find work or take training. The way a municipality is required to provide this form of support is laid down in a regulation with accompanying policy rules. If the claimant refuses to co-operate in efforts to find employment, the social services department of the municipality can reduce the benefits or stop them entirely. The same applies in the event of failure to fulfil other conditions for obtaining benefits, like providing requested information. This Act is of a complementary nature. If a person is receiving benefits or income from paid work, for example, the Act provides a top-up to the applicable assistance level. Assets above a certain amount are taken into consideration (there is an allowance of €10,210 for families and €5,105 for single persons). If the assets are tied up in a house, the assistance will be given in the form of a loan (credit mortgage) that must be repaid once the claimant's own income is sufficient. In such cases, larger allowances are applicable.</p>
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	<p><b>Aims and objectives</b></p> <p>The changes due to the Work and Social Assistance Act for the municipal authorities were far-reaching. In the past, Dutch municipalities were mainly involved in assessing the right to benefits through their social security services. Now it is about preventing the dependence on benefits, or at least reducing it to a minimum.</p> <p>The implementation in January 2002 of the Work and Income Implementation Structure (SUWI) accelerated this process. In the new situation, the Centres for Work and Income (CWI's) are responsible for access to social security. The municipal authorities give structure to the social safety net, in a directive role. On the basis of plans and within the framework of legislation and regulations, they choose which activities to address themselves and which to subcontract, e.g. to private reintegration companies. In this new situation, with the CWI at the 'front' of and the reintegration company at the 'back' of the process, the social security services of the Dutch municipalities had to reposition themselves. Herein lied a major challenge for the municipal authorities: the challenge of creating a working model in which they work together at a local/regional level and in a result and customer oriented way on the joint objective: encouraging social participation of citizens, finding work for those who can work and a good social, activating safety net for those who are not (yet) able to work.</p> <p><b>Funding</b></p> <p>Dutch municipalities are financial responsible. The Dutch State provides a yearly budget which consists of two parts: one part "the income part" is meant for the payment of benefits, the second part "the working part" is meant for costs associated with reintegrating beneficiaries. An interesting aspect is the fact that when a Dutch municipality does not use the entire budget for "the income part" (payment of benefits), it can keep it for other measures / initiatives. This offers a clear motivation for Dutch municipalities to reduce the outflow of finance to the payment of benefits, in other words Dutch municipalities are through this funding method motivated "to activate their citizens". With a shortage on the budget, the municipality has to top-up this shortage themselves.</p> <p>This motivation results in the use of the Work First approach by Dutch municipalities.</p>
Description of activity	<p><b>Outline of programme / activities and approaches used</b></p> <p>The basic principles of Work First can be summarised as</p>



follows:

1. Work First programmes focus very obstinately and intensely on the reintegration of unemployed and disabled people into the regular employment market. The basic idea is that everyone who is (partially) capable of working should be assisted in finding regular employment, if necessary by means of various – preferably short – intermediate stages.
2. Short-term work placement is a crucial part of every Work First programme. A wide range of short-term work in supportive and sometimes significantly modified work situations gives clients the opportunity to get used to working and to develop skills necessary for work. When the supply of work placement positions – including intensive personal support – is well developed, people with serious hindrances can also gain suitable work experience, which increases their chances of reintegration.
3. Work First programmes emphasise that clients have to take an active part in their return to work: the services provided are not noncommittal in nature for clients with an obligation to apply for employment. Often social security administration agencies will enter into contracts with clients, establishing the mutual rights and obligations. In some programmes this element is worked out in great detail: for example, clients do not receive benefits, but are placed in activities, training courses and forms of work for which they are paid on an hourly basis. Absence then automatically results in less income. In other programmes the emphasis of the mandatory aspect is not as strong, but none of the Work First programmes give complete freedom to people with an obligation to work concerning whether or not to take part in activities.
4. An integral provision of services is a key. Often Work First programmes are offered by a Job Centre or Workforce Development Centre (a one-stop shop) in which a benefits consultant and an outflow consultant (case manager) work closely together, or one person may be responsible for both of these tasks.
5. A distinctive feature is that clients are assigned a permanent case manager, who sees to it that the client is directed towards suitable programme components. The case manager provides support in terms of facilities (arranging childcare, organising assistance and care, handling housing problems, etc.).
6. Work First programmes are often set up as a coherent whole of employment finding services, instruments, training courses and opportunities for gaining work experience, which clients can (and must) make use of for



	<p>a specific time period. Working with a time limit provides the necessary pressure, so that both clients and the administrative agency are encouraged not to take any unnecessary detours. The emphasis is not on filling the programmes, but above all on the results (structurally reducing the client base). The time limit can also stimulate the case managers to intensify the support step by step as clients remain in the programme for longer periods of time. The programme then acts as a sieve, with the clients who are relatively easy to employ finding work first – mainly on their own – and with the remaining clients being able to make use of the more intensive services and instruments.</p>
<p>Policy context within which the programme operates</p>	<p>Work First is usually associated with the American workfare philosophy, in which the clients' own responsibility and disciplining is key. Critics of this philosophy argue that many benefits clients are 'rushed' into the employment market as a result of the mandatory activities and the associated strict sanction policy, without this actually leading to an improvement of their situation. Although this criticism does not do justice to the reintegration policy practiced in most American states, it is good to emphasise here that the Dutch policy has a greater affiliation with an employability philosophy. This philosophy emphasises that society gives people, who are not able to find work (again) on their own, the facilities to obtain a full and suitable regular place to work, in which they can further develop themselves. This not only emphasises the social security recipients' own responsibility, but also the responsibility of the government and social security administration agencies. The government is investing in an improvement of the employment market position of social security recipients – for instance through job training, educational programmes, intensive employment finding and after-care. This investment demands efforts from the clients to actively participate in their own reintegration. It is reasonable to expect clients to participate (including the potential application of sanctions) when the wishes and possibilities of the clients are explicitly taken into account and when the services are explicitly focused on long-term placement in employment.</p>
<p>Geographical focus of the case study</p>	<p>Municipality level</p>
<p>Impact</p>	<p>The Dutch Work and Social Assistance Act has a favourable diminishing influence on the number of people with a social assistance benefit. Municipalities allow less people to flow into social assistance by a stricter control 'at the gate'. Also, Dutch</p>



	<p>municipalities do more effort for people who have already a benefit to help them to get (back) into work. This has been made clear in an analysis which the State Secretary Van Hoof has sent to the House of Commons.</p> <p>Just like in 2004, municipalities have spent in 2005 less money on benefits than they received. In 2004, Dutch municipalities saved together approximately €300 million. In 2005, they saved together approximately €235 million of €4.6 billion.</p>
Partners' details	<p>In 1998 and 2003, StimulanSZ issued two publications about the Work First principle in the Netherlands. They include a clear description of the Work First principle, its politics and structure, as well as several concrete examples from the USA, Denmark, Australia and the Netherlands. Our aim was to familiarise local authorities with the Work First principle. They succeeded, and Work First has now become one of the main approaches for labour market strategies in the Netherlands.</p> <p>The municipality of s-Hertogenbosch was the first city that embraced the Work First philosophy and put it in practice.</p>

