



Peer Review on "Comprehensive Follow-up of Low-income Families"

28-29 November 2019, Oslo (Norway)

Summary report

The Peer Review offered an opportunity to explore the challenges and good practices in providing both comprehensive support and follow-up of low-income families as well as in the coordination of services. The basis of discussion of this Peer Review was Norway's HOLF model pilot, which aims at preventing the intergenerational transmission of poverty by developing and implementing a comprehensive model for follow-up of low-income families and improving the coordination of existing services. It focuses on four main areas: employment, income, housing and the social inclusion of children. The event was hosted by the Norwegian Ministry of Labour and Social Affairs and brought together government representatives and national experts from Norway (host country) and nine peer countries: Austria, Belgium, Cyprus, Czech Republic, Estonia, France, Italy, Romania and Spain. Representatives of the European Commission as well as European and local NGOs also participated in the Peer Review, along with a host country and a thematic expert.

Although one of the main objectives set out by the Europe 2020 Strategy¹ is to bring at least 20 million people out of poverty by 2020, household poverty remains a major challenge for a number of European countries. Low-income families with children are particularly at risk of poverty and in-work poverty has also been identified as a risk factor for household poverty. Various initiatives were launched at European level in recent years to support low-income families and poor children, including the 2013 Social Investment Package and the 'Recommendation on Investing in children: breaking the cycle of disadvantage', as well as the 2008 Active Inclusion Recommendation. Furthermore, the European Pillar of Social Rights adopted in 2017 entails several principles related to the support of low-income families with children. Principle 11 is particularly relevant here, calling for the right of children to be protected from poverty and underlining that 'children from disadvantaged backgrounds have the right to specific measures to enhance equal opportunities'. As announced in the political guidelines for the new Commission, the European Commission will focus on the implementation of the Pillar.

Norway faces many of the same challenges as EU Member States, both at a structural and individual level, and although its at-risk-of-poverty (AROP) rate among children is lower than in a number of European countries, the share of children at risk of poverty has increased in the last decade. The Norwegian Social Services Act regulates social assistance in Norway and specifies that families and children should receive comprehensive and coordinated welfare services. In 2014, the Norwegian Labour and Welfare Administration published a report, pointing to the need to counteract intergenerational transmission of poverty and social problems and to this end,

¹ European Commission, 2010. Europe 2020. A strategy for smart, sustainable and inclusive growth. Available at: <https://ec.europa.eu/eu2020/pdf/COMPLET%20EN%20BARROSO%20%20%20007%20-%20Europe%202020%20-%20EN%20version.pdf>

suggested that better and more coordinated support for low-income families was needed, also to fulfil requirements of the Social Services Act.

On this basis, a comprehensive follow-up model was developed by the Norwegian Labour and Welfare Administration (HOLF model) in 2014. This introduces family coordinators as a new position within the local offices of the Norwegian Labour and Welfare Administration (NAV) and introduces tools and methods for coordinating and case-based counselling. An evaluation of this model has shown that comprehensive follow-up is not sufficient to increase labour market inclusion for low-income families; this is mainly due to various barriers, which are beyond the control of the family coordinators. These include a lack of education and language skills among parents, as well as insufficient accessibility to qualifying labour market measures, language courses or vocational education.

Building on the Norwegian experience of the HOLF model, the Peer Review sought to discuss Member States' policies and promising practices to ensure comprehensive follow-up of low-income families, by focussing on the following key issues:

- Challenges and solutions to better support and follow-up low-income families and the barriers in place which prevent low-income families from taking up services and rights.
- Effective coordination between actors supporting low-income families and which obstacles need to be overcome to achieve this.
- Conditions needed and policies and measures to prevent intergenerational poverty and support children.

Key policy messages from the Peer Review

The key learning messages from the peer review are summarised below:

Universal versus targeted policies

- Both universal measures, accessible to all persons regardless of their means, and those targeted at specific disadvantaged groups, are important and should complement each other. Universal measures, which often come in the form of healthcare or child support, have the advantage of political support, high take-up and can also help avoid stigmatisation. At the same time, a targeted approach allows for support tailored directly to the specific needs of those at risk of poverty, for example job creation programmes for the long-term unemployed.
- Targeted policies can address both specific risk factors for poverty (see below) or specific groups, such as children, parents or employers. For families facing multiple risks, the combination of a variety of services for parents and children at 'one-stop-shops', for example within municipal services, can be effective. In this regard, an integration within employment services may be beneficial.

Evidence-based policy-making and monitoring

- To ensure effective measures to support low-income families, a careful diagnosis of the specific problems at hand and the target groups to be addressed by the measure is crucial. This will allow for the formulation of policy objectives (i.e. what does the measure aim to achieve?) and the identification of suitable actions (e.g. universal or targeted?). Lastly, to allow for an evaluation of the measure and the identification of potential gaps, systematic monitoring should be planned and implemented from the outset.

Risk factors for poverty

- The risk factors for poverty include: large households and single parents; one income/low work intensity households, long-term/repeated unemployment, weak labour demand; inactivity of women due to gender stereotypes, cultural factors, tax disincentives and lack of care provisions; health factors and discrimination, as well as a low level of education of the parents. The latter point in particular leads to intergenerational transmission of poverty.

Need for active labour market policies and support at the local level

- Active labour market policies to support the labour market inclusion of parents must be accompanied by care service provisions, flexible work arrangements, and social inclusion measures, particularly for children. These can include family coaching, debt counselling, access to (social) housing, cooperation with employers and a case-management approach with low caseloads.
- A local level approach is crucial to implement active labour market policies and services; however, this requires adequate funding and political will. Mainstream and targeted services are often not available, particularly in rural areas, or are provided by NGOs, that may be in financially precarious situations. The long-term gains of social investments should be taken into account to ensure political support.

The Norwegian HOLF model

- In Norway, single parent households and families with a migrant background are particularly at risk of poverty. A coordinated approach across the various ministries is currently implemented with the aim of increasing social inclusion and labour market participation for the family as a whole.
- In terms of quantitative results, the HOLF model led to positive effects on the competence of family coordinators and increased visibility of children, although no effects on employment and the financial situation of beneficiaries were found. However, qualitatively, beneficiaries and staff of offices of NAV found the approach of the HOLF model useful and would like to continue with its implementation.

Obstacles to take-up services and rights

- Obstacles to take-up services and rights for low-income families are manifold and may occur simultaneously. Individuals often hold back from claiming benefits and services because of stigma, humiliation, discrimination and a lack of trust in the social welfare system. Their decision can be influenced by the prevailing narrative of social welfare as a burden for society. Insufficient language skills, health conditions, geographical isolation, digital poverty and lack of time and knowledge to request and receive support are but a few examples individual-level barriers. Obstacles to take-up can also be related to difficulties in accessing information, lack of trained and sensitised staff, lack of coordination between administrative services and missing interoperability of IT systems. From a societal perspective, short-term political cycles, tensions between groups with different income levels and lack of appreciation of social workers can generate barriers.
- 'Bridge-builders' and better linking the various services and stakeholders involved could help in tackling these barriers. To this end, a better diagnostic of those in need is crucial, as well as low-threshold services (e.g. social workers in

schools). Experts by experience, activities open to children of all social groups and the involvement of all family members in the development and implementation of tailored action places are also means of ensuring a better take-up of services. Public outreach activities could serve to overcome the negative narratives and disseminate key information.

Innovative approaches to better coordination of the different actors

- Innovative approaches are needed to achieve better coordination between the various actors. Vertical coordination between the levels of government at national, regional and local level is important as labour-market policies are in many countries dispersed over these different levels. When it comes to policy-makers, a bottom-up approach with the involvement of experts by experience, researchers and NGOs is deemed most effective. Employment services should carry out a regular mapping of needs, with the involvement of trade unions and employers. Here, digital solution can help in responding to training and counselling needs. Other public institutions (at national and regional and local level, such as the ministries of health, justice, education, as well as regional and municipal authorities) should take an 'umbrella' role to coordinate all policies and measures, working towards common goals with transparent rules for storing data. Civil society could explore new ways of financing outside of the public sector to ensure financial sustainability and the buy-in of private actors. Lastly, to incentivise the employment of disadvantaged persons, financial and tax incentives could be provided to employers, and provisions to foster an adequate work-life balance could be introduced.
- Participants of the Peer Review also discussed the role of the media as a vector of change, as it plays a significant role in shaping the narrative of social protection and welfare benefits and can thereby disrupt prevailing stereotypes and stigmas. Similarly, in many Member States, religious institutions played a crucial role for social cohesion and networking for low-income families and vulnerable persons.

Preventing intergenerational poverty

- Multiple measures and approaches to prevent the transmission of intergenerational poverty were identified. To increase the take-up of support measures, incentives rather than conditions should be put in place and measures introduced to reduce stress and anxiety about material needs. Low-threshold services ensuring easy access are also important, as well as sufficient affordable childcare. The introduction of early warning systems in schools to identify children in distress should also be considered. A rather innovative approach is the involvement of urban planners in the design of child-friendly community spaces open to all to overcome segregation.
- The importance of involving children in the decision-making process, monitoring and evaluation of policy measures was also stressed by participants. Here, a child-friendly design (e.g. of surveys) should be ensured. Lastly, a stronger focus should be placed on well-being indicators rather than poverty indicators, as these provide a more accurate indication of the success of support measures for low-income families.