



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

Norway, 28-29 November 2019

Synthesis report

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1 Introduction

The Peer Review on 'Comprehensive Follow-up of Low-income Families' took place on 28 and 29 November 2019 in Oslo, Norway. It provided the opportunity to discuss challenges and good practices in providing both comprehensive support and follow-up to low-income families as well as better coordination of services.

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: namely Austria, Belgium, Cyprus, Czech Republic, Estonia, France, Italy, Romania and Spain. Representatives of the European Commission and European and local NGOs also participated in the Peer Review, along with a host country and a thematic expert.

The starting point of the 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: the financial and housing situation of the family, the labour market integration of parents and the social inclusion of children. Furthermore, the model includes the introduction of family coordinators and a skills-training programme for social workers.

Participants from other Member States (Belgium, Cyprus, Czech Republic, Romania and Spain) shared information about **measures and practices available to support and follow-up low income families** within their national systems, highlighting similarities and differences with the provisions in Norway. Another focus of the discussion were the **challenges and solutions to better support low-income families and how to ensure coordination between relevant actors**. Finally, during the second day of the Peer Review, discussions focused on conditions and measures required to **better prevent intergenerational poverty** and to **support children in low-income families**.

1.1 The EU policy context

The fight against poverty and social exclusion is at the heart of the Europe 2020 Strategy for smart, sustainable and inclusive growth¹: one of the main objectives set out by the Strategy is to bring at least 20 million people out of poverty by 2020.

Since the launch of the Europe 2020 Strategy, several indicators have improved and overall poverty has been decreasing. In particular, in recent years, there has been a decrease in the share of the EU population at risk of poverty or social exclusion (AROPE), the number of Europeans living in severe material deprivation (SMD) and the number of Europeans living on less than 60 % of their countries median household income. Nonetheless, the targets originally set out by the Strategy have not been met yet and **household poverty remains a major challenge for a number of European countries**. In 2018, 17.1 % of EU-28 households were at risk of poverty but disparities between the Member States persists, with the highest shares in Romania (23.5 %), Estonia (21.9 %) and Spain (21.5 %) amongst the peer countries².

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> (18.12.2019)

² Eurostat, 2019. At-risk-of-poverty rate by poverty threshold and household type - EU-SILC and ECHP surveys [ilc_li03]. Available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_li03&lang=en (24.12.2019)

Low-income families with children are particularly at risk of poverty and in-work poverty; according to Eurostat, in 2018, one in four children (24.3 %) under 18 were at risk of poverty or social exclusion although this number has decreased slightly since its peak at 28.1 % in 2012 following the financial crisis³. The Social Protection Committee, in its annual report 2018,⁴ pointed out that even though there has been a decrease in the at-risk-of-poverty (AROP) rate for children in 13 Member States, in eight Member States that rate is 30% or more (i.e. more than 45 % in Romania and Bulgaria).

Several factors are associated to increasing poverty. Recently, **in-work poverty** has been increasingly identified as an important risk factor for household poverty. 9.4 % of employed people in the EU are at risk of poverty. In-work poverty is largely concentrated among low-work intensity households, notably households with only one working adult and dependent child(ren) as well as single parents. According to scenarios developed by the OECD, the poverty rate for families with children would be halved (from 11 to 5.4 %) if all parents had a job⁵. **Other risk factors** for poverty include: large households and single parents; one income/low work intensity households due to long-term/repeated unemployment, weak labour demand; low labour force participation or 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 skills and education of the parents. The latter point in particular leads to intergenerational transmission of poverty. According to OECD, over 63% of children with low-education parents are at the risk of poverty. Thus, parents' education plays a crucial role in the support to low-income families.

At the European level, there are several instruments that shape the policy framework with regards to supporting low-income families and poor children. In 2008, **the Commission Recommendation on active inclusion of people excluded from the labour market**⁶ highlighted the need for adequate income support, inclusive labour markets and access to quality services to facilitate the (re-)integration into the work force and to tackle in-work poverty, avoiding benefit traps.

Two initiatives were launched in 2013; on the one hand, the **Social Investment Package (SIP)**⁷ reviewed the implementation of the 2008 Recommendation and underlined the need for more explicit and evidence-based guidance for Member States in order to ensure adequate and sustainable social protection, also through more targeted support from the EU financial instruments and especially the European Social Fund (ESF). On the other hand, the **Recommendation on Investing in children: breaking the cycle of disadvantage**⁸, stressed the importance of early intervention and an integrated preventative approach, emphasising the need to ensure access to decent jobs for parents, affordable childhood education and care services, adequate

³ Eurostat, 2019. People at risk of poverty or social exclusion by age and sex [ilc_peps01]. Available at: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_peps01&lang=en (24.12.2019)

⁴ Social Protection Committee, 2018. Annual Report 2018. Available at: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8151&furtherPubs=yes> (18.12.2019)

⁵ OECD, 2018. Poor children in rich countries: why we need policy action. Available at: <https://www.oecd.org/els/family/Poor-children-in-rich-countries-Policy-brief-2018.pdf> (24.12.2019)

⁶ European Commission, 2008. Recommendation on the active inclusion of people excluded from the labour market. Available at: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32008H0867> (18.12.2019)

⁷ European Commission, 2013. The Social Investment Package. Available at: <https://ec.europa.eu/social/main.jsp?langId=en&catId=1044&newsId=1807&furtherNews=yes> (18.12.2019)

⁸ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32013H0112>

income support for children and families as well as child participation in extra-curricular activities and in legal decisions affecting them.

Furthermore, the **European Pillar of Social Rights**⁹ adopted in 2017, includes 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 Pillar¹⁰.

2 The State of Play in Norway and the HOLF model

In terms of social and economic situation, Norway performs well in comparison to other European countries. The labour market participation is high, standing at 79.2 % of the working age population and 76.5 % among women in 2018. The average EU-28 rates are 73.2% and 67.4%, for working age population and women respectively.¹¹ Unemployment rates are analogously very low and account for 3.9 % of the active population (6.8 % in EU-28)¹². Norway has one of the most **generous welfare systems** where there is income redistribution through taxes and includes public services and several benefits such as: sickness benefits; unemployment benefits; disability benefits; old age benefits; and various types of benefits for families (cash benefit, child benefit, parental benefit, transitional benefit). People with low income can also receive from means-tested housing allowance and social assistance. The latter is considered the last resort of financial support and it is given when no other type of income support is available.

However, and as described in the host country report¹³, despite the comprehensive welfare structures and the socioeconomic environment, over the past years there has been an **increase in the number of children living below the AROP threshold** from 4 % in 2000 to 10.8 % in 2017. Some of the reason behind this increase include rising financial inequalities and a growing immigration population. With regards to the latter, the employment rate for the immigrant population is higher than the overall working age population (5.6% in comparison to 2.3 %). The unemployment rate for immigrants from African countries is significantly higher, reaching 9.6 %. These higher rates can partially justify the disproportionate rate of low-income families with migrant background; while only 5.5 % of children with parents born in Norway lived in low-income families in 2016, this percentage was 37.8 % for children with immigrant parents. Disparities in the AROP rate depend also on the country of origin of the

⁹ https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en

¹⁰ https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf

¹¹ Eurostat, 2019. Employment and activity by sex and age - annual data [lfsi_emp_a] Available at: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsi_emp_a&lang=en (24.12.2019)

¹² Eurostat, 2019. Employment and activity by sex and age - annual data [lfsi_emp_a] Available at: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en (24.12.2019)

¹³ Malmberg-Haimonen and Anne Grete Tøge, 2019. Host Country Discussion Paper 'Is comprehensive and coordinated follow-up enough for increasing labour market attachment?' Available at: <https://ec.europa.eu/social/main.jsp?catId=1024&langId=en&newsId=9471&furtherNews=yes> (24.12.2019)

parents. Around 80 % of children with parents that have immigrated from Somalia or Syria live in low-income families.

The increase in children living below the AROP, the risk of intergenerational transmission of poverty and the lack of guidance on how low-income families should be followed up by supervisors within the local Labour and Welfare offices (NAV) has prompted the Norwegian government to **implement targeted initiatives to reduce child poverty**. To address these concerns and further improve the situation of low-income families, the Norwegian Labour and Welfare Administration (NAV) has developed a **holistic approach** to decrease poverty and its consequences, called **the HOLF model**.¹⁴

In 2014, a report from the Norwegian Labour and Welfare Administration highlighted the need for a programme to improve the follow-up of low-income families and pointed out that improving the situation for low-income families requires that the local NAV offices improve their internal and inter-organisational coordination of services, with an aim to promote children's and parent's situation concerning health, housing, education and employment. The programme described in the report became an official part of the government's political strategy on child poverty 2015 – 2017 and a pilot project, **the HOLF model**, was developed (2015 – 2016), implemented (2016 – 2018) and evaluated (2018 – 2019).

The HOLF model is a comprehensive follow-up model aiming at developing and implementing a holistic support for low-income families and improving the coordination of existing services (short-term objective). In the long-term, the goal is to prevent the intergenerational transmission of poverty.

29 local NAV-offices were part of the experimental set-up to pilot and test the HOLF-model. Each office received funding for two family coordinators to work solely with low-income families. From 2016 until mid-2019, 15 NAV-offices were using the HOLF model, while the 14 control group offices were implementing continuing to use existing and locally developed models.

The HOLF programme concentrated on **four main areas of intervention**: employment, income, housing and social inclusion of children. All follow-up activities with the families should support at least one of these four areas. Family coordinators – key players in this approach – using the HOLF-model received manuals, participated in five seminars and conducted home-based learning tasks. A comprehensive supervision structure, based on the train-the-trainers approach, was also being implemented. Coordinators worked directly with families, but also with other actors important to the family, such as child welfare services and school; they used specific tools to improve the quality of the meetings, making them more goal-focused and empowering.

The Norwegian Labour and Welfare Administration commissioned an independent evaluation carried out by the Oslo and Akershus University College of Applied Sciences (HiOA) to analyse the implementation processes and the effects of the application of the HOLF programme through questionnaires, administrative data, observational data, qualitative interviews with leaders, family coordinators and families. The results of the evaluation were published in September 2019 and gave more insights into whether this approach was successful in reducing intergenerational transmission of poverty,

¹⁴ Oslo Met. Comprehensive follow-up of low-income families. A cluster-randomised study. Accessed at: <https://www.hioa.no/eng/Research-and-Development/Our-research/Research-and-Development-at-the-Faculty-of-Social-Sciences/forskningsprosjekter/Comprehensive-follow-up-of-low-income-families.-A-cluster-randomised-study> and https://clinicaltrials.gov/ct2/show/study/NCT03102775?show_desc=Y#desc (Accessed on 18 December 2019)

increased employment and self-sufficiency of vulnerable parents and the social inclusion and well-being of children.

In terms of quantitative results, **the HOLF model led to positive effects on the competence of family coordinators, increased visibility of children at NAV offices and also improved user involvement and relational alliance.** Although, no substantial effects on employment and the financial situation of beneficiaries were found, qualitatively, beneficiaries and staff of offices of NAV found the approach of the HOLF model useful and would like to continue with its implementation. Despite these results, the evaluation underlined the most important obstacles that coordinators could not overcome namely i) barriers related to internal collaboration with other departments; ii) barriers in the labour market (employers reticence to hire, discrimination); and iii) barriers of the target group (language issues, health problems, lack of education and work experience). These insights call for a re-evaluation of policies and measures in place in order to ensure a better support and follow-up for low-income families.

3 Challenges and solutions to better support low-income families

3.1 Obstacles to take-up services and rights

European countries have considerably different welfare systems designed **to support and protect their citizens, reduce poverty and activate and include people socially and economically.** Despite the differences, European welfare states encounter similar challenges with regards to the access to and effectiveness of social assistance and benefit schemes and services. **Non-take-up, or regular non-take-up of these services and rights** (in kind and in cash benefits) – a situation when people that do not receive the social benefits and services to which they are entitled - is an important issue and refers not only to means-tested benefits but generally to a broad range of benefits and services.¹⁵

Obstacles to take-up services and rights for low-income families are manifold and may occur simultaneously.

Examples of obstacles that hold individuals back from claiming benefits and services they are entitled to include:

- Stigma or perception of stigma linked to the conditions tied to a benefit or to the application procedure, humiliation, discrimination and a lack of trust in the social welfare system. In particular, stigma is often found in the case of targeted services for a limited number of families with complex needs, thereby defining them as vulnerable. People often choose not to take up a benefit because they are afraid of that stigma or see take-up as eroding their independence.
- Prevailing narrative of social welfare as a burden, lack of appreciation of social workers, short-term political cycles, and tensions between the middle class and poor people.
- Difficulties in accessing to information, lack of trained and sensitised staff, lack of or difficulties in exchanging data due to data protection regimes, lack of coordination with other services and missing interoperability of IT systems of different services. Unawareness or misperceptions about the benefit or service due to lack of information is an important obstacle. The rate of take-up depends

¹⁵ Eurofound, 2015. Access to social benefits: Reducing non-take-up. Publications Office of the European Union, Luxembourg

significantly on bureaucratic procedures: the more complex and lengthy procedures, the higher the level of the non-take-up.

- Lack of a solid legal framework (for instance regarding unaccompanied minors, migrants).
- Insufficient language skills, health conditions, geographical isolation, cultural silos and lack of time and knowledge to request and receive the necessary support.
- Digital poverty (lack of skills or access).
- Lack of familiarity with the social services affected especially households that were hit by the financial and economic crisis, and whose income decreased sharply because of job loss.
- Weak or unclear incentives to leave an undeclared or irregular situation can also result in reticence to claim benefits and ask for support.

It is acknowledged that individuals encounter difficulties in reaping the potential of social benefits and services due to barriers generated by the society overall, administration or due to individual barriers. Overcoming these obstacles is paramount in order to increase take-up rates, their impact on poverty reduction and by and large, the efficiency of these social measures.

Several administrative levels and actors have an important role in overcoming these obstacles. At a national/regional level, for example, **'bridge-builders'** and **better linking the various services and stakeholders** involved in the follow-up of low-income families could help in tackling these barriers. In the same vein, **interoperability of IT systems** can also be beneficial in order to facilitate access and overcome administrative barriers. There is evidence that **integrated social services** can improve efficiency and prevent low take-up rates of measures. To this end, a **better diagnostic of those in need** is crucial, as well as low-threshold services (e.g. social workers in schools). In addition, **well-targeted public outreach activities** could serve to overcome the negative narratives and disseminate key information. At local level, an idea would be to involve **experts by experience** (e.g. people that have experienced poverty themselves) and organise activities open to children of all social groups. Finally, the **involvement of all family members** in the development and implementation of tailored action are also means of ensuring a better take-up of services.

3.2 Policies and practices to improve support and follow-up of low-income families

In order to prevent and improve support and follow-up of low-income families, countries can adopt **different types of policies and measures**. The primary focus can be on parental employment or improving work incentives in general, as demonstrated in the Peer country example from Cyprus (see Box 1), or rather on facilitating access to services such as child and elderly care, psycho-social guidance, parental leave and work flexibility. As single-parent families and women often face a higher risk of poverty, activities can also target women's empowerment like the MIRIAM Project in Belgium (see Box 2). A great focus should be given to preventive measures to strengthen low-income family members' competences; in the Czech Republic for example, various initiatives have been launched in order to extend preventive social services for families (see Box 3).

Box 1: Guaranteed Minimum Income Scheme to improve work incentives in Cyprus

The welfare benefits reform in Cyprus took place in 2013, with the introduction of the Guaranteed Minimum Income Scheme (GMI). The GMI is a monthly means-tested, household unit benefit calculated by subtracting the family income from the basic needs plus housing needs. The reform aimed to consolidate existing social benefits, to target benefits more accurately and to improve work incentives to avoid welfare dependency. Focusing on the (re)-integration of beneficiaries into the labour market, actions have been taken for obligatory participation in job placement or training schemes. GMI beneficiaries are to perform community work in order to gain basic skills and help social inclusion and integration into the community and eventually into the labour market. The Public Employment Service plays a crucial part in activating or reactivating the beneficiaries by referring them to existing work positions. Social services, on the other hand, can assist families or individuals to help solve or minimise practical difficulties, to manage various psychosocial problems that increase the risk of renewed job loss, etc. The beneficiaries who are unable to work due to medical or social reasons are referred to relevant services for further assessment and other potential measures available to them.

Box 2: Miriam project in Belgium – empowering single-parent women

Belgium has relatively high proportions of single parent families with 41.3 % of them being at risk of poverty. The MIRIAM project, set up in 2015, aimed to contribute to the empowerment of single mothers, to combat poverty and to tackle isolation in order to improve their chances of social and professional integration through holistic support. Concretely, additional case managers were hired in four Public Centres for Social Welfare (PCSW) during the first phase of the project, and they were accompanied by counsellors from the Vrouwenraad (the Dutch-speaking council of Women of Belgium). The case managers of MIRIAM accompanied between 10 and 15 single mothers, with a total of 60 to 90 parents accompanied per year. The approach consisted both of individual casework with the single-parent mothers and of group work. During the first phase, a slight overall improvement in the situation of female participants and in their empowerment were reported compared to the control group. There was a visible increase in confidence from the beneficiaries' side. Group work was positively perceived: single mothers considered the collective aspects as very helpful. Case-managers were also found to be much more implicated in the MIRIAM project than in regular case work in PCSWs. The second round of the project continued in 2018-2019 and the evaluation is currently ongoing.

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 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. Service teams can also include multidisciplinary expertise, like in the Romanian pilot project (Box 4) where integrated teams are used to facilitate the access of individuals and families to benefits and services. Overall, **the integrated design of employment and social services** may be beneficial. The integrated

approach should be implemented at the policy level as well. 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 processing and storing data in the respect of data protection requirements.

Box 3: Czech Republic: towards an extension of preventive services for families

The Czech Republic has one of the lowest AROP rates in the EU. However, social exclusion is concentrated in low-education and single motherhood families and families with three and more children, as well as in remote regions and communities. Income from paid employment is a fundamental condition for social inclusion, meaning that those experiencing unemployment and inactivity are at higher risk of social exclusion. The Ministry of Labour and Social Affairs is thus working towards an extension of primarily preventive activities to strengthen parental and partner competences. The plans focus on fostering the capacities of preventive social services, social work at the level of municipalities and primary prevention services for families with children and young people. Three projects have been established towards this end, consisting of initiatives for: provision of services to families by non-profit organisations; improvement of the quality and sustainability of social services, and; enhancing of the coordination of family policy at municipal level. The Agency for Social Inclusion is another governmental tool to support municipalities. It manages projects supported by the European Social Fund (ESF), supporting policies at regional and municipal level.

A local level approach is crucial to implement active labour market policies and support low-income families. 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. 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.

Box 4: Pilot models and practices to better support low-income families - Romania

In Romania, the follow-up of low-income families is implemented through a case management approach by the Public Social Assistance Service (SPAS) at local level. Case management is split into two main categories, firstly that for local and county authorities, which are responsible for organising, managing and delivering social services, and secondly that for individuals and families, provided by social assistants and other professionals at local level. From September 2018 to January 2022, the pilot project 'Creating and Implementing Integrated Community Services to Combat Poverty and Social Exclusion' is being implemented, with the aim to support local public authorities in 139 marginalised communities. Integrated community services teams, consisting *inter alia* of a social assistant/case manager, community nurse, and educational counsellor/mediator are formed to provide vulnerable individuals and families with personalised guidance and support and help them access all available benefits and services. An online app will be developed as part of this pilot project to facilitate data collection, evaluation and monitoring on an ongoing basis.

However, local approaches require adequate funding and political will. Mainstream and targeted services are often not available, particularly in rural areas, or are provided by NGOs which may be in financially precarious situations and not in a position to

guarantee long-term and sustainable support. The long-term gains of social investments should be taken into account to ensure political buy-in. A bottom-up approach bringing the grass-roots level closer to the policy-level through involvement of field experts, researchers and NGOs can be beneficial. The involvement of trade unions and employers' organisations in the design of employment-related measures could also contribute to improved services. Digital solutions to respond to training and counselling needs can be considered to ensure optimal access to services.

Policymaking and monitoring should be evidence-based: 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.

Incentives are important not only for the beneficiaries but also for the institutions. Regular coordination and low case load figure amongst the success factors identified to improve support and follow-up of low-income families.

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. Civil society could explore new ways of financing outside of the public sector to ensure financial sustainability and the buy-in of private actors: one example of this is the recent introduction of so-called 'social impact bonds' in Norway, financing tools/investments used to link socially conscious private investors with enterprises that aim to deliver social outcomes.

3.2.1 Effective coordination of actors

The effective follow-up of low-income families relies on the involvement of a wide range of actors at the national, local and regional level. The main actors identified at the Peer Review showcase this large variety, both in the public and private domain: policymakers, municipalities, public employment services, social and health care service providers, educational providers, employers, civil society, religious organisations and social partners. However, as mentioned, inefficiencies in their horizontal and vertical coordination can often hinder the take-up of services and rights. The vertical coordination between the levels of government at national, regional and local level is particularly important as labour-market policies are in many countries dispersed over these different levels. It is important that when planning and adopting reforms, the national level takes into account the resources of social and employment services at regional and local level and ensures appropriate funding.¹⁶ In countries with a strong autonomy of the regional level and weak federal structures in terms of employment and social policies (e.g. Spain), it has to be considered that substantial nationwide reforms may not be feasible.¹⁷ Furthermore, as noted by

¹⁶ European Commission, 2018. *Study on integrated delivery of social services (IDSS) aiming at the activation of minimum income recipients in the labour market - Success factors and reform pathways*. DG EMPL, [written by Agota Scharle, Nicola Düll, Renate Minas, Michael Fertig and Marton Csillag]

<http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8148&furtherPubs=yes>
¹⁷ European Commission, 2018. *Study on integrated delivery of social services (IDSS) aiming at the activation of minimum income recipients in the labour market - Success factors and reform pathways*. DG EMPL, [written by Agota Scharle, Nicola Düll, Renate Minas, Michael Fertig and

participants of the Peer Review, suitable data sharing and communication channels need to be in place to facilitate the implementation of reforms and ensure integrated services.

The Peer Review looked into the different obstacles and challenges of various actors which prevent them to effectively coordinate vertically and horizontally with their counterparts and explored possible solutions to overcome these.

Policy-makers at the national level face obstacles that are mainly linked to the political context they are subject to, budget constraints and the characteristics of the electoral system, which often prevents the implementation of a sustainable and long-term approach to support and follow-up low-income families. Changing political priorities, the fact that vulnerable persons often lack political representation and also the resistance to more fundamental changes can make it difficult to adopt and implement evidence-based policies. Possible solutions to these obstacles include the systematic involvement and consultation of field experts in political debates, also by the media, the adoption of bottom-up approaches with the participation of marginalised groups, as well as the establishment of citizen councils.

Public institutions (particularly related to education, health, justice) face obstacles that can derive from a lack of shared common goals, strategic planning and data management, which is often the result of missing legal frameworks that clearly demarcate their responsibilities. Evaluation and monitoring systems are oftentimes also missing. Strategic planning at inter-ministerial level could be one of the solutions to address these challenges, as well as clear and transparent rules for sharing data and the development of performance indicators tailored to each target group, which are monitored in a systematic manner and allow a meaningful evaluation of the implemented policies.

The challenges in relation to **services**, such as childcare, education and training, access to debt counselling, and psychological support, often derive from the fact that they are not integrated with employment services. This makes effective coordination, which is crucial for activation and sustainability of employment, difficult to achieve in practice. The establishment of one-stop shops, i.e. merging of services, as inter alia done in Germany, Norway and Finland, as well as interinstitutional cooperation (e.g. in Belgium and France) are possible means of ensuring better integration of social services.

Employment services, in general, struggle to provide adequate services that respond to the specific needs of individual persons, both due to inadequate training systems and insufficient resources. Matching the needs of the employers and employees poses another important challenge, which can be addressed by regularly mapping the needs of employers and offering corresponding trainings to potential employees. Mentoring programmes, coaching and digital trainings are possible means of ensuring such upskilling. Furthermore, employment services largely depend on the work of the public institutions mentioned above, meaning that effective coordination, shared goals and integrated measures are needed, ensuring a holistic approach.

Employers play a crucial role in helping to bring people out of poverty, however, various factors prevent their effective collaboration and coordination with employment services to reach the full potential of their involvement. Peer Review participants noted a lack of incentives for employers to hire (long-term) unemployed or vulnerable persons, but at the same time also a lack of social responsibility and understanding of the needs from a societal perspective. Tax and other financial incentives, as well as the introduction of social responsibility labels could be possible ways of encouraging

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<http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8148&furtherPubs=yes>

employers to become socially responsible organisations. Mentors and coaches, who act as intermediaries between employers, employees and employment services can be an effective means of improving the coordination between these actors and in turn increase the labour market integration of (long-term) unemployed persons.

Civil society faces the challenge of low/insufficient funding and the consequent lack of resources prevents long-term and sustainable activities. Furthermore, substantial fragmentation among civil society, brought about by different interests, reduces the possibility to influence policy debate. This could be tackled by establishing or further empowering national umbrella organisations advocating for the interest of certain groups, and exploring new ways of financing, for example through social impact bonds. The involvement of a diverse set of civil society organisations (CSOs) and NGOs in policy development is also crucial. This could already be tackled at the local level, by obliging municipalities to engage with civil society or by initiating job-shadowing between CSOs and municipal workers.

3.3 Conditions and measures to prevent intergenerational poverty

Household poverty tends to persist across generations; it is one of the main causes of the intergenerational transmission of poverty. Growing up in poverty and financial distress leads to an increase of the risk of being poor later in life: studies show that it takes on average four to five generations for the offspring of low-income families to reach average income.¹⁸

During this Peer Review, multiple measures and approaches to prevent the transmission of intergenerational poverty and better support children in low-income families emerged from discussions. A presentation from the European NGO, Eurodiaconia, also highlighted several the measures and condition required for this purpose (see Box 5). In general, overcoming this negative trend requires structural interventions in different dimensions: fiscal; labour market; effective allocation of benefits; family and child support. To address this, some Spanish regions (e.g. Asturias) are making efforts particularly with a view to improving the coordination between different actors involved (see box 6).

Box 5: Eurodiaconia

Eurodiaconia is a European network of churches and Christian NGOs providing social and healthcare services and advocating social justice with presence in 32 countries.

Based on experience from collaboration with various organisations across Europe, Eurodiaconia has identified several **measures to prevent intergenerational poverty as well as the enabling conditions needed.**

Measures

- Adequacy and sustainability of income
- Adequate and affordable housing
- Entry points to a wider package of services
- Adequate wages
- Parenting support
- Affordable childcare

¹⁸ OECD, 2018b. *Child poverty in the OECD: Trends, determinants and policies to tackle it*. OECD publishing.

- Adequate social and tax benefits
- Access to leisure time activities
- Integrated social support and services
- Quality education support including tutoring
- Reduction of barriers to the labour market
- Removal of stress and anxiety about material needs

Conditions

- Realism about the amount of financial support needed
- Multi-disciplinary
- Child-centred approach
- Right place, right time
- Co-ordinated approach
- Formal and non-formal education
- Focus on incentives rather than conditions for families
- Psycho-social approach
- Participation in policy design and in-service design from the earliest stages

Box 6: Role of public social services in the prevention of intergenerational transmission of poverty in Spain

In Spain, the implementation of social services is a shared competence between the regions and municipalities, with substantial differences between the regions in terms of service provision, coverage and budget of its minimum income system. The intergenerational transmission of poverty has been a major matter of concern, and social services in the different regions have made efforts to counteract this phenomenon particularly by improving the coordination among different systems and actors. One example of this is a 2017-2019 collaboration agreement between the Department of Social Services and Rights and the Public Employment Service of the Region of Asturias. Its objective is to promote a coordinated system of actions and measures for the social integration and employment of beneficiaries of minimum income. This is to be achieved by fostering the exchange of data between the two bodies, as well as by drawing up protocols for implementation and follow-up between the different employment and social services mechanisms at regional and local levels. Pilots have been carried out in two municipalities so far.

Increasing the take-up of support measures is crucial to tackle the transmission of poverty. 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 available and 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 and ensure more intergenerational equity and family friendliness in the neighbourhoods.

The Parents' low level of education is associated to higher risk of poverty. Therefore, ensuring services such access to **education and training for parents** as well as

opportunities of **social and educational participation in** society for their children are crucial to break the cycle of intergenerational transmission of poverty. In the informal side, access to leisure activities for children is essential to alleviate the consequences of poverty and social exclusion. A good practice, the so-called 'The Adventure Card', was presented during the Peer Review from *Samarbeidsforum mot fattigdom*, the cooperation forum for combating poverty in Norway (**see Box 7**).

Box 7: Samarbeidsforum mot fattigdom

Samarbeidsforum mot fattigdom, the cooperation forum for combating poverty in Norway, is a platform for political lobbying with the aim of reducing poverty.

During this Peer Review, a representative from this organization presented a **campaign on combating child poverty** and a good practice, '**The Adventure Card**'.

The campaign, politically independent, ran in 2016 - 2017 using satire to draw attention to a difficult topic. The campaign was focused on Norwegian society's shared responsibility for the growing number of children in poor families and it was a great success since it received nationwide media coverage, recognition from political leaders and support from national and regional newspapers. In addition, from the policy perspective, the child benefit was increased for the first time since 1996 from NOK 970 (EUR 98) to NOK 1054 (EUR 106).

Good practice 'The Adventure Card'

Although improving the finances of the poorest families is most crucial, there is also a need for good supplementary measures to alleviate the consequences of poverty and social exclusion, such as social participation through leisure activities that usually low-income families cannot afford.

'The Adventure Card' was introduced in 2009 with the objective to prevent social exclusion by securing all children and young people access to leisure activities regardless of their family's income level. It is a universal leisure card, available through an application and works as a cooperation between private actors and municipalities. In order to avoid stigmatisation the application is not addressed specifically to children from low-income families but rather everyone gets the application; children from low-income families have their activities pre-paid by the local Labour and Welfare Administration.

To date, more than 80 municipalities have been engaged, and over 100 000 children have been offered activities under the programme.

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.

4 Conclusions

The Peer Review provided participants with the opportunity to discuss challenges and approaches in providing both comprehensive support and follow-up to low-income families as well as better coordination of services.

Despite the decrease of the unemployment rate and of the number of people at risk of poverty and social exclusion across the EU Member States, there is still much to be done to ensure better support for low income families; various types of obstacles hinder them from claiming benefits and services they are entitled to. To this end, participants underscored the importance of integrated services in order to increase take-up levels of benefits and services.

Policies and measures should be designed along more proactive and preventive approaches and be more evidence-based to better address specific problems. A combination between universal and targeted measures could be the solution to ensure adequate and effective coverage, limiting the risk of stigmatization. Initiatives and actions at a local level were considered by participants of utmost importance to implement active labour market policies and services. However, all levels are crucial and the effective coordination of a wide range of actors at national, local and regional level also has a positive impact on the support and follow-up of low-income families.

Participants stressed the difficulty to enhance and improve cooperation between actors and highlighted issues related to information exchange due to data protection regulations. Finally, participants agreed that the intergenerational transmission of poverty is a major matter of concern for all countries, requiring a coordinated, child-centred, multi-disciplinary approach to prevent it.

