



Peer Review in Social Protection and Social Inclusion and Assessment in Social Inclusion

www.peer-review-social-inclusion.eu

Norway 2009

Developing well-targeted tools for the active inclusion of vulnerable people

Short Report



On behalf of the
European Commission
DG Employment, Social Affairs and Equal Opportunities



Peer Review: Developing well-targeted tools for the active inclusion of vulnerable people

Government representatives and experts from seven European countries (Austria, Cyprus, Ireland, Poland, Romania, Spain and the United Kingdom), the European Anti-Poverty Network, Rienk Prins, the thematic expert, and a European Commission representative from the Directorate-General for Employment, Social Affairs and Equal Opportunities joined the host country Norway in Oslo on 29-30 October to examine the Norwegian Qualification Programme (QuP) as an example of a **well-targeted tool for the active inclusion of vulnerable people**. The Peer Review was hosted by the Norwegian Ministry of Labour and Social Inclusion.

1. The policy under review

Background: (1) Key statistics relating to labour market and social assistance. Norway has very high participation rates in the labour market for both sexes, standing at approximately 80% for the age group 15 to 64. At the same time 25% of the working-age population receive health-related and disability pensions, about 3.7% receive social assistance benefits, and of these 22% are on long-term benefits,

Background: (2) The Norwegian welfare system reform. In 2006 the Norwegian government carried out a major reform of its welfare system called the 'NAV-reform' to merge the nationally-run employment and national insurance systems with the locally-run social service administration. A central component was to introduce a mandatory partnership between central and local government in local NAV-offices in all municipalities so that the different services could work together. Bringing the social, welfare and labour services under one roof provides a 'one-stop-shop' for users, to prevent their having to visit, or being 'passed round' a number of different offices in order to receive benefits or services.

The Qualification Programme has been established as part of this reform to provide a focused service for people who have experienced difficulties in getting employment, many of whom are long-term recipients of social assistance benefits so find it more difficult to return to the labour market. The Programme offers members of this target group who visit the NAV office the opportunity to participate in a year-long programme of activities that will gradually prepare them to (re-enter) the labour market or training. They receive a regular weekly income to attend, plus benefits such as child support.

How the Qualification Programme works

- Each potential participant is asked to complete an individual Workability Assessment form and attend an interview to ascertain his/her suitability for the Programme and what he/she hopes to get from it. On the basis of this each individual is given an 'activity programme'. Those with specific needs are given a more detailed 'individual plan'.
- During the early stages of the Programme, the individual attends groups focusing on topics such as life-skills, health nutrition, and undertake some basic work-experience such as

maintenance or canteen work. Where necessary the individual can attend classes in Norwegian language and other basic subjects, as well as having regular consultations with health practitioners/drug counsellors/etc.

- The aim of this early stage is to help the participant to regain self-confidence and well-being and improve his/her ability to operate in the world of work.
- During the later stages of the Programme the user attends more targeted groups to improve his/her employability, and is assigned a work-experience placement with a normal local employer.

What the Qualification Programme offers individuals

- An important element is that a 'consultant' from the NAV office closely follows each individual's progress. This is labour intensive, but crucial for the programme's success.
- Individuals attend for 37.5 hours each week for a year, for which they receive an annual 'salary' of 145,772 NOK (€17,300), plus child benefits (if applicable). Those under 25 receive two thirds of this. This amount is subject to 25% income tax, but will contribute to the individual's pension.
- The Programme can be extended if the participant and consultant feel more can be gained from a second year.

Results so far

Between the start date of November 2007 and August 2009, altogether 6670 people had participated, and by August 2009, 5488 people were still participating. In the first four months of 2009, 37% of the 303 people who completed the programme got ordinary employment, 4% went on to further education and 8% entered other labour market schemes. By the first quarter of 2010 the programme should be operational on a country-wide basis.

2. Key issues

During the discussions between the host, the peer countries and the stakeholder network, and at the site visits to two NAV offices the following issues emerged:

Staffing in the Programme and the NAV office

- As the start of the Programme roughly corresponded with the NAV reforms, staff were brought together from the different agencies, and were faced with a demanding situation as they settled down to work under the new structure.
- Most of those brought into the Programme came from the social work side, rather than the labour market side, so some staff had to acquire new competences in approaching and following-up employers, who offered work-experience placements.
- At times the huge workload and the intensive method of working made it difficult to carry out

as much intensive follow-up of individual participants as originally intended.

- Some peer countries noted that staff might find themselves playing conflicting roles: on the one hand they supported the participant, while they might also have to suggest withdrawing income support if s/he failed to attend.

The role of the diagnostic (workability) test and reaching the target group

- As a standardised 'workability accessibility test' was not available until a year into the Programme, staff used considerable discretion in how they assessed potential participants and their needs. As a result programme participants varied between municipalities.
- The need to reach the outside targets set for each NAV office, and the pressure on staff time in the early stages of the Programme meant NAV staff were tempted to choose participants who were most likely to succeed in the Programme.

Working with employers

- As this was a central plank of the Programme, peer reviewers were interested to know about the level of contact and follow-up with employers and what measures were taken to enlarge the pool of employers.
- It was suggested that improved coordination within the NAV offices between the different Programmes might solve some of the duplication between staff from different Programme competing for work-placements with the same employers.
- Questions were raised as to whether employers should be offered financial incentives, but it was pointed out that as the participants are paid by the Programme, employers would be relieved from paying social costs.

Success criteria

While in general it is agreed that the Programme has been a success, it might have helped staff if they had been given qualitative as well as a quantitative criteria to judge success. For example, NAV staff with a social-welfare background felt success depended on how many people were now *on the path of returning to* the labour market, whereas those from the labour-market side felt it depended on *getting people into work* or a training scheme.

The programme is "too fresh" to assess already high placement in employment rates, but participation rates (and drop out rates) are favourable.

3. Lessons learnt, conclusions and recommendations

Successful Programme with high level of participant satisfaction

It was agreed that:

- A Programme using such well-targeted tools can be successful in reaching vulnerable

groups.

- Participants appreciated receiving a regular payment, rather than having to regularly re-apply at social assistance offices for benefits.
- It was the first time anyone from the state services had worked closely with this group of individuals to learn their needs and help them fulfil them.
- About 90% of participants believed they would get a job at the end of the project, but as the Programme is in its early stages it is too early to see the results.

A labour-intensive Programme that pays off

Given the small number of participants who have completed the Programme and the amount of follow-up required, this programme was expensive. However, given the long-term savings it brings by taking people off benefits and putting them in work where they will make social contributions, it is cost-effective.

Good interdisciplinary work at the NAV offices

Despite initial 'teething problems' individual NAV offices took innovative measures to ensure staff from the different programmes worked together. First it shows that state and local agencies can work cooperatively together, and secondly that the push for integration can come from local staff, and does not always need to be imposed 'from the top'.

Bringing in other local actors/agencies to create a 'neighbourhood approach'

- As participants often have multiple problems to do with health, housing, youth care, education, etc. more cooperation with other departments/agencies and local NGOs could improve the service offered to participants.
- Creating a network of employers could encourage more employers to participate, as they can share experiences, and learn more about the Programme.

Programme follow-up

It was suggested that further follow-up of participants once they have completed the Programme could give them the support the needed at the early stages of employment/training.

Participants' 'contracts'

Some peer reviewers felt that, given different cultural and national attitudes, it might be a good idea to ask participants to sign a contract before they enter the Programme to help to clarify the mutual obligations and rights, and give participants a feeling of ownership and 'employment'.

However, it was explained that in Norway, where society is built on mutual trust, and where the Programme is designed as part of the country's obligation to improve the country's social fabric, this was unnecessary.