



The Netherlands Institute
for Social Research

Summary

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Attention to accumulation of problems

Recently, the Netherlands Institute for Social Research (SCP) demonstrated that an effective strategy to combat structural inequality in society hinges on a perspective that goes beyond a purely economic approach focused on work and income (Vrooman et al. 2023). An overly one-sided focus on work and income is unlikely to offer much of a solution unless other problems are also dealt with. This is because it is more difficult for people to invest in things like training and work if they are simultaneously facing problems in multiple life domains, such as their mental and physical health or their social network, or if they lack the skills to survive in an increasingly complex society. The importance of addressing these problems is highlighted by the fact that people with a combination of problems frequently occupy a disadvantaged position in society. Such people participate less in society, experience loneliness more often (De Klerk et al. 2023; Verbeek et al. 2023) and are less trusting of other people and the government (Vrooman et al. 2023). Turning this situation around will require a comprehensive strategy that transcends the various life domains.

A broad view of social assistance

Such a comprehensive strategy is especially important for those who have been dependent on social assistance for longer periods of time. People who receive social assistance (around 400,000 individuals at the end of 2022, CBS 2022a) often experience problems in multiple life domains. These are particularly related to occupational disabilities, debts and poor health (Doove et al. 2018). Since 2015, social assistance has been regulated by the Participation Act. Aside from providing income support, the main purpose of this Act is to get people into work. Although some of those who are entitled to social assistance are capable of work if given proper support, a considerable number of these people – and the municipalities responsible for them – believe that their accumulated problems rule out any real prospect of paid work, even in the current situation of labour shortages (NLA 2022; SZW 2022). This group would benefit from a broader view of social assistance that includes perspectives other than a transition to paid work. It is partially for this reason that the government is considering a fundamental review of the Participation Act.¹ The present quantitative study provides input for the ongoing discussion about this review. It illustrates the problems that people entitled to social assistance are facing in multiple life domains and explores to what extent they receive support through their municipal social domain. The objective of this study is to offer a broader view of the problems experienced by those who receive social assistance.

People entitled to social assistance often experience an accumulation of problems

This study establishes that people entitled to social assistance experience an accumulation of problems in multiple life domains more often than those who do not receive social assistance. Although this does not apply to all people entitled to social assistance, problems in the work and income sphere are often accompanied by various kinds of other obstacles in daily life. A striking data point was the large number of people entitled to social assistance who have health problems (see also Van Echtelt et al. 2022). Survey data² have shown that people entitled to social assistance struggle with household chores or mildly strenuous physical activity (like walking or climbing the stairs), have a small social network and have limited administrative skills more often than the average person. They also believe they have less control over their own lives and feel less resilient than others. They spend less of their free time taking an active part in society (e.g. through club membership, cultural/leisure activities or sports), experience below-average life satisfaction and feel lonely more frequently than those who do not receive social assistance. The fact that the problems highlighted by these data cover various aspects of personal well-being stresses the importance of an approach to the problems of people entitled to social assistance that looks beyond economic factors like work and income.

¹ This refers to the ‘second track’ of the review. Review track 1 concerns proposed amendments to the Participation Act with a particular focus on addressing perceived ‘intransigences’ in the law, such as the limits on additional earnings and income from donations. Review track 2 concerns further elaboration of the initial steps already taken towards restoring the human dimension, rebuilding trust and simplifying the implementation of the Act. This is a long-term project that entails not only a more fundamental and broader view of the Participation Act itself, but also of how it relates to other laws such as the Social Support Act 2015 (Wmo) and the Youth Act. Finally, review track 3 concerns the promotion of expertise among professionals who are working with the municipal authorities to implement the Participation Act (House of Representatives 2022/2023).

² The survey referred to is the SociaalDomeinIndex 2021 (SDI’21) – see Appendix A.1 to this report at www.scp.nl.

People entitled to social assistance who experience an accumulation of problems receive only limited support under the Participation Act

Earlier research has demonstrated that those groups of people entitled to social assistance who experience the most complex set of problems receive the least support under the Participation Act (see e.g. Van Echtelt et al. 2019; NLA 2022). Explanations for this include the funding structure of the Participation Act, its fragmented regulation and implementation and its focus on a transition to work. The research data confirm that those who have been dependent on social assistance for longer periods of time often do not receive or no longer receive occupational rehabilitation support.

There are other ways for municipal authorities to support people entitled to social assistance through the social domain. Data from the Statistics Netherlands register indicate that those entitled to social assistance apply for support under the Social Support Act 2015 (Wmo)³ and the Youth Act⁴ relatively often. However, the analyses also show that some of them do not receive or no longer receive any support through the social domain at all. Looking at the groups of people entitled to social assistance who experience the most complex set of problems⁵, we find that particularly the group of 'elderly recipients with only primary school/pre-vocational secondary education and health problems' receives support through the social domain less often than other groups. This may be due to the relatively long period of time that they have been dependent on social assistance (often for more than five years) and the fact that support under the Participation Act is mostly given shortly after recipients become dependent on social assistance (De Hek et al. 2022).

Considering the diversity of the problems that affect some of the people entitled to social assistance, it seems obvious that the Participation Act should leave more room for support that is not specifically aimed at getting people into paid work. Possible alternatives include a 'life first' approach and support aimed at participation in society – e.g. through volunteering – or alternative types of work, such as sheltered employment. While municipal authorities already provide these kinds of support in practice, it is open to question whether the Participation Act offers sufficient room and resources for this. When it comes to an approach that looks at all aspects of life, it is essential to consider carefully to what extent people are able to manage on their own, whether they require rehabilitation or broader support and whether they need this support immediately upon qualifying for social assistance or at a later stage. Bearing all that in mind, the figures on which this study is based do not provide enough clues to say one way or the other whether people who do not currently receive support through the social domain would benefit from that support in terms of addressing the problems they experience in daily life or their participation in society. We also lack adequate information on other types of support offered by municipal authorities, such as debt assistance and minimum-income policies.

Types of support vary between municipal authority types

Municipal authorities⁶ have different priorities when it comes to supporting groups of people who are entitled to social assistance and have similar problems. This is consistent with the principle that in a decentralised system, municipal authorities should have the discretion to make their own policies and adapt the support they offer to local needs. There are also differences between municipal authorities in terms of the problems faced by the people entitled to social assistance. Furthermore, the choices that municipal authorities make may be influenced by other factors, such as their political climate, organisational culture or financial situation. Some municipal authority types prioritise rehabilitation support, others focus on providing support under the Wmo and yet others opt for a combination of provisions

³ The present study considers only the personalised arrangements provided under the Wmo, not the general arrangements like community centres and social work in general.

⁴ Although support under the Youth Act is usually provided to families with children, young adults may also qualify. In that case, they are entitled to extended support under the Youth Act until they reach the age of 23.

⁵ We divided people entitled to social assistance into eight groups on the basis of their characteristics and problems. In addition to personal traits, the characteristics included education level, health, debt and work experience. We defined the groups by means of a latent class analysis. See Chapter 3 for further details.

⁶ The present study does not consider each municipality separately, but groups municipal authorities with similar population characteristics by type on the basis of the SCP's own municipal typology (Vermeij et al. 2021). We split these groups further by region, so that we could assess regional variations as well. The study results are insufficiently conclusive to make any definitive statements on the allocation of resources across the various municipalities or municipal authority types.

based on the applicable legal frameworks. That said, the pattern that emerges for all municipal authority types is that the groups of people entitled to social assistance who have often been dependent on social assistance for longer periods of time receive no support through the social domain. This comes with the proviso that these people may receive other types of support (through their municipal authority or otherwise) that are outside of the scope of this study (such as debt assistance or support on the basis of minimum-income policies). The consistent pattern across all municipal authority types suggests that this is a consequence of the existing national frameworks (e.g. legislation, budgets). It is possible that municipal authorities do not make optimal use of the room afforded to them by the applicable legal frameworks (Council for Public Administration 2021; Vonk et al. 2021). At the same time, it is unlikely that municipal authorities will organise the support they offer differently unless the legal frameworks become more closely aligned with the support needs of people entitled to social assistance who experience an accumulation of problems.

Policy ramifications

As stated previously, people entitled to social assistance experience problems in a variety of life domains. This highlights the importance of broadening the scope of the Participation Act in terms of its objectives. Although some of those who are entitled to social assistance are capable of work if given proper support, this does not apply to everyone. For this latter group, it is important to look at aspects other than paid work. This will require a broader perspective on the Participation Act. To the extent that the national frameworks and available budgets allow, municipal authorities will need to make choices about the level of support they provide to different groups. This was confirmed by the recent SCP study *Sociale en Culturele Ontwikkelingen 2023* (Social and Cultural Developments 2023, Verbeek et al. 2023). If the central government wants to bring the support available to people entitled to social assistance more into line with their support needs, it will need to make changes not only to the implementation of this support, but also to the applicable organisational and institutional frameworks at both the national and municipal levels. The present exploratory study has yielded a number of points for attention for the central government and municipal authorities to take on board if they want to improve their support to those entitled to social assistance.

1 Identify broader support needs

If municipal authorities want to offer a suitable range of support options to people entitled to social assistance, their first priority should be to obtain a complete picture of these people's support needs. This will involve aligning the approach under the Participation Act more closely with the Wmo approach, which puts more of an emphasis on investigating the reasons that underpin support needs (Kromhout et al. 2020).

Municipal authorities are often well aware of the problems that people have when they first qualify for social assistance. At any rate, they know what these people who are entitled to social assistance need in order to get back into work. However, municipal authorities sometimes lose track of those entitled to social assistance when paid work is no longer considered a viable option, leading to these people becoming dependent on social assistance for a longer period of time (De Beleidsonderzoekers 2018). Consequently, their picture of the problems that people encounter in their daily lives is less clear.

Within the current Participation Act framework, municipal authorities have a strong focus on enforcement aspects and on the support needs of people who are capable of transitioning into work – although they have stepped up their efforts to identify the problems experienced by all people entitled to social assistance. Such an identification effort requires the specific knowledge (expertise) of client managers (see review track 3 in the recent letter from the Minister of Social Affairs and Employment, House of Representatives (TK) 2022/2023). In addition to the above, the client managers' vast case loads and the high pressure that they are under have been singled out as obstacles to a broader approach.

2 Align administrative and legal instruments with these broader support needs

Considering the accumulation of problems experienced by some people entitled to social assistance, it is worth reviewing whether the administrative and legal instruments provided for in the Participation Act are still fit for purpose in view of what people entitled to social assistance need in order to participate

fully in society again. The focus on getting people into work may lead to other problems being left unaddressed.

Whether the usual instruments provided for in the Participation Act (e.g. job application training or job coaching), which are intended to get people into paid work, are suitable and effective is open to question. People may benefit more from other types of support based on an approach that looks at all aspects of life (e.g. a life coach or administrative support). It is also worthwhile to explore other types of participation in society that might be suitable for people entitled to social assistance, such as those aimed at expanding their network or preventing loneliness. While not an effective way to get people into paid work in the short term, these may enhance their quality of life. For some groups, this may lead to paid work in the longer term. It may be possible to transition more people who are entitled to social assistance to alternative types of work, such as secondments, trial placements and volunteering. More generally, it is important to verify whether the support offered through the social domain (whether covered by the Participation Act or not) is currently a close enough match with the support needs of those entitled to social assistance.

3 Harmonise policy frameworks

In view of the accumulation of problems that some people entitled to social assistance experience, it seems necessary to adopt an approach that encompasses multiple life domains. This will entail not just a reorganisation of the way support is implemented, but also an amendment of the applicable legal frameworks. The fragmentation of these frameworks poses an obstacle to a broad, coherent approach when it comes to addressing problems in multiple life domains. It is therefore essential to harmonise these frameworks at the national level.

To achieve this, the problems that people entitled to social assistance experience in terms of work and income will need to be considered in tandem with their problems in other life domains and parties will need to work together across the various domains. In practice, however, municipal authorities are faced with several obstacles. Differences between the features of the various legal frameworks have proven one stumbling block. Another is the fragmented policymaking and implementation at both the national and municipal level (Kromhout et al. 2020). This is not just an implementation problem to be solved by municipal authorities, but also calls for institutional changes (see also Vrooman et al. 2023). In this context, it should be taken into account that investments based on one legal framework do not always lead to a positive outcome under that same framework. As an example, support provided on the basis of the Wmo may lead to a reduction in support on the basis of the Participation Act (see e.g. Verlaat and Zulkarnain 2022 on the topic of experiments with the Participation Act). This policy area fragmentation can be resolved by better coordination between policymakers. This could lead to – for example – an outline letter for the entire social domain that sets out a shared policy vision on the harmonisation of legal frameworks (Verbeek et al. 2023).

4 Focus on more than just paid work

In the experience of both municipal authorities and people entitled to social assistance themselves, those who receive social assistance often have little real chance of finding paid work in the short term (Van Echtelt et al. 2019). This makes it questionable whether the Participation Act's focus on getting people into work is a tenable one. Greater emphasis on other types of participation (such as volunteering) for people entitled to social assistance is more beneficial to their quality of life. This is not to say that a broad view of social assistance necessarily means that the focus on transitioning to paid work should disappear altogether. After all, it remains vital that people continue to have the opportunity to earn a living and participate in society by being active on the labour market (Versantvoort 2022).

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