

Programme for Developing Local Plans for Social Inclusion

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Norwegian context

Norway has enjoyed both low levels of unemployment and low levels of poverty during the course of the last few decades compared to many European countries (see appendix for key indicators). The Norwegian welfare model is characterised by a relatively large redistribution of wealth through its income tax system, its universal welfare system, a comprehensive, publicly financed education system and an active labour market policy (e.g. Kildal and Kuhnle 2005, Dølvik et al 2007). Nevertheless, the last ten years have seen a growing awareness of poverty and social exclusion as an issue in Norway. Until a decade ago the term poverty had been noticeably absent from public debates and the general consensus was that strong focus on equalising measures and improving living conditions had helped abolish the problem it may have once represented. However, poverty found itself back at the centre of the political agenda and as a result of this, the government presented in 2002 a plan of action with the purpose of combating poverty (St. Meld. No 6 (2002-2003)). Since 2003 the yearly national budgets have consequently included a 'poverty package', where resources have been specifically allocated to fight poverty. Additionally, in its Government declaration, the red-green coalition government elected in 2005 promised to eradicate poverty (The Soria Moria declaration 2005), and in 2006 a new action plan to combat poverty was launched (St.prp. no. 1 (2006-2007) appendix). In 2008 the action plan was reviewed and new priority areas and measures were proposed (Action Plan against Poverty. Status 2008 and intensified efforts 2009). The Norwegian government has since 2006 allocated approximately 3.9 billion NOK for the efforts to combat poverty in the action plans. In 2009 the efforts are based on three objectives:

- Opportunities for all to participate in the labour market;
- Opportunities for participation and development for all children and young people;
- Improved living conditions for the most disadvantaged groups.

A core feature of the Norwegian welfare model is the interaction between the labour market and the welfare system (Dølvik et al 2007, Schafft 2009). They may be seen as complementary systems. The financial and administrative responsibilities for public welfare in Norway are mainly divided between the state level and the municipalities. The central Government is responsible for the general labour market policy, social insurance and various kinds of family benefits. The central government is also responsible for the specialist health care services (e.g. hospitals). However, there is a strong belief in local independent governance in Norway, and the municipalities play a crucial role in both providing and implementing welfare policy. The

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municipalities are responsible for primary health care, day care for children, primary and lower secondary school, care for the elderly and persons with disabilities, social services and social assistance benefits. Housing is a municipal responsibility, but with a large engagement at the state level through competence building and possibilities for funding. The county (regional level) is responsible for secondary schools. Services and social assistance benefits provided by the municipalities are mainly financed by local taxes and state block grants to the municipalities, but within the area of social inclusion there has been an increased use of targeted grants to the municipalities on specific areas (e.g. child poverty, homelessness).

Service providers who offer state financed labour market measures are often organised as private limited companies in which a local municipality or county council holds majority of the shares. They can also be entirely private or charitable organisations, municipal agencies or combinations of public and private agencies (ibid). The share of civil society welfare services is small, but in recent years NGOs and voluntary organisations have increasingly received targeted public funding for dealing with problems of social exclusion.

The Norwegian Labour and Welfare Service (NAV) is the result of a major welfare reform from 2005 of significant relevance to the policies to combat social exclusion. The former Directorate of Labour and the National Insurance Service are merged into a new labour and welfare administration, NAV, combined with more formal collaboration between this new administration and the municipal social services administration. A central component of the reform is the introduction of a mandatory partnership between central and local government, established in local NAV-offices in all municipalities. The local NAV-office provides a joint front-line service. The services provided by a NAV office will vary between different local authorities. The minimum requirements are:

- to offer the entire range of state services provided by the former National Insurance Service and the former Norwegian Directorate of Labour (Aetat);
- to offer the Qualification Programme;
- to offer advice and follow-up, family and pensions services, occupational rehabilitation, sickness benefit, aids/appliances, etc.;
- to offer financial social assistance services from the local authority.

Many local authorities have chosen to assign NAV offices more responsibilities. This is decided in agreement between the local NAV partners, the municipality and the NAV administration. Recent analyses show great variations regarding the content of these contracts, and thus the range of services provided by the local NAV. Most local NAV offices state detailed goals for the specific local challenges in these contracts, others do not. Cooperation with other local welfare actors regarding the welfare services may also be included in these binding contracts. 40% of the local NAV offices have contracts including detailed description of this cooperation whereas the rest have more general descriptions of this external cooperation (Monkerud 2009). The administrative reform which resulted in NAV, has been followed by new measures to reach the goals of getting more people into work and activities. One important measure is the new Qualification Programme, which aims to provide income security and to contribute to the inclusion of unemployed and vulnerable groups in the labour force.

Norway has comparatively low rates of child poverty. Factors that may explain that is the emphasis on work, full employment and high female labour force participation, social rights based on citizenship rather than family status and employment and a willingness to sustain high taxes and substantial government support for families (Innocenti 2005). Although the national action plans are essential to keep the fight against poverty high on the agenda, the local government plays a crucial role in the efforts made to achieve a unified effort in combating poverty (Hansen et al 2008). In order to achieve the overall national goal in the fight against poverty, to develop programmes and knowledge to increase the focus on poverty, and to contribute to better coordination of measures (Action Plan against Poverty 2008), one is entirely dependent of civic awareness and ownership of the work (Nuland et al 2010). Within the poverty area most municipalities do not have a comprehensive plan to combat poverty or an analysis of local challenges when it comes to social exclusion and poverty (Hansen et al 2008). Within the field of homelessness national authorities have stimulated the implementation of local action plans on social housing – building on an analysis of local challenges (Hansen et al 2007).

Since the first action plan against poverty there has been launched several national grant schemes and initiatives within different target areas (e.g. child poverty, child welfare services, social housing, homelessness, youth programmes, drop-outs of upper secondary school, inclusion of newly arrived immigrants etc.). These will initiate local programmes in relation to social welfare, pre-emptive work towards people considered at risk, and develop new patterns and structures of cooperation to improve the availability of local programmes for people experiencing poverty and social exclusion. However, most of these initiatives and programmes are placed within different sectors and different administrative respectively, often following the ministries at the national level who commissions the grants. Thus, a challenge at the local level is to see all these areas together in a unified effort.

Assessment of the possible relevance

The programme for developing local plans for social inclusion in Catalonia is a very relevant programme for Norway. Norway has had several similar initiatives as part of the Action plan against poverty. The logic of many Norwegian initiatives has been that the central government establishes the goals for the policy and provides the funding, while the municipal services implement the policy. In the relationship between central and local government, the central government has three main instruments for affecting local policy development: through judicial instruments and law, through economic instruments and funding (e.g. grand schemes) or through competence development and knowledge sharing (e.g. the use of annual national or regional conferences to raise awareness, enable professionals to share experiences and to encourage mutual learning processes, for instance in the regional conferences in the qualification programme, annual network conferences for municipalities working to combat children poverty and conferences for municipal work with social housing).

As a result of poverty ranking high on the political agenda, and fighting unemployment being recognised as the key to fighting poverty, there has been increased funding provided to municipalities in addition to projects and grant schemes available to them to be used for targeted measures. Similar to the experience described in the host country report, and the discussion paper, this type of organisation might challenge local autonomy. It can be argued that these policies are the delivery of government policy rather than development of local policy. However, it

is a measure allowing for the transfer of competence and of more autonomy to the local authorities through the process of making national policy a better fit with local challenges. At the same time, a coordination mechanism along side guiding principles is necessary. With this kind of approach, there is a danger that the grants to different policy areas lead to ad hoc projects. As a result, the Norwegian effort to combat social inclusion however targeted, also suffers from being fragmented. In other words, Norway faces challenges related to developing a holistic and sustainable approach to promote social inclusion.

Norway is undergoing a welfare reform, reorganising the social security offices and unemployment offices into a common organisation, the Norwegian Labour and Welfare Service (NAV), where the staff from NAV and the local authority work together at the NAV offices to find good solutions for their users. Norway is still in this process, and there is much discussion about local organisation and issues concerning competition, co-operation and sharing/division of responsibilities. The logic behind pulling these resources together and creating 'one door' for the users has been put forward as an important aspect, however, combining organisations with different working cultures and professional backgrounds is a sizeable task, which, once accomplished will take time to settle in and work according to plans. It is therefore of high relevance to see how the local programmes in Catalonia has dealt with similar challenges.

In terms of policy design, the Norwegian efforts in combating child poverty is an example of a national political plan devised by the ministry to be implemented locally through the cooperation of several disciplines of the local apparatus. Altogether more than 80 (out of 430) municipalities are involved in one of the measures to combat poverty among children. The efforts have been targeted at local authorities that face major problems associated with living standards and high levels of child poverty. The local authorities have focused their work on two main areas in particular: holiday and leisure activities for children, young people and families, and initiatives that can engender the involvement in the labour market of young people with little or no qualifications (Nuland et al 2009a, Nuland et al 2010). This plan has also been a multi-disciplinary effort at central government level; a close cooperation between The Norwegian Directorate for Labour and Welfare and The Norwegian Ministry of Children and Equality/Directorate for Children, Youth and Family Affairs. The effort to combat poverty among children is also a good example of social policy where the central government allows for subsidiarity in refining the details of programmes locally. It has been important to make this effort multi-disciplinary both locally and centrally, and to give incentives for developing improved collaboration structures not only between local authorities (for instance between the child welfare services and the social welfare offices) but also between the local authorities and local NGOs. The challenge is, however, precisely to achieve such a foundation so that the work of the measures are an integral part of local efforts to improve children and young people's welfare and living conditions (Nuland et al 2009b). Learning from the Catalan experience will be useful in the Norwegian efforts to combat child poverty.

When looking at poverty and social exclusion, the spatial dimension is also of relevance. In spite of being a country with small cities compared to other European countries, there are clear divisions within Norway's major cities when it comes to living conditions, unemployment and poverty. The recent living condition survey of Oslo found that there were clear divides, both between and within city districts, when it came to levels of unemployment and poverty among children indicating the potential presence of cycles of deprivation and other barriers trapping people in joblessness and poverty (Bråthen et al 2007, Nadim 2008). In Oslo in 2006, the city district with the lowest rate of poverty among children was Ullern with 5 percent, while the city

district of Gamle Oslo had 33% (Nadim and Nielsen 2009). This paper has already referred to that there have been targeted measures towards municipalities through different grant schemes. But in Oslo, there have also been targeted measures through increased government funding to geographical areas of the city aiming at improving living conditions i.e. the current programme for the area of Groruddalen in Oslo. These area specific programmes share many similarities to the local programmes in Catalonia.

The possession of basic skills contributes to inclusion in working life, a secure income and social participation in a wider array of areas. The education system is therefore an important instrument for reducing poverty and marginalisation, and for social cohesion. Over one quarter of young people in Norwegian upper secondary education leave school without occupational qualification or for pursuing higher education. These young people are consequently more vulnerable to poverty and marginalisation. There is also a strong association between parents' educational attainment and children's completion of upper secondary education (Markussen et al 2008). In autumn 2006, the Government presented the white paper 'Early intervention for lifelong learning' (St. meld No.16 (2006-2007)) in which it is stated that when social disparities increase, efforts to counter these disparities in the education system must be intensified. The white paper presents the Government's policy directing the ways in which the education system can promote social cohesion. The measures proposed in the white paper are intended to ensure that the individual's needs are met at every level in the education system.

It is important to engage local authorities and fostering local partnerships is most important in order to find integrated answers through social activities, training and employment schemes tailored to local needs. The experience in Norway regarding combating poverty among children has shown that one of the most important achievements of government measures has been to enhance municipalities' poverty awareness. Reaching the goals of eradicating poverty is conditioned by local attention, knowledge and commitment in the municipalities, and establishing local partnerships that will help instigating this conditional framework. In Norway the central government, central agencies and municipalities are the main actors of the fight against unemployment and poverty. However, there is an increasing cooperation at local level with voluntary organisations in the delivery of low threshold schemes. That the programmes in the grant schemes were established with the involvement of a vast array of actors in the local community might enable local ownership to the programmes. It has been important to make this effort multi-disciplinary, and to give incentives for developing improved collaboration structures not only between local authorities but also between the local authorities and local NGOs. But perhaps most importantly is how the measures help to raise awareness of problems and local competence concerning poverty among children and youth. The findings show that many local and non-governmental actors are involved in measures in the grant scheme, and three out of four municipalities find that the grant scheme has contributed to a more or less great extent to increase the municipality's awareness and expertise.

The potential transferability of the programme to Norway

A difference between the Norwegian effort and the local programmes in Catalonia, is that the Norwegian efforts to a large extent have been sector specific, following the ministry who is in charge of the grant scheme, while in Catalonia the programmes to a larger extent have been encompassing all relevant sectors. Both approaches have their advantages and weaknesses.

While the Norwegian strategy might enable government to target the work in the municipalities, the Catalan strategy might enable more cooperation and collaboration across sectors. The problem with the Norwegian strategy is the potential of a fragmented local effort.

The Norwegian strategy has, as already shown, to a large part been carried out through different grant schemes. It has not been a prerequisite for the municipalities to develop local programmes/action plans. Among the municipalities who have received grants in the effort to combat child poverty, nearly three out of four municipalities have based the work on child poverty in a municipal action plan/strategy. However, only one quarter of these are concrete municipal action plans/strategies to combat poverty (not part of the general municipal action plans) (Nuland et al 2010). In the evaluation of the Norwegian policy on combating child poverty, one of the recommendations was that municipalities who receive funding should work out specific overarching objectives for their work. Such clarification should involve local politicians, so that the work in the programmes is essentially politically agreed on, and we recommend that these objectives be incorporated into concrete municipal plans (ibid.). Thus, there is a potential transferability of the Catalonian approach in developing local plans for social inclusion.

Local plans for social inclusion could also be a way to ensure the sustainability and continuation of programmes started as part of national grant schemes. The evaluation of Norwegian child poverty programme clearly indicates that the municipal projects and programmes initiated have been at the mercy of the state grant funds, and would not have been possible without them (Nuland et al 2010). Programme agents in case studies would like the measures to be continued. However, the evaluation shows that only four percent of the municipalities had concrete plans for the continuation of all measures, and that two out of three had plans for the continuation of some of the measures. The main reasons given to justify why measures would be brought to an end were lack of local funds and tight municipal budgets. Furthermore, the uncertainty and unpredictability associated with funding making the anchoring and foundation of measures challenging. An important factor will be the extent to which the municipality itself and programme agents feel ownership of the initiative, and that measures become communal property. The evaluation argues that the grant scheme has created a room for action in the community and increased awareness of the work on poverty among children and youth. However, the uncertainty surrounding the continuation of programmes is proof that the programmes lack local political legitimacy and that there are challenges related to local political and economic priorities.

Important questions

- How to enable user participation in the development of policy, and define the goal and clarify what is meant by successful user participation?
- How to enable cooperation and partnership across sectors, and enable data sharing and avoid competition regarding ownership of the programme?
- How to measure effect from programmes, and define criteria for the attainment of goals?
- How to improve the municipal capability to refine risk groups locally, and how to enable that local practitioners and measures to a greater degree can complete surveys of target group?

- What is a good way of developing reporting mechanisms from programme work, enabling programme coordinators the necessary feedback on development of programmes and successfulness?
- What is a proper timeframe for development of local plans, and what is a proper timeframe for implementation and trial of programmes?
- How should municipalities work to define the municipality's practice with respect to voluntary commitment and NGOs in a way that would enable voluntary organisations/NGOs and municipal agencies to be complementary and to facilitate good working relationships and collaboration?

Appendix: Key indicators of poverty and social exclusion in Norway

Employment and unemployment rates²

In July 2010, the labour force participation rate (the labour force as a percentage of the working-age population) was 70.6%. The unemployment rate was 3.3% of the labour force.

Poverty³

The Norwegian government uses several indicators to measure poverty. The EU measure of poverty (60%) was 10% in 2007 and the OECD measure (50%) was 4.4% in 2007. Another important measure is the measure of persistent low income, based on average household income in a 3 year period. For the time period 2005-2007, the share living in persistent poverty was 8.1% using the EU measure and 3% using the OECD measure.

In 2008, 9.6% of all children under 18 lived in households defined as poor by the EU's target (source: SSB 2010). This is an increase from 5.1% in 2000 (Nadim and Nielsen 2009).

Health related benefits and pensions⁴

At the end of 2008, 571,000 persons, which is about 25% of the working age population, receive health related benefits and pensions. The majority of them, about 350,000, get disability pensions. About 7.5% receive sickness absence benefits.

Social assistance recipients⁵

In 2008, ca 109,000 people, or 3.7% of the population age 20-66, received social assistance benefits. It is estimated that during one year approximately 5% of the population belongs to households that receive social assistance benefits. Recipients between 20 and 29 years of age account for about 30% of the recipients, and make up the largest group. People in cities with more than 50,000 inhabitants are slightly overrepresented compared to the average population. Only 10% of all social assistance benefit recipients had paid work as their main source of income, while almost half of them, ca 50,000 people, stated that they depend on social assistance as their main source of income. 24,000 people (ca 22%) received social assistance benefits for 6 months or more. Within this last group, 65% had social assistance benefits as their main source of income.

² Source: SSB: <http://www.ssb.no/arbeid/>

³ Source: SSB

⁴ Source: Schafft 2009

⁵ Source: Schafft 2009

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