



WORLD BANK GROUP
Social Protection & Jobs

PES REVIEW

The Netherlands

Country case studies



The Netherlands

UWV-Werkbedrijf

UWV



UWV is a public agency responding to the Ministry of Social Affairs and Employment (SZW).

The UWV Werkbedrijf is one of its subdivisions, and it is responsible for ALMPs.



101-300

Unemployed per PES Staff



UWV is the single point of contact for intake and assessment of all non-pension income support benefits, BUT it is only responsible for delivering services to insurance claimants.



Head office in Amsterdam and 35 regional Employment Squares- joint locations for UWV and the municipalities-.



Municipalities are responsible for the provision of a safety net for social assistance claimants.



Funded by contributions and partly by the SZW Ministry.



UWV



Governance

- ▶ UWV serves as a one-stop-shop for intake and assessment of income support benefits, BUT it is only responsible for delivering services to insurance claimants. Municipalities, on the other hand, are responsible for the service delivery for social assistance claimants.
- ▶ The SZW Ministry issues the overarching directives, approves the most significant decisions, and monitors the PES. It also appoints the managers of the UWV Governing Board.
- ▶ In the municipalities, local strategies, performance measures, and targets are set by municipal boards.
- ▶ Delegates of the Managing Boards of UWV and representatives of the National Association of Directors of Municipal Social Services Agencies regularly meet to coordinate the service operation.



Latest reforms

- ▶ Late 2000s: Large budget reductions led the PES to take up an “internet first” approach.
- ▶ 2014: The profiling “Work Profiler” and the “Personal Work Folder” tools were introduced.
- ▶ 2015: Introduction of the Participation Act, which devolved responsibilities to the municipalities, and increased the responsibility of UWV for disability benefit claimants.



UWV



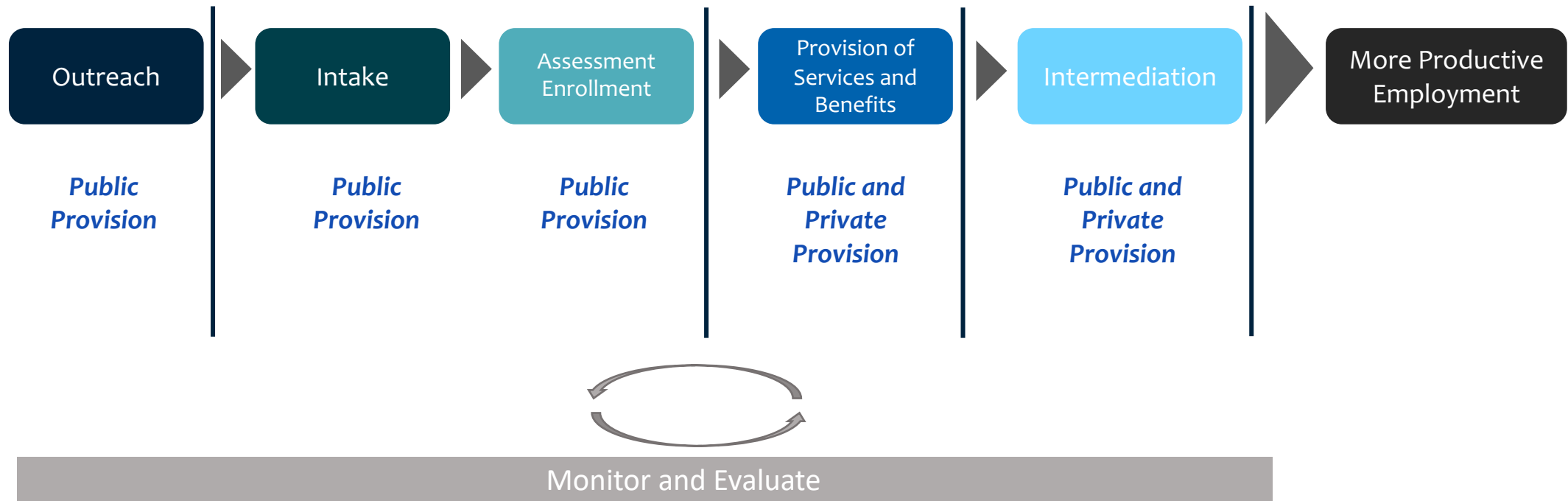
Management by objectives

- ▷ The Management Board is involved in budget decisions, performance management, and in the purchase of services.
- ▷ UWV formulates an activity plan annually, which covers all activities in the area of benefit administration and ALMPs
- ▷ Electronic services are now standard for the initial delivery of services. The PES tends to act mainly as a regulator by providing the basic services and outsourcing the rest.
- ▷ The performance of the UWV-WERKbedrijf is measured in benefit off-flows and satisfaction level of jobseekers and employers.



Case management is conducted by in-house coaches, while activation services are mostly outsourced

Most of the services for vulnerable groups, the “reintegration trajectories” of disabled people and long-term unemployed, are outsourced to specialized providers.





UWV provides general information, labor market statistics and has specific strategies in place for young jobseekers.

Outreach

Public
Provision



Call centers and digital information services



Labor market statistics and research

UWV publishes quarterly reports on labor market performance in the Netherlands



Online engagement platform for young jobseekers. The website *Expedition Work* targets younger unemployed with lower and average education levels. It aims to aid these jobseekers in improving their job-seeking skills and ultimately in finding employment.

Channels

“internet first”
strategy

Personal

Telephone

Electronic



UWV provides services for jobseekers and employers, benefit claimants must register.

Intake

**Public
Provision**

Clients

Jobseekers

- Mandatory for benefits claimants (UI and SA).
 - All claimants of Social Assistance who are under 65 must register at UWV. However, they can only access intensive and individualized services through the municipalities.
- Those with a right to work can register voluntarily

Employers

- No obligation to register. However, employers must request the PES's approval to dismiss a permanent employer due to incapacity or economic reasons.

Registration of jobseekers

- ▲ New claims are made at werk.nl. In some instances, jobseekers can also register at the regional office.
- ▲ Coaches determine which benefit the person is entitled to (UI, UA, or SA)
- ▲ Jobseekers develop an online individual action plan with help from the e-coach
- ▲ Most clients then interact with UWV through their online accounts (Work Folder). Both the profiling and the job search monitoring are conducted online



UWV uses statistical profiling to segment jobseekers and to determine the range of employment services needed.



Assessment
Enrollment



**Public
Provision**

Statistical profiling: The Work Profiler

- Approach: logistic regression
- Data: online questionnaire, which includes soft and hard skills
- Use of profiling tool is mandatory for caseworkers
- Measurement: long term unemployment (12 months)
- Two outcomes
 - A. 0-100% : assesses probability of resuming work within 12 months
 - B. Diagnosis of strengths and weaknesses



Use of profiling tool:

- 1) The probability is employed to determine whether the job-seeker will be offered digital or face-to-face services.
- 2) Results help UWV offer tailored services to increase the client's chances of reemployment.



The assigned service stream depends on the outcome of the Work Profiler.

Assessment Enrollment

Public Provision

Segmentation according to profiling:
Probability of returning to work within a year

>75% chance: no need for job search assistance or special help

>50-75% chance (most common): subsidized job placement or training

>25-50% chance: referred to specialized services with external providers

≤25% chance: clients receive assistance to cope with their situation before any placement or ALMPs services

Initially provided with digital services only. Personal interviews take place later on the unemployment spell.

Only jobseekers in these groups are invited for face-to-face interviews early on.



Services are provided on a “internet first” approach and through three different phases.

Assessment
Enrollment

*Public and
Private
Provision*

Services are offered on a need’s basis and with an “internet first” approach. Intensive employment services are usually available immediately for people with disabilities.

Three phases in the provision of services

- ① Self-service access to online services.
- ② After this stage, guided online tasks, messages, tips, and chats are available.
- ③ If more support is needed, jobseekers are moved to offline counseling and coaching.




Employers are also categorized

Assessment
Enrollment

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Provision**

Employers are categorized according to:

- Their size:
 - less than 10 employees
 - between 10-100 employees
 - over 100 employees.
 - Their sector: temporary work agencies; agriculture; construction, industry and transport; wholesale trade, retail trade and repair; hotel and catering; ICT; healthcare; public administration and education; others.
- After a marketing plan is developed to collect vacancies, promising key business branches are identified. In each of these branches, the top 10 enterprises are selected and actively approached to identify vacancies that could take UWV candidates.



The UWV manages various income support benefits under the insurance scheme, including unemployment benefits.



Provision of Benefits

Public Provision

Unemployment insurance (*Werkloosheidswet and Toeslagenwet*)

- Contribution-based, partly means-tested and taxable, compulsory for employees.
 - Person must be involuntarily unemployed after losing five or half of the weekly working hours, be capable and available for work, below the retirement age, residing in the Netherlands, and must be registered at UWV
 - UWV has two types of benefit based on employment history:
 1. Short-term earnings-related benefits (up to 3 months benefit): worked 26 weeks in the last 36 weeks.
 2. Earnings-related benefit (4-24 months benefit): worked 26 weeks in the last 36 weeks, plus worked during four of the previous five years.
 - Amount: 75% of the gross wage most recently earned for the first two months, and afterward 70% of the gross wage- up to a maximum daily wage of €214.28 (5 days per week).
- * Supplementary benefits (TW) are available for people who receive UI and for whom the income falls below the guaranteed minimum income



Unemployment Assistance is only available for older workers.

Provision
of Benefits

**Public
Provision**

Older workers Unemployment Assistance (*Inkomensvoorziening Oudere Werklozen*)

- The provision of income support for older unemployed is continued after exhaustion of regular unemployment insurance benefits.
- Only for beneficiaries aged 60 or over and who first began receiving unemployment benefits between September 20th, 2006 and January 1st, 2020.
- Amount: 70% of minimum wage.
- Paid until retirement age (66 years and four months in 2019).



Social assistance is managed by the municipalities.

Provision
of Benefits

**Public
Provision**

Social Assistance (WWB)

- Provided and managed by the municipalities
- Once a person has exhausted their benefits from the insurance schemes, they are transferred to the municipal social assistance services. Due to the shared system, the transferring of the beneficiaries does not pose an issue.
- Non-contributory, means-tested, and taxable.
- Available for any resident who does not have sufficient means for existence, also those without an employment record.
- In order to test the needs, the municipalities conduct a one-to-one income test using the household net income. Savings and assets worth over €6.020 are considered.
- The amount depends on age, family composition, and the number of persons sharing a household.
- People who receive social assistance are usually required to fulfill the obligations of job search and work availability. These conditionalities are extended to the partner of the claimant. By law, the beneficiaries are also required to register with the UWV; however, they can only access intensive services through the municipality.



Different sanctions depending on the jobseeker's profile and the type of benefits they are claiming.

Provision
of Benefits

*Public
Provision*

Conditionalities

The specific conditionalities change from person to person, but most jobseekers must:

- Actively search for work and show evidence of at least four job applications every four weeks.
- Report their monthly income.
- Report any changes in circumstances within one week.
- Carry out the tasks in their work folder, including attending appointments.
- Accept suitable job offers and ALMP possibilities.

*Exclusively for SA: municipalities can introduce additional conditionalities and grant a temporary exemption from the obligations.



Different sanctions depending on the type of benefits

Provision
of Benefits

**Public
Provision**

Sanctions

For unemployment benefits claimants → sanctions include a complete or partial refusal of the benefit or a fine.

- UWV imposes a sliding scale of payment reductions up to 100% depending on the number of refusals and their nature
- The proportion depends on the claimant's willingness to re-engage and on their financial situation.
- For refused part-time job offers, the sanction is proportional to the hours of the rejected job offer.
- If the person fails to sufficiently look for work or hampers the process of finding adequate work, the sanction will be 25% of the benefit for at least four months
- Lasting non-compliance could result in a higher benefit reduction, and repeated refusals could lead to a 100% sanction in the case of job refusals and 50% for other non-compliances.

*Sanctions are not automated and are always reviewed by the coaches.



Different sanctions depending on the type of benefits

Provision
of Benefits

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Provision**

Sanctions

For those receiving social assistance benefits

- Sanctions are imposed if the claimant refuses to cooperate to find employment or fulfill other conditionalities.
- With the implementation of the Participation Act, the legal sanction is a reduction of 100% of the applied benefit level for a minimum period of one month and a maximum period of three months.
- Municipalities may deviate from this standard based on individual assessments.

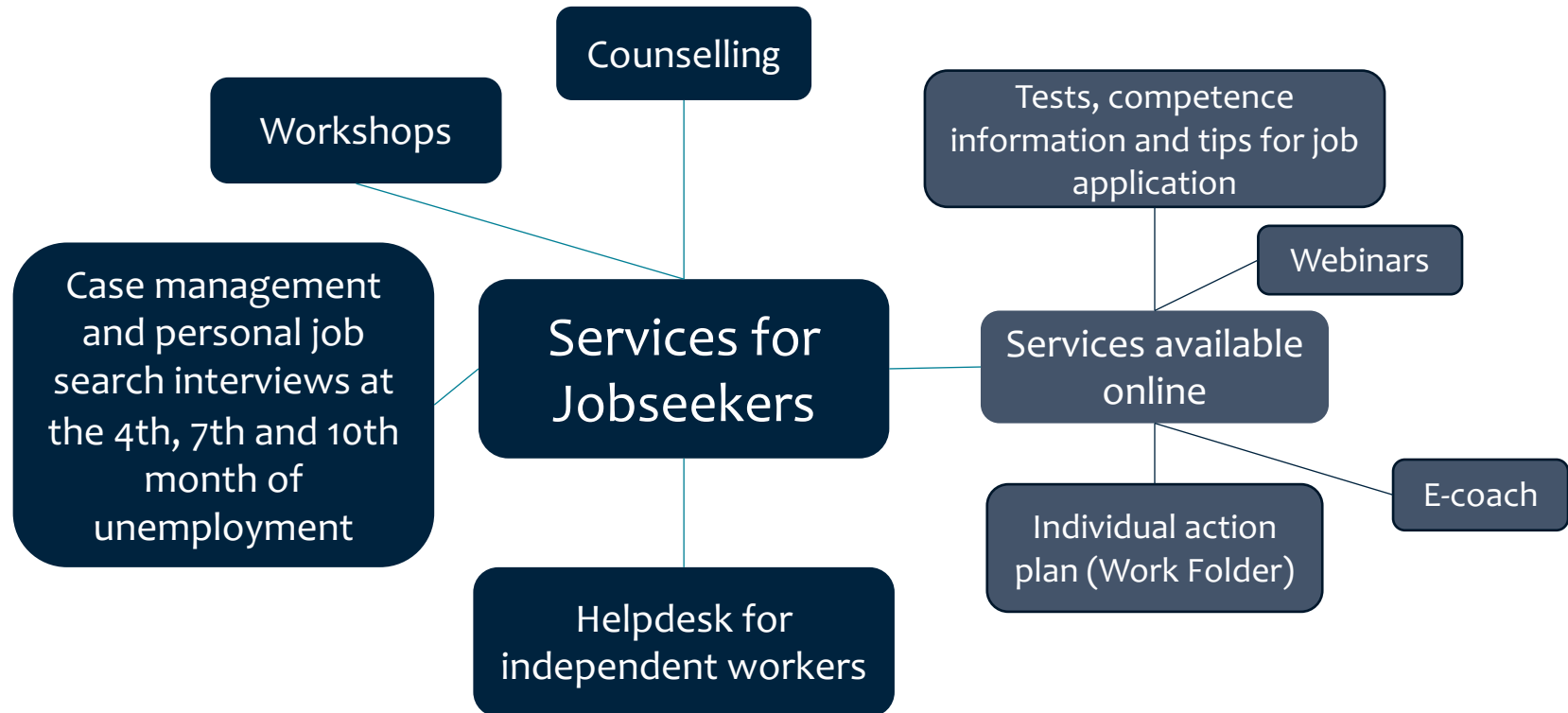


Around 90 % of the interactions with beneficiaries are through digital channels

Provision of Services

Public and Private Provision

Services are provided in-house or outsourced to a private provider. UWV and the municipalities work in cooperation to offer job search and placement assistance.





The PES also offers some services for employers

Provision
of Services

*Public
Provision*





Several ALMPs are outsourced to private providers.

Provision
of Services

**Public and
Private
Provision**

ALMPs

Placement into temporary work trials

Promotion of worker mobility

Wage subsidies

Creation of subsidized jobs

Support for the self-employed

Mandatory work experience program

Rehabilitation possibilities

Training

- Vocational training subsidies
- Training vouchers and subsidies for unemployed over 50
- Pre-employment training
- E-learning modules through the Personal Work Folder

 A wide range of intermediation services are offered, including speed-dating events.

Intermediation

**Public and
Private
Provision**



Digital matching is available, jobseekers and employers can access the database



Job fairs and speed-dating events



For Jobseekers

Self-service access to job vacancies at PES offices and online
Job search support and workshops



For Employers

Advertisement of vacancies
Pre-selection of suitable candidates (based on matching technology)
Access to applicant data bank
Direct contact to candidates



Partnerships

Cooperation with private employment and temporary work agencies, which act as labor market intermediaries.



Outsourcing

Several of the services for target groups are outsourced to specialized private service providers



For-profit and not-for-profit providers



Performance-based contracting



External providers cover mainly ALMPs, special services for target groups, and offer placement services.



They also cover the practical organization of services for disadvantaged persons.



UWV favors small, specific contracts



Services can be contracted out as single elements or as a "full reintegration trajectory", which means that the case management and service provision are fully outsourced.



The providers' quality performance is periodically assessed and automatically takes place within each of the participating organizations. In case of any dissatisfaction, there is a joint review.



Digitalization

The PES shares information internally via intranet and internet portals. Additionally, it has a database of client records, which the individual counselors use. The national standards are a precondition for any digital exchange of information between agencies.

Services for Jobseekers

At the UWV website jobseekers can:

- ✓ Apply for unemployment benefits and allowances, and report income changes.
- ✓ Obtain general information and application forms
- ✓ Get information on how to apply for jobs, including tips and e-trainings
- ✓ Discover the Expedition Work portal
- ✓ For registered users:
 - Register and access the profiling questionnaire
 - Post their CV and apply for vacancies
 - Get an overview of their tasks and job search requirements
- ✓ Check the CV Quality-Card

Services for Employers

At the UWV website employers can:

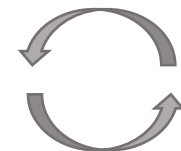
- ✓ Get general Information
- ✓ Post vacancies and search for CVs
- ✓ Obtain information about dismissal, financial and legal rights
- ✓ Obtain information and applications for work permits for foreign employees
- ✓ Browse through grants and subsidies
- ✓ Search, find and make contact with anonymous potential candidates
- ✓ Contact UWV

Monitoring jobseekers



- Unemployment benefits can be received for up to 24 months, depending on the number of years worked. If a person is still unemployed after the benefit expires, they can request the social assistance benefits managed by the municipalities.
- Regardless of the benefit, jobseekers are regularly monitored. They must show proof of job search and report their income monthly.
- In-depth interviews with caseworkers are conducted at the 4th, 7th, and 10th months of unemployment. These allow for monitoring and in-depth guidance.
- Quality card: caseworkers generate an automated report comparing the job seeker's CV and job search activities with other job seekers with similar characteristics. This information is used during personal counseling interviews to advise jobseekers on their job search efforts.

Monitor and Evaluate



CV Quality Card

Illustration 2: Example of a Q-Card outcome presenting what is good vs what needs to improve

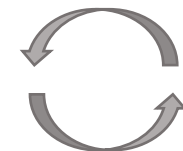
| | Good | To improve |
|--|------|--|
| Amount of desired professions: | 3 | |
| Amount of identical desired professions: | 0 | |
| Do the desired professions have a explanation: | Yes | |
| Are the desired professions in line with the experience / last profession: | Yes | |
| Filled in employment record: | Yes | |
| Complete description of the employment record: | | Description is missing (3 times) |
| Filled in education record: | Yes | |
| Complete description of education record: | | Education and / or birthdate is unlikely (2 times) |
| Has a personal presentation: | | Nee |
| Has a search radius of more than 20 km: | Yes | |
| Has email-service: | | Nee |

Monitoring the PES



- Performance is assessed in relation to the output-oriented targets. The performance of the UWV-WERKbedrijf is measured in benefit off-flows and satisfaction level of the clients.
- UWV has in place different measures to assess the effectiveness of services for jobseekers, including the operation of randomized controlled trials and pilots for new measures.
- The Inspection for Work and Income (independent body) evaluates the performance of the agency. The evaluation assesses the legality, efficiency, and effectiveness of operations.
- Implementation of the annual activity plan is monitored and evaluated with the help of IT-supported surveillance systems.
- Quarterly progress reports are produced, and quarterly consultation meetings are organized between a member of the National Managing Board and the Regional Directors.
- The local office managers conduct the implementation and related monitoring of service agreements with the counterpart agencies (municipalities).
- The UWV uses an intranet system and internet portals to share management information - weekly performance measurements- and information about the labor market -developments in the volume and composition of registered clients and vacancies-.

Monitor and Evaluate



Covid-19 responses



- If the employer was no longer able to pay the wages, individuals could apply for Unemployment Insurance (WW) benefits. Workers with a flexible contract and zero-hour workers were also eligible for unemployment benefits.
- All UWV offices were closed, appointments were delivered by telephone or cancelled, training courses were either postponed or cancelled.
- Jobseekers had to continue looking for work and using the werk.nl matching services; the payment of benefits remained the same.
- Expansion of the short-time working scheme through NOW: employers who lost turnover due to the COVID-19 crisis (at least 20%) could apply for an allowance for wage costs for up to three months. The wage allowance covered up to 90% of the wage bill, and the employer could only apply if he did not dismiss the employees during the allowance period. This scheme was also made available for employers of temporary workers.
- The TOFA program was introduced in June 2020 as a new temporary benefit for workers with a flexible contract who were not eligible for unemployment benefits. The total gross amount of the benefit was €1,650 for three months.
- Benefit recipients who were willing to volunteer in one of the ‘vital professions’ while maintaining their unemployment benefits could start immediately and did not have to wait for the PES to process their application.



General observations



“Internet first” approach as an innovative strategy to deal with budget reductions.



Robust partnerships with the municipalities. Unified delivery system with the regional Employment Squares as one-stop-shops.



Job search assistance and benchmarking of jobseekers’ efforts with the CV Quality Card.



Target variable “off flows from benefit” can be problematic since it differs from jobseekers actually moving into employment.



Caseworkers have higher caseloads and less contact with jobseekers due to the digital approach for service delivery.