



Services for Work and Social Inclusion of long-term unemployed persons

Good practice from Eurodiaconia members

Eurodiaconia is a **dynamic**, Europe wide **community** of organisations founded in the **Christian faith** and working in the tradition of Diaconia, who are committed to a Europe of **solidarity, equality** and **justice**. As the **leading network of Diaconia in Europe**, we connect organisations, institutions and churches providing **social and health services and education** on a Christian value base in over 30 European countries.

We bring members together to **share practices, impact social policy** and **reflect on Diaconia in Europe today**.

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<http://ec.europa.eu/social/easi>. Eurodiaconia is a network of social and health care organisations founded in the Christian faith and promoting social justice.

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Introduction

Eurodiaconia is a dynamic, Europe-wide community of providers of social and health care services founded in the Christian faith and working in the tradition of diaconal service, with a strong commitment to promoting social justice. Eurodiaconia represents 47 members working in over 30 countries, including churches, not-for-profit welfare organisations and NGOs.

Eurodiaconia facilitates an exchange between members to examine social needs, develop ideas, influence policies and promote a social Europe. The network works together to enable inclusion, wellbeing and empowerment of the most vulnerable and to ensure dignity for all.

One of the three pillars of Eurodiaconia's work is founded on praxis. In this area, one of our main goals is to facilitate mutual learning among members and help them build strategic partnerships. To achieve this goal, Eurodiaconia disseminates knowledge on effective and/or innovative projects run by members relating to services that help people facing (long-term) unemployment get back to work and reintegrate in society. This publication provides an overview of this kind of work. The sample of services contained in it has been gathered from

the responses given by our membership to a consultation carried out by the Eurodiaconia secretariat in the form of a questionnaire, supplemented by additional input. The diversity of projects showcased in this publication aims to serve different target groups in different geographical contexts and using different service approaches. Such a repository of practices can provide inspiration for our members to develop existing services further or to set up new ones.

Within each case study showcased in this publication, we have aimed to highlight the goals of the project, its methods and funding sources, its priority target groups, and partnership with other providers and actors in order to better reach target groups. Where possible, an attempt has been made to assess the results of these initiatives, as well as the methods of impact analysis incorporated in them.

Beyond the use made by our members, this publication should also serve to showcase the work of diaconal organisations among decision makers and strategic partners, raising awareness of their innovation and commitment to ensuring that both work and social inclusion is achieved for those experiencing unemployment.

Main messages drawn from the case studies

- The diverse profiles and associated needs of the unemployed require an individualised, person-centred approach that ensures that the interventions offered match the needs of each user. Such matching is necessary to ensure their effectiveness.
- The result of such personalised approach should be a comprehensive set of services that take a holistic approach to long-term employment. Making unemployed persons ready for labour markets may need services like training, health and rehabilitation, debt counselling, care for children and dependent relatives and housing. Such an overarching -and sometimes complex- supply of services is vital to walk users through the re-employment path.
- Many of the users served by our members face additional difficulties to become integrated into labour markets. Very long periods of detachment from employment, disabilities, substance abuse, or physical or mental health issues demand additional time, resources and patience to guarantee the inclusion of such users.
- A dialogue with users is essential to identify their potential and expectations and ensure a sustainable integration into labour markets. User participation in the services provided is key to ensure their motivation and empowerment, which is weakened by unemployment. In this context, blind activation policies and punitive approaches towards unemployment are ineffective when it comes to encouraging the social inclusion of unemployed people.
- The focus on this 'more complex' profile of users is, in fact, a priority for Eurodiaconia members. Their know-how with these groups of people should be used by public authorities to avoid some well-known agency problems that can arise with other providers of employment services; e.g. 'creaming' of the more job ready users and 'parking' of the complex cases. Financing instruments should also account for the diversity of users.
- Inclusion efforts should equally take a broader look at labour markets and all actors in them in order to guarantee that work inclusion efforts translate into placements. Partnerships with local authorities, employment services and employers are needed to establish synergies. The projects showcased highlight how the solid links with local and regional communities of Eurodiaconia members facilitate the establishment of such alliances.
- Contracting authorities should be committed to funding social services from a social investment logic. In this framework, money used to fund social services should be understood not as a cost but as an investment which will reap numerous benefits in the form of increased employment rates, enhanced skills, social inclusion and social cohesion in our societies.
- The social enterprises associated with work inclusion services can sometimes be a first step towards employment for people for whom access to mainstream labour markets is restricted. The visibility, recognition and promotion of work integration social enterprises (WISE), with a particular emphasis on access to funding, should be seen as a priority action to bring people back to work.

Long-Term Unemployment in Europe

The devastating effects of the crisis in European labour markets remains one of the most acute challenges facing the EU today. At the end of the second quarter of 2016, 21,1 million EU citizens were unemployed, a figure which represents 8,6% of the active population¹. Such unacceptably high levels of unemployment, roughly two points below the crisis-high hit during the first half of 2013, constitute a strong reason for concern over the future of millions of EU households. However, the composition of unemployment is perhaps yet more alarming. Of all job-seekers, 48,1 % are long-term unemployed (2015, annual average), which means that they have been unable to find a job for a year or more. This figure represents a sharp increase from pre-crisis levels, when roughly one third of unemployed people had remained under that status for over a year.

Unemployment is exposing large numbers of EU citizens to increased risks of hardship, poverty and social exclusion, which are only more likely to become chronic as the length of unemployment increases. Unemployment not only has an impact on individuals but also on their families and ultimately local communities. Local communities with high unemployment levels may be prone to additional social challenges and a lack of social cohesion. Furthermore, the effects of unemployment extend to the economic potential of the EU as a whole, as unemployment represents a waste of productive potential.

Aside from the impact of the present job crisis, its effects have been different across population groups and some people are challenged with additional difficulties in finding a job. Young people, people with disabilities, migrants and the long-term unemployed usually faced with

greater difficulties finding work, regardless of the health of the economy. In some cases, the job prospects of such groups may be further impaired by additional challenges in the form of disadvantaged home backgrounds, health or addiction problems.

Stressing the existence of such users' profiles is very relevant to emphasize the need to link work and social inclusion efforts. Blind activation policies are never a sound or fair policy option, for at least two reasons. First, because they overlook the relative disadvantages faced by some population groups, such as the ones underlined above. Secondly, because they forget the role of jobs as instruments to improve human lives and dignity; a job is not an end in itself, nor is it a commodity.

Quality social services are the device linking employment and social inclusion. In the eyes of Eurodiaconia members, access to services which are complementary to work inclusion interventions is essential to face users' challenges from a holistic approach. Social services guarantee that users' wellbeing remains a priority goal and, secondly, increases the effectiveness of job placements.

In fact, the cases displayed in this publication repeatedly stress the intersections and positive synergies between work inclusion and other social services. Social services are, in most cases, the first and most solid step leading to work inclusion interventions first and then a job placement. As providers of a full, varied range of social services, Eurodiaconia members experience how users can make the transition from basic services –e.g. housing– to a job placement.

1 Eurostat, *Labour Force Survey*.

Public authorities –together with other potential funding sources– should understand that funding social services is not a cost but an investment with returns in the form of increased employment rates, enhanced skills, social inclusion and social cohesion in our societies.

Diaconal actors are best equipped to build up a coordinated approach between work inclusion and other services aimed at sustainable job outcomes. In some cases, because Eurodiaconia member organizations provide the different social services needed for that purpose. Also, because our members' deep-rooted links with local and regional communities make partnerships with local authorities and public employment services easier. Such actors may rely on the greater experience of not-for-profit organizations in dealing with unemployed people with complex needs.

The focus on this profile of users is, in fact, a priority for Eurodiaconia members. Their know-how with these groups of people should be used by public authorities to avoid some well-known agency problems that may arise with other providers of employment services; e.g. 'creaming' of the more job ready users and 'parking' of the harder cases.

The design of contracts between funding authorities and service providers is, therefore, key to avoid such undesirable outcomes. Service payment systems are central in this respect. In particular, pure payment by results schemes –where providers are rewarded by the number of job placements achieved, regardless of their quality and the profile of users who benefit from these– should be avoided.

In order to minimise these risks, public authorities need to be committed to social cohesion as a general principle. More importantly, they must be able to translate such commitment into practice through public procurement. In this regard, it is essential that public procurement regulation

–and its implementation in contracting practice– incorporates the different legal provisions available to become more 'social'. Among these are the possibility to reserve contracts to social enterprises and, specifically, work integration social enterprises; the introduction of social and quality criteria along the different stages of the procurement process; or the consideration of social, quality and sustainability criteria in the assessment of tenders through the best price-quality ratio, and not the lowest price only.

Inclusion efforts should equally look at the demand side of labour markets to guarantee the right outcome. Beyond the general pledge to restore job creation in the EU, specific actions should also be undertaken to boost the development of social enterprises, which are often the best framework to ease the integration of people for whom access to mainstream labour markets is restricted. The visibility, recognition and promotion of the social economy, with a particular emphasis on its access to funding, should be seen as a priority action to bring people back to work.

EU policies addressing the unemployment crisis

Since the onset of the economic crisis, the EU has launched a number of initiatives aimed at counteracting the alarming rates of unemployment it caused.

The 2012 Employment Package reacted to the unemployment crisis with an attempt to tighten the links between the employment priorities in the European Semester and the long-term headline targets related to employment in the Europe 2020 strategy. The Package contained some priority areas in the fight against unemployment. Young people constituted one of the main target groups, and the **Youth Guarantee** –adopted by the Council in 2013– aimed to ensure that all young people under the age of

25 get a good-quality offer for a job, apprenticeship, traineeship or continued education, within four months of them leaving formal education. The way in which the Youth Guarantee is shaped requires a strong interconnection between different stakeholders: public authorities, employment services, social service providers, education and training institutions, etc. However, such ambitious goals are confronted with the modest funding earmarked for the Guarantee - 6 billion euro through the Youth Employment Initiative and a re-mobilization of existing ESF funds.

In line with the goals of the Employment Package, the new European Commission appointed in 2014 committed itself to renewing its action against unemployment through an Agenda for Jobs, Growth, Fairness and Democratic Change. Long-term unemployment has been identified as a priority area since then. A Council Recommendation on the reintegration of the long-term unemployed in the labour market² was adopted by Member States in February 2016. The Recommendation aimed to set up reinforced efforts towards the reintegration into labour markets of a group with higher risk of disengagement from the labour market. The document put forward three main steps to achieve this aim. First, encourage the registration of the long-term unemployed with an employment service. Secondly, offer each registered job-seeker an individual, in-depth assessment to identify their needs prior to reintegration in the labour market. Such an assessment should take place at the very latest after 18 months of unemployment. Thirdly, offering a job integration agreement to all registered long-term unemployed before they reach the 18-month mark.

Eurodiaconia published a response to the Recommendation³. In it, Eurodiaconia stressed that it also saw tackling long-term unemployment as an urgent issue. In particular, it supports putting an emphasis on the need for tailored active support for the successful reintegration of job seekers into the labour market. As the cases in this publication show, this approach is in line with how Eurodiaconia members understand the provision of work inclusion and related social services to achieve the reintegration of long-term unemployed persons into work. For this reason, Eurodiaconia also stressed the need to support and promote the role played by civil society organisations in fulfilling the goals enshrined in the document; a role which is not fully recognised in the Recommendation.

Eurodiaconia also stressed the need to concentrate interventions in the earlier stages of unemployment, well before the limit of 12 to 18 months of unemployment targeted in the Recommendation. Early intervention is, as shown in the practices shared by our members, a guarantee to maximise the odds of re-employment and, also, minimise the costs of reintegration as unemployment spells rise. Eurodiaconia also shared the concern – already stressed above - with the increased emphasis on the effectiveness of integration efforts, which should not be understood as an excuse to overcome the universal reach of integration services and concentrate, instead, on people with better employment prospects.

Eurodiaconia is monitoring the effective realizations of the Recommendation at the national level, as Member States are now responsible for the implementation of the provisions contained in it. Nevertheless, Member States

2 [Council Recommendation on the reintegration of the long-term unemployed in the labour market, 2016/C 67/01](#)

3 [Eurodiaconia response to the Proposal for a Council recommendation on the integration of the long-term unemployed into the labour market.](#)

need to deal with the fact that the Recommendation did not foresee any ad hoc funding to fulfil its goals.

In 2016, the European Commission gave new impetus to the objective of restoring competitiveness in the EU by way of a better, high-quality skilled labour force. The *New Skills Agenda for Europe*⁴ also has productivity and job creation at the base of investment incentives.

The Agenda is based on the following observations. On the one hand, there is a perceived mismatch between the supply and the demand for skills. One of the most significant effects of this mismatch is the increased frustration of a growing number of young people whose skills profile does not enable them to transition smoothly from education to work.

On the other hand, over 70 million Europeans lack sufficient reading, writing and numeracy skills, whilst over 40% of the European population do not have sufficient digital skills. To reduce the high number of low-skilled adults in Europe, the Agenda has proposed the establishment of a Skills Guarantee. Through the Guarantee, low-skilled adults should be helped to acquire a minimum level of literacy, numeracy and digital skills and –when possible– a wider set of skills allowing them to get an upper secondary education qualification or equivalent.

Beyond targeting groups with skills gaps, the Agenda also aims to make the most of existing skill levels by enhancing the transparency of skills, both for nationals and migrants (in the latter case, through a Skills Tool for Third Country Nationals).

To achieve its goals through its different actions, the Agenda aims to foster stronger cooperation between business, social partners, education institutions and providers of skills. Eurodiaconia has also stressed the need to bring civil society into the picture, in light of its vast experience in the field and their particular focus on people with large skill deficits⁵.

Learning a skill is not just about matching education with jobs. Civil society has a lot to say regarding how education could be ‘contaminated’ by social reality. According to Eurodiaconia, it is, therefore, essential to acknowledge that the transmission of skills goes hand in hand with the transmission of values and ethics which give an aim to such skills.

Furthermore, skill promotion should be rightly seen as an investment, but also an inclusive one. Therefore, it should also be aimed at older people, people with fewer skills, migrants or any other group of people for whom the benefits of investing in skills may appear later or, simply, be non-monetary.

Investing in growth and job creation is a plausible strategy to raise income levels and standards of living in the EU. However, reality has shown that such efforts do not necessarily trickle down the economy and translate into enhanced social inclusion for all. Stronger work inclusion and social services are therefore needed to guarantee a tighter link between the two dimensions. Beyond that, other equally important dimensions – such as adequate income support, individual empowerment or enhanced participation, among others – should be equally integrated into the multi-pillar policy approach needed to achieve sustainable inclusion in both labour markets and society.

4 [A New Skills Agenda for Europe. Working together to strengthen human capital, employability and competitiveness, COM \(2016\) 381 final](#)

5 See [Eurodiaconia response to the New Skills Agenda for Europe](#).

Case studies from Eurodiaconia Members

Czech Republic

Diaconia of the Evangelical Church of the Czech Brethren

Supporting the employment of persons with disabilities in close cooperation with local employers



The Agency for Supported Employment and Social Rehabilitation (APZ)⁶ is a project developed by the Diaconia of the Evangelical Church of the Czech Brethren, the second largest non-profit organization providing social services in the Czech Republic, through its Christian Aid Centre in Litoměřice.

Started in September 2005 at the request of Litoměřice's municipality, which lacked a facility of this kind, the APZ is a centre aimed at supporting people with learning disabilities or mental illnesses, empowering them to increase their independence and improving their social integration. The service, which targets adults from 16 to 64 years of age, both living at home or in sheltered facilities, aims to increase their level of autonomy in several spheres of life. First, it provides them with self-care training in cooking and personal hygiene, to allow them to be self-sufficient; secondly, it helps their integration into labour markets, both in terms of preparation to work (learn how to fulfil responsibilities, how to properly communicate at work and how to present themselves, write a curriculum vitae and travel to the workplace), and in learning a job through workshops organised in cooperation with employers. The education level of these people is generally low, and they lack the practical skills to be hired.

People at the APZ centre can try and practice several working activities, in order to gain more skills and also to find their own path with the help of the staff, who try to assess and enhance

6 <http://www.diakoniecceltm.cz/nase-sluzby-a-zarizeni/agentura-podporovaneho-zamestnavani/> (in Czech)



people's capabilities. They also enjoy visits to workplaces and are involved in group support and communication exercises.

The overall programme lasts two years, but some users come to participate to it again, depending on their needs and their vulnerability. Communication and patience are the main characteristics of the staff, who are mainly social workers and who need to understand well the needs of disabled people.

In 2015 the APZ Centre welcomed 46 people, a figure which has remained quite stable and not increased dramatically after the crisis. However, together with the general effect of the economic downturn on job markets, this had an impact also on the employment of disadvantaged categories like people with mental disabilities, who generally face additional difficulties in finding work. "Among the users, more and more are sent by the unemployment office", says Lenka Sovová, social worker and manager of the APZ centre.

Accompanying users back to work

Only half of the users of this service are effectively employable and, therefore, look for a job or need support to remain employed. The integration of such workers in the labour market is facilitated by the Czech legislation, which provides for sheltered workshops, and grants a special status to work integration social enterprises. At the same time, work inclusion of people with disabilities is supported by a certain quota of disabled people to be hired for enterprises with more than 25 people (4%). Employers who hire people with disabilities can also benefit from tax reductions that increase with the level of disability. Firms willing to circumvent this obligation may, as an alternative, support sheltered workshops for people with disabilities through the purchase of goods and services.

In order to facilitate work integration among users, the APZ accompanies them when they start a new job and organises internships in



partnership with employers. About 25 local employers collaborate in the Supported Employment programme, offering visits to the users of this service, providing training and hiring people with disabilities recommended by the organisation. Some of the users of this project are also hired as auxiliary staff by diaconal projects and other NGOs in the region.

Employers accepting to hire users from the Supported Employment Agency are accompanied throughout their integration period by APZ, which particularly helps to plan realistic workloads for users, eases their integration within the staff and establishes a better communication with them. At the same time, employers can enjoy a tax relief and improve their corporate branding towards the general public. The integration of APZ users in firms is largely a success story, as 90% of people in the job integration programme are still employed after one year of contract.

The Supported Employment Agency considers its mission totally achieved when the employer is satisfied and the employee with a disability feels integrated in his/her workplace and can autonomously travel to work.

Financing

The project is financed mainly by local funding, together with private funding and donors, and in 2014 had an annual budget of CZK 2.3 million (about EUR 87,500). Funding is related to the number of users served, but as employment is only one of the objectives of this centre, the regional authority does not apply any payment-by-result restriction. The revenues from products made in the sheltered workshops and sold in the open market represent an additional funding source for the Diakonia in Litoměřice.

Denmark

Kofoeds Skole

Supporting the inclusion of “students” through an integrated approach

Kofoeds Skole⁷ (Kofoed's School) is an independent Christian humanitarian organisation which applies the pedagogical model of help through self-help. It supports a wide range of people suffering from unemployment, isolation and homelessness by providing education, counselling, and possibilities for housing and guidance. Kofoeds Skole also organises workshops to foster job inclusion of long-term unemployed people, seeking to overcome social difficulties. Putting education and training (or retraining) at the heart of its inclusion strategy, Kofoeds Skole is fully organised in the form of a school, with student-users and specific internal rules. The main school in Copenhagen runs fifteen workshops in fields such as carpentry, electronics, media, IT, car- and bicycle repair, transport, laundry, cooking, gardening, sewing, cleaning, production, clothing and furniture depot work. Counting all its centres (4 schools in Denmark), and considering different levels of education, it provides about 130 courses.

In order to increase independence of its users and their social integration, Kofoeds Skole gives its “students” the opportunity to run most of the school's maintenance, while contracts with local businesses are taken up where the students can apply the learned skills. Some workshops also produce goods that can be sold to other school's residents and/or external buyers. The

school has its own currency, which is used to reward the work of the “students”.

Besides the workshops, advice and guidance is an important part of Kofoeds Skole's offer, due to the intrinsic and diverse vulnerabilities of the “students”, which cannot be addressed with a “one size fits all” approach. Family counselling, psychological support and legal advice are among the services available for Kofoeds Skole students who experience social or personal issues and learning difficulties.

Profile of “students”

The profile of students is very diverse, as is their age. Many users come from outside Denmark and are third country nationals, intra-EU migrants or refugees. An increasing number of “students” are long-term unemployed with added problems other than their unemployment status. In addition, 46% of the school students are over 50 years old. Due to the “open structure” of the school and its size, it is not easy to follow-up further steps of former students in terms of personal development. The last few years have seen an increase among young students, in particular young women, of those with a migrant background and people with addiction issues.

7 <http://www.kofoedsskole.dk/omos/international/aboutus.aspx>

Germany

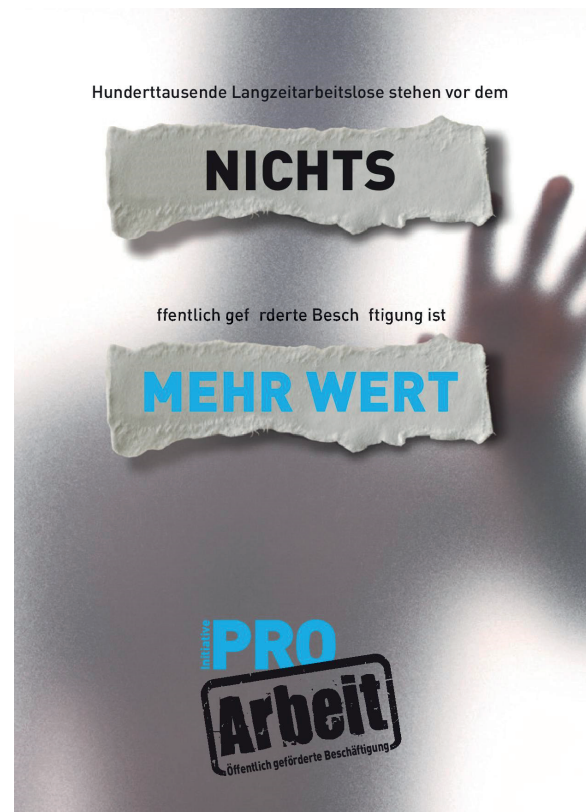
Showing how public support to labour markets pays off

Diaconal organisations in Germany offer a very wide range of services for integration into job markets. Such services address diverse groups within the unemployed population, from young people, to women, to people with disabilities, as well as the long-term unemployed. Such users often present additional issues and needs, from physical and mental health problems to drug addiction or alcohol abuse.

In 2013, the services provided by different diaconal organisations within the network of Diakonie Germany hosted about 41,000 users in active labour market policy actions⁸.

In general, Germany supports the integration of disadvantaged workers into job markets through different legal provisions. First, employers can benefit from wage subsidies for a limited number of months when they hire long-term unemployed people. Moreover, there are labour market programmes combining wage subsidies with social and educational programmes. In the particular case of hiring people with disabilities, employers must hire a minimum of 5 percent of people with severe disabilities. However, employers who circumvent this law are charged with very low penalties, which are often preferred to hiring on a permanent basis an employee who might, in their eyes, “perform poorly”.

Diaconal organisations in Germany cooperate with stakeholders with different expertise and service specialisation towards the common goal of ensuring inclusion of unemployed people. Diakonie Germany’s member organisations cooperate with employment services and job centres in the different regions, as diaconal organisations are often members of the advi-



sory boards of regional job centres. Regular meetings are held also at a national level with employment services, as well as with employers’ organisations, trade unions and other NGOs. Diakonie Deutschland is in fact part of the Arbeiterwohlfahrt (Workers’ Welfare Association, abbreviated AWO), which encompasses the six biggest welfare organisations in Germany and cooperates through an institutionalised working group on different levels – federal to local.

Work integration services provided by German diaconal organisations are funded generally through federal budgets from the basic social security benefit for job seekers. Other resources come from EU funds, regional and local funding and church funds. Funding is related to the

⁸ Data from the EFAS Survey (Evangelischer Fachverband für Arbeit und soziale Integration).

number of users reached, while success rates in reintegration are also relevant, especially in the context of public procurement processes for active labour market policies actions.

Advocacy at a National Level

At the federal level, Diakonie Deutschland participates in *Pro Arbeit*, an alliance of different organisations and institutions advocating for

more and sustainable active labour policies underpinned by the principles of the 'Passiv-Aktiv-Transfer'. The *Passiv-Aktiv Transfer* champions the idea to subsidise work instead of unemployment, increasing employability of long-term unemployed people and producing an additional income to unemployment subsidies. The project also aims to raise awareness for the situation of the long-term unemployed and fight their stigmatization in society.

Diakonie Baden-Württemberg: Aufbaugilde Heilbronn GmbH

Supported labour markets as a first step towards integration into the mainstream labour market

The Aufbaugilde in Heilbronn is an NGO affiliated to the Diakonie Baden-Württemberg network. The Aufbaugilde works since 1979 aiming to provide services to the most disadvantaged groups in the region, such as homeless people, people with addictions, over-indebted people, people under social exclusion risk and the long-term unemployed.

Dignity at Work: a solution to different types of social exclusion

The main element underpinning the work of the Aufbaugilde is dignity as an intrinsic factor of work, a basis for free, individual development and a self-fulfilled personal life: when someone loses a job, this person is also losing a lot more than a regular wage income. Self-confidence suffers and friendship and social contacts become more difficult. Without employment there is less participation in society and, therefore, full social inclusion is not feasible.

For the most marginalised who cannot fit the mainstream labour market, the Aufbaugilde aims to provide professional assistance to give users an organised day structure and support them in all their personal needs. The objec-

tive of getting them back to the labour market is often not attainable immediately. For this reason, the *Aufbaugilde* advocates establishing a complementary labour market for these users based on a holistic approach which supports them in all their needs.

Standard active labour market policies would not be effective on these users who, after long years outside the labour market, have lost the more basic attitudes needed to become employable: they need to be trained to be accountable and responsible for their job, consistent in their commitment and on time.

Whereas the number of unemployed people has risen substantially after the 2008 crisis, the Aufbaugilde continues to work mainly with people who would need support even in a context of full employment because they have little chance of being hired without some degree of direct support. Because these people are vulnerable on several levels, they cannot compete with other jobseekers on an equal footing.

About 200 people per year receive assistance at the *Aufbaugilde*. The profile of users is very diverse but consists primarily of adult men (two



Demonstration for supported labour markets organized by Diakonie in Germany as part of the “Pro Arbeit” initiative.

thirds of the apprentices) aged between 35 and 60 years old and with low education levels (generally only primary education or lower secondary education).

Advocating for a publicly supported labour market

As many users have difficulty entering the labour market directly, the *Aufbaugilde* offers them a ‘supported labour market’ within the social economy in areas such as handcraft, second-hand markets, food industry and food-service, supermarkets, logistics and metal work. While receiving support to address the causes of their social exclusion, long-term unemployed people have the possibility to learn a job at the same time. Users receive a small pay per each

working day, which works as an incentive to attend the programme and complements their unemployment benefits.

With its initiative “Pro Arbeit⁹” (Initiative for work), the *Aufbaugilde* promotes its ‘supported labour market’ model and calls for publicly supported jobs as a viable alternative to unemployment benefits for people who are permanently excluded from the labour market.

Through its educational institution “Bildungspark Heilbronn”, the *Aufbaugilde* can also offer vocational training to the long-term unemployed, allowing them to achieve specific qualifications in areas such as cooking and logistics. German language courses are also offered to migrants who experience difficulties in finding a job due to the language barrier.

9 www.initiative-pro-arbeit.de

Bringing users closer to the open labour market

The integrated services offered by the Aufbaugilde are financed through several different sources, from EU funding (European Social Fund), regional funds (from the Baden-Württemberg region), grants provided by local job centres or private donors, like community foundations. The average cost of each 'publicly supported employed person' amounts to about EUR 2,000 per month; this figure also includes the public social benefits received by each worker.

Public funding received by the Aufbaugilde is related to the number of users and partially

provided through payment by result; i.e. extra money is provided when participants are successful in entering the labour market. To this extent, the Aufbaugilde also matches its users' profiles with job vacancies once users are ready to initiate a job search. This is carried out in partnership with the public employment offices.

After their experience with the Aufbaugilde, many users are also ready to be employed in the open job market. In this case, the Aufbaugilde cooperates with other social service providers in the project Durante, which provides further social support at the workplace. This allows Aufbaugilde's users to succeed in the competitive job market, with positive results in about 90 per cent of cases.

Diakonie Württemberg and the Evangelical-Lutheran Church in Württemberg

Vouchers for Employment across the parish network

The Evangelical-Lutheran Church in Württemberg, in partnership with Diakonie Württemberg, launched a project in 2013 offering employment vouchers for the long-term unemployed. The aim of this project is to target groups who are not benefitting from the general rise of the employment rate in Germany and, therefore, risk falling into deeper marginalisation at the fringes of the society. The project is based on publicly supported employment.

This cooperation is made possible through the very capillary network of the Church in the parishes, which reaches unemployed people and identifies suitable candidates for the programme. As a result, parishes are given direct sponsorship of employment vouchers. Thanks to public co-financing of vouchers, the project provides benefits up to EUR 500 for the long-term unemployed (without co-financing, the amount of vouchers would not exceed EUR 100). (Un)employment vouchers run for a period of 12 months, but may be extended in particular cases.



While the parishes sponsor the long-term unemployed users of this project, Diakonie Württemberg provides in many cases support through the diaconal employment centres, together with the public employment service. Overall, besides individuating good candidates for this project and sponsoring them to the employment agency, parishes and diaconal institutes also play a role as direct employers hiring about 15% of the long-term unemployed people in the programme, mainly with jobs like janitors, gardeners or parish deacons. Many job positions created thanks to this initiative have also been opened in charity shops and social enterprises where employment vouchers were complemented with the revenue originated from sales.

People taking part in this project are mainly men (about three quarters).

Funding and outcomes

The Evangelical-Lutheran Church in Württemberg finances the project with its own funds and has devoted EUR 500,000 to finance employment vouchers for the long-term unemployed.



The project was a great success and, as a result, the programme was extended for the years 2014 and 2015, with a budget of EUR 500,000 per year. Over these three years, a total of 539 employment actions have been promoted. The project has contributed to church and parishes' involvement in supporting the long-term unemployed, strengthening their social network to counteract isolation and exclusion.

Renatec: working for the inclusion of users through training

Renatec is an NGO which works in the field of 'employment and qualification' in Düsseldorf and has been active since 1986. It combines workshops, vocational training and a socially educative coaching as a strategy to bring people back to the job market and into employment.

Users and range of services

Renatec offers its services to a very diverse range of users, including people with disabilities as well as other categories of people in a situation of vulnerability. Renatec offers vocational training in several fields and covers a wide range of services. The reintroduction to the labour market takes place through Renatec's own craftwork service, which provides services of painting, installation and renovation of premises to individuals, social and Christian organisations and companies. Other services regard electricity work, design and maintenance of green areas, gardening, construction of play areas for children, or painting.

Another important target group for Renatec's action are women who have withdrawn from the labour market, mainly to look after children, and who wish to return to paid employment.

For these women, a "re-entry career" programme has recently been launched, providing for a 6-month accompaniment into the labour market. This includes personal coaching, a 'skill target' planning, internships with external partners, promotion of personal branding and support in time and family management. Renatec is partially funded through EU funds and regional resources from North Rhine-Westphalia.

The "Fairhaus" social department store

Renatec's main project for the integration of long-term unemployed people is a social department store which employs people with difficulties to enter the job market, with specific focus on people with disabilities. Beyond the traditional role of charity shops for the integration of the long-term unemployed, Fairhaus aims to be recognized for its supply of high quality new goods, with only a small part devoted to second hand goods. The shops sell clothes, household goods and furniture, combining an ecological approach with moderate prices. An additional feature of Fairhaus' chain of stores - which in Düsseldorf counts already 8 shops - is their "fidelity" policy, which provides different loyalty cards according to the income and purchasing power levels of customers.



Italy

Diaconia Valdese

Casa del Lavoro: a full range of services for the inclusion of young people in a local context

Service Provision and users

*Casa del Lavoro*¹⁰ is a new project from Diaconia Valdese that aims to give a local response to provide active labour market policy projects in a rural area like the Waldensian valleys. The project is meant to tackle the rise of youth unemployment resulting from the financial crisis. The lack of an employment office serving the youth of Luserna San Giovanni and other municipalities of the valleys, a rather isolated corner of Turin's countryside, became an obvious need as job opportunities in the region dramatically decreased. *Casa del Lavoro*, which has an office also in Turin, works as a non-profit "support" service to employment centres, collecting information on its users and matching employers and job seekers' profiles.

Casa del Lavoro provides personal case management and teaches basic skills for job search. A team specialized in employment integration provides trainings in editing a curriculum vitae and using web platforms for job research. At the same time, individual counselling sessions allow unemployed people to focus on their professional expectations and preferences.

After this initial "orientation", *Casa del Lavoro*

provides active employment policies - through its status as "promoting entity"- by organising internship contracts for its users with agreed employers. The employers, many of whom have a history of cooperation with *Casa del Lavoro*, often provide tutoring and training actions which are in some cases funded by public programmes.

The users of *Casa del Lavoro* are very diverse. While users have, on average, low education levels, some are young people with a high-school degree who lack the practical skills required in the labour market; others have not lost their job yet, but experience in-work poverty. Several users of *Casa del Lavoro* suffer from different issues of marginalization, from mental health to poor-quality housing.

Making the most of a full diaconal network of services

About 20 people have used the services provided by *Casa del Lavoro* during its trial phase. This figure is expected to double after the Casa becomes formally registered as a public employment service of the Piedmont Region.

10 <http://www.sartoriagelso.it/cooperativapatchanka/lavoro/> (in Italian)



As part of several integrated services that Diaconia Valdese coordinates in its local environment, *Casa del Lavoro* serves different projects managed by Diaconia Valdese where job integration is a goal:

- **social farming** projects are run together with local farms in the region for people excluded from the job market.
- about 140 **migrants and refugees** which have been hosted by Diaconia Valdese's facilities participate in work integration activities, in cooperation with the local public service.
- a **social housing** facility dedicated to people with very low incomes provides a concrete support to poor workers in a situation of marginalization.
- a **one-stop shop** for vulnerable people, which will provide a case-management approach for people with different social exclusion issues.

Casa del Lavoro and its context

The number of people who need help entering the job market has increased dramatically, and so has the demand for employment services. Public employment services have, in this context, become overwhelmed, preventing them from providing an effective response to the growing unemployment crisis.

According to the interviewee, the institutional environment in Italy could also be more helpful and the public services responsible for job integration do not always meet their goals:

methodologies and working standards are not adequate to the job market, while lists of vacancies are not matched to training paths, which could directly improve competences of job seekers.

Although tax allowances have been introduced in the last few years for employers hiring young people under 29 years old with a permanent contract, youth unemployment remains a problem.

In addition, vulnerable categories are not adequately protected: employers with more than 15 employees are subject to the obligation to hire a certain quota of people with disabilities, but sanctions for employers who chose not to comply with this rule are not sufficiently applied. Considering the local environment, the rural character of the area where Diaconia Valdese operates limits employment prospects. Moreover, structural issues in the local formal education system prevent an optimal allocation of human resources; e.g. vocational institutes at the high school level offer only studies which do not correspond to the real skills required by the local job market.

Partnerships and Funding

Defined as an "Informal Agency for Education", *Casa del Lavoro* is soon going to be registered in the Piedmont region as a provider of employment services. In partnership with several public and private institutions, it provides orientation, training and education for youth and adults.

Set up by Diaconia Valdese and a local organisation which manages the office in Turin, *Casa del Lavoro* works also in partnership with the European Union of Cooperatives, and the regional branch of the national confederation of Direct Farmers (Coldiretti). *Casa del Lavoro* also engages on occasional partnerships with other NGOs and cooperatives on an ad hoc basis depending on each user's' needs.

The overall budget of services for long-term unemployed people offered by Diaconia Valdese depends on the service offered: the counselling service of *Casa del Lavoro*, offered

by part-time human resources' professionals costs around EUR 15,000 per year, and each user of *Casa del Lavoro* costs in terms of the integrated services offered about EUR 5,000 - this includes administrative costs, the payment of a scholarship during his/her traineeship and the cost of trainings given to his/her employer. Diaconia Valdese can count on different funding sources for its employment services, from European projects as the Youth Guarantee, to local ones (the Guarantee for Disabled Youth) and project-based to grants provided by bank foundations.



The production of the social farms is sold at Cose Buone (Good Things), a shop located in Pinerolo (Turin).

Sweden

The National Association of City Missions in Sweden – Gothenburg City Mission

A long history of training people furthest away from labour markets

The Gothenburg City Mission has about 30 years of activity in job trainings for unemployed people, through its *Ergon*¹¹ project. Job training is offered in different fields, with the aim to prepare participants for the labour market after an individual case management. Several training options are offered to about 250 unemployed people each year.

The project of the Gothenburg City Mission targets people who are furthest away from the labour market and/or face long-term unemployment. Service users in Gothenburg often have issues with drug addiction or alcoholism, mental health problems, overindebtedness and often experience housing problems too.



11 <http://stadsmissionen.org/detta-gor-vi/arbetstraning/> (in Swedish)



Their skill level is very low, even if exceptions to this pattern are not rare. Often, people did not attend secondary education or lack relevant practical skills required in the job market, and therefore face adjustment problems.

In-house training, production and selling

The Ergon project provides activities on 5 different employment fields, with workshops on carpentry, textiles, computer science, cooking and professional gardening. In addition to these structures, the employment service of the Gothenburg City Mission runs a chain of second-hand shops where the production of the five workshops is sold. At the same time, these workshops have a sustainable production and cooperate with different firms and retailers, producing also a modest profit. As apprentices, users are taught a profession by an instructor, while their learning experience is monitored by a supervisor. Extra support is provided by occupational therapists and language assistants, in case of communication difficulties.

The Gothenburg City Mission tries to address all the needs of the long-term unemployed in an integrated approach. Users come to the service through counselling sessions with specialists who are able to consider their individual needs. People also receive individual plans to cope with their personal needs as childcare (since many of the Ergon users are single parents struggling with the lack of childcare) and take part in recreation activities to foster motivation and social integration, needed for people who have been out from the job market for such a long time.



Local context

In Sweden, the unemployment rate remains higher than before the 2008 financial crisis. However, the Gothenburg City Mission has not recorded a substantial increase among its users. In the case of people with disabilities, the national government grants employment and support allowances.

Partnerships and Funding

The budget of Gothenburg City Mission's work integration service amounts to SEK 37 million –about EUR 3,9 million– coming mainly from national and from local employment services.

Each individual intervention at the Ergon project costs approximately SEK 250 (€ 26.5) per day.

In addition to the public administration, the Gothenburg City Mission is partnered with a large number of organisations and institutions which may offer work contracts and traineeships (local authority, private employers or NGOs). Trade Unions are also involved in the project when internship contracts are formalized with other entities. In addition, the Gothenburg City Mission has a stable, direct partnership with the public employment agency.

Conclusions

Labour is not a commodity but an instrument to fulfil people's right to a dignified life within a community. For this reason, people should remain at the centre of any intervention aimed at integrating unemployed people into labour markets.

As the projects showcased have shown, an individual approach should be taken from the outset. At that moment, it is essential to identify the needs, expectations and potential of unemployed people through a personal case management approach which results in a tailor-made offer of services. Together with the provision of quality services, a person-centred approach is also needed to empower users, increasing their self-confidence and willingness to become fully included in society.

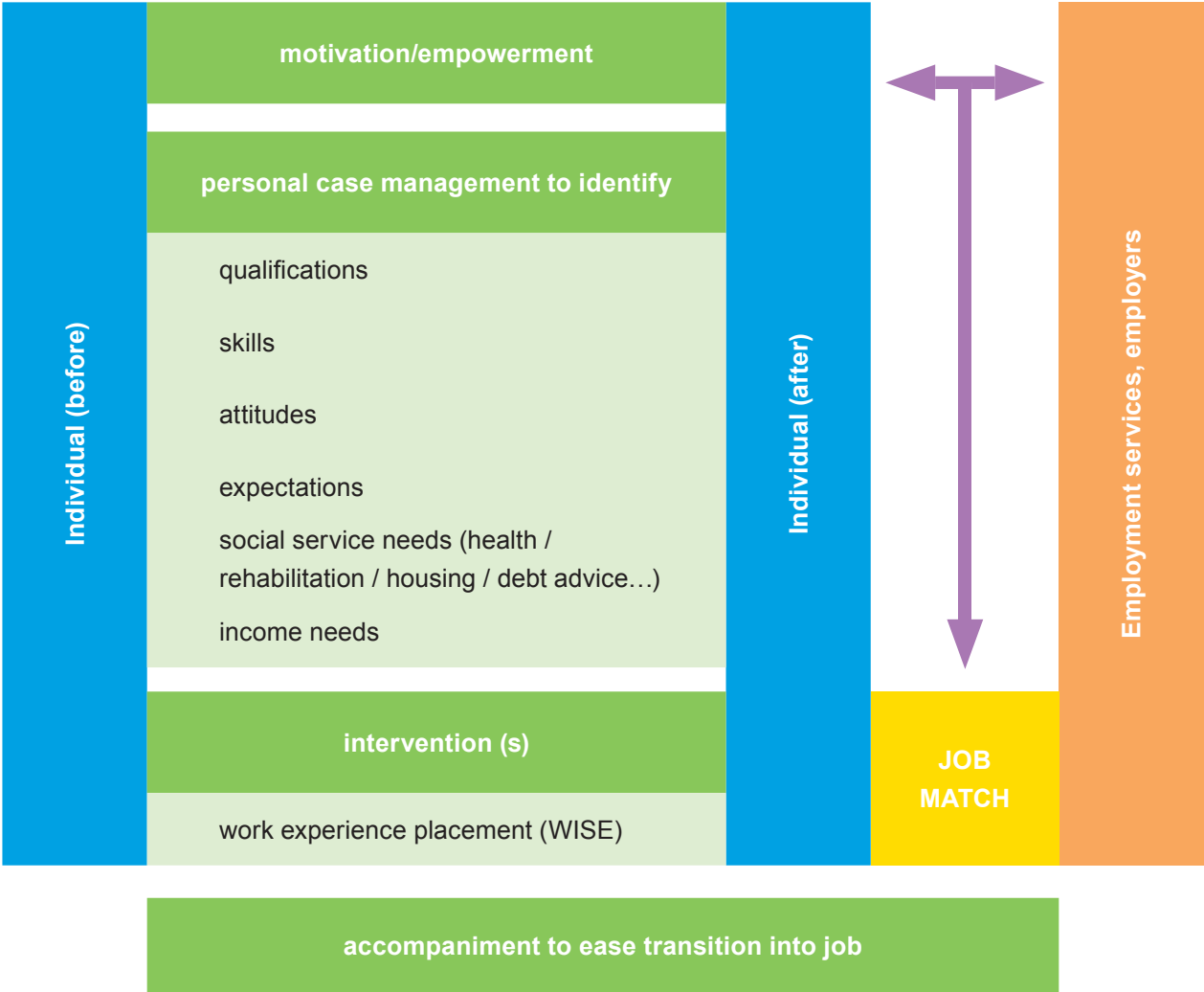
Diaconal organisations are well prepared to meet the challenge of an integrated approach to unemployment. Eurodiaconia members usually provide the diverse range of social services needed for that purpose. In addition, their close links with local and regional communities act as a bridge to local authorities, employment services and, finally, employers. As shown in some of the cases, diaconal organisations may act as employers themselves through work integration social enterprises which may represent an intermediate step towards mainstream labour markets or, sometimes, an instrument for

the integration of more complex cases where employability is less likely.

The attention towards work and social inclusion services transcends the current economic context of crisis. Looking ahead, stronger services are needed to give response to some of the features of today's, and probably future, labour markets. Having a job today does not guarantee a move away from poverty. The rise of substandard forms of work, in-work poverty and increased insecurity and inequalities in job markets means that work inclusion and social services must be better and more effective for at least two reasons. On one hand, increased poverty levels among the employed will likely put a strain on social services if they need to meet the demands of a new, growing group of users. On the other hand, increased intervention in work inclusion services is needed to reach the higher skills and training levels which guarantee quality, sustainable job placements that ensure adequate income levels. In parallel to challenging the rise of such work arrangements, it is thus necessary to invest in quality work inclusion services which are closely linked to associated social service needs.

Eurodiaconia welcomes any feedback on this publication, other projects and proposals as to how to further boost quality services for the unemployed.

A model of intervention for sustainable work and social inclusion of long-term unemployed persons



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Eurodiaconia is a federation of 46 social and health care organisations founded in the Christian faith and promoting social justice.

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