

FEANTSA Response to the 2007 European Commission Communication on active inclusion:

*“Modernising social protection for greater social
justice and economic cohesion - taking forward the
active inclusion of people furthest from the labour
market”*

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In its Communication “Modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market” published on 17 October 2007, the European Commission calls for a renewed commitment to social justice by proposing a holistic approach to tackling poverty and promoting inclusion of people furthest from the labour market. FEANTSA supports the European Commission in this respect and believes that active inclusion can be a useful way to promote social inclusion of people of **working age**. For people who are not of working age, other strategies should be considered in accordance with the other [social inclusion priorities](#) under the Open Method of Coordination on social protection and social inclusion (OMC).

This short contribution builds on FEANTSA’s 8 Basic Principles for the active inclusion of homeless people which we developed following the first active inclusion consultation ([FEANTSA, 2006](#)) and aims to shed light on the potential transferability of the proposed ideas and measures in the recent Commission Communication into concrete policies for the active inclusion of homeless people. With this in mind, this paper comments on the following five elements:

1. The **values and approaches** that underpin the active inclusion agenda;
2. The relevance of the concept of active inclusion in relation to **homelessness**;
3. The proposed **instrument** to implement the active inclusion agenda, namely the deepening of the OMC in this area through the adoption of common principles and their subsequent monitoring an evaluation;
4. The content of the **common principles** on sufficient resources, inclusive labour markets, and access to quality services;
5. The proposed supporting **EU framework** for developing the active inclusion agenda.

1. The values and approaches that underpin the active inclusion agenda

The active inclusion agenda, as put forward in the European Commission communication, appears to be based on values including:

- *Strengthening the relation between social and employment policies.* It is important however to clearly define the notion of social policy in this context – does it also include housing, health, and other further related areas such as transport? It has been argued that social policy at European level is quite different from the traditional notions of national social policy¹. A clarification would therefore be useful to ensure a common European understanding and to develop the active inclusion agenda in an effective way at national level;

- *A strong relation between economic development and social support.* In most cases, these are both mutually reinforcing. However, social support for the most vulnerable cannot be conditional upon economic growth. In the active inclusion approach put forward by the European Commission, access to income and social support services seem to be linked to labour market participation. In order to ensure a genuine holistic approach to active inclusion, it is important to develop a strong link between social support and human rights/human dignity. Access to employment (even quality employment) is not always the route to a dignified life, certainly for the most vulnerable groups;

- *Providing minimum resources.* Indeed, sufficient resources and assistance are the cornerstones of effective anti-poverty policy, but may not be sufficient. In some cases, the government will need to intervene on a structural level in housing markets, energy markets, labour markets to ensure that goods and services are accessible and affordable for the most vulnerable. In other words, active inclusion is not only related to the capacity of the individual, but also to the way that society is organised: the structural causes of poverty therefore also need to be addressed. The financial difficulties of even middle income groups (especially those hit by the housing crisis in urban areas), is

¹ Mary Daly, “Whither EU Social Policy? An Account and Assessment of Developments in the Lisbon Social Inclusion Process”, *Journal of Social Policy*, 37, 1, 1-19

telling of the need for both income-related measures and structural measures to tackle poverty in an effective way;

- *Access to quality services.* FEANTSA agrees that accessibility and quality are the key elements in relation to services. In relation to quality, FEANTSA stresses the importance of adapting services to the changing needs of the users (which requires well-developed data collection systems on the profile of service users). In addition, in order to develop appropriate criteria to evaluate the quality of services, there needs to be consensus on the right approach to addressing a social problem (which does not exist for all social problems, such as homelessness for example). For accessibility, if social services of general interest are also to be “universally accessible”, this should mean first and foremost accessible to the most vulnerable groups in society.

- *The notion of social services of general interest (SSGIs).* FEANTSA calls for careful use of SSGI as a concept, since it has not yet been clearly defined. Universally accessible SSGIs can naturally have a broader remit, but this can never be at the expense of the poorest. Furthermore, the EU can have a role in promoting access to services, as long as there is an understanding of the problems and how to address them. For instance, mentioning only “social housing” as a service to tackle the enormous housing exclusion problem does not reflect the reality (since the social housing sector is very small in most countries, and solutions for vulnerable groups are often found in the private rental market). Similarly, health services should include services not only for long-term health problems, but also for short-term health problems which are easily treatable.

2. Active inclusion and Homelessness

Despite the existence of comprehensive social assistance policies in most Member States, as well as activation policies aimed at bringing unemployed people into work, there is still a group of people who remain far away from the labour market. We welcome the initiative of the European Commission to reach out to these very vulnerable people. It is clear that people experiencing homelessness constitute an important part of this hard to reach group of people.

Homelessness is a complex problem. The loss of a home can trigger/aggravate many other problems in areas such as work, health, social relations, income and other related problems.² The holistic and multi-dimensional approach of active inclusion strategies (based on three pillars: income, access to services, labour market integration) are therefore crucial for the integration of homeless people and other people *furthest* from the labour market.

Indeed, the European Commission and the Council of Ministers recognised that people experiencing homelessness are directly concerned by this focus on active inclusion as was highlighted in their 2007 Joint Report on social protection and social inclusion (see [full report](#)). In the framework of the EU social inclusion strategy, the European Commission and national governments have chosen to highlight the importance of active inclusion with a particular focus on three challenges: homelessness and housing exclusion, social inclusion of ethnic minorities, and integration of people with disabilities (Joint Report, 2007).

After review and analysis of the concept of active inclusion in FEANTSA³, we found that the active inclusion approach is often used in the area of homelessness in several member states. Effective policies to address homelessness combine measures to secure a decent income, the provision of decent accommodation and social support, and support to find work such as job-search, job-placements, in-work support, capacity-building schemes to improve the employability of homeless people.

There is no common understanding of the concept of “active inclusion” at this stage of EU debates. In order to illustrate how active inclusion can work, it is important to focus on an issue that can

² See ETHOS – European Typology on Homelessness and housing exclusion. Click [here](#).

³ See FEANTSA European report on employment and homelessness published in 2007. Click [here](#).

demonstrate its added value. Homelessness is a good focus for this purpose. It would be incorrect to argue that all forms of poverty need to be addressed by action in the three areas (income, access to services, and labour market integration) – for some poor people, poverty can be solved through financial measures only, without having to bring in the 3-pillar active inclusion approach.

A specific focus on the phenomenon of homelessness under the active inclusion agenda (together with the other two challenges outlined in the 2007 Joint Report) is also necessary to allow for an in-depth analysis of access to quality emergency services and housing support services for vulnerable groups. The need for access to quality services which are adaptable to the changing needs of the users is a key issue in relation to homelessness. Access to emergency services is often impossible not due to affordability issues, but rather because the services do not always cater for the specific needs. Moreover, the notion of quality services which are supposed to be temporary and stimulate people to move on has to be addressed in relation to homeless services, since the transition from emergency services to temporary accommodation/permanent housing can sometimes be problematic due to housing shortages.

3. The proposed instrument: Common principles on active inclusion

The proposed instrument for strengthening EU action on active inclusion, namely the deepening of the OMC in this area through the adoption of common principles and their subsequent monitoring and evaluation, can indeed be a new and effective holistic tool to facilitate and coordinate the work of member states, thereby contributing to the social inclusion of those at the margins of society. However, potential deepening of EU action on other [social inclusion priorities](#) should then also be evaluated over the coming years in order to make progress not only in active inclusion, but in all areas of the EU strategy for social protection and social inclusion.

The proposal to issue a European Commission Recommendation on active inclusion consisting of common principles could also become a useful EU soft law instrument in the area of social inclusion. Common principles should also serve to promote the implementation of fundamental rights such as the fundamental right of all EU citizens to social and housing assistance, the right to health, the right to work, and the basic right of a person to sufficient resources (as referred to in the Commission Communication).

If the implementation of active inclusion principles are to be monitored by the EU, this raises then a series of questions related to how these will be monitored, with what objective, at what level (services level, policy level, level of legislation on quality criteria, etc).

Any additional soft law instruments proposed in the area of active inclusion (like the proposed “principles”) should always be set in the framework of the social protection and social inclusion OMC (currently the main instrument for EU action on active inclusion). New instruments should therefore serve to strengthen the active inclusion dimension of the social protection and social inclusion OMC, by improving and facilitating the use of soft law mechanisms in this area (benchmarking, mutual learning, national reporting, etc).

Active inclusion seems to be an employment-first approach to social inclusion which, on the basis of the three-pillar holistic approach, can undoubtedly yield interesting results for those furthest from the labour market, such as homeless people. However, we should not lose sight of the other potential priorities and approaches to social inclusion in the framework of the OMC. For instance, a housing-first approach to social inclusion can also be fundamental in terms of ensuring labour market integration of those at the margins: providing homes (through social and housing support) is a prerequisite to ensure the stability needed for people to find and retain jobs.

4. The content of the common principles

In order to develop these principles, it is important to build consensus on what social problems to tackle and how to address them. FEANTSA developed 8 **Basic Principles** for the active inclusion of people experiencing homelessness (outlined in the FEANTSA response to the first public consultation on active inclusion in [2006](#)). These 8 Basic Principles are reflected to a certain extent in the set of ideas put forward in the 2007 Commission Communication on active inclusion, which is a first indication that common EU principles on active inclusion could potentially be translated into effective measures for the active inclusion of homeless people.

Basic Principle 1: Effective inclusion should be based on a holistic approach.

The three strand structure proposed by the European Commission (adequate income, active labour market integration, and access to services), should ensure that the multiple dimensions of social exclusion (linked to housing, health, education, creating social networks, and other dimensions) are taken into account when developing active inclusion programmes and policies. This approach indicates that active inclusion is not only perceived as a strategy for active labour market integration, but also as a more general strategy to promote full participation in society, which FEANTSA fully supports.

Basic Principle 2: People furthest from the labour market need quality support services in order to take up and hold a job.

The Communication refers to social services of general interest as having a fundamental role for active inclusion (p.8). From FEANTSA's perspective, there should be a clearer reference to a comprehensive package of services for people experiencing homelessness since they, as a highly marginalised group, are one of the main target groups of active inclusion measures. This would include the following services: advice and guidance, supported employment, meaningful activity, non-work support such as access to housing support, abuse treatment, promotion of social networks. Social housing is mentioned as one of the fundamental services needed for a holistic approach to active inclusion. However, in most EU countries social housing is not the main housing solution for those at the margins of society – the reality is that the housing solutions for the majority of people furthest from the labour market (i.e. the poorest) are in the private rental housing sector. So social housing is only part of the solution for active inclusion strategies. It would be clearer and more comprehensive to refer to “social and housing assistance” rather than to the term “social housing”.

Basic Principle 3: A case management approach is needed to help individuals navigate through the system of services.

The Commission Communication refers to the need for personalised action plans (section 4.2). There are indeed multiple ways out of exclusion or homelessness - a case management approach, placing the individual's needs at the centre of service planning and delivery, is therefore crucial. This is also an important element as regards the quality of services (p.7): quality social services are flexible and adaptable to the needs, capacities and aspirations of the people targeted. There is also mention of different types of essential services needed for different individual situations (p.8) such as “Assistance for persons faced by personal challenges or crises (such as unemployment, over-indebtedness, drug addition or family breakdown)”. Another obvious personal challenge to add to this list is homelessness.

Basic Principle 4: Supported employment can be a first step into the labour market.

Reference is made in the Commission Communication to the importance of expanding the social economy (p.7) which presumably covers forms of supported employment. For people with multiple needs a variety of supported employment possibilities should be provided that can be adapted to the individual needs and aspirations of a person. It is important that these employment opportunities are offered to the people who are the most vulnerable and who are least likely to find a job in the mainstream labour market. The time that a person can benefit from supported employment should not be limited. However, a regular assessment of development and progress should ensure that an effective transition from supported employment into the mainstream labour market is possible for those who are ready for this. Supported employment in the social economy is *supplementary*

employment and cannot replace jobs in the mainstream labour market. Additional incentives for private employers to consider applications from people with multiple needs should therefore be developed as well.

Basic Principle 5: Meaningful occupation is an important tool to develop skills and self-confidence.

This principle is partly covered on p.8 with the reference to the need for “Activities to integrate persons with long-term health or disabilities”. Active inclusion should not only be about integration into the labour market but generally about full participation in society – hence the importance of meaningful activities where mainstream employment is not possible. Such activities can be useful for homeless individuals with mental health difficulties in order to develop personal and social skills as a first step towards more regular employment.

Basic Principle 6: Active inclusion requires more than integration into the labour market.

Access to employment is a central element for active inclusion, but even people with jobs can experience social exclusion. The situation of the working poor demonstrates that income from employment can sometimes not be sufficient to afford decent housing. There are many people who actually have a job, but who are experiencing forms of homelessness (living in squats, shelters, makeshift shelters) due to inadequate income and high costs of living. It should be clearly stated in the future common principles on active inclusion that national active inclusion policies must be the result of effective cooperation between all relevant departments (social, employment, housing, health, etc).

Basic Principle 7: Making work pay is about creating real incentives.

As stated above, work is not always the only solution to social exclusion namely as concerns low-paid jobs. FEANTSA therefore supports the Commission Communication suggestions to include access to income support sufficient to avoid social exclusion (p.6) as well as the reference to make work pay for job seekers through continued reviewing of incentives and disincentives resulting from tax and benefit systems.

Basic Principle 8: Using employment for promoting the inclusion of people experiencing homelessness requires sufficient financial resources.

Effective active inclusion policies need to be backed by sufficient financial resources. The Commission Communication mentions the use of EU financial instruments. It should, however, be stressed that active inclusion of people furthest from the labour market will require long-term investments to secure and further develop quality services. Quality services which develop personalised plans with well-conceived solutions may seem costly at first sight, but this kind of investment will be far more effective and less costly in the long run than providing generic services which are not tailored to the needs of those furthest from the labour market.

5. The supporting EU framework for the active inclusion agenda

Stakeholders : For effective implementation of an EU strategy on active inclusion, services working with marginalised groups need to be systematically involved. FEANTSA members already use/support holistic approaches to social inclusion by providing housing, employment, health and social support to those at the margins. In order to reach out to these people and ensure a lasting impact at local level, homeless service providers should be fully involved in any EU action or framework to promote integration of those furthest away from the labour market. FEANTSA therefore cannot support the assumption that social partners can lead on the active inclusion approach, as suggested in the European Commission Communication. Their commitment in relation to poverty is not well developed and, for some issues related to poverty, the social partners have a marginal role as is the case for tackling homelessness. The fear is that an active inclusion agenda driven by the social partners could lead to the most excluded groups being sidelined.

Funding mechanisms : The ESF funds have been used in a useful and effective way to promote active inclusion of homeless people. FEANTSA would therefore welcome a clear framework for active inclusion at EU level in order to ensure structured funding of programmes to implement national



active inclusion measures. However, the Structural Funds should not replace the responsibility of Member States for solving poverty. This is the case in some countries where the homeless sector exists to a great extent through ESF funding. ESF funding should be mainstreamed into domestic funding mechanisms after the pilot projects are over.

Local level : The proposed “Network of Local Observatories” could indeed be useful to ensure links between EU-level action and implementation on the ground, and to allow the many different approaches to active inclusion to be more visible across Europe. The participation of different service providers working with different groups is therefore essential for such a Network of Local Observatories to work. Since the potential issues covered under the active inclusion agenda are very wide-ranging, FEANTSA would call for a pragmatic approach in which the objectives and scope of the “Network of Local Observatories” is adapted to the means and the interest at local level. Selection criteria for the issues to target could include the following: potential for mutual learning, the degree of innovation possible, the potential of making progress in a relatively short period of time, and the degree to which the policies are evidence-based. It would be logical in this respect for the European Commission to build on the expertise gained under the 2002-2006 Social Exclusion Programme and the 2007-2013 PROGRESS programme in order to have a clear framework for transnational exchange. FEANTSA can ensure strong links with local organisations and local authorities actively working to promote labour market integration of people experiencing homelessness.

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