

Panel D: Access through Technology: Putting the Citizen Front and Center

"Fighting Non-Takeup through E-Government, The Netherlands"

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Who were the disadvantaged in this case?

In the Netherlands, many senior citizens remain unaware of the kinds of social support available to them from their local governments. As a result, there is a substantial portion of municipal income set aside for support of people aged 65 and over that goes unused. According to a recent report by the Dutch Institute for Social Research (SCP) it is estimated that 70% of these funds do not go to the elderly they are meant to serve. There is a supply of funding available and a growing population of elderly residents demanding support, but these monies are not going to local pensioners. The question facing many municipalities was: how do we improve access to information about financial support for the elderly?

What was the innovation, and how did it improve access?

In a pilot project between the *Sociale Verzekeringsbank* (SVB) and a series of Dutch municipalities, the SVB has used its experience administering pensions for the federal government to implement the Work and Social Assistance Act (*Wet Werk en Bijstand*, WWB). The WWB seeks to pay income support to senior citizens who are not entitled to a full old age pension (AOW) from the Dutch government. By partnering with the SVB, municipalities are able to provide integrated support to claimants, remitting AOW and WWB support from one single institution.

The primary objective of the WWB was to use the SVB's infrastructure to improve municipal service delivery. Another goal was to reduce non-takeup of public services by actively informing pensioners about entitlement to income support. As this demographic is projected to rise quickly over the next several years, this information campaign will become more and more important. By sharing facilities with the national pension program, municipalities gained easy access to elderly claimants who were aware of their eligibility for national support but unaware of the local funds set aside on their behalf.

A final target of the WWB was to reduce operational costs for the municipalities involved. By creating a uniform system across municipalities governing the process for paying old age pensions, the SVB was able to impose the benefits of scale on the WWB's working procedures. The SVB also provided its information technology resources, enabling innovators to computerize the WWB's support system. In short, municipalities were able to achieve their targets in the field of senior citizen social inclusion with fewer resources by cooperating with a national government organization, the SVB.

What were the obstacles you encountered?

Creating a model for the cooperative relationship between the SVB and the municipalities involved proved to be problematic. A public law cooperation model (in which a mandate is given by the municipalities to the SVB, with a corresponding implementation arrangement) clarified responsibilities for the two parties. After lengthy discussions, the municipalities and the SVB opted for a financing and accountability model in which the actual costs incurred by the SVB would be charged directly to the municipalities involved in proportion to the number of beneficiaries it serves.

Currently, the SVB is also legally required to provide every municipality in the WWB with a vast amount of verification data and financial data that must then be analyzed and submitted to the Ministry of Social Affairs and Employment. This additional layer of bureaucracy is a major cost to the WWB.

What were the results of the innovation?

The WWB Project began as an experiment between the SVB and eight municipalities. In the summer of 2006, after the development of a working standard model for cooperation, the participating parties agreed to offer other municipalities the opportunity to join the project starting January 1, 2007. Approximately 26 municipalities are currently enrolled in the WWB, with a total of 10,000 households receiving income support. By 2008, innovators expect that as many as 60 municipalities will take part, with over 16,000 beneficiary households.

The WWB has also been very successful at achieving its three goals of improved customer service, increased funds to senior citizens, and reduced implementation costs. Client satisfaction with the services provided by the SVB is very high, with an average rate of 90%. Non-takeup of senior citizen support income is declining, and program overhead costs are low. By making use of existing federal resources and infrastructure, unifying procedures for administration, and computerizing support to beneficiaries, the WWB partnership has been both innovative and successful in improving citizen access to public resources.

Marjolein ten Kroode has been a member of the Board of Directors of the *Sociale Verzekeringsbank* since September 2005. She combines expertise in organizational change and operations management with broad experience with information intensive service organisations in both the private and public sectors (for example, health insurers, pension funds, local councils, health care institutions). Ms. ten Kroode has also given lectures at the Inter-University Centre for Organisation and Change Management (SIOO) and the Academy for Information Management (IMAC). She is an experienced management coach and interim manager.