

## How does it work: Exit Feijenoord sample case as an illustration

This project description is based on the situation as it was in 2006. The project is now called Exit (in the whole of Rotterdam).

The target group of Exit Feijenoord consists of long-term unemployed up to the age of 45 with a combination of psychological, financial and/or social problems. They still have potential to return to work. The core of the approach consists of intensive, tailor-made counselling. The aim of the programme is to allow these clients to enter the labour market again within two to three years.

The intensive counselling is given by a multidisciplinary team in which the client manager plays a key role. He draws up the individual action plan and controls the tailor-made action plan in which a social worker, acquirer, psychologist and community psychiatric nurse from the multidisciplinary team can be deployed. Apart from tailor-made sections, part of the clients actively works as a volunteer for 32 hours per week, or less. The client manager organises this volunteer work with partners in the city, for example community centres or children's farms. The acquirer looks for suitable vacancies for clients.

In 2006, 227 clients participated in the project. The average net costs of an Exit action plan are € 987.00 x 2 years = € 1,974.00 per client. This amount mostly consists of the costs of the client manager<sup>1</sup>. The psychologist and community nurse are only paid from the Exit project for one quarter in case of a no-show. For the rest, they are paid from regular funds from the organisations they work for, because they perform regular duties. As far as the acquirer and social worker are concerned, it concerns a relatively small part of the costs because they only perform work for part of an action plan and not for all action plans either.

If we enter the number of clients (227), the target group (long-term unemployed) and the costs (€ 2,000, rounded off) in the Intervention Calculator, this will result in the following benefits over 5 and 10 years in case of a realistic scenario:

Realistic scenario based on research	5 years	10 years
Total benefits	€ 515.762,-	€ 1.819.593,-
Costs of intervention	€ 454.000,-	€ 454.000,-
Total benefits after x years minus costs of intervention	€ 61.762,-	€ 1.365.593,-

So based on research, we know that, calculated over ten years, the Exit project results in net financial benefits of almost one and a half million euros (€ 1,365,593.00) in the realistic scenario. By far most benefits accrue to the municipality, namely: € 1,778,779.00. Insurers also benefit for an amount of € 40,815.00. If we use the break-even point button to look when the benefits exceed the costs, we will see that this will be the case in the fifth year: after 5 years, the net benefits of the investment are € 61,762.00.

In addition to the benefits we were able to deduce based on research, the user(s) of the Intervention Calculator can add a number of additional benefits through the 'Make an additional calculation' button.

<sup>1</sup> It should be noted here that his/her caseload is about half of that of a regular client manager. In the Exit project, the costs are calculated for a whole client manager, but it is also possible to opt for calculating only the costs for half the caseload of the client manager, because the 80 clients in the action plan would otherwise be part of a regular caseload.

In other words, the municipality can make estimates of the amount of other financial benefits together with its network partners. For the target group of long-term unemployed, we have, during the development of the Intervention Calculated and together with the user group, opted for three types of possibly additional benefits: decrease in the costs of homeless shelter, savings on the costs of evictions and savings on the costs of cutting off gas/water/electricity. Suppose that the municipality and network partners estimate that:

- no savings on the costs of homeless shelter can be expected for the target group chosen:
- savings can be expected as far as the costs of evictions by housing associations are concerned, namely two evictions less for each 100 clients;
- savings can also be expected for energy companies as far as not cutting off gas/water/electricity is concerned, namely also two cut-offs less for each 100 clients.

In that case, there are extra net benefits, namely for housing associations (€ 27,240.00) and for energy companies (€ 3,587.00). If we add up these extra net benefits, the net benefits will therefore be € 30,827.00 higher, namely € 1,396,420.00 in total (still: after ten years, in the realistic scenario). If we then calculate the break-even point, we will see that this is still in the fifth year (but a little earlier): after 5 years, the net financial benefits of the investment in the 227 Exit Feijenoord clients are € 61,898.00.

The above is carefully based on the realistic scenario. If we assume the maximum scenario, the benefits of the Exit Feijenoord programme will be even higher. Namely, based on research (again: after ten years and for 227 clients), € 5,160,727.00 in total. These are the gross benefits. If we reduce them by the investment made (the costs), the net benefits will, in the maximum scenario, be € 4,706,727.00. In the maximum scenario, the break-even point will be in the third year: after 3 years, the net benefits will be € 225,695.00. If, in consultation with the collaborative partners, the municipality also adds additional benefits to this on the part of housing associations and energy companies (under the 'Make an additional calculation' button), the picture will, of course, be even more favourable.

**In other words: programmes/interventions aimed at multi-problem clients such as Exit Feijenoord will, calculated over ten years and based on 227 clients, result in net benefits of around 1.5 to 4.5 million euros. With - in addition to the client and society - the municipality, insurers, housing associations and energy companies as benefiting parties. So jointly investing in this is interesting also from a financial point of view!**

Of course, it is about an indication of the benefits expected. And it should also be kept in mind that the regular deployment of, among others, social workers and psychologists is not included, because only the additional costs incurred by the Exit Feijenoord project (net costs versus net benefits) are taken into account, but the picture will be clear.

The above serves as an example. For each programme for multi-problem clients, comparable calculations can be made using the Intervention Calculator.