

3rd Report 2005

The fight against poverty and social exclusion at local level in Latvia

Tana Lace
Riga Stradins University,
Latvia

Group of non-governmental experts
In the fight against poverty and
social exclusion –Latvian expert

Riga, 2005

Summary

The report gives an outline on Latvian local administration level, more specifically; it will provide an insight into the municipal contribution to combating poverty and social exclusion given that Latvia has prepared its first Action Plan for Reduction of Poverty and Social Exclusion 2004-2006. The report is focused on social inclusion policy and the implementation of policy measures at the local level on the basis of five cases according to the six general key challenges identified in the Commission staff working paper "Report on Social Inclusion 2004".

Five municipalities were selected for the study: Bauska city municipality, located in the South of Latvia, Limbaži city municipality and Naukšēni parish municipality located in the Northern part of Latvia and also Preiļi regional municipality – from the East of Latvia and, finally, Saka amalgamated municipality (until late 2004 – Pāvilosta) located in the West of Latvian territory.

Characterization of the municipality is given on the basis of the statistical data available, municipal documents and other publicly available material. In addition data from 16 in-depth interviews with heads of municipalities, heads of municipal social assistance services (SAS) or with social workers (in municipalities with no special social service) was used, interviews with municipal employees whose work is linked with the reduction of poverty and social exclusion issues within their municipality as well as with NGO representatives.

Municipalities co-operate with local branches of State Employment Agency in the implementation of active labour measures. The most problematic group with the lowest effectiveness of measures consists of pre-retirement age unemployed. Majority of them are long-term unemployed with low educational level, the problem is exacerbated by the fact that a part of the long-term unemployed face also the problem of alcohol addiction.

A certain shift from passive measures (paying benefits) to client activation has occurred. In the majority of municipalities a part of social benefits is being allocated for a benefit recipient demanding his active participation in particular activities.

Main GMI benefit recipients are families with children (especially lone-parent families with children). Among the GMI recipients there are lots of pre-retirement age unemployed. Housing benefits (rent, public facilities, and firewood purchase) are the most often paid municipal social benefits. A great part of the recipients are pensioners. Other kind of benefits, granted often, is free meals for schoolchildren from needy (poor) families.

The lack of rehabilitation programs doesn't allow municipalities to provide qualitative and effective social services and assistance.

It must be noted that, 38% of children from the total number of children in households are brought up in the first quintile group (as to income, 2003). Children and young people have relatively the highest poverty risk. The situation is dramatic partly because of high level of lone-parent families in Latvia due to high level of divorces and also high level of mortality rates for relatively young males.

A corrent positive trend – municipalities' concentrate more on prevention – for example, organisation day centres for children, ensuring accessibility of education (transport, purchase

of school books, free lunches, sports, development of interests, etc). Essential changes have been noticed in the last two years - greater attention is paid to families with children and to their support.

Municipalities emphasise that they are not able to solve the housing problem including social housing problem themselves (due to lack of financial resources). To solve the problem governmental support is necessary.

Studied municipalities (Preili, Limbazi, Bauska) in recent years devote more attention to the need for Romani children to attend school. Dramatically high level of unemployment still remains the core problem among Romani people .

Until now the initiators of projects targeting the Roma people, mostly have been NGOs. Roma require targeted measures, as Roma integration project results show a possibility for positive developments therefore one of the positive solutions is to include such targeted measures on daily agenda of municipal social services and institutions.

In most studied municipalities social assistance services (SAS) or social workers have established contacts and co-operation with a quite a large number of NGOs. More frequently pensioner organisations, associations of disabled, women clubs are mentioned. One of the municipalities (Bauska) stressed a very effective co-operation with several religious organisations in providing support and assistance for low-income inhabitants. Preili has very developed and wide range of NGOs dealing with poverty and social exclusion issues. These NGOs have good examples of cooperation with municipality in many projects, thus widening the scope of social services offered to various social exclusion risk groups the municipality was not able to provide.

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1. Introduction

The report gives an outline on Latvian local administration level, more specifically, it provides an insight into the municipal contribution to combating poverty and social exclusion, given that Latvia has prepared its first Action Plan for Reduction of Poverty and Social Exclusion 2004-2006.

The study of municipalities included analysis of the total Latvian territory and each municipality represents one of the five Latvian planning regions. Both city and rural municipalities were selected for study purposes in order to provide for a better illustration of the varieties in social and economic planning of different territories and highlight the major regional differences and municipal ability for the implementation of poverty and social exclusion reduction policy and link with national policy makers. Municipalities were also selected on the bases whether social exclusion (and poverty) was identified as a serious problem in the specific municipality.

Five municipalities were selected for the study: Bauska city municipality, located in the South of Latvia, Limbaži city municipality and Naukšēni parish municipality located in the Northern part of Latvia and then Preiļi regional municipality – from the East of Latvia and, finally, Saka regional municipality (until late 2004 – Pāvilosta) located in the West of Latvian territory.

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The report is focused on social inclusion policy and the implementation of policy measures at the local level on the basis of five cases according to the six general key challenges identified in the Commission staff working paper "Report on Social Inclusion 2004":

- 1) Expand active labour market policies and develop coherent and comprehensive lifelong learning strategies in order to increase labour market integration, especially of the long term unemployed and groups at high risk of poverty and social exclusion.
- 2) Ensure that social protection systems have sufficient coverage and levels of payment to guarantee an adequate minimum income for all to live with dignity while at the same time removing disincentives to take up employment.
- 3) Strengthen policies to tackle child and family poverty and to protect the rights of children.
- 4) Improve access to decent housing and tackle homelessness.
- 5) Invest more, and more efficiently, in order to improve the quality of and access to key public services, particularly health and social services, education and training and transport.
- 6) Intensify efforts to overcome the particularly high levels of exclusion and discrimination experienced by some ethnic groups, especially the Roma, and other groups at high risk such as people in institutional care or leaving institutions or people with disabilities.

Special focus is put on the examination of the following issues: unemployment and undeclared work; development of social assistance services and healthcare (particularly the accessibility of health care for groups at high risk of poverty and social exclusion); co-

operation between social services and employment agencies; measures to improve the situation of children and families with children, measures for ethnic minorities (where applicable), mobilisation of stakeholders for implementation of social inclusion policy on the local level.

2. Characteristic Features of Municipalities in Latvia

There are two kinds of municipalities in Latvia – the so-called local municipalities (cities, amalgamated municipalities and parishes) and regional (district) municipalities. In cases when an amalgamated municipality has been established as a result of merging process of several municipalities (parishes, cities) , each one of the municipalities becomes a territorial unit of the area, while the decision making power is exercised only by one – the directly elected Regional Council.

Table 1

Municipalities: categories and numbers

Regional (district) municipalities	
Regional (district)	26
Local municipalities	
cities	60 (53 regional towns + 7 national towns)
Parishes (rural)	444
amalgamated municipalities	26
Total:	530

Data source: www.raplm.gov.lv

The law “On Municipalities” provides the legal basis in terms of organizing municipalities. In line with the European Charter on local municipalities, a municipality has the right to determine its administrative structure independently.

Among the key tasks of municipalities there is the obligation to organize public utilities for the residents, to care for the development of the administrative territory and for sanitary requirements, ensure the **educational obligations** of the residents, provide for cultural activities and facilitate the sustainability of traditional cultural values and the development of national creativity. A municipality is accountable for the provision of **health care services**, it also works to promote healthy life style, guarantees **social assistance**, provides assistance to its residents with regard to **housing**, supports entrepreneurship, cares for elimination of **unemployment**, ensures public order, determines the use of land and construction, organises public transportation services.

The municipal financial system is based on municipal budget. In Latvia municipal budgets are separated from national budgets and the consolidated co-budget serves only for informative purposes. Municipalities are responsible for drafting, approving and implementing their budgets independently. In Latvia municipal budgets include the basic budget and special budget.

The income in municipalities is increasing. However, it has to be noted that in 2002 the total basic municipality budget was LVL 556.07 million, the total special budget – LVL 53,44 million (on basis on money flow), in 2003 the total basic budget was LVL 635.33 million while total special budget – LVL 57,47 million. In 2004, on basis of indicative calculations, the total basic municipality budget was LVL 736.18 million (data of the State Chancellery). It

must be concluded here that not only in Latvia the total basic budget level is increasing, this trend is present in all regions.

A municipal budget equalization system exists; it is based on the redistribution of the municipal income and national budget subsidies with an aim to create equal opportunities in the whole territory of Latvia to enable the implementation of operations provided for in legislation. The equalization is applied to three groups of municipalities individually and is different for municipalities of national importance, regional and regional towns' municipalities, for amalgamated and parish municipalities.

The large number of municipalities is in contrast with the relatively small number of country's residents (2,3 million at the beginning of 2005), Latvia's 1 municipalities are relatively small in terms of number of residents therein: 4,3 thousand of residents per municipality. Only few European countries have smaller municipalities, for instance, there are some in France (1.5 thousand), Switzerland (2.1 thousand), Austria (3.3 thousand) while the majority of countries have larger municipalities (Estonia 6.2 thousand), Norway (9.0), Denmark (18.8 thousand), Sweden (30.0 thousand), Lithuania (67.0).¹

Latvian municipalities differ in terms of number of residents. In early 2004 the largest Latvian municipality (the capital –Riga) had more than 735 thousand residents while in the smallest municipality – one in parish of *Kalnēmpji* – 303 residents. Even within one category of municipalities there are significant differences. However, the competences of all local municipalities are similar, they all must perform the functions stipulated in legislation.

In small municipalities the level of social and economic development tends to be lower while in the larger ones – higher. For instance, the parish municipalities with up to 999 residents for which the average territorial development index is the lowest- -0.554, while for the municipalities with residents from 1000 to 1999 the index is 0.239, in municipalities with the number of residents from 2000 to 2999 – 0,250 while the highest territorial development index (1.770) is in the largest parish municipalities with 5000 residents and more.

The current administrative and territorial division in local and regional municipalities has been in place since 1989. In this period there have been several reforms and changes in municipality structure and functions. Full reorganization of municipalities is still underway and is not completed. After the national independence was reinstated, municipalities were strong and dominantly present in various areas of public obligations. High level of decentralization was attained in Latvia². Since early 90-ies political discussion was underway on administrative and territorial integration. The issue of merging municipalities in large-size municipalities, the so-called amalgamated municipalities, was on political agenda. The government proposed to create 102 amalgamated municipalities.

As has been pointed out in the project on amalgamated municipalities' establishment, the functions of parishes and cities have been expanded and their independence and accountability have been increased, at the same time retaining the administrative division intact, hence creating a contradiction between the new contents of management and the old territorial division.

A number of municipalities had low own-income base due to their small size. Thus in 1999 the budget income in 33 municipalities, excluding subsidies, did not exceed LVL 50.000. The

¹ Manual on creating regions. Municipality advisory centre, Ltd., RAPLM. Riga, 2004

² [www.lps.lv/ book/1.htm](http://www.lps.lv/book/1.htm)

small municipalities are unable to concentrate sufficient financial resources. Municipalities with budget annual income (subsidies exclusive) lower than LVL 100.000 face problems with investment attraction. There are more than two hundred municipalities of this kind. Municipality income from taxes, calculated per capita, differs extremely.

Administrative territories with smaller numbers of residents usually have insufficient infrastructure for carrying out municipal functions. This hinders investment attraction, economic re-structuring and creation of new jobs.

Municipalities with low numbers of residents are unable to separate decision-making from executive power. This hinders the creation of quality municipality administration and increases corruption possibilities. Increase of municipalities' administrative capacity, especially rural and small municipalities, would have positive influence not only in implementation of municipalities' functions, but also on quality of services delivered. The lack of qualified social workers is yet another problem of topical importance for small municipalities.

The level of economic activity and administrative capacity of municipalities has also a significant impact on the amount, quality and volume of services provided. For instance, the GMI benefit in the larger municipalities significantly exceeds the respective national benefit level, while the smaller municipalities face difficulties in meeting the national level set for the minimum income level.

The above considerations are mentioned discussing the necessity for municipality merging in Latvia, increasing their scale and capacity. Despite the above said and the urgent need for municipal territorial reform in Latvia, the respective process, however, is slow. There were 26 amalgamated municipalities created in Latvia until January 1, 2005, uniting local municipalities or reorganizing administrative territories of municipalities into amalgamated municipalities.

There is a structured system for municipality and government dialogue in Latvia. This communication process is regulated by the national law. The representation of municipality interests in Latvia is advocated by the Union of Latvian Municipalities (UoLM) which, according to the law "On Municipalities" has the right to represent municipal interests in negotiations with government.

The mentioned communication process has a formal and informal category. The formal one (stipulated in laws and regulations of the Cabinet of Ministers) has the following main elements:

- Negotiations with each ministry and each special assignment minister, finalized with an annual protocol;
- Annual UoLM and Cabinet of Ministers meeting and drafting and signing of the protocol of disagreement (the law states that this protocol forms a part of national budget package).

The main elements of the informal system are: participation in the meetings of the state secretaries, drafting opinions on all legal acts having due effect on municipalities, participation in governmental working groups, Committee meetings at the Cabinet of Ministers and meetings of the Cabinet of Ministers.

In addition to negotiations with government, the work on draft laws is extended to the Parliament, participation in the respective committee meeting and informing the respective parliamentary groups.

Given the regularity and nature of the liaison with ministries, the involvement in decision making, the process is largely determines the area and issues that affect municipal functions, budget and interests of the municipal residents, it also has effect on cooperation practices in public administration institutions.

3. Basic characteristics of five studied municipalities

For the purposes of this work, five Latvian municipalities were studied – Limbaži city municipality, Bauska city municipality, Naukšēni parish municipality, Saka amalgamated (until late 2004 – Pāvilosta town) municipality and Preiļi amalgamated municipality.

Human resources and the quality of this resource (see Table 2) is one of the factors with essential impact on municipality's social and economical development. Since the year 1990 all municipalities witnessed decline in terms of the number of residents. The natural growth of population in all the municipalities studied still remains negative.

Statistics show that the number of women in municipalities is larger than that of men. The proportion of women is notably larger in the group of retirement age, where there are 2 times more women than men. Gender distribution is not proportional in all age groups. Like in the country on the whole, the municipalities studied showed population ageing and associated trends, this was particularly expressed in Pāvilosta where after the formation of amalgamated municipality (as the city as added two rural parishes) the situation has become even more critical - the number of residents over working age reached 35% from the total number of residents.

Table 2

Age structure of population in five Latvian municipalities

Year	Municipality	Number of residents under working age (abs. figures, %)	Number of residents of working age (abs. figures, %)	Number of residents over working age (abs. figures, %)
2004	Preiļi amalgamated municipality	1612 / 15,4%	6854 / 65,6%	1978 / 18,9%
	Pāvilosta (from late 2005 – Saka amalgamated municipality)	225 / 17,8%	696 / 55,0%	344 / 27,2%
	Limbaži city	1380 / 15,8%	5621 / 64,4%	1732 / 19,8%
	Bauska city	1613 / 15,5%	6689 / 64,4%	2091 / 20,1%
	Naukšēni parish	310 / 19,4%	994 / 62,0%	298 / 18,6%

Source: CSB data

The proportion of all three population groups in the total number of population has an impact on the services provided by the municipality and the kind and volume of the municipality paid social benefits. For instance, the Naukšēni parish municipality with the largest proportion of children from all the studied municipalities provided most of its benefit payments for families with children, maintained the required infrastructure (school, kindergartens, sports and recreation facilities, etc.) and the key target audience for benefit payments was that of families with children, etc.

Analysing the provisions of law „On social services and social assistance” as well as the municipality initiatives as regards the structure and amount of social benefit payment, it is to be concluded that for the payment of benefits provided in the law (GMI benefit payment and lump-sum benefit in extraordinary situation) the funding allocated accounts for 15-64% of the total funding paid in benefits. A significant part of the funding is allocated for apartment

support payments, for health care related cost coverage and payments for free-lunch at schools (see Appendix 1). The analysis of benefit structure shows that the target groups for repeatedly stipulated benefit recipients and target groups for municipal social assistance benefits are the same, that is, these groups are families with children and the poor residents of the municipality. A significant part of municipality social assistance funding is allocated to retirement age group.

The structure of expenditure shows that all the studied municipalities have potential for GMI increase to provide real support to those in the largest need.

Analysis of employment and unemployment level at municipality level is impossible using the Labour force survey data (that is, internationally comparable data) as the current sampling size is representative only at a regional and national level. Due to this, the SEA (State Employment Agency) registered employment rate data were used that only partially characterized the situation in municipalities (see Table 3). The actual level of unemployment at certain municipalities could be even two times higher than the registered level of unemployment. At the same time municipalities in their work and in liaison with SEA branches were targeting only the registered unemployment rate, hence – targeted only a part of the representatives from the risk group for social exclusion.

Table 3

Registered level of unemployment in five Latvian municipalities

Municipality	2004			
	Registered unemployment rate	Registered number of unemployed persons	including	
			women	disabled
Preiļi amalgamated municipality	11,6	792	436	29
Pāvilosta (from late 2004 – Saka amalgamated municipality)	6,6	45	23	0
Limbaži city	5,8	326	181	16
Bauska city	6,9	459	281	14
Naukšēni parish	4,2	41	27	3

Source: CSB data

Employment rates are different in the municipalities studied. The key reasons here are the economic development level before reinstating independence (infrastructure, work places, etc.) and the economic changes during the transition period (impact of the privatization, maintenance of economic processes and their development, maintaining infrastructure etc.) as well as the level to which the municipality was able to support business development at municipal territories.

The level of economic development largely depends on how far the municipality is located from Riga (the capital) or from the developed cities of the region. The development in almost all municipalities mainly takes place in service area. In none of the municipalities the industrial production level and types have not significantly increased. Hence the changes in residential income tax have the largest impact on the municipalities' budget.

As a new trend along with Latvian accession to EU, all municipalities (to different degrees) have witnessed migration of their residents abroad, particularly, to Ireland and Great Britain.

In Preiļi municipality, like in the entire region of Latgale, there are the lowest employment and the highest unemployment rates.

In Pāvilosta, Naukšēni, Limbaži, Bauska the ethnic structure of population is quite homogenous - there is a clearly expressed dominance of the Latvians over the other ethnic municipality residents. The only exception is Preiļi municipality, where Russian and other ethnic minorities account for about 40% of the total number of residents. At the same time it must be noted that the ethnic composition of residents does not have any impact on the services provided by municipality to various ethnic groups. The key criterion for providing a benefit or service is the income level or need for the specific kind of services.

Availability of specific programs and activities for ethnic minorities is not influenced by the activity of the municipality; it is rather influenced by the initiative or interestedness from the NGOs operating in the municipality. Municipalities mainly are partners involved in foreign funded or EU structural funds projects.

In all five municipalities none of the persons interviewed had read the Latvian NAPincl. Municipality representatives had either heard of the plan or had no knowledge of its existence. All interviewed persons stressed that in their municipality work they were basing their action on the legislation in this area, including the Regulations of the Cabinet of Ministers mandatory for municipalities and did the work according to the municipality functions defined. Municipalities in their work depended on the financial capacity and their own understanding of reduction of poverty and social exclusion, instead of relying on priorities and tasks defined in NAPincl

3.1. Bauska city

Bauska is one of the 6 regional cities in the Zemgale planning region. On the whole, the entire region and particularly Bauska region and the city of Bauska are located within short driving distance from Riga and is easy to reach. On the South, the border of Bauska region coincides with the Latvian-Lithuanian border. Bauska is characterized by a fact that it is crossed by important transport corridors and junctures, key national highways as well as by the city's proximity to the magisterial gas transportation pipeline. The entire Zemgale region is considered as suited for agricultural activity, this region vis-a-vis other planning regions (Kurzeme or Latgale) has quite a low population density.

At the end of 2004 Bauska had 10393 residents. The ethnic composition of Bauska residents: 77% Latvians, 11% Russian, 6% Lithuanians, 3% Byelorussians, as well as Polish, Ukrainian, Roma, German, Estonian and Jewish descendants – till 1% each.

There were 459 (as of 31.12.2004) registered unemployed persons – that is – 6,9% from the total number of working age residents – a slightly higher showing than that of the national population.

The Bauska city basic budget income- total for 2004 was LVL 3064972. Bauska city special budget income in 2004 was LVL 103476.

Employment and unemployment

Registered unemployment in Bauska city tends to fluctuate within the 5–7% limits. The actual unemployment could be close to 20%, that is, a part of residents have a seasonal job only, or the kind of job that avoids tax paying obligation. Particularly that can be said about the summer season when a good share of residents work for farmers for LVL 2–3 a day while no employment contracts are signed.

The registration for the status of unemployed happens at a more active pace closer to the colder season as this status facilitates the receipt of social benefits.

Municipality thinks that their unemployment figure is not high. The city is facing a new trend – there are job announcements in a city newspaper that has never existed before. This shows that the overall situation is gradually improving. The key areas of employment that are growing in Bauska city are service industry, agricultural product processing, education, tourism. The majority of Bauska residents are employed in Bauska, a minor part works elsewhere. As to municipality's estimates, 100-120 persons commute to Riga for work on daily basis.

Young adults at the 15-18 age group face the most severe unemployment problems – as this is the age group without reliable job experience; the second most affected age group is that of pre-retirement age.

Bauska city unemployed residents are involved in the SEA organized active employment measures - the temporary public works, training for unemployed and re-training, and events for increasing competitiveness. However, it must be noted that a larger part of unemployed persons are involved in training and re-training activities, while the subsidized employment for persons with disabilities and for pre-retirement age persons is less popular than young person's work practices with an employer.

The existent liaison with the SEA and SAS is appreciated, while it is acknowledged that this cooperation is mainly takes place as information exchange. It is also quite helpful that employees in institutions know each other in person. SEA on monthly basis is forwarding news about the unemployed persons registered to the SAS. The information obtained from social workers in its turn is used to help to control the situation of each individual, it also allows for increasing the activity of the unemployed – the recipients of benefits are encouraged to rely on active labour measures.

Among the unemployed registered at Bauska city there are only a few who would qualify for GMI benefits, the income of the majority exceeds the threshold for GMI (in 2004 the minimum threshold for GMI was less than LVL 18 a month per one family member, while in 2005 – below LVL 21 per family member).

Social assistance

Characterising the risk groups for social exclusion and their size in Bauska, the data of statistics show that at the end of 2005 there were 573 disabled persons, 1987 retired and 21 person affected by participating in the liquidation of the Chernobil catastrophe. In terms of percent the figures are: 5,6%, 20% and 0,2% from the total number of residents. In Bauska there are 200 politically repressed persons. There are 94 large families (3 and more children). The number of the so-called at risk families is 40 and this figure is gradually decreasing.

Given the number of children living in single parent families, there are 40% of children belonging to the socially vulnerable group of population. The number of children with disabilities is close to 42. There is one orphanage in Bauska with the total capacity for 40 children.

There is a social assistance service in Bauska that controls three structural units, employing 12 experts: Bauska city Family and Social support centre "Ābele", Bauska Integration centre for children and youth and Bauska HIV and Addiction prevention centre.

One of the key functions of municipality social services is that of administrating municipal social benefits.

In Bauska city the total sum of social benefit paid in 2004 has decreased versus the total amount for 2003 (2004 – 21346 LVL, 2003 – 25508 LVL). On the whole the number of benefit recipients has also decreased (in 2004 – 917 persons, in 2003 – 1099 persons). However, it must be noted that a payment may be paid repeatedly to one and the same recipient. As social workers admit, benefits are being claimed less frequently; however, when winter is approaching the number of claims increases.

The amount of GMI benefits accounts for a minor part (less than 2%) from the amount of benefits paid by the municipality. The guaranteed minimum income for poor families in 2003 was granted to 19 persons and the cost of the GMI benefit for the municipality totalled to only 369 LVL. The total of benefits paid in 2004 has remained practically unchanged – GMI benefits are paid in the amount of 357 LVL while the number of benefit recipients has significantly decreased – only 5 persons.

The majority of the means are being used for the payment of other municipality benefits – for heating and for purchase of firewood. The municipality pays for food and free meals. It must be noted, however, that the number of free-lunch (free meal) benefits is decreasing. In comparison with the previous year, the number of benefits paid out has decreased for almost 1000 LVL (in 2003 – 3971; in 2004 – 2980 LVL). As to the opinion of social workers, the improvement is due to the establishment of the Alimony Guarantee Fund (Maintenance) in 2004 as there are more and more single parent families (divorced parent families) receiving means for subsistence for children either from the state or from the divorced father. In terms of change of attitude, the persons who avoid paying alimony have understood that they will have to repay the alimony to the state, therefore they start paying themselves.

The number of benefits paid for heating and housing and for firewood purchase has increased (in 2003 – 9270 LVL, in 2004 – 11050 LVL). There have also been benefits paid for covering the social apartment costs. Social assistance in 2004 has been requested by 91 families with children and this is less than in the previous year, which means that income level in families is stabilizing. A good part from the persons requesting the benefits have income level fluctuating from 18-40 LVL per family member. For 96 persons (retired or disabled) income level was higher than 40 LVL.

Almost one half of the benefit recipients are retired. Municipalities along with benefits for heating and firewood purchase, coverage of utility payments do also pay health insurance co-payment for retired persons without family support (provided their pension is not higher than 70 LVL per month) - this co-payment amounts to LVL 30 a month once a year, or, this amount may be paid for medical services or purchase of medication.

All disabled persons residing in the city are at the supervision of municipal social assistance services. Most frequently the social services cover a part of medication costs, co-payment for health insurance total cost as well as grant housing benefits.

Municipality is providing for a benefit payment to ex-prisoners in the amount of – 20 LVL, as a singular benefit payment. The representatives of this group are mainly characterised as being passive, their problem is that they are disinterested in partaking in any activities. In the city of Bauska an average of 7-8 persons a year return from places of detention. As to the law, former prisoners, should they lack living space, have a right to apply for housing, while for those on the housing allocation waiting list the municipality is often capable to offering only poor quality housing. There is a certain hope that the former prisoners could be supported through the establishment of Probation Service activities.

Child and family policies

As the data of statistics show, and as the interviews testify, in the course of the last few years, the demand for municipal social benefits is decreasing, while the expenses in the prevention activities tend to increase, as municipality is aiming to reduce social marginalization and poverty in Bauska city. The social services in the city have significantly increased the scope of services available.

Municipality has increased its activities to support families with children, particularly focusing on the free-time opportunities for children as well as to provide support to families with children in problem situations.

Since 2003 there is an Integration Centre for Children and Youth in Bauska aiming at the promotion of integration among children from different ethnic backgrounds and their participation in social and cultural processes. Any child interested in spending time meaningfully is free to attend the centre. An NGO “Bauska young people’s integration club „Strops-39”” is located in the centre, too. The centre has organized a number of activities, such as, a lecture course for young people „The School of Life”, summer all-day camp for children aged 12-15, computer classes and more. There are various free-time events and festivities organized at the centre.

Since October 2004 Committee on youth issues started working in Bauska; the committee involved 2 young adults from each secondary school in the city.

On December 2003 the day centre “Ābele” was restructured to become Bauska city Family and Social Support Centre “Ābele”, as the centre merged with the Children’s Rights Support Centre. The tasks of the centre include the preparation of various support projects and programs, facilitating the activities of foster-parents, health promoting event organization, information provision on children’s rights issues, etc. In 2004 children’s free time and development studio was established for short-term children’s care and for conducting development activities; pre-school children’s development activities are regularly attended by 6 children; then an informative brochure was prepared on the hazardous impact of computer games and gambling games on children’s personality development as well as the development in school children, the meeting for young-mothers and babies were organized (regularly attended by 7 mothers).

Various lectures and events were organized within the centre activity framework covering a spectrum of issues on addiction, reproductive health, children’s health both for the clients of the centre and the experts.

There are various support groups active in the centre - for parents of children with computer addiction problems, for families in crises situation and for women in crises situation. There is

a training program for social workers, those who work with children and families undergoing family therapy.

There have 246 legal consultations provided mainly on the means of subsistence for children and on children's paternity. As a result, it is expected that the children will be the winners - a total of 126 children and their families (mothers) who will have better material conditions.

The social assistance service is active in cooperation with Custody Court. In the course of 2004, in 12 courts proceedings 82 cases were reviewed and 67 judgements were adopted on stripping parents from their right to parent or on granting such right, on the establishment of or exemption from the status of custodian, on children's personal and property interests.

Housing

Housing problem is one of the most essential problems in the Bauska city. In early 2005 there were 56 families registered in the municipal register (in waiting list for housing). The problem is that the municipalities have very limited opportunities as practically all housing has been privatized. A part of the residents, particularly those in the lower income group, have no opportunity to buy housing, therefore they register on the long waiting list for municipality housing. After reinstating the independence in 1991, the municipality has not built a single residential house due to the lack of resources. As a solution for reducing the waiting list for housing –a municipal hotel was privatised, additional banking loan was obtained and building of a residential house was initiated. It is estimated that for the first time in a very long period of time 32 apartments will be available in 2006.

The problem is very acute because if the municipality had more apartments, the waiting list would be even larger, as the housing, particularly in the central part of the city is out-dated and needs repairing. A number of retired persons live in dire housing conditions.

In 2003 and 2004 in Bauska city 10 apartments were granted the status of the social housing. There were 8 families on the waiting list for housing in 2005. The municipality has planned to grant this status to 7 out of 32 new apartments in the apartment building to be constructed. Mainly families with children (evicted due to outstanding utility charges) are residing in the "social apartments" that are.

The problem of homelessness is not a topical one in Bauska, according to social workers. Often there are homeless persons while more persons of the kind tend to appear in summer as persons from other municipalities arrive to the city. Homelessness problem is being addressed by congregation that has a very good working relationship with the social assistance service.

Access to services

One of the priorities of Bauska city council is maintenance and development of educational institutions. In 2004 in Bauska there were 2 pre-school educational institutions, 5 general educational institutions - 2 grammar schools and 3 secondary schools and a school of music and a school of arts.

All children in Bauska have access to pre-school educational institutions offering programs for training through grades 5-6. In fact all children in the city are in basic education institutions, including children with special needs.

In the Secondary school No.2 there is one program of pedagogical correction class for ethnic minorities, while in the Christian grammar school of Bauska city and in the Evening secondary school there is one pedagogical correction program in each.

Since January 2004 each educational institution in Bauska has a social pedagogue, funded from the city budget.

In all Bauska schools there are sports halls for children and young people to do sports. In 2004 the construction of a sports stadium at the Secondary school No.2 was finished. Young people in Bauska have an opportunity to attend Bauska regional children's and youth's sports school and in various sports clubs. There are children in the so-called People's house where young people and children can organize interest groups and partake in various events. There is a children's library and Central City Library in Bauska.

Municipalities are active in projects preparation for various groups subject to the risk of social exclusion applying at the European Social Fund. In late 2005 a project "Positive resources programme implementation for Bauska city and district risk groups of social exclusion" was submitted and supported; within the project framework it is planned to create the positive resources program, a network with Bauska city and regional social workers and Swedish partners. The city has been successful in attracting ERAF support for the establishment of the multi-functional rehabilitation centre in Bauska that will provide support to Bauska residents under the risk of social exclusion.

Ethnic groups

Roma account for 0,39% from the total number of residents while the social service employees mentioned a larger number of persons – close to 100 persons.

As to the information from the Social assistance services, the Roma use municipality social benefits and other services, a relatively larger number of Roma children attend schools for basic education. At the same time the problem of Roma unemployment must be singled out.

Social Assistance Service Bauska in co-operation with NGOs is planning to implement the project - the exposition "Roma people in Bauska" is going to be prepared in Bauska museum. The town can be suggested to be rather experienced in this field, since there have been other expositions in Bauska about minorities - Lithuanians in Bauska, Jews in Bauska, Germans in Bauska. Within project framework the research on Roma situation and their problems in Bauska is going to take place.

NGOs

There are quite large numbers of NGOs that in different ways co-operate with Bauska municipality.

Social assistance service has a good cooperation with religious congregations. There are 8 congregations operational in the city, and they are very active for provision of various services against social exclusion and for the poorest in the city, for those in the risk group of social exclusion.

Earlier, Social assistance service representatives were meeting priests regularly every month, while now this meeting is held once in four months, when all the needs are being discussed and the possible aid from the religious institutions is being reviewed (for instance, clothing, wheelchairs). The congregation caters for the activities of the Centre for people with addictions as well as for night shelter for the homeless. As social workers admitted, the activities of the congregations have good support for social workers.

The Council for the Retired, Association for the Disabled and Sports Association for the disabled are very active. So are the Red Cross organization, the association for multiple-sclerosis awareness and the group "I and Diabetes".

The organizations for the retired and disabled inform SEA on what assistance is needed for whom.

Various NGOs use the premises of "Ābele" centre for organizing various events and municipalities offers the premises of the so-called People's House against no charge. The municipality has assigned a building for the use of NGOs; while the building needs repair; however, various organizations will be able to use the house.

3.2. Limbaži city

Limbaži is one of the regional centres in Latvia located on the north to Riga planning region. The territory of the city is 8,994 km² Limbaži is located at the juncture of various important highways.

The total number of residents in 2004 was 8733. The density of population per 1 km² is 1023,1 person. The natural growth of the resident has been negative in long-term - in 2002 per 1000 residents there are 9 newborns and 11 deceased. Migration in the course of last 5 years has had a stable trend – there are more of those leaving their place of residence in Limbaži than those who choose to live in Limbaži. Out of all the persons registered as residing in Limbaži, 88% are Latvians, 6,5% - Russians, 1,4% - Byelorussians, 1,4% - Ukrainians and less than 1% are of Polish, Estonian, Roma and Lithuanian descent.

The registered rate of unemployment in 2004 was 5,5% on the average - this is a comparatively small decrease of unemployment versus the showing of the year before when on the average city had around 6% of unemployed persons.

The budget income in Limbaži in 2004 has increased, versus the 2003 data. The income both in the basic and in the special budget has increased. The actual basic budget income in 2004 has been LVL 3169618. The increase versus the 2003 showing is 27,4%.

Employment and unemployment

Employment opportunities in the city are mainly tied to the activities in the wood processing, food processing and service provision areas. Good share of Limbazi residents commute to Salacgriva (neighbouring town) for work, a small part of residents are employed in Riga.

The registered unemployment in Limbaži is quite low, for a relatively long period it was within the 6% limit (in 2003 – 6,0%, in 2004 - 5,8%). The municipality admitted that the actual unemployment rate could be 2 times higher. The unemployment has seasonal nature; in summer it is lower while in the winter – higher. The key risk groups for unemployment are young people without job experience and persons in pre-retirement age group. At the same time the persons in pre-retirement age group find it hardest to get a job as they register with the SEA less frequently.

The municipality is liaising with SEA and paid temporary public work, training and retraining for the unemployed are most frequently used out of the selection of active employment measures. In the future it is planned to make more active use of other SEA services - subsidized employment for the disabled and to partake in the project for subsidized employment for the pre-retirement age group persons.

Social assistance

As to the municipality estimates in the city of Limbaži the persons in the risk group of social exclusion account for about 11% of the total residents in the city.

There is Social assistance service operational in the city employing 4 specialists.

The total amount of benefits paid in Limbaži city in 2004 has increased (2004 – 30567 LVL, 2003 – 25085 LVL), while the number of benefit recipients has decreased (2004. – 1195 persons, 2003 – 1431 persons). The benefit applications also show a seasonal nature here.

In 2004 the GMI benefit accounted for 10,6% of the municipality's benefits. The guaranteed minimum income for poor families in 2003 was granted to 84 persons and the cost of the GMI benefit for the municipality totalled to only 25085 LVL. The number of benefits paid in 2004 has increased - GMI benefit cost the municipality LVL 30567 while the number of benefit recipients decreased – total of 60 persons. Key recipients of GMI benefit are unemployed persons in the pre-retirement age groups as well as families with children.

The mandatory state benefits (GMI and lump-sum benefits in extraordinary situations) were in the amount of only 12,2% in 2004 from the total of social benefits paid by the municipality.

A significantly larger part of the benefits paid to benefits for poor families (on the basis of income in the course of the last 3 months - the minimum threshold being 50% from the respective minimum wage nationally) – benefits for food, housing benefits, benefits for children's education, up-bringing, medical services, medication purchase.

The main recipient group in terms of municipal social benefits was families with children, while the majority of clients at the SAS were retired.

One of the largest categories in terms of social benefits allocation in Limbaži is funding for free-lunch for pre-school and school children.

Limbaži city municipality is planning to increase the efficiency of means available for social assistance, improving the administrative capacity of social assistance provision. Therefore there is a single payment system introduced on the basis of „Case Management System" software to provide information on low-income persons and the development of more efficient social assistance forms closer to the clients' place of residence.

Municipalities gradually work on increasing the spectrum of services available. In liaison with the stakeholders in the district and city of Limbaži a new social care service centre “Limbaži” was opened in early 2005. It is planned that the centre shall provide social care and social rehabilitation services, will work on building social skills, work therapy, education and free time opportunity provision for persons with mental disability, disabled persons, retired persons while offering advisory services at nights, will offer community services for poor resident groups and night shelter for the homeless. NGOs also are involved in the creation of the centre and program development.

There is a nurse in the newly established centre that is capable of helping to the centre visitors in the case of need. It is planned to organize lectures on various subjects involving physician's

participation as well. The centre is supported by the local pharmacy that is donating hygienic goods to the centre. The pharmacy has also announced campaign when a certain amount from each purpose is allocated to the centre.

There are 400 disabled persons in the city while along with the establishment of the centre they will have new services available, including social rehabilitation programs for the disabled and European Social Fund is involved in this.

Home care is provided in the city – the recipients of this service are mostly old-age persons and the disabled.

Child and family policies

There are services specially targeted for families with children. Out of the total of 4 employees working at the Social assistance service, there are two specialists working with families. This has yielded good result as the number of the so-called problematic, risk-families has decreased. The idea about support to families on the occasion of childbirth is being discussed. Since January 1, 2005 a municipality has made a decision to allocate a lump-sum benefit on the child-birth occasion in the amount of LVL 80 for families residing in the territory of the municipality. The municipality is responsible for the payment of small grant for book purchase before the school year.

SAS commented positively on the establishment of the Alimony Guarantee Fund as numerous mothers applied to SAS for assistance. This fund has provided help to numerous single parent families in solving their problems. SAS informed the clients on the fund and helped in filling in the required documentation. A part of single mothers had psychological problems in requesting means for subsistence of the child; hence, professional support is needed on this. As social workers admitted, the fund has proved to be meaningful and efficient in another aspect, too – when the divorced parents who've avoided paying alimony have started changing this behaviour when finding out that the fund has received an application and they will face „repercussions” till the end of their life.

There are several kindergartens in the city. With support of the Danish government, in Limbaži there is a centre for street children established and operational. There is also Centre for children and young adults where care, education and free-time opportunities are provided. The Limbaži city day centre is working in the city's children's and youth centre premises. The centre works to: provide social work with children and young people; to support and to advice and to provide opportunities for spending free-time meaningfully. The centre employs five persons – a social pedagogue, a psychologist, an event organizer, two persons on duty. At the day centre young people and children are free to attend interest groups or work in youth club.

The city's advisory centre provides assistance to pre-school children (from 3-10) and for children with special needs. Centre employees provide advice and practical assistance to children and their parents. The centre employs: a psychologists, social pedagogue, a speech therapist and children can do treatment exercise on the basis of Bobbatt treatment method. As the centre is city, regional and parent participation fee funded, not only the Limbaži city children use the services, they are available to Limbaži district children, too. The assistance has been provided to several hundred children – close to a half from them are from Limbaži while another half – from regional parishes.

In the consultative centre a psychologist's services are available for working with children and families having suffered from violence. In 2004 five children underwent rehabilitation in the centre, which has decreased for the reduction in the number of children having suffered from

violence and who should've been otherwise referred for rehabilitation elsewhere. As social workers admitted, the violence against children is a serious problem and it is present not only at the risk families but also at the families that are referred to as “normal”.

The municipality is caring for free time opportunities in the city. There is an Olympic centre with a sports hall, stadium, rowing basis. The club of Athletics is operational in Limbaži. In fall 2005 it was planned to open a skating park for young people. The rowing facility underwent reconstruction. Young people’s centre is active in the city.

School children can work in various interest groups offered at schools after the end of school classes, or they can also partake in interest classes that are offered free of charge.

Housing

The total of 41 families was on the waiting list to receive housing. In 2004 municipality could provide only 5 families with housing.

Municipality administration admitted that till summer 2005 more than 20 apartments in Limbaži were granted the status of social housing. As to the building of social house, the municipality was sceptical arguing that the financial resources were insufficient to provide for building of a social house, therefore it relied on plans to increase the number of social apartments. There is certain experience of the kind in Limbaži in 2005 a residential house of social apartments were finished, with 50 apartments and ~14 apartments in the reconstructed building was granted the status of the social apartment, while in the nearest future the municipality is not planning to continue such practice due to the high costs.

Access to services

In Limbaži there are good opportunities to get general education and for interest training. There are four schools and one vocational school. There is a music school under municipality funding, an arts school and sports school.

In order to decrease the number of school drop-outs and in order to ensure that all children have basic education, two schools have pedagogical correction classes. In contrast to the other municipalities studied in this paper, a social pedagogue worked in only one school of Limbaži.

In Limbaži there are good opportunities for the adults to improve their education. There is a company in the city organizing adult training and it is open branch of the Daugavpils Pedagogical University.

Medical services for the residents of the city are available at their place of residence, as Limbaži city hospital eventually will be transformed into a regional multi-profile hospital, there is an out-patients clinic, pharmacies as well as the number of GP offices is sufficient. The key problems are linked to the lack of subsistence resources - the problem of the lack of resources is topical both for poor residents and for municipalities so that the development of health care services would be possible as the national investment in the area has not been sufficient.

The need to cover medical cost is the most important problem for retired persons. The municipality can provide for a certain amount; however, this amount is not sizeable. As the number of old-age persons in the city is great, there is a demand for the so-called social beds; at the moment only 8 social beds are available in the city.

There are several houses where disabled persons with mobility disorders are residing, in order to ensure the accessibility of the environment for these people municipality has set up lifts (the effort needs to be sustained as not all disabled persons have the required aids).

In September 2005, supported by Social Assistance Service funding a training program for guardians was initiated with participation of 18 persons. Guardians may obtain advice; consultation is fostered by the Custody Court, a close partner of SAS. The movement of the so-called foster-families until now is being viewed as unsuccessful.

Ethnic groups

Educational reform for school with Russian as the key language of teaching is successful, as to the expert opinion, Limbaži has not witnessed problems. A fact proving this is that the Limbaži 2nd Secondary school (ethnic minority school) principal received a prize from the Ministry of Education and Science on successful reform implementation and for promotion of integration. Russian traditions are carefully followed and developed at this school.

Roma in Limbaži schools account for ~0,6% of the total population of the city. The key problem for Roma in Limbaži is the fact that in Latvia overall they face employment hardships. A good share of Limbaži Roma receive municipal social assistance. At the same time, there are not many GMI recipients among the Roma as in the most of the cases the income level in Roma families is slightly above the level required to be eligible for GMI benefit receipt. Social workers admit that Roma are getting better and better informed on their rights and on various kinds of municipal support available and that they rely on the use of these opportunities. Upon obtaining a certificate testifying low-income status, they like any other low-income residents receive municipal benefit and other kinds of assistance.

Social assistance service registered Roma families mainly have 4 children, but there are larger families as well. As social workers stressed these are not the families the children of which are out-of school or fail to study. In most of these families children are in school even though there are some problems. There are children who are not successful at school and therefore they are in the same class for several years, there are some who start studying later. Still, such children are not too numerous and, as the social workers stressed, these are exceptions. These families are under supervision of social worker and are being worked with.

Mobilisation of stakeholders for implementation of social inclusion policy on the local level

Even though the cooperation is not too impressive, there is liaison among various municipal institutions. Probation service has started its activities in Limbaži and SAS has good cooperation with the service (an average of 10 persons a year return from detention to the city). Social problem solving has successfully relied on cooperation with the municipal police. The monitoring of the so-called socially unfavourable families is often done together with municipal policemen.

The cooperation with the Limbaži branch of the SEA is developing. It is facilitated by the fact the head of the SAS and SEA are members of the same local Employment Board.

Until now the most active NGOs in the social problem solving have been those of Limbaži retired persons, Limbaži regional association for the disabled and the Association of the People with Vision disability, Association of Diabetes patients. Municipality provides for NGO support, offering premises for their events as well as supporting individual projects.

Municipality is interested in more active cooperation and interested in involving religious congregations to provide assistance to the poor in the city and those in other groups under the risk of social exclusion.

It is being planned that with the assistance of “Limbaži” centre the social assistance network will be developed, involving NGOs and private companies that would allow for increasing social service diversity and raising their quality.

3.3. Naukšēni parish

Naukšēni parish is located in the North of the Republic of Latvia and it borders with the Republic of Estonia. Naukšēni parish is a part of Vidzeme planning region.

At the end of year 2004 statistics on the Naukšēni parish showed that there were 1602 residents.

The budget income in Naukšēni parish in the course of the last three years has increased from LVL 375600 in 2002 to LVL 443042 in 2004.

Employment and unemployment

In comparison with other parishes and similar geographic and economical conditions, Naukšēni is offering relatively numerous employment opportunities. This is mainly because after the reinstating of independence in Latvia the agricultural infrastructure was maintained, so cooperative forms of property were sustained on the basis of the former collective farm a "Naukšēni" Ltd was established. During the Soviet era Naukšēni was a strong collective farm, a new school was built, a cultural centre, new residential houses and good utility management system was put in place, a good fire-extinguisher brigade was functional. All the forms of this social activity are overtaken by municipality.

By attracting SAPARD funding the parish has been able to asphalt three parish motorways that bare strategic importance. The parish has partaken in competition for the best taken care-of parish and has won in the competition of motor-roads, and the money prize awarded along with parish funding is being spent for asphaltting the centre of the parish.

Neighbouring parish residents drive to Naukšēni for work. The residents of Naukšēni themselves commute for working outside the administrative territory of the parish while these commuters are not numerous.

The major employer in the parish is „Naukšēni” Ltd., employing an average of 110 persons. The key directions for action are grain farming, cattle breeding, foresting, wood processing, rape seed farming, rape seed oil production etc. The mineral water, a drink *kvass*, lemonade and rye malt are produced here. Besides the employment provided by parish council, Naukšēni secondary school, Social correction institution „ Naukšēni”, several stores and agricultural farms are functioning. Bio-fuel is produced in small volume, hence offering employment to more than 10 persons.

The registered rate of unemployment shows a decreasing trend during the last few years (in 2004 – 4,2%; in 2003 -5,5%). As municipality representatives admitted, the actual number of the unemployed could be much higher as a part of the unemployed have not registered with SEA and it is particularly characteristic for persons in the pre-retirement age group. Majority of the unemployed are persons in the pre-retirement age group as well as young adults with low level of education.

As to the municipality information close to 22 parish residents have left for working abroad (Ireland, Great Britain).

Even though employment opportunities at the parish are relatively better than in many other areas of Latvia, a part of residents in this municipality also found it hard to be employed, hence the municipality in liaison with the SEA had a local employment plan. The most active used active labour measure was paid temporary community work, on average two unemployed were employed on a monthly basis, both on territory catering/cleaning works. It is the first experience for the municipality to be involved in SEA organized events for the disabled – unemployed, that is to implement the subsidized employment measures. This experience was appreciated and it is planned to take up similar activities in the future.

There were certain difficulties for the unemployed in attending the retraining courses as secondary education was a requirement for attendance of several classes while there were only a few at that educational level – mainly in the parish there were persons with the basic education. Therefore a part of the unemployed found it hard to integrate the job market and they were dependent on low-qualified temporary job availability.

Municipality thought it was essential to organize training and retraining classes as close to the place of residence as possible, hence increasing the number of unemployed attending the classes as much as possible.

As the parish is relatively small and each person is well known, the social worker is well aware of the current situation - is a person seeking a job, partaking in active labour market activities, etc. The parish does not have a large number of long-term unemployed, as there is liaison between the unemployed, the social worker and then – SEA.

Social assistance

Given the population size at Naukšēni, the social service does not exist; there is, instead, one social worker who knows the parish residents and their current situation and problems. In 2004 the social assistance accounted for spending of LVL 9623 from the municipal budget. In the years before the social assistance accounted for a similar amount of money.

In 2004 the GMI benefit total accounted for 9.6% of the municipality's benefits. The guaranteed minimum income to poor families in 2004 was allocated to 10 persons. It is planned that in 2005 the number of GMI recipients will decrease for about a half. GMI benefit recipients mainly are families with children and unemployed in pre-retirement age. Besides, characterising families with children as the main group of benefit recipients, it is being stressed that they mainly are single parent families (single mothers with children), including such families with three and more than three children.

GMI benefit in combination with the lump-sum benefit for extraordinary situations defined as mandatory benefit payment from the municipality, the payment of which is the right of the municipality along with other benefits, in 2004 accounted for 15,5% of the funding at Naukšēni for social benefits.

The majority of municipality social assistance benefits - 63% were allocated for the support of poor families - for the coverage of free-lunch at school, for purchase of exercise books, coverage of school transportation as well as for medication expenses.

To qualify for municipality social benefit those able to work or family members must partake in parish horticultural work.

The municipality has also decided on the benefits for out-of-job retired and disabled persons and those benefits mainly go for partial coverage of medical expenses – nevertheless, the amount is still low – in a year not more than LVL 20 per person. For the I and II disability groups the benefit was LVL 10 paid out once in four months.

Until now the parish social assistance was mainly aimed at various benefit payment, while now the orientation to social service diversification is evident.

There are no home care services available, that could be useful for elderly and disabled; but the municipality has plans to introduce such. The necessity of a day centre was considered for spending the free time and for supporting the retired, disabled and those in the risk group of social exclusion.

As the parish administration admitted, the life in the centre of Naukšēni was quite active, various events took place while the situation in the suburbs of the parish where many retired persons lived was quite problematic. Once a month a social worker and municipality policeman visited the most remote parts of the parish to discuss the most problematic issues with the residents. A social worker has a good working relationship with the custody court as well. Social risk families are being supervised.

Child and family policies. Access to services

Issues pertinent to combining the employment and family duties are at the discussed at the municipality. There are pre-school (2-5) groups for children for whom there is municipality funding; there is a 5-6 year old pre-school preparation group. Parents can rely on the use of the kindergarten in the near town of Rūjiena, as the parish covers a bus to the city within 10km from Naukšēni. As there is neither music nor arts school at the parish the families with children are supported by availability of such transportation and they can use it for children attending these schools in Rūjiena.

The municipality is working hard to ensure access to education. There is a secondary school in Naukšēni with close to 400 students. There is also a boarding school with some 55 places where the pupils from the municipality territory reside if their homes are too far from the regional centre; the boarding school caters for children from the neighbouring parishes as well. There is the so-called evening school, and the open school – the 2nd chance education and pedagogical correction program, besides, interest-education is available as well. Since September 2005 Naukšēni will have a social pedagogue as well.

The municipality school library provides for the purchase of school books, municipality funds the purchase which reduces school costs for parents. Since 2004 there is a public internet access point at the parish library.

The municipality has contributed a lot in maintaining and developing the school while there are still many needs therefore the attraction of additional funding is really necessary.

There is an accredited defence program at the school, set up in liaison with the Ministry of Defence. At the secondary school one may choose to major in defence - this facilitates entering the Academy of Policy, Defence Academy or military service later, therefore attracting students from wider area.

Sports activities have support from the parish and means are being contributed for the development of sports both for the children and adults. In Naukšēni school there is a good sports facility – there is a sports hall, weight-lifting hall, football field, there is a running track, skiing track as well as facilitated swimming area on the river. Using the material and technical basis from the school the municipality is interested in activating the parish residents,

particularly, young people's sports activities. Training work and volley-ball, floor-ball and track-and-field athletic activities are on-going. There are fire extinguishers sports activities and several regional and national competitions take place at Naukšēni.

At the Naukšēni „doctorate” there is a pharmacy and GP's office. Dentist services are available as there is a dentist's office in place.

Housing

The housing funds inherited from the collective farm era has been well maintained. Social apartments are not required. There is one municipality owned building at the parish disposal with apartments that could be made available for an orphan-child upon reaching 18 years and returning to the parish from an orphanage. There is also room for an ex-prisoner.

3.4. Preiļi amalgamated municipality

Preiļi area is located in the East of Latvia. It is a part of Latgale planning region. The Preiļi city, Aizkalne and Preiļi parishes form the Preiļi area.

At the end of 2004 there were 10 444 residents, and 81,4% resided in the city of Preiļi. Residential density in the Preiļi city was 1674.27 iedz./km², the rural territory of the Preiļi territory made up for 12.7 iedz./km².

As the 2000 census data, there were 59,2% of Latvian, while the second largest ethnic group in Latvia s Russians - 35,2%. In the Preili city 55,8% were Latvians, 38,1%- Russian, 1,8% - Polish, 1,6% - Byelorussian, 1,2% - Roma, Jewish – 0,03%; in Aizkalne parish 88,3% Latvian, 6,9% Russian, 2,0% Byelorussian, 1,8% Polish, while in the Preili parish– 65,6% Latvians, 31,3% Russians, 1,1% Polish.

The budgetary income in 2004 was LVL 2941019, while the expenses – LVL 3031697. In 2004 the income increase was earmarked for education, cultural and social spheres.

Employment and unemployment

After the reinstating of Latvian independence, the migration out of Preili started. The key reasons for leaving are unemployment, economic and social depression. Elder people left for rural areas and worked in subsistence farms while the young people tried to settle in cities where there are better educational opportunities, better employment possibilities and better salaries and higher quality of social infrastructure. Unfortunately complete information illustrating the actual situation is not available as, for instance, a sizeable part of the residents have left for work abroad and have never registered the change of their residence while there are many of those who have registered in the area but reside in the city. The migration *saldo* in the recent years has been negative.

Preiļi is located in the centre of Latgale region that on the whole is an area with low economic activity. The number of companies at Preiļi is gradually increasing even though the number of companies registered per 1000 residents is one of the lowest in Latvia. The key manufacturing plant in the whole Preiļi area is stock company „Preiļu Siers” (Preili Cheese) exporting the production mainly to EU countries and succeeded avoiding the impact of the so-called Russian economic crisis in year 1999. Clothing manufacturing is developing, aimed mainly at

export. Service sector is the most important and the most represented sector of national economy in Preiļi area, an important sub-sectors of this is public catering, tourism, trade, publishing, transportation and social service providers. Tourism infrastructure and service level at Preiļi area is gradually developing and growing.

The fragmented property ownership hinders the development of agricultural manufacturing and the formation of cost-effective companies. A part of these farms are owned by residents in the cities and agriculture is not their key area of work.

The municipality is looking for investors to create jobs and to decrease unemployment.

A serious municipal problem is the undeclared work when a part of residents work without a contract, then there is the so-called "envelope wage" problem, having a contractual employment at the minimum salary only. This problem is particularly characteristic describing the small companies and agricultural farms.

As to the municipality calculations, several hundreds of residents at Preiļi area have set for working abroad, mainly to Ireland. However, as was stressed by the municipality, the municipality at the moment is unable to do much as the unemployment rate is high and there are no jobs for the residents.

The registered rate of unemployment in 2004 versus the 2003 figures has slightly decreased (11,6% and 14,3% respectively) while these figure do not reflect the actual situation and, in fact, there are more people unemployed than the figures tell us. Another problematic issue is that the numbers of registered unemployed persons are those in the low-qualified job category and there is serious lack of qualified professionals. Even if there are vacancies, the job of the cleaner is highest on demand.

Showing greater awareness on the importance of human resources the municipality as of 2005 has hired a person responsible for human resources who will be obliged to use human resource development tools more actively – various social and training programs.

In Preiļi area the key problem is that of long-term unemployment. In terms of the active employment activities, this group is the most active partaking in paid temporary public works while it is very hard for these people to find a permanent job. The problem is exacerbated by the fact that a part of the long-term unemployed face also the problem of alcohol addiction. These people would need rehabilitation while the municipality does not offer such a service and there are no national support programs.

Among the unemployed disabled persons the interest in subsidized employment places has been partially stimulated by the amendments to legislation when a subsidized employment is guaranteed for 2 years instead of 9 months only. This increases the probability of maintaining the employment not only in short-term but permanently.

As like in the whole territory of Latvia, the persons in pre-retirement age group are rarely subject to active labour measures, training and retraining activities. The problem is aggravated by the fact that these people find it hard to meet the qualifications required for the labour market; therefore this group is mainly salaried temporary jobs, if any. The greatest problem that is practically unsolved is that of increasing unemployment showings in the group of pre-retirement age.

At the moment re-training course results in around 60% of employment within the first six months, which on the whole is a good achievement while the issue is still open on how sustainable this employment is.

Given the ethnic composition of Preiļi, Latvian as the language of training should be supported for promoting the integration of other ethnic groups in the labour market, while as to the SEA opinion, the demand is not high for language training. Partially it is because the knowledge of the state language is needed for working at national and municipal institutions, while it is not a prerequisite for working at private companies, therefore a part of the unemployed lack stimulus for learning, as the demand from the side of employers does not exist. Even though the classes are free of charge, the unemployed residing in rural areas find it hard to cover transportation costs.

If the SEA services in 2004 and the opportunities to use those are not satisfactory, in 2005, along with the availability of the EU Social funds, the situation has significantly improved. At the same time it requires more serious work for creating new employment opportunities.

Social assistance

Poverty is a serious problem in the municipality and it is the problem for a good part of the parish residents.

In the Preiļi city a Social assistance service is operating employing 9 staff members and in 2004 resources were invested to establish social service and to renovate the buildings.

In contrast with the other four municipalities' studies, where the GMI share in the benefit structure was small, the situation in Preiļi area was different. In 2004 GMI benefit payments account for ~47%% of the total funding paid in benefits from the municipality. Around 100 families receive GMI on monthly basis.

Mainly the GMI recipients are unemployed persons, particularly in the pre-retirement age group and in most of the cases they have been in long-term unemployment. This group of residents face major hardships in finding a job and getting out of poverty as they often face the problem of alcohol addiction. The next largest GMI recipient group is that of families with children. A part of parents tend to be out of jobs while the recipients of this benefit are working although on low wages.

The next largest group of benefit category is that of housing benefits or as was established for Preiļi specifically – the benefit for heating both in block apartment building or for firewood purchase for residential houses without centralized heating. This benefit has a seasonal distribution while in 2004 it accounted for 18% of the total benefits.

Relatively smaller amount is spent on the provision of free-lunch to the children from poor families – some 13% of the total funding available. The rest of municipality benefits are granted significantly smaller amounts. Poor families are granted LVL 7 per school age child for the purchase of school material, there is 50% discount from kindergarten charges, benefit for partial coverage of medical services (30%) and other expenses. Municipality provides for 70% of rent payment in municipality owned social apartments.

Municipality is unable to help all who are in need of assistance. Municipality is also careful on increasing the amount of the benefit as this could result in possible lack of resources to cover the expenses and it also is cautious about increasing the dependence on benefit only.

Even though the existing benefits are relatively small, there is a part of the poorer resident who could be referred to as „dependent on benefits”. These people lack motivation to change their situation; they face alcohol addiction and often are not even interested in working seriously support themselves. Most frequently these people are unemployed in long term which is the most worrisome tradition in Preiļi area, as these, the so-called long-term unemployed account for more than a half from the number of the unemployed in the municipality. Neither the national nor municipality programs aimed at motivation rising or rehabilitation is sufficient to provide meaningful assistance to the category of these people.

Homecare is one the major social assistance funding categories. The key recipients of this kind of assistance are disabled and retired persons, nevertheless, a car is needed to drive around the area and care for all the recipients. The care for the disabled also requires a special vehicle. There are special benefits for pensioners who lack family support and disabled with low pensions.

A positive example to be singled out is the fact that local SEA are in the same building with NGOs and Custody court. This allows to efficiently coordinate the activities, to support and to get involved in programs and events. Municipality social assistance service hosts a day centre where assistance is available through various services. There is a specialized social „kitchen” where the poor can have a meal, get clothing, humanitarian aid etc..

Child and family policies and access to services

The position of the municipality is that the families with children need the help first of all in services rather than in benefits.

The largest attention of the municipality is paid to the access to education to meaningful free time opportunities for children and young adults.

Before the independence of Latvia was reinstated in 1991 there were four kindergartens in Preiļi while at the moment there is just one in the municipality. As the demand for kindergarten has increased, the municipality is renovating yet another kindergarten. Within the social integration project framework there is a children’s group for the disabled where the disabled children are educated along with other children.

The educational institutions from Preiļi area offer diverse educational programs; therefore there are students from more than thirty of the surrounding municipalities. There are 2 basic education schools and 3 secondary schools, since 2004 there is a musical and arts school active in Preiļi. In Preiļi there is a vocational training school. In Aizkalne parish there is a basic education school that is attended by children from the local rural parish. In 2 school of the Preiļi city there are 2 pedagogical correction programs the results of which are viewed as satisfactory both by the teachers and by the social workers, as the number of basic-school drop-outs has decreased and the number of children continuing education beyond the basic level is increasing. In all schools there is a social pedagogue (a municipality funded professional) and the social service has a good cooperation with this person which accounts for immediate assistance for families with children in the risk group.

The parish has a school bus so the children could attend schools in Preiļi.

In Preiļi there are good opportunities to do sports as well as there is an opportunity for various interest-education programs in Preiļi regional children’s and young people’s centre and at Preiļi regional technical innovation centre. As to the opinion of the persons interviewed, the

cultural life has grown in terms of activity, there are numerous interest groups – like a dance group or a choir, festive events are organized and most of these cultural events are free of charge.

There is an out-patients clinic and a hospital in Preiļi, good specialists are employed and various test and treatment manipulations are available, GP and dentist services are available. If children in the age group before 18 receive medical care for free, the poor adult residents, the disabled and the retired face major hardships in using this kind of services. The municipality is reimbursing a small part of medical costs to the poor residents of the parish and to the retired; nevertheless, it cannot solve most of the problems. The lack of rehabilitation programs accounts for serious problems.

Housing

80% of the housing funds in the municipality have been privatized; however the municipalities have minor „reserves” in terms of residential area and this resource may be allocated to those who are legally entitled to receiving housing (orphans returning from the orphanage to the place of residence after the age of 18, persons returning to their place of residence after detention). 5-6 families are on the waiting list to receive housing due to extraordinary circumstances.

Given the small number of poor residents in Preiļi are, the problem of social housing is a much larger one. As to municipality information, there are ~ 150 apartments that have been granted the status of the social apartment. Mainly families with children are waiting to receive the so-called social apartments.

Ethnic groups

Roma

According to Census (year 2000) data, 117 Roma people lived in Preiļi municipality.

Even those who want to work and are registered as unemployed at State Employment Agency, are not able to participate in professional training, retraining and qualification – raising courses – as in practice, these courses are open only to those who have completed basic education, while in most cases, a secondary education is required. Paid temporary community works are the most often used active labour measures among Romani people.

There are 23 Roma families – clients of Social Assistance Service in Preiļi. Municipality's social assistance is received by 21 Roma families. Two of them (2 persons) have received extraordinary allowance in year 2004 after confinement.

The income of 12 of them is less than 21 LVL per month per person and families receive GMI benefit. The incomes of 6 of them are higher and families have received the status of low-income families. 15 of low-income Roma families have families with children (33 children and 25 adults).

There are some projects specially targeted to Roma people. NGOs in Preiļi are the most active ones working with Roma issues among municipalities addressed in this study. NGOs in co-operation with the municipality developed several projects for Roma integration. The general emphasis in these projects is made on the preparation of Roma children for school, promoting of their integration in school as well as facilitation of receiving education.

Municipality of Preiļi and NGOs for already two years has been participating in PHARE projects together with other municipalities "Qualitative education for Roma children" and "Roma children at school: welcome".

Within the project framework a mixed group was established and that incorporated disabled children, and Roma children. Simultaneously mothers of Roma descent were organized a special support group and the overall situation is changing, even though it is still quite complicated, as the number of mothers has increased who'd like to send their children to this group and to let them attend schools later.

Roma children are much more actively being involved and get involved and partake both NGO organized event and in municipality organized Christmas and Easter events.

At the same time, there are problems, as there is mutual distrust – both from the Roma and from the residents, particularly, from the municipality employees. Therefore it is essential the Roma minority problem solving does not linger on the initiative of a group of enthusiasts instead of being supported by the state and implemented policy.

The ethnic minorities' school reform and ethnic minorities in Preiļi municipality

There is a view in Preiļi that there is no ethnic pressure among Latvian and Russian groups of residents. In order to facilitate mutual understanding and cultural idiosyncrasy of various groups residing in the municipality territory, a group of Slavic culture and education is active in the Preiļi area; the focus of the group's activities is to promote the preservation and development of the Russian, Byelorussian, Ukrainian and Polish language and culture.

The so-called „Russian school reform” problem that led to major protests in the largest Latvian cities, particularly, in Riga, is not present in Preiļi. The secondary school with Russian as the key language of teaching in Preiļi opted for bilingual education even before the official reform. The success is also due to the number of Latvian teachers working at the school therefore there are no problems linked to teaching classes in Latvian as it is in Riga where teachers find it hard to teach at a sufficiently good level in Latvian.

Mobilisation of stakeholders for implementation of social inclusion policy on the local level

NGOs have a major role in reduction of poverty and social exclusion at the local level.

In Preiļi there are numerous active NGOs working specifically on reduction of poverty and social exclusion. Several organizations are successful in cooperating with municipal institution, there are joint projects prepared and implemented, joint events are being organized. In Preiļi NGOs expand and add to the various social services and kinds of assistance available for residents and those may not be often provided by the municipality. Preiļi NGO centre is very active in this respect, so is Preiļi Women's club, Social and Psychological assistance centre „Mūsmājas”, the Association of the Retired, the Association of the Disabled, and a Support Group to persons with psychic health problems as well the Red Cross branch and a branch of the organization „Glābiet bērņus!” (Save the children!).

Several NGOs work in the same building where the Social assistance service is located, this is not only beneficial for the information turnover but allows for better coordination of their activities, allows partaking in joint projects.

NGO Preiļi women's club for several years has organized various training courses for unemployed women - such as - computer classes, Latvian and English classes, psychology classes. In the course of four years close to 1000 persons have attended the classes and the classes have been delivered in the city and rural areas. The low income group residents are offered these classes free of charge. The unemployed can use Internet at the club for free. The

women's club is organizing various events, donations are gathered for low-income families, assistance to such families is provided in liaison with the SAS. Women's club is cooperation with other NGOs.

During the operation of Social and Psychological assistance centre „Mūsmājas” the number of target groups has increased that are being targeted via projects and events. In the early days of NGO activities the key target groups were limited to those of disabled, large families, single-parent families, in the last few years the group of the retired has increased its activities and there is also young people's group operational now. „Mūsmājas” is organizing various events jointly with the children from low-income families, disable children, hence promoting the social integration of children with special needs. The project objective is to promote the participation of various social groups in the public live, to stimulate mutual understanding. Hence, one of the projects targeted children from various social groups: children from poor families, children with special needs and children from favourable families and their parents. Another project was aimed at integrating young people in various activities so that could be lead away from the choice for drug abuse, alcohol addiction and crime. „Mūsmājas” as a partner has partaken in Preiļi Area Council Social service day centre project „Children play-area and development centre establishment at Preiļi area Council social service day centre”.

NGO centre has good cooperation partners with the SEA and along with the participation in the events there are subsidized employment opportunities for the disabled that was the result of one person's working for the NGO centre.

NGO representatives admitted that the organizations are receiving municipal support. Municipality is providing premises for the NGOs' work, they also provide for utility payments, help with transportation, but NGOs explained that they were not interested in being only the recipients; therefore they were active in submitting new projects. One of the reasons why the cooperation among the NGOs, municipal SAS and regional SEA was at such a good level is the fact that the employees at the SEA and SAS had previously worked together in "Mūsmājas".

Representatives from the State Employment Agency were for potentially better cooperation between the SEA and SAS in the future as they thought that until now the contacts have mainly been limited to the information exchange. It is prerequisite to improve the cooperation in establishing good working links among SEA and SAS employees, evaluating the involvement of the unemployed in various active labour activities. The municipality would be interested in more active information provision from the SEA on all the training and classes available as there are many changes as Latvia is receiving the EU Structural Funding resources.

3.5. Saka amalgamated municipality (Pāvilosta)

Saka municipality is located in the Kurzeme planning region, in Liepāja region. The region has the longest coastal area along the Baltic Sea and Riga Sea Bay in Latvia. Saka municipality was established in December 2004 as the Pāvilosta city and Saka parish merged.

At the end of 2004 Pāvilosta had 1265 residents. In contrast to other small municipalities, the number of residents in Pāvilosta is increasing. Even though the number of residents is increasing, the number is growing only on the account of those who build individual summer houses/cottages there and declare the place as their official residence. In municipality in 2004 there were 14 new-borns and 41 deceased.

The Saka municipality is very large - 326 km². It is one of the largest parishes in terms of the area in Latvia.

Employment and unemployment

There are small 4 wood processing companies in the municipality's territory; there are 3 carpentries, 3 small shops all-together employing less than 20 persons. There is a hotel, a cafeteria and employment for these is seasonal.

A certain share of employment is provided for by the municipality – there is a school of music, a school of arts, a kindergarten, a museum, tourist information centre, a secondary school and a communal-utility services company. On the whole the municipality employs ~110 persons.

The major employers in the area are fish processing companies, employing 100 persons. In fact employees are being transported from Liepāja (the nearest major town). The work is low-qualified, but the key problem for not having employees permanently is that of alcohol addiction.

Even though transportation services to and from Liepāja is good, the majority of the residents work on the spot, there are very few commuting to Liepāja.

An individual entrepreneur has started building a yacht port. In summer from Pāvilosta there is a small ship travelling to Gotland (Sweden).

The registered level of unemployment in Pāvilosta in the course of the last 2 years has remained practically unchanged (in 2004 -6,6%, in 2003 – 6,7%).

Along with the establishment of Saka municipality at the end of 2004, the situation has changed as in Saka parish the majority of residents are unemployed and live from subsistence farming „natural farming”. In the Saka parish there are quite a few retired persons hence the proportion of this group in the municipality has increased after the merger and that figure exceeds 1/3 of the total of residents.

As to the heads of municipality, the key problem is not unemployment, it is thought not to be too high, but rather the low salaries, hence, in Pāvilosta one may talk about the low wage poverty. Salaries are particularly low both for those working in municipal institutions and for those employed in the private sector.

In liaison with SEA the unemployed are being employed for paid temporary public work. Other SEA offered activities are less actively used. The average number of persons employed in paid temporary public work in 2003 and 2004 by the municipality was ~8-10 persons a month. At the same time the major problems are due to alcohol addiction while the municipality does not provide and is in no position to provide such services due to the lack of funding and expert availability.

Social assistance

Given the relatively small number of residents, there is one social worker in Pāvilsta. After the Saka amalgamated municipality was established, the Social service has not yet been put in place, however, there are 2 social workers where each is responsible for the residents of its own territory - one for the city, the other - for rural residents.

As the municipality has a large number of elderly persons, then one kind of social services – the home care accounts for a significant share of social assistance budget. A comparatively large amount of resources is used by granting various benefits to the retired, to the pensioners lacking family support, the firewood purchase benefit is granted in the amount of 30 LVL a year or an equally large amount for heating expenses to those in the town apartments. Expenses are reimbursed for retired persons for spectacles up to 25 LVL and there are benefits for medication and medical service partial coverage. At the moment the medication benefit amount is not increasing as part of medication is being reimbursed by the state.

In 2004 20% of the benefit amount was spent for GMI benefit. The key recipients of the GMI benefit are single parent families – women with children. Like with other municipality benefits, the number of GMI benefit recipients is changing – in summer it is claimed by a smaller number of persons as the families try to get additional resources by picking berries and mushrooms in the forest. As the colder season is approaching, the number of benefit claims is increasing – people need money for heating. As was noted by the municipality representatives, for some of the GMI recipients the benefits is offered in kind instead of being paid in cash – by covering renovation costs, electricity bills, while for some who have alcohol problem – the store is given a cheque for their food purchases.

As was noted by social workers, the municipalities have a relatively small number of persons who qualify for the GMI benefit while the number of residents in the status of the poor family and who have the right to municipality social assistance is significantly larger.

There are 12 disabled persons in the municipality and those are monitored by the social worker while the main support – the benefits – is the key in the hands of municipality that may be used in case of need.

For large families the municipality would grant a small benefit to families with children in the first grade aimed at purchase of school supplies. Close to 43% of municipality paid benefits are spent for school lunch and earmarked for the children of poor families; besides, the municipality would pay for the lunch even if the children attended school in the neighbouring parishes. Spectacles are reimbursed for the children and municipality would cover this kind of expenditure in the amount of 25 LVL.

In order to qualify for the benefit these benefit recipients capable of work must partake in certain activities – usually, the public work - and school children (the recipients of the free lunch at school) also partake in certain activities - they weed, care for the cemetery and partake in cleaning the sea-side area.

The situation is aggravated by the high inflation, low salaries that cause additional problems and hinders assistance provision to the poor residents in the municipality. The high inflation increases the risk of having larger numbers of poor families in the municipality.

Child and family policies and access to services

There is one kindergarten for 52 children at the municipality. All seats are not taken and municipality is in the position to take children from the neighbouring parishes as well. People are satisfied in the municipality that the kindergarten was maintained contrary to the trends within the last decrease elsewhere. In the course of the last few years the demand for kindergarten has increased, so the premises are being renovated. In order to help to the poor and to large families

a municipality would grant these families discounts so that children could attend kindergartens.

A municipality has one secondary school with the total of 243 students in school year 2004/2005. As the demographic situation remains negative, the number of school students tends to decrease. There are additional day study groups at the school after the end of the classes. Students have the opportunity to partake in the interest education and to do sports as the school provides for a free dance group, singing and theatre classes, where children can partake disregarding their family's material situation.

Municipality buys most of the book supplies for the needs of the secondary school while the so-called work-exercise books are the responsibility of the parents. For rural children municipality is providing means of transportation to and from the school.

In Pāvilosta there is a music school and an arts school, the monthly charges for school attendance are LVL 3-3,50 and for large families the costs are covered by the municipality. The problem for the children in rural areas is that of transportation – the municipality bus leaves sooner than the music school classes even start. Hence the transportation for this is the responsibility of the parents.

The number of primary school drop-outs is small and there is no need to have a pedagogical correction program.

With support of Canadian embassy there is a small Social centre established – it is just one room with two computers and various games – dominos, chess board and checkers. Since the establishment of Saka municipality, there is either a social worker or a representative of the custody court working in the centre. The centre is mainly targeted at rural children as their classes end well before the bus would bring them back after 16:00. Hence, they can spend some hours at the centre. Students can do homework there as all the members of the custody court are pedagogues by training and can help in case of need. Even though there is only one room, the children quite like the centre. After the rural children leave the centre, it becomes place for free-time spending for Pāvilosta children. Children are very interested in the computers and the municipality is preparing to provide an Internet connection.

In Pāvilosta the local hospital has been transformed into social care centre (within the national health care structure reform) with 45 places for elderly persons, and 38 of those are the so-called serious patients, unable to leave their beds. It is very hard to find people for working at the centre as the work is quite hard and salaries - very low. An emergency care has been set up where hospital used to be but hospital care is available in the nearest towns of Liepāja and Aizpute. There are two GP offices in Pāvilosta.

Housing

The key housing problem that the municipality has been unable to solve on its own is that of housing as 97% of the apartments are available have been privatized. As Pāvilosta is located

in the sea-side, the apartment prices are very high and the apartments are purchased by persons from the capital, they are able of covering heating charges and choose to spend 3 months in summer time at the sea. This is the largest problem as the local residents with their local salaries are unable to pay the expected amount of money. Municipality is unable to satisfy the housing demand and that results in young people leaving Pāvilosta. The low salaries of the residents prevent the residents from getting bank loans to buy an apartment. There are only 1-2 apartments at municipality's disposal and those are for the external specialists, at the same time additional specialists from outside the municipality are hard to attract as they need housing.

There are 26 families on the waiting list for housing but under the current circumstances the situation is quite hopeless and the families, most likely, will be able to get housing when reaching retirement. After the establishment of Saka municipality, the only solution is to use the 3 apartment block buildings that were left unfinished in the Soviet time, currently in a bad condition, but could serve as the only solution for Saka housing needs. The municipality has already proposed a plan to the Ministry of Regional Development and Municipality Affairs money allocation to finish these houses. One of the houses could be used as a social house, where mainly the retired could live and who find it hard to cover the heating costs. However, the project would only be possible if state support was granted as the municipality alone is unable to solve the problem.

NGOs and mobilisation of stakeholders

There are two active associations of the retired, they help their respective members, visit elderly at their home and liaise with social workers providing information that a retired person may need.

Social workers have close cooperation with municipal policeman. The municipality has purchased a jeep as the rural roads are in a bad state and locations cannot be reached with other cars. Once a week a custody court representative, social workers and the municipal policeman visit the rural residents – the elderly and the disabled. People are delivered medication, food, and any assistance possible at the moment.

4. Main findings and conclusions

Main findings according to key challenges:

1) Expanding active labour market policies

Municipalities co-operate with local branches of State Employment Agency in the implementation of active labour measures - involving municipality's unemployed people in offered by SEA activities. The most problematic group with the lowest effectiveness of measures consists of pre-retirement age unemployed. Majority of them, as assert workers of social services, are long-term unemployed with low educational level. These people are very unsuccessful in finding a job and temporary public works are more often chosen than the active employment activities. For some vulnerable groups reintegration to work is difficult because their chances on the labour market remain relatively low.

Long term unemployed are the core problem especially in Latgale and Kurzeme studied municipalities.

2) Social Assistance and GMI payments

Municipalities' social assistance is means tested. According to legislation municipality can provide other benefits only if GMI benefits are paid. Main GMI benefits recipients are families with children (especially lone-parent families with children). Among GMI recipients there are a lot of pre-retirement age unemployed.

Housing benefits (rent, public facilities, and firewood purchase) are the most often paid municipalities' social benefits. The great part of the recipients consists of pensioners. Other kind of most often paid benefits is free meals for schoolchildren from poor families.

Only in one of five municipalities GMI benefit has made around 50% of all social assistance budget. All municipalities are paying benefits for partial coverage of medical expenses (surgeries, medication, glasses, and dental expenses.).

It should be mentioned, that very often recipients of GMI and other benefits paid by municipalities are the same people and/or households.

In 2004 the Alimony Guarantee Fund was launched. Social workers stressed, that the fund activities have already triggered positive changes - the number of GMI benefit recipients among lone-parent families with children has been reduced.

The lack of rehabilitation programs especially for alcohol addicts doesn't allow municipalities to provide qualitative and effective social services and assistance.

3) Families with children and access to services

It must be noted that, 38% of children from the total number of children in households are brought up in the first quintile group (as to income, 2003). Children and young people have relatively the highest poverty risk. The situation is so dramatic partly because of high numbers of lone-parent families in Latvia due to high numbers of divorces and also high mortality rates for relatively young males.

Essential changes have been noticed in the last two years - the greater attention is paid to families with children and to their support.

A positive trend – municipalities' concentrate more now on the prevention – for example, organisation day centres for children, ensuring of education accessibility (transport, purchase of school books, free lunches, sports, development of interests, etc).

4) Housing

Municipalities emphasise that they are not able to solve the housing problem including social housing problem themselves due to the lack of financial resources. To solve the problem governmental support is necessary. Instead of building social houses, the status of social apartment is conferred. To build social houses the projects for receiving of state investments are being prepared, however, the state support is under doubt.

5) Ethnic minorities and mobilisation of stakeholders

Roma

Paid temporary community works are the most often used active labour measures among Romani people.

Even those who want to work and are registered as unemployed at State Employment Agency, are not able to participate in professional training, retraining and qualification – raising courses – as in practice, these courses are open only to those who have completed an elementary education while in most cases, a secondary education is required.

There are very limited opportunities for using existing active labour measures offered by State Employment Agency to help Roma to be involved in labour market. There is a need of special targeted program/measures for Roma people.

It was not possible to find precise information about the number of Roma people who receive social assistance, because when social services are provided, the ethnicity of recipients is not registered. In municipalities where Roma live, social workers evaluated that around 80% of Romani people receive aid of one kind or another.

Studied municipalities (Preiļi, Limbaži, Bauska) in recent years devote more attention to the need for Romani children to attend school.

Co-operation with local State Employment Agency mostly is concentrated on the information exchange level. Positive assessment of the work of Local Employment Boards should be mentioned.

Social assistance services or social workers of five municipalities actively co-operate with Custody Courts in solving the problems of families with children.

Municipalities' Social Services or social workers have established contacts and co-operation with NGOs. More frequently pensioner organisations, associations of disabled, women clubs are mentioned. One of the municipalities (Bauska) stressed a very effective co-operation with several religious organisations in providing support and assistance for low-income inhabitants. Preiļi has very developed and wide range of NGOs dealing with poverty and social exclusion issues. These NGOs have good examples of cooperation with municipality in many projects, thus widening the scale of social services offered the municipality was not able to provide to various social exclusion risk groups until now.

Conclusions

- The study results highlight two key problems for social exclusion and poverty reduction policy development and implementation. Firstly, the link between policy makers at the national level and policy implementers at the local level is insufficient. The NAPincl formal nature that fails to sufficiently reflect the role of municipalities and responsibility for the implementation of the NAPincl has not attracted sufficient municipal interest and has not consistently and consciously appealed to them to partake in NAPincl implementation process. Secondly, municipalities in their work were relying on their financial capacity and their understanding of reduction of poverty and social exclusion instead of concentrating on priorities and tasks defined in the NAPincl.
- The range of services, accessibility and quality to a greater extent depend on the size of municipality as well as on the level of economic development.
- The demographic composition of the population in local municipalities is very essential for the demand of services and the municipalities' ability to choose the most necessary ones. In municipalities, where the significant part of residents are older age people, a great part resources for social assistance, within the framework of allocated resources, are allocated for old people support, or there are understanding to increase the amount of support and services for elderly. Municipalities with more favourable age structure try to allocate greater part of resources for families with children, youth.
- The expense structure shows that all the municipalities studied have potential for raising the volume of GMI benefit so that they would provide actual support to those in need as the current official GMI level is too low to provide for actual support and to help families out of poverty.
- A certain shift from passive measures (paying benefits) to client activation has occurred. In the majority of municipalities a part of social benefits is being allocated for a benefit receiver, demanding his active participation in particular activities.
- Complex social work with all groups at high risk of poverty and social exclusion does not take place in municipalities. The greater attention in the researched/studied five municipalities, when solving poverty and social exclusion problems, is focused on two groups - families with children and pensioners.
- The problem from the municipalities' point of view is that the state guarantees certain rights to groups of people without allocating resources to municipalities for the provision of services. "Municipalities do a lot of work, could do more, but "we are close to suffocating from the lack of finance". In Latvia municipalities' budget share in the state budget is at least by half less than in other European countries, however, the responsibilities are the same. Functions are delegated, although finances are not supplied. Criteria for development of municipalities' budget have not been changed since year 1998."
- The quality of municipality provided services largely depends on the skills and qualifications of the municipality employees and professionals and their individual degree of interest to solve the problems of poverty and social exclusion.
- Demand for the benefits provided by municipality has a seasonal character. For the majority of the local social assistance services clients the only source of income is natural economy.
- Municipality's social assistance mostly is concentrated on the solution of the problems in the sphere of education and health care accessibility.

- Motivation of certain groups of socially excluded people to change their status has not been developed enough (dependence on benefits, since it is difficult to find a job and wages are low).
- Availability of specific programs and activities for ethnic minorities is not influenced either by the activity of the municipality, it is rather influenced by the initiative or interestedness from the NGOs operating in the municipality. Municipalities mainly are partners involved in foreign funded or structural funds funded projects.
- Roma- situation calls for targeted measures as, in fact, all municipalities had no activities targeted specifically at ethnic minorities. The initiators of projects referred to Roma people have been NGOs, attracting foreign funds and program funding. Roma integration project results show a possibility for positive development trends therefore one of the positive solutions is to include such targeted measures on daily agenda of municipality social services.

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6. Annex

Poverty and social exclusion indicators in selected municipalities in years 2003-2004 (Latvia)

1. Expenditures for social assistance benefits in LVL

	Municipality	Social assistance benefits-total	Including:							
			GMI (Guaranteed minimum income)	Lump-sum benefits in extraordinary situation	Out of those:		Other social assistance benefits- total	Out of those:		
					Funeral allowances			Benefit for free lunches	Housing benefits - total	Benefits for medical services
2003	Preiļi amalgamated municipality	43873	14989	2080	1580	26804	11681	2255	750	-
	Pāvilosta (from late 2005 – Saka amalgamated municipality)	2398	169	264	89	1965	747	-	641	122
	Limbaži city	25085	1614	1779	1779	21692	8821	4756	1696	3133
	Bauska city	25508	369	684	554	24455	3971	9270	2652	110
	Naukšēni parish	9096	695	714	694	7687	4338	135	1304	893
2004	Preiļi amalgamated municipality	60783	28454	9581	842	22748	8058	10831	987	1039
	Pāvilosta (from late 2005 – Saka amalgamated municipality)	2015	409	200	15	1406	861	35	87	57

	Limbaži city	30567	3227	495	295	26845	7302	7097	4865	4140
	Bauska city	21346	356	1310	460	19680	2980	11050	5650	-
	Naukšēni parish	9623	922	570	570	8131	4765	110	643	1288

Data source: Social services Board

2. Number of social assistance benefits' recipients

	Municipality	Social assistance benefits-total	Including:							
			GMI (Guaranteed minimum income)	Lump-sum benefits in extraordinary situation	Out of those:		Other social assistance benefits- total	Out of those:		
					Funeral allowances			Benefit for free lunches	Housing benefits - total	Benefits for medical services
2003	Preiļi amalgamated municipality	2315	519	57	52	-	771	89	80	-
	Pāvilosta (from late 2005 – Saka amalgamated municipality)	131	9	36	3	-	29	-	27	17
	Limbaži city	1431	84	40	40	-	564	398	88	113
	Bauska city	1099	17	13	12	-	463	472	40	4
	Naukšēni parish	314	22	27	20	-	93	10	209	127

2004	Preiļi amalgamated municipality	2433	477	384	26	1572	360	893	149	31
	Pāvilosta (from late 2005 – Saka amalgamated municipality)	116	36	28	1	50	20	2	6	8
	Limbaži city	1195	60	9	5	1127	216	469	112	110
	Bauska city	917	5	22	5	890	200	452	238	-
	Naukšēni parish	560	37	19	19	504	91	9	59	168

Data source: Social services Board

* no data in year 2003 on other social assistance benefits' recipients

