

## Developing well-targeted tools for the active inclusion of vulnerable people

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### Introduction: the Active Inclusion schemes in Spain

The European Union has defined Social Inclusion as a process that ensures that those at risk of poverty and social exclusion increase the opportunities and resources to fully participate in economic, social and cultural life, as well as enjoy living conditions and welfare that are considered normal in the society in which they live.

Within this framework, and to support the inclusion processes of people with fewer resources, the National Administration of Spain, through cooperation with the so-called Autonomous Communities (regions), develops a range of social programmes and measures, comprised mainly in the preparation, monitoring and evaluation of the National Action Plans for Social Inclusion (NPSI) in accordance with the European Strategy for Social Inclusion and following the common European goals.

The V National Action Plan for Social Inclusion (2008-2010) includes, as a priority objective, the promotion of active social inclusion, through the encouragement of the participation in the labour market, the guarantee of minimum financial resources, and the provision of an equitable and quality education system.

Spain is a highly decentralised country in which many policies are decentralised in the Autonomous Communities as a way of establishing a greater proximity to citizens and provide better services<sup>1</sup>.

Thus, the Central Administration is in charge of the design and management of the social security benefits and also the design of the policy of public employment services and the active labour market policies.

On the other hand, the regional administrations are responsible for designing and implementing the social assistance and social services policies, so most of the policies addressed by the NPSI - education, health, housing, social services, active employment policies or minimum income - are exclusively in the hands of the Autonomous Communities; the provision of primary social services<sup>2</sup> is mandatory for municipalities with a population over 20,000. So, the role of the Central State is in most cases that of establishing minimum levels in the provision of services and of coordination.

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<sup>1</sup> As a measure to reduce the possible differences between regions and to unify certain criteria, the Ministry of Education and Social Policy funds the Concerted Plan of Social Services, through which the autonomous communities develop and maintain the municipal social services network. In 2009, the Government allocated 96.1 million euro for this plan.

<sup>2</sup> The primary social services are the first level of care for basic social needs of citizens, and are located in all Spanish municipalities and targeted to all the population. They consist of: information and guidance, family support and residence help aid, prevention and social integration, alternative accommodation, and promotion of solidarity and social cooperation.

Regarding the income support schemes, the system presents large differences among regions, with regard to the benefit provided, the social protection received, and the duration of the programme. But as common features, persons between 25 and 65, with proved insufficient family income and resident in the respective region, can obtain from the social services an economic benefit during a period of time with a series of similar characteristics.

With regard to the Central Government, it implemented in 2000 the Active Insertion Income (Renta Activa de Inserción), initially approved as a temporary measure, but that has experienced several changes until has been set as a stable legal regime of the Social Security System and has become the third level of unemployment protection.

Its objective is to increase the chances of returning to the labour market for certain groups of unemployed workers with special financial needs (family income is taken into account) and difficulties in finding employment. The programme combines: active employment policies, with a personalized social and labour inclusion itinerary and a signed commitment by the beneficiary for developing activities that foster his/her labour insertion; and passive employment policies, which consist of financial assistance to complement the above measures. The maximum duration of this benefit is eleven months; it includes the payment of social security contributions and is managed by the National Public Employment Service.

On the other hand the regional programmes developing minimum income schemes for integration (Rentas Mínimas de Inserción) emerged, in the decade of 1990, as the last tool of social protection, in absence of any other income either from labour or any other source. Their objective is to guarantee to citizens a minimum income, and they are combined with services with a view to facilitating social and labour integration through social support and education/training measures. As previously stated, the system presents large differences among regions, with regard the amount of the economic benefit (from 6,000 € a year in the Basque Country to 3,600 € in Murcia), the related social services, and the extension of the programmes.

## 1. Brief assessment of the relevance of the policy to Spain

Spain is the fifth largest economy in the European Union (EU) and the tenth of the world. Since mid 90s and before the current world crisis, it has undergone a long period of growth, which implied a substantial progress in almost all fields of the economy.

However, despite of this progress, Spain has a high level of unemployment that remains even in periods of economic growth, and which particularly affects young people, women and older workers. Also, the rate of at risk of poverty population remains high despite a decrease in 0.2 pp between 2005 and 2008.

This makes Spain a country in which active inclusion policies have an important relevance, as measures to promote social inclusion and employment, and to prevent poverty and social exclusion.

Thus, in order to reducing inequalities and preventing the emergence of people socially excluded, the successive National Action Plans for Social Inclusion of the Kingdom of Spain have been increasing measures in the field of active social inclusion, through the encouragement of the access to employment promoting participation in the labour market, the guarantee of minimum financial resources and the provision of an equitable and quality education system.

So, the NPSIs are intended to provide comprehensive care for different groups of vulnerable people, each of which has certain and distinctive characteristics. Thus, a high level of

coordination is required between all areas of social services for the system to meet its goals efficiently.

## **2. Brief assessment of the similarities / differences of the policy with the experience of Spain**

The Norwegian Qualification Programme, as well as the Spanish minimum income schemes, contribute to improved labour market attachment and enhance the quality of life for people who are remote from the labour market and who have substantial and complex problems. In both cases, the target group have a variety of problems and it can take quite a lot of time for them to enter into employment. Both include a broad focus on vulnerable groups, with variation in municipal / regional policies depending on the local or regional prevalence of vulnerable groups.

On the other hand, Spain, as well as Norway, is a highly decentralized country, in which many policies are responsibility of the Autonomous Communities, being the role of the Central State in most cases that of establishing minimum levels in the provision of services and of coordination.

Thus, in the Spanish case, the social security benefits are designed and managed by the central administration that also designs the public employment services policies, which are managed regionally. The Autonomous Communities also design and provide the social welfare services, though they vary among regions, and even among municipalities, since in some regions some benefits are managed by them.

This implies a challenge in terms of coordination between the central and regional programmes in absence of a national Law for social services that guarantees it; and also between regions, in the cases a person moves towards another region in which different benefits and/or criteria apply. On the other side, the interaction between authorities responsible for different matters (for example, housing and social services), as well at central, regional or even at the local level, is not always easy neither.

On the contrary, the implementation of the Qualification Programme in Norway is framed within the context of the creation of a new Norwegian Labour and Welfare Organisation (NAV), that comprises the merger of the national social insurance service and the public employment services, as well as integration with the municipal social welfare administration. This new body promotes the provision of a better coordination of benefits, more effective and work-oriented case work and more user- oriented services and participation.

Also, there are significant differences between the amount of the income support and its nature: the benefit in Spain (4,530 € in average) represents 26% of the amount provided in Norway (17,000 €), as the Spanish economic benefit is intended to cover basic needs while the Norwegian is not only aimed to cover basic needs, but also to support the integration of beneficiaries in the labour market. Moreover, the maximum duration of the programmes, although varying greatly between regions in Spain, is minor than the two years of length of the Norwegian qualification benefit.

### **3. Brief assessment of the potential transferability of the policy (as a whole or as a part) to Spain and likely conditions for its application**

In the context of the current economic crisis that Spain is tackling, with very strong effects on the labour market that presents high and increasing unemployment rates, the reinforcement of policies to promote the entrance in the labour market and avoid social exclusion would be particularly positive.

However, there are some legislative or normative obstacles to the transfer of the Norwegian mechanism, and the transferability of this practice would be difficult in Spain because of the territorial organisation. Notwithstanding, Spain is currently working on coordinating the different areas involved in social services.

Thus, the Information System of the Employment Public System (SISPE) has been recently established as an information mechanism that allows for better coordination among different administrative levels (regional and central) regarding labour market and insertion statistics; the Occupational Training Database of the Employment Public Service contains improved measures of registered unemployment and participation in active employment measures that are crucial for monitoring the effectiveness of this kind actions.

### **4. Brief assessment of possible ways to measure the results or the impact of the good practice**

Being the final objective of these initiative to contribute to improved labour market attachment, to reduce long term dependency of social assistance, and to enhance the quality of life for people who are remote from the labour market, the very effect to measure is how much the Qualification Programme improves indicators, so that poverty levels and social exclusion are reduced (how many labour and social inclusion indicators have been improved thanks to the Programme?). Thus, statistics about the inclusion ratios of participants, 3, 6, 12 or 18 months after the involvement of the programme, may be a good way to measure the results of the practice.

Also, it could be thought of evaluation forms among all participants in the Qualification Programme in order to collect their opinion on whether the policy increases their chances of avoiding dependency on social assistance payments. One could also think of in depth interviews (qualitative investigation) with participants, their counsellors through the programme, and the companies in which they are hired after, aiming to determine not only whether participation is improved through the Qualification Programme, but also whether and how does the measure affect social inclusion processes and results (does participation improves the results of another policies? how?).

The general population could also be subject of consultation, through surveys aiming to test whether the Qualification Programme improves also the knowledge on these issues and to catch the common opinion about social inclusion policies, the actors, etc.

## 5. A note on important questions related being raised and debated in Spain

The main question in Spain is how to maintain income support measures during the insertion process without making the beneficiaries dependant on unemployment benefits and social assistance programmes: the supports allow their users to enjoy better living conditions, but may reduce the incentives for beneficiaries to entering the labour market promoting poverty trap.

So, an important matter is how to make work pay, how to promote that each hour of work on a new job offered to the employee contributes to its net income more than the income earned during the stage when he was inactive or unemployed.

On the other hand, as stated above, a high level of coordination is required in Spain to provide comprehensive active inclusion policies for different groups of vulnerable people. Thus, there is a debate on how to increase the interaction among the central, regional and local administrations, and also between all areas of employment, training and social services in order to guarantee the multidimensional and integrated attention that the social exclusion needs.

## 6. Spain's experiences

With regard to the recruitment of client groups, a relevant experience is that implemented by the City of Madrid within the framework of the *SAMUR Social*: the *SAMUR Social* programme develops social interventions in emergencies that occur in the city of Madrid (abandonment of older people, families and children at social risk, gender violence, care and social support to homeless, etc.), using a coordinated approach with other emergency services in the city (firemen, Police, Civil Protection, etc.).

In some cases (e.g. homeless people), the *SAMUR Social* programme develops the recruitment of its clients through a direct search, as it is also devoted to the detection of common situations in the streets. As an example, in the case of homeless people, they establish personal contact with the homeless, and develop an individual project for those who are in certain localized areas of Madrid. Also, *SAMUR Social* tracks these people and provides them social care within an individual project, to achieve their normalization and that they take part of the network of social services.

Regarding the strengthening of the client involvement, the Spanish income support schemes include a signed commitment by the beneficiary for developing activities that foster his/her labour insertion, as a way to ensure the participation of the client in the active labour market policies.

Some good practice examples developed in Spain may be the previously explained *SAMUR Social* programme, or the ones implemented by *El Corte Inglés* (a Spanish retail giant) and the *Vips Group* (a leading restaurant and retail company), that work with numerous NGOs and public and private institutions of very different nature, and employ thousands of immigrants and persons with disabilities, promoting the social integration of vulnerable people.

Last, with respect to the cooperation with employers and NGOs, besides the previously explained cases implemented by *El Corte Inglés* or the *Vips Group*, it is worth to mention the new initiative of the Basque Country Government to combat the effects of the economic crisis in the labour market. It consists of the recruitment of 7,000 unemployed by the municipalities, NGOs, and

private companies, to develop works previously reported as of general interest by the affected local administrations. It is expected that 30% of the unemployed who are hired under this programme derive from the Basque income support scheme, and the remaining 70% will be unemployed who have exhausted the contributory benefit.

## **7. Key issues and main questions proposed for the debate at the review meeting**

- How many municipalities are there in Norway? Which proportion of them has already a NAV office working?
- How much decentralized is Norway with regard to the distribution of competences in employment, training, social security and social services?
- Are there organisms to ensure the effective coordination between social services and employment?
- How has been implemented the merge of the national insurance, the public employment and the social services?
- How can local cooperation be increased to reduce dependency on social assistance payments?
- How can be stimulated the maintenance of the clients in the programme, to decrease its drop out rate?