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The view of local public social services
on the European Semester 2014



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This ESN report is based on views from members of our Reference Group on the European Semester; they analysed the National Reform Programmes and the European Commission's Country-Specific Recommendations for 2014, with the view to identify social policy priorities for the 2015 cycle.

The Reference Group was launched in September 2014 and brings together ESN members from 15 countries. It aims to make social issues and the challenges faced by public social services at local level visible in the framework of the European Semester cycle of economic and social policy coordination that takes place among Member States.

*Working in
partnership to
improve lives*

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services*

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About ESN

The European Social Network (ESN) brings together people who plan, manage and deliver public social services, together with those in regulatory and research organisations. We support the development of effective social policy and social care practice through the exchange of knowledge and experience.

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For more information see: <http://ec.europa.eu/progress>

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Table of contents

1.	Introduction	6
2.	The European Semester process	7
3.	How does the European Semester link with the European social agenda?	8
4.	Cross-country analysis	9
5.	Country profiles and 2015 Recommendations	12
6.	Social services priorities for the European Semester process	29
7.	Conclusion	31
	Glossary	
	ANNEX	
	Useful resources	

1. Introduction

In the context of a renewed emphasis on a coordinated approach between economic and social policies at European level to secure the smart, sustainable and inclusive growth sought in the Europe 2020 Strategy, the European Social Network (ESN) launched in 2014 a Reference Group on the **European Semester**.

The aims of this Reference Group are:

- To make social issues, and the challenges faced by local public social services, visible at European level;
- To assess the extent to which social policy measures to reduce poverty and promote social inclusion, notably through social services provision, have been addressed in the European Semester's cycle of economic and social policy coordination among Member States.

ESN also requested its members to identify issues that they believe the European Commission should recommend their national governments address in the context of the European Semester for 2015.

The methodology that we used is described below. ESN launched a call for participation in the Reference Group among ESN membership, to which 16 ESN member organisations from Belgium, Bulgaria, Croatia, Czech Republic, France, Finland, Germany, Italy, Latvia, Netherlands, Poland, Slovenia, Spain, Sweden and the UK responded. ESN drafted a questionnaire per country in order to help members assess how comprehensively social challenges and measures fighting poverty and promoting social inclusion had been taken into account by their government in their **National Reform Programmes (NRPs)** and in the **Country-Specific Recommendations (CSRs)** made to their respective countries by the European Commission for the year 2014.

The questionnaire addressed a number of key topics for public social services, namely measures to fight poverty and promote social inclusion, children services, measures to fight early school-leaving and youth (un)employment, integration of vulnerable groups into the labour market, services for people with disabilities and people with mental health problems, and older people's services.

ESN members completed the questionnaire and were brought together to discuss the identified challenges in a meeting that took place in September 2014. Key issues assessed were the differences in data collection across Member States, tackling inequality and social exclusion, the quality of public social services provision and the importance of local authorities' involvement to ensure implementation. ESN also requested members from the 15 countries featured in the Reference Group to identify an issue they believed the European Commission should issue a recommendation on in the context of the European Semester for 2015. The report includes a cross-country analysis and 15 country profiles with the 2015 recommendations listed at the top of each country profile.

The input from a professional and local angle of those working in public social services is of vital importance in order to inform national and European policy-makers about the key social challenges in Europe. ESN's Reference Group provides directors and senior professionals in public social services with a mutual learning and exchange platform to present the perspective of local public social services in the European Semester process.

** All highlighted terms are explained in the Glossary on pages 32, 33*

2. The European Semester process

The European Semester covers three blocks of economic policy coordination:

- Structural reforms, focusing on promoting growth and employment in line with the **Europe 2020 Strategy (or EU 2020 Strategy) and targets**;
- Fiscal policies, in order to ensure sustainability of public finances in line with the **Stability and Growth Pact**;
- Prevention of excessive macroeconomic imbalances.

All Member States have committed to achieving the five Europe 2020 Strategy targets and have translated them into national targets. In order to coordinate the efforts of all countries, and achieve the desired impact on growth, the European Union (EU) has set up a yearly cycle of economic and fiscal policy coordination within the EU. The European Semester is its first phase, where the European Commission analyses the fiscal and structural reform policies of every Member State, provides Country-Specific Recommendations (CSRs) and monitors their implementation. In the second phase of the annual cycle, Member States should implement the policies they have agreed.

Every year in **October**, Member States submit their draft budgetary plans for the following year; they are then assessed by the Commission in light of the Stability and Growth Pact. Similarly, the Commission examines the programmes of those Member States subject to an **Excessive Deficit Procedure**. In these programmes, the Member States concerned present the fiscal structural reforms supporting the correction of their deficits.

In **November**, the European Semester starts with the publication by the Commission of its **Annual Growth Survey (AGS)**, which sets out EU priorities for the coming year to boost growth and jobs, and the **Alert Mechanism Report**, which identifies potential macroeconomic imbalances. These documents are discussed by the Council and the Parliament in January–February.

The spring meeting of the European Council in **March** takes stock of the overall macroeconomic situation and progress towards the Europe 2020 Strategy targets and provides policy orientations which should be taken into account by Member States in their National Reform Programmes.

In **April**, Member States submit their policy plans:

- **Stability and Convergence Programmes** outlining the Member States' medium-term budgetary Strategy, and
- **National Reform Programmes (NRPs)** outlining the Member States' structural reform plans, focused on promoting growth and employment, but also education, research, innovation, energy or social inclusion.

In **May–June**, the Commission assesses these programmes and proposes **Country-Specific Recommendations (CSRs)**, which are formally adopted by the Council at the end of June-early July. In addition, the Commission issues an overview of progress in implementing Country-Specific Recommendations achieved by individual Member States within the so-called **Staff Working Document (SWD)**.

3. How does the European Semester link with the European social agenda?

Europe 2020 is the European Union's ten-year growth and jobs strategy launched in 2010 with the aim of creating the conditions for a smart, sustainable and inclusive growth. Five headline targets were set for the EU to achieve by the end of 2020. These cover employment; research and development; climate/energy; education; social inclusion and poverty reduction. The objectives of the Strategy are also supported by seven 'flagship initiatives', providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting the Europe 2020 priorities such as innovation, the digital economy, employment, youth, industrial policy, resource efficiency, social inclusion and poverty reduction.

The Europe 2020 Strategy, which is implemented and monitored in the context of the European Semester, has as one of its five headline targets: lifting 20 million people out of poverty and social exclusion. In order to review and monitor EU countries' progress towards this target, **the European platform Against Poverty and Social Exclusion** was set up.

However, halfway through 2020, the number of people at risk of poverty and social exclusion has increased by an overall 1.1%, whilst labour market participation has decreased and unemployment reached 25.5 million people (10.5% Europeans) in 2012. The economic and financial crisis played an important role and this report highlights the dominance of economic considerations at the expense of social considerations (for instance, in the NRPs). Austerity programmes have lacked social impact assessments integrated with fiscal sustainability assessments when agreeing conditional stability support programmes. In addition, the lack of involvement of local and regional public authorities has been noted, hence the weak implementation at national and subnational levels.

In this context, the European Commission published in 2013 the **Social Investment Package (SIP)**, which guides EU countries in using their social budgets more efficiently and effectively to ensure adequate and sustainable social welfare systems; seeks to strengthen people's capacities; focuses on integrated packages of benefits and services; stresses prevention and calls for investing in children and young people to increase their life opportunities. The social investment approach has been highlighted in this year's CSRs: for example, in recommendations on the adequacy and coverage of unemployment benefits, investment in early childcare and family support services or improvement of long-term care services.

A new College of Commissioners, chaired by President Jean-Claude Juncker, is starting their mandate on 1 November 2014. In his political guidelines for new commissioners, President Juncker proposed: *"In the future, any support and reform programme goes not only through a fiscal sustainability assessment; but through a social impact assessment as well. The social effects of structural reforms need to be discussed in public, and the fight against poverty must be a priority. My ambition is to contribute to (...) a sustainable growth translated into more jobs and reducing poverty as a key factor of prosperity."*

In her hearing with MEPs on 1 October 2014, Marianne Thyssen, Commissioner for Employment, Social Affairs, Skills and Labour Mobility as of 22 October 2014, referred to the European Semester as *"an effective tool to tackle the impact of the crisis at European level and to coordinate economic policies across Member States"*. Ms Thyssen also highlighted that she *"would contribute actively to re-balance, streamline and reinforce the European Semester to ensure that employment and social policies are duly taken into account"*.

4. Cross-country analysis

The members of the Reference Group¹ generally recognised that the social dimension was somehow addressed in their respective NRPs and, to some extent, in the CSRs. However, the adequacy and appropriateness as to how the issues below were addressed was almost unanimously questioned. Regrets were expressed regarding the lack of structural and actual reforms, often replaced in the NRPs by declarative statements (LV, PL). Several members expressed the fear that cost-effectiveness will be obtained at the expense of quality (BE), putting increased pressure on social services (EN, PL) and local authorities (FR). In a context of poor dialogue between national level and subnational actors (FI), or the impossibility to influence the process even where there is an involvement (SE), members called for better guidance on stakeholders' involvement into the process of drafting the NRP. This implies providing stakeholders with an adequate amount of time and information allowing them to contribute effectively and comprehensively to the process.

Fighting poverty and promoting social inclusion

In times of crisis and increasing (risk of) poverty, it seems that measures to fight poverty are not being prioritised in the social agenda and, at best, lack ambition when they are. For all members, poverty is closely linked to one or several other issues, such as access to the labour market, the provision of childcare services or disability. Therefore, underlining the multidimensional aspect of this phenomenon and the need for a global, comprehensive response with appropriate targeting is key (IT). In other cases, despite the significant progress reported in the NRP, there is still a lot to achieve to continue with the improvement trends in relation to reducing the numbers of households experiencing absolute poverty (UK).

Other members regret that no specific CSR was written on the fight against poverty, which would have given the opportunity to make it a government priority (BE). This is all the more paradoxical as Member States are simultaneously asked to cut budgets and curb deficits, but also to lift always more people out of poverty, as underlined by FR, LV and the UK. The 2020 targets seem difficult to reach considering the time needed for reforms and economic recovery, as noted by IT.

In several countries, for instance in DE, NL, IT and HR, reforms in the labour market are mentioned as the main instrument in the fight against poverty, especially when coupled with adequate measures in child and elderly care services (HR). Some members noted that the focus should be on quality and sustainable jobs, especially for young people (BE). A rising phenomenon noted by some members (FR) is poverty faced by people in employment, for whom specific measures have been put in place, e.g. a reform of part-time work and the introduction of a minimum of 24 hours part-time contracts (with some exceptions) (FR), and measures to ease the transition from part-time and/or low-paid work into full-time employment (DE). In BG, Roma people represent the biggest group where an improvement can and should be made in all areas, from the reduction of unemployment and poverty to the improvement of social services provision, and improved access to health care.

Affordability of housing is a priority for NL and UK and it was also highlighted in ES, specifically in relation to homelessness (UK, ES) and social housing (NL). Faced with a shortage of housing in a large number of countries and cities, the solution could be to start building more houses (DE, BE).

¹ This analysis reflects the assessment made by the members of ESN's Reference Group on the European Semester. Each statement is accompanied by the abbreviation of the country's respective organisation.

Finally, members also highlighted that sometimes the elections or the political agenda may get in the way of actions against poverty and social exclusion (BE).

Children services

Several members noted the absence of specific recommendations regarding children services, and would like this topic to be higher in the agenda (BE, HR). Some members emphasised that all Member States should be urged to implement the 'Investing in children Recommendation as part of the Social Investment Package, as they said they would (DE, ES, BE).

There are concerns amongst public social services about how a unified delivery of affordable and quality childcare can be accessed (ENG, BE, ES, IT), especially for children suffering from additional obstacles, such as belonging to a family which is at risk of poverty. ESN member in FR drew attention to the quality of its policy towards childcare and reconciliation between family and work life.

Education

Modernisation of education methods should be looked at, along with constant retraining of teachers (ES). In SE, PISA results have worsened in the last few years, which could jeopardise youth employment in the long run.

Youth

Young people have been the victims of the economic crisis; for example, the lack of jobs (highlighted by the NL) and the segmentation of the labour market (highlighted by PL) have had a particular impact on them. ESN members spoke of the urgency to create more jobs for young people (NL, PL); in particular quality, sustainable jobs (BE, PL), with proper wages (NL) for all young people regardless of their social, economic, cultural or health status (PL).

ESN member in FR believes that the "service civique"² is a good measure that could be extended to other countries, as it is currently being considered in IT. Increased effort should be made in outreach strategies to young people who are not registered with Public Employment Services (IT) or looking for their first job (SI), as well as young people with a migrant background (NL).

Older people

In many countries, the focus on the elderly is still on pension sustainability. In PL, this issue is rather new and was given more momentum thanks to their NRP, which insists on the need to fight older people's social exclusion, but seems to neglect the long-term care dimension. Due to population ageing, ESN members in ES emphasised that elderly care should be an absolute priority for their public social services.

People with disabilities

People with disabilities are seen as the most vulnerable group in BG, with a low participation in the labour market (SE), even facing discrimination (PL). Measures in BG focus on the development of a network of long-term services and material assistance. Most members across the countries represented highlight that measures aiming at a better inclusion of people with disabilities into the labour market are insufficient. Difficulties increase when one speaks of disabled children (PL, BG) or the Roma, preventing notably their proper access to education (BG).

² 'Service civique' is a programme designed for young people aged 16–25 consisting of at least 24h a week and a EUR 573 monthly allowance for 6 to 12 months. No diploma is required and the service can be performed in various structures (association, local organisation, etc). More info at <http://www.service-civique.gouv.fr/>.

HR states that issues related to the deinstitutionalisation of services for people with disabilities are not sufficiently addressed in their NRP. Access to proper housing in the UK is particularly challenging for people with disabilities, which impacts greatly on children, putting them at risk of poverty.

In FR, priority has been given to the financing of home solutions for people with disabilities. Finally, it was noted that a balance has to be found between direct and indirect provision of care, in the light of users' needs (FR).

Mental health

BG notices the need for a clear definition and differentiation between disability and mental health issues. In many cases, mental health issues are not mentioned at all in the NRPs, despite the growing number of people affected (PL). Moreover, some members also noted that access to care, alongside quality, may differ depending on social status (PL). Some of our members make a call for a specific section on mental health in the NRP (ES).

Access of vulnerable groups to the labour market

There is a low level of initiatives reported in the UK's NRP addressing the growing need of having more vulnerable people accessing the labour market, when job opportunities are rarer and are also less accessible. ESN members recognise that the long-term unemployed are highly vulnerable³, and highlight the need for a comprehensive approach, where income support is combined with the development of inclusive labour markets and quality social services (IT).

Some members insisted on the need to strengthen public employment services capacities (PL, SE). Members in IT and LV believe that fighting against irregular labour and exploitation (migrants, women) would help boost employment and reduce poverty. Finally, ESN members call on their governments to respect their commitments in implementing an active inclusion strategy at national level (BG, DE, PL).

Public services provision

Several countries have undergone reforms in the way social services are provided. HR's Social Welfare Act introduced a single model of financing of all social services' providers, which has also brought more transparency. BG's new Law on Social Services aims at better financing and planning, introducing more control over the quality of services delivery.

However, the future of social services shouldn't be about reform for the sake of reform (FR), and should rather focus on the added value of services' provision in light of users' needs and the use of evidence-based practices (SE).

³ Germany used the long-term unemployment (LTU) criterion to define its poverty reduction target by the year 2020. Although they recognise the link between LTU and poverty, ESN member Deutscher Verein has advocated for a new target that would take account of other indicators such as at-risk-of-poverty rate and material deprivation.

5. Country profiles and 2015 Recommendations

Member State	Recommendation	Page
Belgium (BE)	Involve local government both in designing and implementing the objectives of the EU 2020 Strategy at national level, especially on measures related to the fight against poverty	13
Bulgaria (BG)	Improve the delivery of preventative services and support for families at risk	14
Czech Republic (CZ)	Improve the financial sustainability of social services, particularly community-based services	16
Germany (DE)	Develop and implement integrated strategies to improve children's equal opportunities	17
Spain (ES)	Reinforce the participation of regional authorities in the NRP process	18
Finland (FI)	Improve the efficiency of measures designed at national level to reduce costs of social services provision at local level	19
France (FR)	Launch a large-scale simplification process in the area of social policies at all governance levels to ensure the sustainability of the social welfare system	20
Croatia (HR)	Move forward the deinstitutionalisation process and the development of community-based services for people with disabilities, children and youth without adequate parental care, and children and youth with behavioural disorders	21
Italy (IT)	Reinforce measures to reduce the number of young people (15–24) not in employment, training or education (NEET)	22
Latvia (LT)	Define the range of health care services to be financed by the state in order to increase health care's accessibility	23
Netherlands (NT)	Develop specific measures to guarantee the social inclusion of young people with disabilities and young people from ethnic minorities	24
Poland (PL)	Involve local authorities in developing assessable measures and indicators for the social inclusion of children and adults with disabilities, disadvantaged youth and healthy and active ageing	25
Sweden (SE)	Put in place specific measures to tackle growing socioeconomic gaps, including better monitoring and social impact assessments of financial measures	26
Slovenia (SI)	Allocate specific resources for the development of preventive and activating services	27
United Kingdom (UK)	Put in place appropriate impact assessments to ensure that vulnerable people are not disadvantaged as a result of the welfare reform measures being introduced	28

Involve local government both in designing and implementing the objectives of the EU 2020 Strategy, especially on measures related to the fight against poverty

Rationale: Growing competences exercised at local levels are not reflected in national recommendations. Policies may be decided at federal level, but they are implemented at local level. Local authorities are responsible for planning and managing the provision of social services which covers the whole territory and meets the population's needs.

The National Reform Programme 2014

Belgium's National Reform Programme (NRP) was drafted shortly before national elections took place. In this context, very few structural measures with a real targeted impact were presented. Regarding the fight against poverty and social exclusion, the most important measure was the tailoring of benefits to the level of prosperity. The NRP mentions a number of coordination mechanisms between government levels, as well as a range of small measures, though their impact on poverty and social exclusion reduction may be difficult to assess.

In regards to childcare policies, Belgium's NRP mentions the national plan to combat child poverty and the increase in the number of childcare places in the various regions. Though there has been an increase in the number of places, there is a need to ensure that childcare places are affordable and accessible for people who are excluded from the labour market. Regarding early school leaving, no structural reform was announced in the NRP.

As for youth (un)employment, the emphasis is on better and more intensive supervision and guidance for young people after their four months of unemployment. However, there is a lack of initiatives in terms of providing quality jobs for young people. The same can be said of measures to ensure the integration of vulnerable groups into the labour market.

Finally, Belgium's NRP puts the emphasis on the affordability and sustainability of pensions and the long-term care system, rather than on users' needs. There are no specific actions in regards to improving the accessibility of users to public social services and achieving a better balance between users' needs and resources.

The Country-Specific Recommendations for 2014

The European Commission did not make a specific recommendation to Belgium regarding the fight against poverty and social exclusion (including child poverty), despite the fact that Eurostat indicators show that poverty in Belgium is increasing. The recommendation to fight early school leaving "*by pursuing coordinated education and training policies addressing the pervasive skills mismatches and regional disparities*" was welcomed by ESN member PPS. However, our member also highlighted that there were no specific recommendations to increase the number of quality jobs for young people, which was considered key to promote employment within this group. The same could be said of promoting employment for other vulnerable groups. Finally, the European Commission did not make a recommendation to address quality in public services, and the recommendations focus on the cost-effectiveness of public spending.

Improve the delivery of preventative services and support for families at risk

Rationale: This should contribute to make the process of de-institutionalisation sustainable and reinforce the closure of institutions and at the same time strengthen the development of community-based services for children and their families

The National Reform Programme 2014

Bulgaria's National Reform Programme (NRP) addresses a number of issues related to fighting poverty and social exclusion, with a focus on the implementation of the National Strategy for Reducing Poverty and Promoting Social Inclusion 2020, the provision of adequate material support to groups in a disadvantaged position, and solving the problem of homelessness. The text highlights the need for better coordination between health, social and education services, and a more effective way to tackle the problem of homelessness by improving access to housing. The Bulgarian government is currently drafting a new law on social services.

In regards to childcare policies, the NRP focuses on implementing the action plan for the Strategy 'Vision for deinstitutionalisation of children in Bulgaria' and the Social Inclusion Project. According to this Strategy's action plan, by 2025 all specialised institutions for children should have been closed and replaced with new types of social services. In regards to youth policy, the document mentions fighting early school leaving and promoting access to employment through the implementation of the Strategy for reducing early school leaving (2013–2020) and the development of vocational education and training (VET). A new Law for the Development of Higher Education has been adopted by the Council of Ministers and is awaiting the approval of the National Assembly.

In order to improve youth's access to employment, Bulgaria has adopted its national Youth Guarantee (2014–2020). In addition, the National Action Plan on Employment (NAPE) focuses on those unemployed and aged over 50, unemployed with low qualifications, the Roma, people with disabilities and long-term unemployed. However, labour market measures for some of these groups, for instance people with disabilities, are still insufficient.

The Country-Specific Recommendations for 2014

The recommendations correctly draw attention to the importance of building an integrated approach to more effective social protection and the limitations of the scope and effectiveness of unemployment benefits and social assistance.

The improvement of the accessibility and effectiveness of social transfers and services, particularly for children and the elderly, is key to achieve the national target for reducing poverty and promoting social inclusion. Likewise, access to inclusive education for children in disadvantaged positions, in particular the Roma, is currently a challenge and therefore improving access is key to progress towards the national targets in education. The progress of de-institutionalisation and the development of community care for children, which took place between 2007 and 2013, should continue through the development of networks of innovative services for community-based care, and its scope be widened to include other groups, such as adults with disabilities, mental health problems and the elderly.

In order to promote social inclusion and achieve the national targets for employment and poverty reduction, it is crucial to improve the Employment Agency's efficiency by developing a performance monitoring system and better targeting the most vulnerable, such as low-skilled and elderly workers, the long-term unemployed and the Roma. In this sense, it is vital to combine active employment

policies with education reforms and ensure not only better quality education and training, but also higher employment of young people.

Finally, in order to improve the provision of public services to address better the needs of people with disabilities and mental health problems, colleagues at the Social Assistance Agency highlight the need for an efficient provision of health care through improved transparency in hospital financing, optimisation of the hospital network and the development of out-patient care services.

All in all, there is a need to start implementing the activities set out in the 'National Strategy for reducing poverty and promoting social Inclusion 2020', which covers policies to improve access to health and education, active labour market measures and social services development, for which a plan for implementation and specific funding should be adopted.

Improve the financial sustainability of social services, particularly community-based services

Rationale: The development of social services is based on an annual grant system; therefore a focus on financial sustainability is key to ensure effective services' planning and continuity. To guarantee such sustainability a shift towards preventative services in the community and family carers' support is key.

The National Reform Programme 2014

In the field of poverty and social exclusion, the National Reform Programme for the Czech Republic makes a reference to two strategic documents, the 'Social Inclusion Strategy 2014–2020' and the 'Concept for Prevention and Addressing Homelessness in the Czech Republic until 2020'. These documents address a wide range of topics, including availability of housing, access to health care, and the involvement of interdisciplinary stakeholders.

The Roma are a vulnerable group of people facing several cross-cutting issues. Roma children face exclusion in educational services due to the negative perceptions of other families. Roma children also make up a considerable share of early school leavers. Interventions to improve their integration and keep them in education have not proved effective. When it comes to the labour market, services delivered to Roma people are insufficient and do not contribute to improving their situation regarding poverty and social exclusion.

Services for groups with complex needs – people with disabilities or mental health problems – face the need for a more deinstitutionalised infrastructure of the care system. However, the Czech government has not developed a strategy addressing this particular issue.

The action of services for young people is hindered by insufficient staff capacities within employment offices. Notably for unregistered young people, there is a lack of tailored services.

The Country-Specific Recommendations for 2014

Our Czech member, the Czech Union of Towns and Municipalities (SMOCR), considers the EC's Country-Specific Recommendations (CSRs) relevant, for they address various social issues and target groups. For children below the age of three, the lack of childcare facilities is acknowledged as a pressing problem, notably for Roma children. With youth unemployment at 17% (Eurostat 2013), there are no specific measures aiming to increase the number of quality jobs available to young people. It is deemed necessary to enhance the quality of vocational education and the transition from school to the labour market by better aligning training with labour market needs.

As for the decentralisation of social and health care structures, new forms of services such as home care, informal care or personal assistance need to be promoted. Those services should be developed for people with disabilities or mental health problems, and the elderly.

Generally, the stark contradiction between objectives and the capacities needed for their fulfilment should be addressed in the CSRs. A new law aiming at balancing out social sustainability and budgetary restrictions would help narrow the gap between needs and available resources.

Developing and implementing integrated strategies to improve children's opportunities

Rationale: Children are at higher risk of poverty and social exclusion than people over 64. Therefore, there is a need to develop integrated strategies to improve children's opportunities alongside the three pillars of the EC's Recommendation 'Investing in children: access to resources, access to quality services and child participation'.

The National Reform Programme 2014

Since 2011, the German Federal Government's NRP's national target for poverty and social exclusion has addressed the number of long-term unemployed and thus the number of persons in affected households. Our German member, the German Association for Public and Private Welfare, agrees with the government that long-term unemployment is an important determinant of the risk of poverty and welcomes that long-term unemployment has decreased. However, our member does not agree with the setting of the quantitative national target, which should be more ambitious in order to address the complexity of poverty and social exclusion. The target should be based on all three **EU 2020 Strategy indicators** of poverty/exclusion measurement (including at risk of poverty rate and material deprivation). In Germany, people are affected by all three of these recognised dimensions of poverty and social exclusion (13 million people at risk of poverty, 3.9 million people in a situation of material deprivation and 5.8 million people in jobless households (Eurostat 2013)). Moreover, the national target of 640,000 people is not adequate to the dimension of the Europe-wide objective of 20 million people – given the size of Germany on the one hand and the number of affected persons in Germany on the other.

Given the fundamental importance of compulsory education, our member advocates for an increase of the national target in the field of early school leaving to a rate of under 6% over the medium term. In order to reach this target, inclusive education, the expansion of early childhood education, youth social work in schools, the 'National Strategy for literacy and basic adult education', alongside cooperation in 'local educational landscapes' should be strengthened.

In terms of active inclusion, our member welcomes the increase in employment since 2010. However, they recommend more efforts to (re-)integrate the long-term unemployed, who face multiple barriers to job placement or are suffering from increased social exclusion. These measures need to be adequately funded, targeted and flexible according to needs. This also calls for medium and long-term labour market integration strategies with a focus on high-quality services.

The Country-Specific Recommendations for 2014

Assessing the 2014 Country-Specific Recommendations, there should be a greater emphasis on developing and implementing integrated strategies on how to improve children's opportunities, in line with the Commission's Recommendation 'Investing in children: breaking the cycle of disadvantage', and comprehensive active-inclusion strategies addressing the issues of minimum incomes, inclusive labour markets and access to high-quality services.

Reinforce the participation of regional authorities in the NRP process

Rationale: In a decentralised country like Spain, where the central government has a limited responsibility in planning social services, it is key that regional authorities, which are responsible for social services planning, management and provision, participate actively in the process.

The National Reform Programme 2014

ESN members in Spain⁴ have had a very limited involvement in the European Semester process and noticed that the measures presented are usually rather declarative, while the NRP fails to set out the conditions for practical implementation and the coordination between services and governance levels. This is all the more important with the new law of local administration, which will dramatically reduce the role of local authorities in social services provision, with regions having increasing responsibilities.

Measures concerning poverty and social exclusion in the Spanish NRP focus mainly on homelessness, but children should also be a priority in the next CSRs, in line with child poverty data in Spain accounting for 30% (Eurostat, 2010), the proposals of the Recommendation 'Investing in children', the importance of investing in early childhood education and care and ensuring equal opportunities for children living in families at risk of poverty or social exclusion.

There has been a reform of the education system, but it does not include enough measures for teachers' retraining and the modernisation of the system, which are key in tackling youth unemployment. A dedicated Operational Programme, financed by the European Social Fund and the implementation of the Youth Guarantee, should be the framework for fighting youth unemployment. There is, however, a lack of measures targeted at young people aged 25-30 years old.

A new programme has been introduced for better coordination of employment and social services at national and regional levels for vulnerable groups (over 55 and long-term unemployed). An employment reform for people with disabilities will make it possible to combine a disability allowance with work. ESN members in Spain believe the prevalence of mental health would deserve a specific strategy, which does not exist today.

The Country-Specific Recommendations for 2014

The 2014 CSRs for Spain cover a wide range of subjects, with a focus on social inclusion (administrative capacity; coordination between employment and social services; targeting and provision of quality services) and access to the labour market for those facing increased difficulties, such as the long-term unemployed. ESN members would like to see the definition of 'vulnerable groups' broadened, with actions targeting the Roma, migrants and people with disabilities. Moreover, the ageing population requires the strengthening of community social services, taking into account the Commission's document on long-term care⁵.

⁴ This country profile is based on the contribution of the Department for Labour and Social Welfare in Galicia, with comments from the Social Welfare and Family department of Catalonia.

⁵ Commission staff working document as part of the Social Investment Package.

Improve the efficiency of measures designed at national level to reduce costs of social services' provision at local level

Rationale: Local Authorities state that measures established at national level with the aim to reduce costs in services' provision at local level are not having the desired effects and are leading to increased costs at local level (e.g. local authorities having to increase local taxes).

The National Reform Programme 2014

Finland, with its long history of poverty research, addresses extensively the issue of fighting poverty and social exclusion in its NRP. Although the minimum income was increased two years ago, our member, the Finnish Association of Directors for Social Services, does not think the measures will suffice to fulfil the national objective of reducing the number of people living at risk of poverty and social exclusion from 854,000 to 770,000 citizens. Existing measures include the 2014 legislative amendment, thanks to which unemployed people can earn up to EUR 300 per month as remuneration for part-time work without seeing their unemployment allowance reduced. The new Housing Allowance Act (2015) contributes to income support for people at risk of poverty and social exclusion, but only to a small extent.

The NRP makes only a few references to services for children and families. According to our member, the reform of compulsory pre-school had little effect because it already existed, though on a voluntary basis. Moreover, the reform of child home-care allowance aims to extend working careers, but forgets to focus on improving services for children and families.

The reduction in the number of early school leavers is set as a clear objective in the Finnish NRP. Our member regrets that the objective to raise the compulsory school age to 17 years was abandoned during budgetary negotiations for 2015.

In order to foster active inclusion, a national programme to support employment for people with partial work ability was introduced, which is however not visible at the local level; people with partial work ability continue to have fewer possibilities to access and retain competitive employment.

The current biggest challenge is the provision of public services due to the reform of local administration and service provision at local level. The aim of this reform is to reduce local authorities' duties, and therefore their budgets. Only 40 municipalities will see their budget increase for 2015, whilst the national government will reduce the budget of 249 municipalities. However, at the same time, central government implements reforms with a bigger financial burden for municipalities, such as increasing their responsibility for administering long-term unemployment benefit. It is foreseen that local government will need to increase local taxes to be able to afford some of their new responsibilities.

The Country-Specific Recommendations for 2014

Although the CSRs take poverty and social exclusion into account, they are rather weak when it comes to children services, reducing early school leaving and promoting youth unemployment, active inclusion for vulnerable groups and support to people with disabilities. In order to address poverty, increasing basic benefits and putting in place personalised approaches, especially for long-term unemployed people, would be necessary. Partial work ability should be better promoted. In terms of services for children, early intervention and work with parents should be strengthened.

Launch a large-scale simplification process in the area of social policies at all governance levels to ensure the sustainability of the social welfare system

Rationale: Social expenditure should be seen as an actual investment in human development, equally important to economic development. Human development can also bring a return on investment that is not merely of an economic nature. The provision of services should be organised in a more integrated, horizontal way, providing equal access to services for all (rather than targeting each group specifically). This should result in both money savings and a better understanding of users' needs.

The National Reform Programme 2014

France is the only European country which has adopted a multi-annual plan against poverty and social exclusion. According to its NRP, France aims to reduce by one sixth the number of poor and excluded people, which would equal 1.9 million people, by 2020. As of today, the European targets in poverty reduction are seen as unrealistic. In the eyes of ESN member ANDASS, France is faced with a contradiction, freezing services and reducing health care costs on the one hand, and diminishing the number of people living below the poverty threshold on the other.

Several laws were passed in 2013 with a view to preventing early school-leaving and improve young people's integration into the labour market. Furthermore, an in-depth assessment of policies against early school leaving is ongoing in the framework of the 'Modernisation of public action'. ANDASS sees the role of compulsory education and early childcare services for children aged under three as a key contribution in fighting social exclusion, notably for children from poor families. To improve school-to-work transition, France created a national Council for Economy and Education to open schools and universities for partnerships with companies to try to adapt education contents to labour market needs.

In the fight against youth unemployment, France seeks to enhance the employability of young people. The 'Garantie jeunes', designed for NEETs with few or no resources, consists of an intensive programme to strengthen employment for young people. Reviewing the drafting and content of the NRP, an apparent lack of consideration regarding the role of regional and local stakeholders has been noted by ANDASS, although French regions and 'départements' (local government) undertake numerous initiatives in this field. The upcoming public administration reform towards more decentralised structures poses a risk of establishing fragmented measures and maintaining silo-based approaches in public administration irrespective of their territorial structure.

The Country-Specific Recommendations for 2014

European institutions do not adequately take into account the specificities of national contexts, be that the socio-economic context or cultural aspects. On the socio-economic side, the CSR does not reflect the difficulties in reconciling public deficits and poverty reduction. On the cultural side, the consequences for individuals when losing their job or the role of a job as a driver for identity are examples which are not being referred to.

For youth initiatives, European institutions should consult directly with the authorities responsible for implementation. The European Commission should work directly with the *départements*, who are responsible for funding integrated projects towards youth employment and social inclusion.

Move forward the deinstitutionalisation process and the development of community-based services for people with disabilities, children and youth without adequate parental care and children and youth with behavioural disorders

Rationale: This process is described by the Plan of Deinstitutionalisation and Transformation of Social Welfare Homes and other Legal Entities Performing Social Welfare Activities 2011–2016, adopted with the aim of reducing entry into institutions and increasing exit from institutions to new forms of care.

The National Reform Programme 2014

According to Eurostat data, Croatia has no significant problem regarding early school leaving. The NRP appears to be reasonably balanced, focusing on preventive action in order to maintain a favourable rate. Relevant aspects in this light are the accessibility of quality education for everybody, especially early education, and the support for vulnerable groups. This support could include special textbooks for blind students and the co-funding of transportation for young people from a deprived socio-economic background.

The 2014 Croatian National Reform Programme does not sufficiently address the deinstitutionalisation of care infrastructures, particularly for children and people with disabilities. For the development of childcare services, the transformation of institutional homes for children through operational plans and the challenges in the transition towards a more community-oriented form of care are not adequately reflected. For services designed for people with disabilities, the comprehensive existing measures to support the transformation of institutional care and the development of community-based social services do not find their place in the programme (e.g. supported living, family reintegration, rehabilitation programmes).

In addition, the 2014 NRP does not sufficiently address measures related to changes in the financing model of social services' provision to ensure equal access to the wide range of groups covered by the social welfare act, including children and young people without adequate parental care, children and young people with behavioural disorders, victims of violence and people with addiction problems.

The Country-Specific Recommendations for 2014

The CSRs rightfully point out a number of issues, including youth unemployment, older unemployed, long-term unemployed and people with disabilities as sizeable vulnerable groups requiring well-targeted, activating measures in the labour market. A reform in the reviewing process of the working capacities of people with disabilities is ongoing. This process should impact on the expenditure of the disability benefit system. Focusing on those groups would simultaneously address associated targets like social exclusion or poverty. However, the CSRs miss out on the connection between youth unemployment and related problems, such as lack of appropriate pre-school education and child poverty.

For older people, the significant difference in average life expectancy in Croatia, as compared to the EU-28, needs to be taken into account when discussing reforms regarding retirement age and pensions. For the time being, reliable long-term assessments for national pension costs, especially after recent legislative changes, do not exist and hinder the adequate modification of the system. A considerable increase in the retirement age will not take place unless reliable long-term estimations on pension costs are available. The ongoing Ageing Report is expected to respond to the lack of evidence in policy-making.

Reinforce measures to reduce the number of young people (aged 15–24) not in employment, training or education (NEET)

Rationale: According to Eurostat data, both the high level and the increase of NEET aged 15–24 have been worrisome in Italy in a consistent manner across the years 2008–2012. Therefore, specific policy measures should be put in place.

The National Reform Programme 2014

Italy's NRP describes the labour market reform, the 'Jobs Act', as a measure to address social exclusion and poverty. Our member, the Lazio Region, agrees that unemployment is an important determinant of the risk of poverty. However, they stress that this reform needs to be fully implemented and monitored. The effectiveness of social transfers should be increased via better targeting and follow-up of employment support. Moreover, there should be stronger coordination between different levels of government. In order to fulfil the Italian target to lift 2.2 million people out of poverty by 2020, more reforms are necessary, covering a wide range of sectors, such as the labour market, the justice system, education and training.

In order to develop quality social services, national standards of social services and inclusion policies for people with disabilities and older people should be set and the variety of socio-economic situations amongst regions should be considered. Access to education and measures to address early school leaving should be strengthened in Southern Italian regions.

The Country-Specific Recommendations for 2014

The recommendation to “address exposure to poverty and scale-up the pilot social assistance scheme, guaranteeing appropriate targeting and the link with activation measures [...], support schemes for low income households with children” was welcomed by our member, who underlined the need for targeted support and measures to prevent exploitation and undeclared work of migrants. Our member agrees that a national evaluation system for schools and a qualifications register will make education and training more transparent and appealing. However, there should be a stronger focus on skills strategies in cooperation with local, regional and national employers. Barriers to access public sector careers for young people should be addressed.

The responsibility of regional authorities for social services plays an important role in the fulfilment of the CSRs. Regional authorities plan and monitor social services that are delivered at local level. For instance, regions are key players in carrying out projects to promote female employment, provide adequate care services and encourage the private sector's commitment to deliver quality apprenticeships. Their involvement in the European Semester is, therefore, a key factor in ensuring the implementation of the recommendations made by the European Commission.

Define the range of health care services to be financed by the state in order to increase accessibility to health care

Rationale: Health care experts in Latvia agree that the first problem that needs solving is inadequate public finances for health care. Further health care reform cannot be undertaken without adequate funding. It should be noted that Latvia's public spending on health has decreased from 4.1% of GDP in 2009 to 3.4% of GDP in 2012 (source: <http://data.worldbank.org/indicator/SH.XPD.PUBL.ZS>), and the proportion of public health care spending as a percentage of total public expenditure is around 60%, while in other EU countries ranges from 65%–85% (Source: Public Health Guidelines 2014–2020).

The National Reform Programme 2014

ESN member Riga City Council doubts that the outlined measures in Latvia's NRP on minimum income will suffice to decrease poverty, as these reforms should take regional differences into account and be based on strong cooperation between local and national levels. In order to enhance workforce qualification, the social services sector and its decreasing staff should be considered.

In order to develop social services matching individuals' needs and to implement the deinstitutionalisation process, the national government needs to clarify the financial and organisational resources for municipalities.

Our member sees an improvement in access to compulsory education and pre-school education. To prevent school drop-outs, cooperation across sectors and actors – family doctors, pedagogues, social workers – along with proper access to services, is crucial. The financial resources for 'career support specialists' and social workers at schools need to be reinforced.

The implementation of the Youth Guarantee, together with traditional employment support, does not suffice to reach out to long-term unemployed people, those with various needs and young people with complex needs. In order to target and support these groups, cross-sectoral strategies with NGOs, health and social workers need to be developed.

The Country-Specific Recommendations for 2014

In order to reach the Latvian employment target, the CSRs should put more emphasis on the variety of local and regional needs, as well as co-responsibility and co-financing from local and national levels in regards to minimum income support.

In order to implement the section recommending *"the reform of social assistance and its financing further to ensure better coverage, adequacy of benefits, strengthened activation and targeted social services"*, a focus should be put on supported employment for vulnerable groups alongside personalised social services working with other sectors.

With regards to the CSR on *"ensuring that the deviation from the medium-term objective remains limited to the impact of the systemic pension reform"*, Riga City Council underlines that low pensions are still the main reason for social exclusion of the elderly and disabled. Our member also stresses that *"improving the quality and accessibility of the health care system"* should also focus on mental health services.

Develop specific measures to guarantee the social inclusion of young people with disabilities and young people from ethnic minorities

Rationale: People with disabilities have very limited chances to compete in the labour market. There should be a focus on job creation for people with disabilities and young people, especially those from migrant families. These programmes should combine skills development, income support and job retention support.

The National Reform Programme 2014

Compared to other EU countries, the Netherlands performs better in regards to poverty and social exclusion, with one of the lowest at risk of poverty rates⁶ and income inequality. The main area of concern is the increasing poverty among children (+47,000 children between 2011 and 2012). Actions towards children follow an integrated approach, in order to avoid previous mistakes and the duplication of tasks. People experiencing in-work poverty and older people receiving a small pension are also targeted. Actions involve improving single parents' financial situation, adjusting tax credits for low-income earners, ensuring an adequate minimum income and the provision of extra funding to fight poverty and debt, with municipalities being the first recipients. Municipalities have been encouraged to foster children's participation following an integrated approach, and to use resources to fund additional income support and social benefits for vulnerable groups.

The Dutch approach to early school leaving is integrated, results-oriented and regional. It targets young people from 12–23 years of age, with a focus on 18–19 year old students' drop-outs. Increased funding from both the government and the European Social fund should help address youth unemployment at regional level, by providing very young people with work experience and/or assisting them in their job search. A Dutch Ambassador for Tackling Youth Unemployment was appointed in 2013. Their role is to ensure smooth cooperation between sectors with a focus on vulnerable young people furthest away from the labour market (young people with a migrant background and/or without basic skills).

The provision of long-term care services has been undergoing a major reform process (in particular, a new legislative framework, called the 'Social Support Act (WMO)', will be implemented as of 2015), with an aim to deliver tailor-made care with more support from municipalities. The impact of the reform on people with disabilities, mental health issues and/or acute care needs, as well as on older people, will have to be monitored, notably in the light of changes in financial allocations (decreasing budget for municipalities, increased financial participation of users from 2015). Finally, despite the recent introduction of income-based rent differentiation, the affordability of social housing remains an issue.

The Country-Specific Recommendations for 2014

The 2014 CSRs mention the need to increase the participation of people "at the margin of the labour market". Concerning older people, the recommendation focuses on pensions' sustainability and the "inter-generational distribution of costs and risks". On social services, only social housing is mentioned and its accessibility and affordability for low-income households. According to ESN member, the National Association of Local Government for Social Welfare, all topics are sufficiently addressed except for decentralisation, which involves more responsibilities for municipalities, but in the context of budget cuts and systemic change.

⁶ 15% in 2012, compared to an EU-28 average of 24.8%.

Involve local authorities in developing assessable measures and indicators for the social inclusion of children and adults with disabilities, disadvantaged youth and healthy and active ageing

Rationale: Whilst social policy is developed at national level, its implementation takes place at the local level; hence the need for having local social services involved in the development of social policies. This is particularly relevant for disability, youth (un)employment and healthy and active ageing programmes.

The National Reform Programme 2014

The Polish 2014 NRP includes a 'National Program against Poverty and Social Exclusion 2020'. However, this programme shows several major weaknesses, as it fails to ensure proper implementation of key aspects of active inclusion (minimum income, access to quality services, inclusive labour market) and sets out measures to improve the quality and quantity of benefits and services, whose provision is jeopardised both by the institutional and the financial context.

Challenges related to childcare services and pre-school education are reflected in the NRP, except regarding foster care, where there is a need for professional training, counselling and support of foster families, and the urgent need for caretakers for children with disabilities.

Our member, the Institute for the Development of Social Services (IRSS), regrets that the NRP ignores the potential role of local social services and community organisations in preventing early school leaving and mobilising students to continue further education. Youth unemployment is merely seen from a quantitative point of view instead of considering the quality and conditions of employment. The problem of labour market segmentation, which hits the youth particularly hard, is barely present. Labour market policy reform should improve access to the labour market for a wide range of vulnerable groups, but fails to include the strengthening and proper financing of public employment services' capacity, a failure which could limit the impact of new measures.

The NRP does not contain any specific measures aiming at increasing the employment rate of people with disabilities who continue to be the first victims of discrimination in the labour market. No measures are foreseen either for people with mental health issues, despite growing problems and insufficient and even unequal access to services.

Older people have appeared only recently as the target of public policies. The NRP confirms their importance and rightly emphasises counteracting social exclusion of the elderly as the strategic policies' aim, but seems to neglect aspects related to the provision of long-term care services.

The Country-Specific Recommendations for 2014

The recommendation on quality childcare services and preschool education is welcome, but should not forget to include the needs of all children. The same is true of the recommendation on youth employment and youth's transition from school to the labour market: the CSR should deliver differentiated policies to ensure that all (categories of) young people have equal access to employment measures and services. The focus of the CSR on public services is on financial and cost-effectiveness aspects. Although these are key, they need balancing out with quality criteria.

Put in place specific measures to tackle growing socioeconomic gaps, including better monitoring and social impact assessments of financial measures

Rationale: Little attention has been paid to monitoring the social impact of the activities undertaken to achieve sound public finances. Though Sweden is one of the European countries with the least socioeconomic gaps between people, there are signs that this is changing with a growing number of social benefits recipients and people, particularly young women, experiencing mental illnesses.

The National Reform Programme 2014

Sweden has fared quite well during the crisis. Household income has grown, but so have income inequalities and social benefits payments, a dimension that is not reflected in the NRP. The measures presented are mostly job-related, leaving aside the need for a better-adapted social security system, more evidence-based practices for services and early intervention.

Integrated programmes were created for recently arrived migrants. Their weaknesses (low level of coordination, slowness) are, however, not reflected in the NRP, as noticed by our member, the Association of Directors of Swedish Social Welfare Services. A long-term Strategy for the inclusion of the Roma 2012–2032 has been adopted. Several social benefits targeted at children and their families, including the most deprived, were increased in 2014, and an allowance financing leisure activities for children coming from households on income support will be introduced.

In the context of worsening performance in PISA results, which jeopardise young people's future chances in the labour market, strong emphasis has been put on preventing early school leaving, for instance by granting municipalities funding for homework help and a summer schools programme. Social partners and the government, with support across all parties, have taken steps to ease transition from school to the labour market, including the development of long-term skills and the introduction of financial incentives for employers recruiting 16–24 year olds.

The capacity of Public Employment Services (PES) to deal with current problems, especially youth unemployment, has been questioned. A review of the PES is expected and should propose paths for more interaction between PES and social services. Sweden has also introduced a 2014–2017 programme of employment in state-owned companies so that people with reduced working capacity due to functional impairment acquire practical work experience, with a priority given to young people. However, there seems to be a gap between the aim, i.e. the preparation to a regular job, and reality.

The Social Services Act was amended with a view to encouraging social assistance recipients to support themselves through work. As for access to health care, satisfaction of users has increased, with a system focusing on freedom of choice, accessibility and knowledge-based approaches.

In order to improve regional ownership of national programmes and EU-funded programmes, Sweden adopted a Strategy for regional growth for the period 2014–2020, which is characterised by the participation of all actors (local and national representatives) in the preparation of the future programming period of EU Structural Funds.

The Country-Specific Recommendations for 2014

ESN member welcomes the CSRs made to Sweden to take measures regarding youth employment, especially the ones non-registered at PES, the low-skilled and migrants.

Allocate specific resources for the development of preventive and activating services

Rationale: The Slovenian Centres for Social Work implement national policy. In addition, they organise preventive programs, depending on the social needs and state or local funding. They know the need for preventive programmes, but these need to be matched by adequate resources from national and local level, which is not always the case.

The National Reform Programme 2014

Legislation improved to allow for a simplification in calculating social assistance benefits and improve the situation of vulnerable groups such as single parents or large families. Changes include incentives and activation measures for benefits recipients. The National Social Assistance Programme 2013–2020 is an important document for the future of the social protection system. Social inclusion measures, including tackling early school leaving and youth unemployment, are combined in a state-approved, non-formal education programme aiming to help young NEETs to go back to school or acquire skills for employment. The Slovenian government counts on the 36 measures of its Youth Guarantee Implementation Plan to curb youth unemployment. Access to the labour market for vulnerable groups will be enhanced by the Active Employment Policy and the provision of relevant services.

A reform of the long-term care system will distinguish it from health care. Emphasis is on the systemic support and personal assistance brought to people with disabilities, along with activities aiming at their social integration. The NRP addresses two aspects related to older people. On the one hand, the financial sustainability and preparation of a public debate on the pension and disability insurance system after 2020; on the other hand, a new long-term care system, focusing on promotion and prevention, rehabilitation and the use of modern technologies.

The provision of public social services is characterised by several challenges, starting with cuts in public spending and social benefits. Financing at municipality level will undergo modifications aiming for more adequate spending. A reform of the long-term care system (see above), and its organisation, towards a comprehensive, cost-efficient and effective system, will take place at the end of 2014. Objectives include financial stability and an increase in the quality of life and services for those with reduced self-care capacity, with a priority given to home-based care. ESN member, the Association of Centres for Social Work in Slovenia, regrets that the deinstitutionalisation process has worryingly slowed down in the last years.

The Country-Specific Recommendations for 2014

The 2014 CSRs target youth unemployment, focusing on outreach activities for unregistered young people and increased public employment services capacity, as well as the need for effective and tailored active labour market policies. Slovenia was also invited to shift long-term care benefits to those most in need and speed up the transition from institutional to home care. As for social services' provision, the CSR is solely budget-oriented, whereas a clear need for a reorganisation of Centres for Social Work (CSW) was identified. CSW are Slovenian one-stop-shops providing financial assistance and legal information. They form the basis of public social services, together with retirement homes, social care facilities for people with disabilities, people with mental health problems and employment services.

Put in place appropriate impact assessments to ensure that vulnerable people are not disadvantaged as a result of the welfare reform measures being introduced.

Rationale: The recent welfare benefit changes are hitting the most vulnerable and there could be further pressures on council housing and adult/children social services departments if they fail to provide the opportunity for people to come out of poverty, attain employment and find affordable solutions to their housing needs. The implementation of the strategies is expected to be led by the local authorities and any outcomes and performance targets are linked to the National Spending Review formula and directly determine how much each Authority receives in government allocations. This level of funding has been reducing year on year and Councils are heading towards a significant void in funding by 2017/18.

The National Reform Programme 2014

Everywhere in the UK, an emphasis was put on prevention of homelessness, notably by tackling the root causes, fostering partnerships between local authorities and households (Scotland), and making housing more affordable. Prevention also prevails regarding child poverty. In England, a public consultation was launched on the draft Child Poverty Strategy for 2014–2017. In Scotland, a revised Strategy seeks three outcomes: maximising household resources, improving children's life chances and developing well-designed, sustainable places. Financial help, increased learning and care activities have been implemented, following the principle of early intervention and partnership. Initiatives across the UK are focused on the specific needs of each country. The provision of affordable, quality childcare services has shown progress in regards to previous years.

Youth measures focus on early intervention (prevention of drop-outs, guaranteed place in education or training for 16–19 year olds in Scotland) and employment sustainability through financial incentives ('Youth Contract' in England), better matching of skills and labour market needs, and the increased provision of apprenticeships and traineeship. This government priority has begun to show some results and there is a clear programme in place to deliver on the recommendations.

Personal advisers help unemployed people develop a plan to return to work (England). In Scotland, the employability framework 'Working for Growth' aims to support disadvantaged groups, while young people can benefit from subsidised training with the 'community job programme'. However, the place given in the NRP to this topic is insufficient, in a context of growing needs and, always rarer, less accessible jobs.

A reflection should occur regarding disability and mental health issues and their link to housing and worklessness, especially from a family point a view (link between child poverty and disabled parents, carers' issues).

The Country-Specific Recommendations for 2014

UK CSRs for 2014 insist on increasing housing supply, reducing child poverty in low-income households and improving childcare. There is a specific CSR on youth, focusing on addressing skills mismatches and skills improvement with a view to matching employers' needs. ESN members from the Association of Directors of Adult Social Services in England and the Scottish Association of Directors of Adult Social Work stress that a lot still has to be done towards the reduction of poverty, with welfare reforms hitting the most vulnerable at local level.

6. Social services priorities for the European Semester process

In the context of the **EU 2020 Strategy mid-term review**, ESN members⁷ were asked to assess which issues in public social services should be given priority by their countries in order to achieve the Europe 2020 Strategy targets in the field of social policy. Below is a summary of some of the most important issues raised.

1. Governance: regional differences, decentralisation and the role of local authorities

Challenges for public social services provision are in many cases related to the specific territorial organisation in each country. In Italy, regional disparities between Northern and Southern regions impact greatly on the quality of service delivery in all fields. However, this not just an issue for IT. There is a need to invest throughout the country, tackling regional disparities (IT, LV), and coordinating all governance levels (LV, DE, FR, PL, ES).

In some countries, such as FR and the NL, the decentralisation process will be a challenge in the future. The problem does not necessarily lie in the multiplicity of territories, but rather on the very high, confusing number of existing, overlapping measures (FR).

In some cases, local authorities have not been granted any fiscal levy that would allow them to shape their own social agenda (NL, PL). In other cases, local and regional authorities have not been actively involved in the design of some of the policies they are supposed to implement, or in drafting the NRPs (ES).

2. Strengthening institutional and professional capacity

In order to be able to face future challenges and improve the quality of social services provision, there is a need to reinvigorate the professionalisation of social services as a driver for reform and a key source of employment. There will be a need for strengthening institutional capacity (PL) and preventing staff shortages (LV, PL), notably regarding the improvement in the number of caretakers for children with disabilities (PL) and taking into account the very near retirement age of a high number of carers (DE). Skilled staff receiving continuous training and a competitive salary will be crucial to ensure the provision of quality, professionalised services in the long run. There may also be a need to change the image of jobs in the care area by making them more attractive.

3. Reinforcing the development of community-based services

Issues related to the deinstitutionalisation and the development of appropriate community-based services for children and people with disabilities are a particular priority in some countries (for example, BG and HR).

⁷ This analysis reflects the assessment made by the members of ESN's Reference Group on the European Semester. Each statement is accompanied by the abbreviation of the country's respective organisation.

4. Investing in effective preventative approaches

Public social services at local level highlight the need to focus on prevention and early intervention (HR, SE). The CSRs should find the right balance between efficiency and effectiveness (PL), considering public social services an investment and an opportunity rather than a burden or a cost.

5. Strengthening cooperation across sectors and stakeholders' involvement

Better provision of services could be reinforced through enhanced cooperation between sectors, particularly where similar projects may be financed by two different departments; for instance, through a shift to a horizontal, comprehensive and integrated approach (LV, BG), by implementing one-stop-shops (SI), or promoting ICT support (SE) while ensuring proper data sharing and harmonisation. The need for greater involvement of civil society and NGOs (LV, SI) was also highlighted.

The lack of involvement of the local level in the European Semester process has meant a weak implementation so far; hence EC's guidelines on stakeholders' involvement could possibly set the framework for greater involvement of local stakeholders at national level.

6. Improving monitoring and evaluation

Monitoring and evaluation of social policies and services will be key if we want to show the impact of structural funds and investments. There is a need for better indicators in the social field, as most indicators today relate to employment (HR). There should be guidance as to which indicators to use and which data should be collected for each indicator in order to allow for cross-comparisons. Members of the Reference Group reflected upon the creation of poverty risk index indicators as well as a better link between goals and the measures created to reach those goals.

7. Conclusion

The National Reform Programmes in the 15 countries in which ESN has monitored the European Semester in 2014 have given priority to “tackling unemployment and the social consequences of the crisis and strengthening the efficiency and financial sustainability of social protection systems” (Annual Growth Survey 2014) at various levels. Overall, though, social public services have not been a priority and the range and importance of their role in society has not been satisfactorily captured. The priority is labour market reform with the aim of creating jobs to reduce high unemployment levels. When services are mentioned, this is mainly to ensure access to the labour market (for example, affordable early childcare so that women can enter the labour market) or to open up services to support growth.

However, employment is not the only improvement that should be made in people’s lives. Social public services should be supported in their specific efforts to enhance people’s well-being (not only as a means to access employment), be it to help people with disabilities or mental health issues to live independently, making sure older people live in dignity and receive adequate care or supporting the better provision of childcare services. This type of investment in human’s capital is key in order to enhance the effectiveness of social policies to support growth. There are a number of recurring themes across the countries analysed, such as the dominance of economic and financial issues at the expense of social issues, as well as the lack of balance between the priorities of tackling unemployment and addressing the broader social impact of the crisis, which receives much less attention.

Social services are mostly looked at in relation to employment, whilst disability or mental health issues are invisible in the NRPs despite their social costs and impact on labour market participation. Finally, a lack of consultation on the NRPs with regional and local government has been identified, despite the recommendations made by the European Commission in the Annual Growth Survey 2014 to involve national parliaments and sub-national authorities in the European Semester process.

Europe 2020 Strategy (or EU 2020 Strategy) and targets

The EU's ten-year growth and jobs Strategy, launched in 2010. It revolves around **five headline targets** covering employment; research and development/innovation; climate change/energy; education, and social inclusion/poverty reduction. It is supported by **seven flagship initiatives** in the fields of innovation, the digital economy, employment, youth, industrial policy, poverty and resource efficiency. *See also The European Platform Against Poverty and Social Exclusion* (below)

European Semester

Cycle of economic policy coordination among Member States. National targets set by Member States in the context of the EU 2020 Strategy feed into the European Semester process. Please see separate page on European Semester.

Social Investment Package (SIP)

Integrated policy framework published in 2013 as a response to the crisis and demographic changes, followed up in the context of the European Semester. The SIP guides EU countries in using their social budgets more efficiently and effectively to ensure adequate and sustainable social welfare systems; seeks to strengthen people's capacities; focuses on integrated packages of benefits and services; stresses prevention and calls for investing in children and young people to increase their life opportunities. It is accompanied by the Recommendation 'Investing in children: breaking the cycle of disadvantage', together with other non-binding documents on long-term care, active inclusion, homelessness, health and the European Social Fund (ESF).

EU 2020 Strategy indicators

They are used to measure the progress towards EU 2020 Strategy headline targets. Among them, four relate to poverty and social exclusion: people at risk of poverty or social exclusion; people living in households with very low work intensity; people at risk of poverty after social transfers; severely materially deprived people⁸.

The European platform against poverty and social exclusion

One of the seven flagship initiatives of the EU 2020 Strategy aiming to help Member States meet the poverty target.

Country-Specific Recommendations (CSRs)

Individual recommendations given to Member States in the context of the European Semester. Their content varies according to the challenges and priorities identified in each country by the Commission services. They are drafted by the European Commission and adopted by Member States in the Council in June. The accompanying **Staff working document (SWD)** develops the issues raised in the CSRs as well as other issues which appeared when assessing a country's national programme.

Staff working document (SWD)

See Country-Specific Recommendations

National Reform Programmes (NRPs)

Document drafted by the Member States, presenting its policies and measures to reach the EU 2020 Strategy targets. The NRP is presented in parallel with the Stability or Convergence Programme⁹, which sets out the country's budgetary plans for the coming three or four years.

⁸ Complete definition and options are available in the Eurostat database under the "Europe 2020 indicators" tab.

⁹ Stability Programmes are submitted by euro area Member States, while Convergence Programmes, which also contain monetary strategies, are submitted by non-euro area Member States.

EU 2020 Strategy mid-term review

Event scheduled for 2015 and for which a public consultation was launched in May 2014 (open until 31 October 2014). Objectives of the consultation are to draw lessons from the first four years of the EU 2020 Strategy and provide evidence for the mid-term review.

Annual Growth Survey (AGS)

The AGS launches the European Semester. It is the first step of the cycle. It sets out the broad EU economic priorities for the year to come, based on the analysis of the economic and social situation in Europe.

Alert Mechanism Report

It is the starting point of the macro-imbalance procedure (an economic surveillance procedure). Based on a scoreboard of indicators, it is a filter to identify countries and issues for which a closer analysis (in-depth review) is deemed necessary.

Stability and Growth Pact

Framework for the coordination of national fiscal policies in the EU, established to safeguard sound public finances. The prevention side is ensured by the analysis of Member States' medium-term budgetary plans (the "stability" or "convergence" programmes), while the corrective aspect is made operational by the **Excessive Deficit Procedure** (EDP).

Excessive Deficit Procedure

Process through which Member States try and correct excessive deficits, defined by the Treaty as 3% of deficit to GDP and 60% of debt to GDP. Currently, 11 Member States are subject to the EDP (there were 24 in 2011).

Stability and Convergence Programmes

See Stability and Growth Pact; National Reform Programme.

ANNEX

Social investment in 2014 Country-Specific Recommendations (CSRs) as proposed by the European Commission*

Member State	Improving simplicity, adequacy or coverage of unemployment benefits/social assistance and linking to activation	Efficient and effective social transfers (children, families, older people or improving incentives for the working age)	Activating policies for those furthest from the labour market	Investing in ECEC or child/family support services	Access to health care	Improving long-term care services and cost-effectiveness	Inclusive education and educational support or early school leaving
Belgium							
Bulgaria							
Czech Republic							
Germany							
Spain							
Finland							
France							
Croatia							
Italy							
Latvia							
Netherlands							
Poland							
Sweden							
Slovenia							
United Kingdom							

* In the 15 countries represented in this report

Useful resources

The European Commission's dedicated webpage on Europe 2020, with targets and national profiles

http://ec.europa.eu/europe2020/index_en.htm

All Country-Specific Recommendations and National Reform Programmes

http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_en.htm

Q&A on Country-Specific Recommendations

http://europa.eu/rapid/press-release_MEMO-14-388_en.htm

Social protection and social inclusion in the context of EU 2020 and the European Semester

<http://ec.europa.eu/social/main.jsp?catId=750>

All Europe 2020 indicators and targets, by country

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Category:Europe_2020_indicators

The Social Investment Package and accompanying documents

<http://ec.europa.eu/social/main.jsp?catId=1044&langId=en&newsId=1807&moreDocuments=yes&tableName=news>

Notes:

A series of horizontal dotted lines for writing notes.



This ESN report is based on views from members of our Reference Group on the European Semester; they analysed the National Reform Programmes and the European Commission's Country-Specific Recommendations for 2014, with the view to identify social policy priorities for the 2015 cycle.

The Reference Group was launched in September 2014 and brings together ESN members from 15 countries. It aims to make social issues and the challenges faced by public social services at local level visible in the framework of the European Semester cycle of economic and social policy coordination that takes place among Member States.

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