

Social Services Europe

Response to the Social Investment Package



TABLE OF CONTENTS

INTRODUCTION.....	3
KEY MESSAGES.....	4
I. OPPORTUNITIES FOR PARTNERSHIP.....	5
II. WAYS OF IMPLEMENTING THE SIP.....	5
The Structural and Innovation Funds.....	5
The European Semester.....	6
A Partnership Approach.....	6
III. RECOMMENDATIONS.....	10

Social Services Europe brings together nine Europe-wide networks of not-for-profit providers of social and health care services who each have a track record in providing value-driven services for the most vulnerable in our societies. The network aims to strengthen the profile and position of social services, and promote the role of not-for-profit social service providers in Europe. For more info:

www.socialserviceseurope.eu

INTRODUCTION

Social Services Europe represents 100,000 social and health services active across Europe promoting social inclusion and social cohesion. The sector, employing 10% of the EU workforce, has a long-term commitment to vulnerable people and is constantly searching for innovative and cost effective solutions to providing services.

The Social Investment Package (SIP) “*Towards Social Investment for Growth and Cohesion*” launched by the EU Commission in February 2013¹ represents an important paradigm shift in European social policy. It promotes a life-cycle approach to social investment, recognising the vital role that social welfare provision plays at key points in the lives of individuals through helping them to confront life’s risks and cope with key transition points.

As a network of social service providers, we believe that the substance of the package represents a fundamental and positive re-orientation in the way that the EU and its Member States approach social policy. We welcome the fact that the package calls on Member States to regard social policy as a social investment that yields important economic and social returns over time.

However, Social Services Europe believes that there is a clear contradiction between the EU’s simultaneous promotion of social investment and austerity as appropriate policy responses in a period of economic crisis, as well as its promotion of conditionality in relation to access to benefits and services.

Social Services Europe is also concerned that the overall orientation of the SIP appears to be towards employment rather than social rights or wellbeing. However, in general, we welcome this agenda and offer to ‘partner’ with the European Commission over the coming years in order to ensure that the initiatives in the SIP are fully and effectively implemented by Member States.

Social Services Europe believes that the launch of the SIP should be the first step in a longer-term strategic process of better integrating and re-balancing social and economic governance in the European Union. We believe that this package should feed into the discussions around the social dimension of economic and monetary union and the European Semester process.

The effective implementation of the ambitious objectives of the SIP at the level of Member States is critically important. There are several mechanisms open to the European Commission in this regard. One of the most important of these is the development of a partnership approach with social service providers.

This paper presents Social Services Europe’s recommendations on the implementation of the SIP and outlines reasons and opportunities for a partnership approach.

¹ [Communication from the Commission: Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020](#). For ease of referencing we only refer to the framework communication here but the Social Investment Package is made up of a number of different documents.

KEY MESSAGES

ONE – Social Services Europe welcomes the launch of the SIP. It reflects an important paradigm shift in relation to European Social Policy

TWO – As legal competence for social policy largely rests at the level of Member States, the effective implementation of the SIP will to a great extent depend on:

- (i) The co-operation of national and local governments,
- (ii) The appropriate use of the EU Structural and Innovation Funds,
- (iii) The governance process of the European Semester
- (iv) A partnership approach with social service providers at EU, national and local level.

THREE – Social Services Europe believes that it can be a key partner to the European Commission in designing and implementing policies covered by the SIP. We believe that a close working partnership between the Commission and social service providers will maximise the impact of the SIP at the level of Member States. Social Services Europe has expertise to offer the Commission across a wide range of areas including social innovation, the potential for job creation in the social service sector, the development of indicators relating to social service use and outcomes, mapping poverty across Europe, examining new financial instruments and other aspects of the Social Business Initiative (SBI).

I. OPPORTUNITIES FOR PARTNERSHIP

Social Service providers play a key role in policy development, implementation, monitoring, evaluation and innovation where social services are concerned². The main Communication of the Commission on the Social Investment Package recognises this fact when it states “non-profit organisations provide social services on a substantial scale. These range from homeless shelters, support for the elderly, people with disabilities, to advice centres on social benefits in general”³. Despite this fact, the ability of providers to effect real social change can sometimes be overlooked at a political level.

Social Services Europe believes that it has an important role to play as a key partner of the EU Commission in ensuring that the SIP is properly implemented at the level of the Member States. Whilst acknowledging that the scope of the SIP is very broad, we have a particular interest in assisting the Commission to progress the objectives of the SIP in the following areas:

- Social innovation in the social service sector
- Job-creation potential and the promotion of quality employment in the sector
- Social dialogue in the sector
- Assessing the impact of the EU’s Internal Market on the organisation of social services at a national level
- Implementing Europe 2020 at national level
- Using the EU’s Structural and Investment Funds to support the implementation of the SIP
- Identifying stable future funding systems for the social service sector.
- Delivering progress on the thematic priorities of the SIP covered by the annexes to the Communication such as child poverty, active inclusion, and homelessness

II. MAIN WAYS OF IMPLEMENTING THE SIP

Given that legal competence for social policy largely rests at Member States’ level, the effective implementation of the SIP will, to a great extent, depend on the co-operation of national and local governments, the appropriate use of the EU Structural and Innovation Funds, the governance process of the European Semester and a partnership approach with social service providers at EU, national and local level.

Social Services Europe suggests the following ways of implementing the SIP:

The Structural and Innovation Funds:

Social Services Europe understands that the EU’s Structural and Innovation funds are not unlimited and are directed at the achievement of a range of different objectives. However we believe that these funds should be used, in as far as possible, to support the implementation of the SIP. The new European Programme for Social Change and Innovation (EUPSCI) to be launched in January 2014 should be used build a strong partnership between the European Commission and the social services sector to support Member States in their efforts to implement the SIP, as should the existing European Social Fund (ESF).

The impact of EUPSCI could, for example, be optimised by ensuring that public authorities are not the only eligible lead partners in funding calls but that civil society organisations may also be eligible in partnership with public authorities.

Social Services Europe calls for a strong ESF, with the ring-fencing of 25% of the overall cohesion

² http://www.socialserviceseurope.eu/images/SSE_EP121009_meetingreport.pdf

³ [Communication from the Commission: Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020](#), pg 5

budget for the ESF, and 20% of this to be used for social inclusion measures. We also call for the ESF to promote innovative service models and that the new legal framework should facilitate the development of community-based services as alternatives to large segregating institutions. The Commission must work to ensure that the partnership principle and the ex-ante conditionality are upheld and that Member States involve civil society organisations at all stages of the ESF process.

The European Semester:

The European Commission can exploit the potential of the European Semester to promote and reinforce the priorities of the SIP. The Annual Growth Survey (AGS), the National Reform Programmes (NRP's) and in particular the Country Specific Recommendations (CSR's) can all be used to encourage implementation of the SIP and to reinforce its key messages.

The AGS should highlight the essential role played by social and health services mitigating the social impact of the crisis, the negative impact of cuts to these sectors and the need to continue investing in them as part of a broader social investment approach. The CSRs should address the negative impact of cuts to social and health services and recommend that Member States ensure austerity measures do not adversely impact on access to quality social services, avoiding the negative social and economic impacts that such measures cause. The CSR decision-making process should also involve adequate input from the Social Protection Committee (SPC) in order to support a sufficient representation of social CSRs annually, particularly those reflecting the priorities of the SIP.

As part of the Joint Assessment Framework (JAF), CSRs tend to be informed by monitoring on the basis of comparable indicators agreed at EU level, (i.e. those used as part of the EU Survey on Income and Living Conditions -SILC). Unfortunately there are no agreed, official, EU-level indicators for some of the priority areas highlighted by the SIP (e.g. homelessness). However, the JAF includes the following commitment: *“Social inclusion of groups at special risk and antidiscrimination - As part of integrated guideline 10: we will assess to what extent specific social inclusion and anti-discrimination measures in place help reducing poverty among groups most at risk from social exclusion such as minorities including the Roma, people with disabilities, legal migrants, the homeless”* and *“The social inclusion of vulnerable groups will be monitored on the basis of national indicators in the context of the qualitative assessment”*⁴. Social Services Europe calls on the EU Commission to ensure that the commitment within the JAF to monitoring the social inclusion of vulnerable groups on the basis of national data is honoured where SIP priorities are concerned for which no agreed official EU-level indicators exist, and where the formulation of social CSRs would be appropriate.

Many of the issues covered by the SIP should also be addressed within the European Platform Against Poverty (EPAP). Social Services Europe calls for all of the initiatives originally announced by the Commission as part of the EPAP to be fully implemented.

A Partnership Approach involving Social Service Providers:

Social Services Europe believes that there are many policy proposals highlighted by the SIP where the EU Commission would benefit from 'partnering' with social service providers in order to ensure proper implementation at Member State level.

The following is not an exhaustive list but provides examples of the kind of partnership approach Social Services Europe calls for:

1. One of the SIP's priorities listed in the main Communication is *'Pursuing activating and enabling policies through more effective support'*. Under this heading, the Commission has committed itself to *“inform people of social rights through user-friendly **Social Protection***

⁴ <http://register.consilium.europa.eu/pdf/en/10/st16/st16984-ad01.en10.pdf>

Guides, to “produce a **Directive to prevent discrimination to reduce obstacles to mobility of workers**”.

Social Services Europe believes that the Commission can benefit from consultation with social service providers to identify the needs of different target groups with whom they work. In this way, the proposed Social Protection Guides and the Directive can be designed to respond most effectively to the diversity of needs that exist. This is particularly important as people increasingly take advantage of their rights to free movement within the EU and may end up in vulnerable situations in a country that is not their country of origin.

2. The Commission has committed itself within the main SIP Communication to “provide guidance to Member States on how to promote **social innovation** using the European Structural and Investment Funds”.

In order to capitalise on the expertise and experience of social service providers in innovating in their sector⁵, Social Services Europe should be consulted as a source of expertise on social innovation, and social service providers should be involved as partners in the accumulation, consolidation and dissemination of knowledge.

Social Services Europe should be supported in playing a strong role in identifying social needs that could be addressed through social innovation. We should be fully engaged as stakeholders in the Social Innovation Europe initiative.

Social Services Europe could facilitate the exchange of best practices between national social service providers and develop strategies to allow for scaling up and continued transnational transfer of effective approaches. The Horizon 2020 programme could be used to finance research in the field of social innovation in service provision.

3. The Main Communication on the SIP and many of its supporting documents identify the issue of increased employment as one of the major returns on social investment. However, little is said about the **job – creation potential of the social service sector itself**, with the exception perhaps of Personal and Household Services (PHS)⁶, where there is an unfortunate tendency on the part of the Commission to conflate the two different kinds of services such as care services and comfort services.

Social Services Europe believes the Commission needs to develop a clear strategy on Employment in the social services sector in partnership with the sector itself that builds on its positive economic growth during the past decade, utilizes its further growth potential and therefore contributes to implementing the Active Inclusion Strategy promoted by the SIP.

This strategy could be modelled on some of the work done by the European Workforce for Health initiative, which has dealt with a range of issues that are also applicable to the social services sector. The Social Services Europe reflection paper on “The Employment Potential in Social Services”⁷ also makes a range of proposals on the development of the employment potential of the sector:

- a. Expand the range of recruitment, to attract new groups of people to the sector, such as male workers, young people and recent graduates;
- b. Raise the profile of carers and the professional status of the social care sector in Europe;

⁵ <http://www.socialserviceseurope.eu/publications/item/34-briefing-on-social-innovation-in-social-services>

⁶ http://www.socialserviceseurope.eu/images/Social%20Services%20Europe%20072012%20PHSConsultationposition_new.pdf

⁷ <http://www.socialserviceseurope.eu/publications/item/32-reflection-on-employment-potential-in-social-services>

- c. Support the creation of vocational training courses and qualifications for careers in social services. The European Qualification Framework could also play a key role in ensuring that there are common references and teaching standards across the various EU Member States. Better coordination between educational and employment policies will allow students to be better prepared for those professions that will be available once they are ready to enter the job market.
4. Social Services Europe also highlights the need to improve **working conditions in the social service sector** in order to attract people to work in the sector. Issues such as the ageing of the sector's workforce, the pre-dominance of female employees, the need for quality training, the development of career options and the cross-border recognition of carers' qualifications will all need to be addressed in the near future to ensure a useful wider investment approach.

Social Services Europe is linked to the EU- funded PESSIS⁸ project that explored the possibility of developing instruments of social dialogue for the social service sector at a European level. There is considerable scope for Social Services Europe to work in partnership with the EU Commission to facilitate processes of social dialogue for the social service sector to emerge at EU level.

5. The Main Communication of the SIP also refers to the development of **new financial instruments** (e.g. micro-financing and, more importantly, social impact bonds). The latter instrument reflects a new approach to achieving social objectives, which is not uncontroversial. Social Services Europe believes that it is important for social service providers to be involved in consultation processes surrounding the development of these new instruments to help ensure social impact bonds will not promote a relatively short-term, for-profit approach to the delivery of social care services

Social impact bonds may attract private sector providers into the sector who will be inclined to skim or cherry-pick service users best able to benefit from such approaches. Service users with longer-term, complex and more resource-intensive social needs may be left to the care of traditional not-for-profit social service providers.

There is some evidence to indicate that Social Investment Bonds can be effective in very specific areas which are not being properly addressed by current policies, and which lead to a real cost to the public purse. Private investors tend to be attracted by the financial return guaranteed by public authorities, based on achieving a set of pre-determined results. It is important to ensure that social service providers are involved in developing, monitoring and evaluating the operation of these bonds however, in order to guarantee that the welfare of vulnerable individuals guides the process, rather than profit-making considerations dominating.

6. The main Communication of SIP also commits to promoting a 'sharing of knowledge' by establishing a **knowledge bank** with Eurofound on good practices and the development of poverty maps. Social Services Europe believes that the systematic involvement of social service providers in contributing data and expertise to the knowledge bank will be essential, if it is to accurately reflect the economic and social conditions of various vulnerable groups across the European Union, in addition to identifying best practice.

⁸ <http://www.socialserviceeurope.eu/peisis>

7. The Commission's Staff Working Document '*Evidence on Demographic and Social Trends: Social Policies Contribution to Inclusion, Employment and the Economy*' highlights problems with the timeliness of data and the need for better indicators. In particular, the need for **new indicators** is highlighted to measure in-kind benefits (ie services), the dynamics of poverty and exclusion and extreme poverty. The "*SIP Staff Working Document; Follow-Up on the Implementation of the Active Inclusion Recommendation of 2008- Towards a Social Investment Approach*" also mentions the further development of indicators by the SPC with an emphasis on services, especially healthcare, child care and housing.

Social Services Europe believes that it will be essential for social service providers to become involved in the development of these indicators, especially where they are designed to measure issues such as access to, use of, and outcomes related to use of social services.

8. Social Services Europe believes the Commission should develop a **Roadmap** to ensure the effective implementation of the package, including the relevant CSWD, over the coming years. There should be an integrated set of proposals similar to those submitted by the Ad Hoc Group of Child Poverty networks earlier this year concerning the implementation of its Child Poverty Recommendation "*Investing in Children- Breaking the Cycle of Disadvantage*", which forms part of the SIP package⁹.

These proposals should take into account the need to involve all stakeholders – local, regional and national governments, civil society organisations, the private and third sectors, people experiencing poverty etc.

Social Services Europe's recommendations regarding the implementation of the SIP are listed on the following two pages

⁹ <http://www.caritas-europa.org/module/FileLib/EUNetworksCommonProposalsforCPWRecommendationImplementation.pdf>

III. RECOMMENDATIONS

Social Services Europe is fully committed to playing a key role in supporting the implementation of the SIP. We recommend the development of a partnership approach with social service providers to ensure our expertise and knowledge are fully utilized.

Social Services Europe makes the following recommendations:

Instrument	Social Services Europe's recommendations
Structural Funds and Innovation	<ul style="list-style-type: none"> • The design and operation of the new EUPSCI Programme should support the implementation of priorities identified by the SIP. • The impact of EUPSCI should be optimised by ensuring that NGOs are also eligible lead partners in funding calls, in partnership with public authorities. • There should be a strong ESF Fund with the ring-fencing of 25% of the overall cohesion budget, and 20% of this should be used for social inclusion measures. • The Commission must work to ensure the partnership principle is upheld and that Member States involve civil society organisations at all stages of the ESF process.
European Semester	<ul style="list-style-type: none"> • The Annual Growth Survey, the National Reform Programmes and the Country Specific Recommendations should be used to encourage implementation of the SIP and to reinforce its key messages. • The Annual Growth Survey and CSRs must reflect the essential role of social and health services in mitigating the social impact of the crisis and call for them to be protected as part of promoting a broad social investment approach. • In the absence of agreed, official, EU- level indicators for some of the priority areas highlighted by the SIP (e.g. homelessness), greater flexibility is called for so that these priority issues can be addressed within the CSRs. • Initiatives that the Commission announced in the EPAP, and which are also mentioned in the SIP must be implemented.
A Partnership Approach	<ul style="list-style-type: none"> • The Commission should consult with social service providers to identify the needs of different target groups with whom they work in order to ensure that the user-friendly Social Protection Guides referred to within SIP, and the Directive to prevent discrimination to reduce obstacles to mobility of workers best reflect the diversity of needs that exist. • Social Services Europe should be consulted as a source of expertise on social innovation, involved as partners in the accumulation, consolidation and dissemination of knowledge

	<p>around social innovation, and fully engaged as stakeholders in the Social Innovation Europe initiative.</p> <ul style="list-style-type: none"> • Social Services Europe should be supported in facilitating the exchange of best practices between national social service providers and in developing strategies to allow for scaling up and the continued transnational transfer of effective approaches. • The Horizon 2020 programme should be used to finance research in the field of social innovation in service provision. • The Commission should develop a clear strategy on Employment in the social service sector, in partnership with the sector itself. This should build on the positive growth of the sector over the past decade and its further growth potential as a result of an ageing EU population and in view of the full implementation of the Active Inclusion Strategy promoted by the SIP • The Commission should work in partnership with social service providers to facilitate processes of social dialogue for the social service sector to emerge at EU level. • The European Commission should consult closely with Social Services Europe in relation to the development of new financial instruments proposed by the SIP (e.g. micro-financing and social impact bonds) • Social service providers should be systematically involved in the development of a knowledge bank with Eurofound on good practices and the development of poverty maps, which has been proposed by the SIP. • Social service providers should be centrally involved in the development of new indicators called for by the SIP aimed at measuring in-kind benefits (ie services) and the dynamics of extreme poverty and exclusion, in partnership with other bodies such as the SPC. • Social service providers should be involved in developing a set of integrated proposals (i.e. Roadmap) for the comprehensive implementation of the SIP over the coming years in partnership with the European Commission and civil society organisations. These proposals should take into account the need to involve all stakeholders – local, regional and national governments, civil society organisations, the private and third sectors, people experiencing poverty and other actors in the implementation of the SIP.
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