Boosting Social Inclusion in Spain

IMPROVING PATHWAYS AND CO-ORDINATION OF SERVICES

OECD

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BETTER POLICIES FOR BETTER LIVES

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Foreword

Social protection systems aim to protect individuals against concrete social risks, such as periods of unemployment or health problems. They provide a range of public services, from healthcare to childcare, as well as labour market and social inclusion programmes. However, people experiencing social exclusion are not a homogeneous group. They also often face multiple difficulties at once, making social and labour market integration a challenge. When applied in isolation and without co-ordination with other policies, individual policies are less effective than integrated services or packages combining cash benefits and social integration pathways. Social and labour market inclusion pathways often emphasise the need to go beyond single support measures provided in isolation.

Social inclusion in Spain is facing many challenges in addressing the multiple needs of those at risk of poverty and social exclusion. Social inclusion programmes tend to lack both human and financial resources to develop individualised pathways and focus on prevention. As social inclusion remains part of regional responsibility in Spain, there are also inequalities in access to good-quality services that meet the needs of support seekers. Co-ordination challenges between different actors do not facilitate the provision of a continued range of support measures.

This report examines the specific barriers or markers individuals at risk of social exclusion face in Spain. It also analyses the current service provision framework and signals shortcomings in Spain's current approach to – and the current benefits of – social inclusion.

The report discusses recommendations for the central government, as such, and for its co-ordinated action with regions. In particular, the report discusses recommendations to strengthen the take-up of the national minimum income programme for eligible households.

Reflecting the decentralised nature of social inclusion provisions in Spain, policy options are suggested for a more coherent approach to inclusion in needs assessments and service co-ordination. This will require a consensus among key stakeholders, such as regional authorities and public employment services.

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The project benefitted from input to policy questionnaires, discussions, virtual meetings and technical workshops with a wide range of stakeholders between March 2022 and March 2023, including stakeholders from regional social services and employment services; representatives of municipalities and provinces in Spain; national and international experts; and representatives of the Third Sector in Spain, such as Caritas, Cruz Roja, Fundación Secretariado Gitano, Hogar Si and Save the Children.

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Executive summary

With an income poverty rate of 14.7%, higher than the OECD average, Spain grapples with serious issues of economic hardship and social exclusion. It has the fifth-highest child poverty rate among OECD countries. Moreover, nearly 27% of working-age Spaniards also face poverty or social exclusion, one of the highest rates in the European Union. They encounter numerous challenges: 28% are long-term unemployed, close to 40% have low education, 30% struggle to properly heat their homes, and over 70% suffer severe material deprivation without income support.

The introduction of the national minimum income scheme Ingreso Mínimo Vital (IMV) in 2020 aimed to ensure a common accessible income floor to promote social inclusion across the country. Previously, different regions or autonomous communities (AACC) operated minimum income schemes with different durations, amounts and eligibility conditions, making transferring such rights across the country challenging. Regions are still operating their own schemes, mostly as supplemental income or as a complement for groups not covered by the IMV.

However, coverage rates of both the national IMV and regional minimum income programmes remain low in many regions. With respect to the IMV, only 40% of the eligible population is estimated to receive the benefit, with rates varying across the country from 25% in Cataluña to 59% in La Rioja. Rates of takeup of regional minimum schemes were also below 100% except in Navarra and the Basque country and were generally not higher than 50% in many regions.

The application process for minimum income schemes is frequently complex, not tailored to the digital abilities and resources of the potentially eligible population and lacks accessible administrative support to complete the process. The IMV initially had long wait times (which have improved over time), and it is estimated that 70% of applications received a negative response because applicants did not meet the criteria or did not provide adequate documentation.

Regional and local authorities remain responsible for other social inclusion policies, such as social services, with wide variations in the concepts and implementation of inclusion policies across regions. Only 11 of the 17 regions develop inclusion itineraries for regional minimum-income beneficiaries. While for IMV recipients, such itineraries are foreseen in the legislation, they are not implemented in practice unless individuals are also receiving regional benefits. Also missing is a multi-dimensional approach to social inclusion that covers the most relevant interventions and policy areas: 13 out of the 17 regions do not cover services in all dimensions of exclusion.

In recent years, there has been an aim to enhance co-ordination between social and employment services, evidenced by the development of multiple pilot projects in this area throughout Spain. While this is a positive move forward resulting in a more integrated approach of inclusion, analysis shows that other key areas, such as housing, health, or care policies, are much less integrated with the actions and programmes developed by social services.

Vertical and horizontal co-ordination mechanisms remain limited in Spain. In most AACC, regional government departments in charge of social services remain the main actors in charge of inclusion policies, but they lack support from other public actors. Only five regions have both multi-disciplinary teams and the

structured involvement of the third sector, i.e. non-governmental organisations. Data sharing, as well as the interoperability of systems, both between government departments and between regional and local governments, is still underdeveloped.

Policy options to strengthen social inclusion and minimum income support

To strengthen social protection for those at risk of poverty, Spain should consider reforms to improve its minimum income framework's outreach and accessibility. Potential options include simplifying eligibility criteria and application processes, launching informational campaigns and exploring automatic notifications to potential beneficiaries identified through tax data.

Spain should also consider widening access to minimum income benefits for currently excluded groups and modifying the income criteria to a more timely measure. Automating parts of the application process, improving user-friendliness, and providing more applicant support could also be considered.

To enable more personalised support, Spain should consider improving needs assessment and service co-ordination. Testing profiling methods to assess minimum income recipients' employability and automating assessment using application information may be options. Spain could explore establishing structured referral mechanisms like service access protocols or joint regional/local interventions. A framework for co-operation among public service providers, particularly employment and social services, could provide tailored, comprehensive support across different care services. More co-ordination with health, education, housing, and other areas may help address beneficiaries' circumstances. Other possibilities include developing information technology infrastructure for data sharing between national, regional, and local levels and exploring interoperability solutions.

To facilitate and reward labour market integration of minimum income beneficiaries, Spain could improve the work incentive measure introduced for national minimum income (IMV) recipients. The work incentive introduced by the Spanish Government in 2023, allowing IMV recipients to cumulate the benefit with work income, has a significant effect for very low earners (i.e. those who work few hours) and those with children. The incentive is smaller for full-time workers, reflecting the assumption that IMV recipients will choose a full-time job (even paid at the minimum wage) rather than receive the IMV, which may not always be the case. Regions could tailor conditionality levels and employment/social support services to individual circumstances. Supporting intra-regional geographical mobility should also be part of a strategy to help beneficiaries exit income protection schemes.

1 Main characteristics of socially excluded in Spain

This chapter briefly discusses the concept of social exclusion and recalls its multidimensional nature. It presents data on the different population groups living in Spain that can be considered as socially excluded and characterises them in terms of the barriers to social inclusion they face and other socio-economic characteristics. The approach presented in this chapter can serve as a tool for designing holistic social inclusion programmes and informing policy choices and priorities.

1.1. Social exclusion is multidimensional and complex

The fight against poverty and exclusion is at the heart of OECD countries' social policy agendas. Similar goals appear in the European Union agenda, for example, through the European Pillar of Social Rights and the United Nations objectives in many of its Sustainable Development Goals (e.g. SDG 1, 2, 3, 4, 5, 8 and 10). To move toward lasting reduction of poverty and social exclusion, countries have put in place social protection systems, like protecting individuals from concrete social risks like unemployment or health problems; they provide public services, like public education, health or childcare; and they develop and maintain social and labour inclusion programmes. While some circumstances and policy responses can be identified (such as minimum pensions for asset-poor seniors), individuals facing social exclusion are not a homogeneous group. They frequently confront multiple difficulties simultaneously, complicating social and labour market integration efforts. When applied in isolation and with no co-ordination with other policies, single policies are less effective than integrated services or packages combining cash support and social integration pathways to tackle these cases. However, to design and implement these multidimensional policies, policy makers should precisely identify priority issues to address and target groups needing support.

The concept of social exclusion, as used in this report, is relatively recent in the literature. It has only gained traction over the last two decades. Originally devised in 1970s France (Lenoir, 1974[1]), the term referred to individuals who were not covered by traditional social safety nets. However, the concept only started to be used more broadly, both in the literature and policy discourse, in the late 1990s. Specifically, the European Union's decision to put social exclusion at the heart of its social policy agenda at the 2001 Lisbon Summit marked the onset of a much stronger focus on social exclusion. More recently, the 2010 Common European Plan for Europe 2020 and the work done by the European Union's Social Protection Committee (European Commission, 2015[2]) have continued to place social exclusion front and centre.

Social inclusion policies gained additional significance with the European Pillar of Social Rights (EPSR) proclamation in 2017. This agenda places labour markets and social protection systems as the cornerstone of a well-functioning society and at the heart of the fight against poverty and social exclusion. The EPSR involves 20 core principles which detail goals to be achieved under the framework. Ten of these principles ascribe a key role to social services in combatting social exclusion.

The concept of social exclusion moves away from a sole focus on monetary poverty as the main metric to assess the inclusive potential of a society. The main criticism of relying only on monetary poverty[1] to measure exclusion is that it fails to capture the multidimensional and dynamic nature of the inclusion barriers individuals might face (Saraceno, 2001[3]). In line with this criticism, most definitions of social exclusion incorporate the following elements (Bak, 2018[4]):

- **Multidimensionality**: Social exclusion includes income, poverty and other aspects that capture an individual's level of vulnerability. For example, an individual might suffer from mental health problems and have an insufficient income.
- **Dynamics**: While the level of monetary poverty can change significantly from one year to another, social exclusion tries to capture the underlying factors that predict an individual's vulnerability over a longer period of time. For example, a low level of education increases one's risk of falling into poverty more broadly, even if one is not poor in a given year.
- **Non-participation**: Social exclusion tries to gauge an individual's ability to participate broadly in society and the activities a society deems relevant. For example, the long-term unemployed might not be able to fully participate in social activities due to their isolation.
- **Multi-level**: Social exclusion is defined on the level of the individual but relates to factors beyond the individual level, such as households, communities and societal institutions. For example, the Roma population in Spain face inclusion barriers as a community that exceeds individual-level characteristics.

Despite agreement on the main factors integral to the concept of social exclusion, there is no agreed definition in the literature. One of the most popular definitions, which attempts to encompass the various factors pointed out by authors on the topic, comes from Levitas et al. (2007, p. 25[5]):

> *Social exclusion is a complex and multidimensional process. It involves the lack (or denial) of resources, rights, goods and services and the inability to participate in the normal relationships and activities available to the majority of people in a society, whether in economic, social, cultural or political arenas. It affects both the quality of life of individuals and the equity and cohesion of society as a whole.*

1.2. Social exclusion is high in Spain according to several definitions and indicators

Moving beyond theoretical concepts, evidence-based policy requires measuring, quantifying and characterising poverty and social exclusion affecting those needing concrete support. This is challenging since individuals and families experiencing exclusion must be profiled across many aspects. There are different ways to develop a set of measurable indicators that make it possible to assess the level of social poverty and exclusion in society. These indicators try to operationalise the multidimensional nature of social exclusion by measuring its different aspects. This section puts the different concepts of social exclusion into practice by comparing three definitions of social exclusion and attempting to identify socially excluded people using the information available in the European Union Statistics on Living Conditions and Income (EU-SILC) survey (see Box 1.1 for details about why EU-SILC was selected for this analysis).

Box 1.1. Choice of data sources to measure social exclusion in Spain

The analysis of disadvantaged populations, aimed at orienting concrete policy responses, must rely on good-quality information. Since the concept of social exclusion is large, the data source used to measure it should include, as much as possible, information on many topics, including income and wealth, family composition, housing and living conditions, health, education, background, labour status, etc.

To measure social exclusion in Spain, several possible data sources were considered. The OECD established objective criteria to select the best-suited source, as detailed below.

Possible candidates

The following surveys that measure various aspects of social exclusion in Spain were considered for this analysis:[1]

- European Union – Statistics on Income and Living Conditions (EU-SILC), covers the most relevant areas.
- National Living Conditions Survey (Encuesta de Condiciones de Vida, ECV), the source for EU-SILC.
- European Union – Labour Force Survey (EU-LFS), focuses on labour market integration.
- FOESSA Foundation (Promotion of Social Studies and Applied Sociology) – Survey on Social Integration and Social Needs (EINS), covers the most relevant areas.
- Eurofound – European Quality of Life Surveys (EQLS), focuses on life quality and social integration, but no information available on income and labour market integration.
- National Health Survey (ENSE), focuses on health issues.
- National Family Budget Survey (EPF), focuses on income, budget and expenditure.

- National Survey on the Homeless (EPSH) and the Survey on Centres and Services for the Homeless (ECAPSH), specific to the homeless population.

A possible alternative to surveys is the use of administrative records containing individual/household information on household composition, income, health status, education, and other living condition variables. The use of administrative data may enable more fine-grained breakdowns of the target population and the barriers to social inclusion. However, such an integrated database for the whole country is not available in Spain yet.

Selection criteria

Comparison of the surveys looked at survey contents (variables available and on which topics) and survey characteristics (sample, geographical coverage and periodicity). Regarding content, surveys were compared according to:

1. income, assets and access to services
2. household composition, housing and living conditions
3. labour market activity and educational background
4. health and behavioural issues
5. (migrant) background and social networks.

Regular annual waves of a survey allow for more reliable cross-checking comparisons, provide flexibility to analyse years of interest and, if relevant, open the door to analysing the dynamics of topics under study. As of March 2022, relatively recent waves (ranging from 2018 to 2020) were available for EU-SILC, EU-LFS, FOESSA-EINS, EPF and ECAPSH. To include the mental health dimension, the related special module in EU-SILC 2018 or the FOESSA-EINS survey, with 2018 as the latest year, were available.

Sample size is also extremely important in performing reliable analyses. The surveys with the biggest sample sizes were EU-LFS and ENSE, which contain about 40 000 observations, whereas EU-SILC (and ECV) contain about 15 000 and FOESSA about 12 000. Although FOESSA-EINS covers some groups missing in EU-SILC (such as homeless people), its sampling methodology might have some drawbacks. In fact, FOESSA-EINS strongly oversamples households with social exclusion indications by filtering households by a set of preliminary questions. Even if weights are adjusted to provide accurate demographics, this might lead to biased results in some cases.

Conclusion

EU-SILC and FOESSA-EINS appeared to be the two sources that provided good-quality information about poverty and social exclusion situations in Spain. In addition, EU-SILC was the reference for comparative statistics on income distribution and social inclusion in Europe. Other sources, like labour force surveys, the National Health Survey and the National Survey on Homeless, contain excellent information about specific and relevant topics or population groups but do not cover other equally important ones.

Building on theoretical reflections to measure social exclusion, the Survey on Social Integration and Social Needs of the FOESSA Foundation was suitable for understanding the scale and pattern of multidimensional social exclusion in the Spanish context. However, from the **OECD's perspective, EU-SILC was preferred** over FOESSA-EINS because it contains more detailed information on material deprivation, income sources and monthly activity status. EU-SILC also enables easier cross-country comparisons since it is harmonised across countries (and harmonisation is why EU-SILC would be preferred over the original EVC source).[2]

Notes:
1. This list is not comprehensive; in particular, regional sources are not included. However, it covers almost all well-documented sources available at national and European levels. Unfortunately, combining such information at the micro-data level from separate surveys is technically impossible. The main reason is that these surveys sample different individuals that cannot be merged at the single observation level.
2. It is worth mentioning that some relevant aspects of social exclusion are not covered by EU-SILC. These include access to some services such as public transportation or employment services; difficulties in accessing housing; language barriers or illiteracy; behavioural issues, such as suicide attempts, gambling, criminal records, etc.; job-search networks; participation in elections or political parties; and information about homeless people.

Three different concepts are implemented: 1) the At Risk of Poverty or Social Exclusion (AROPE) indicator, which is included as a core variable in the EU-SILC survey, including a decomposition of each of its three dimensions; 2) an adaptation of the indicator proposed by Laparra, Zugasti Mutilva and García Laurtre (2021[6]); and 3) an indicator based on the ideas presented in Coumans and Schmeets (2015[7]).

1.2.1. The AROPE indicator

The AROPE indicator, developed by Eurostat, is one of the most frequently used in European countries. In fact, AROPE is the main indicator used to monitor the EU 2030 target[2] on poverty and social exclusion. It consists of three dimensions intended to each capture different aspects of social exclusion:

1. **At risk of poverty**: Having an equivalised disposable household income below 60% of the median equivalised household income in the country.
2. **Low work intensity**: Living in a household with low work intensity. Low work intensity households are those where the working-age adults work less than a combined 20% of their total work potential.
3. **Severe material deprivation**: Living in a severely materially deprived household. Households are considered to be severely material deprived if they are unable to afford four out of the following nine items: 1) pay rent or utility bills; 2) keep the home adequately warm; 3) face unexpected expenses; 4) eat meat, fish or a protein equivalent every second day; 5) have a week's holiday away from home; 6) have a car; 7) have a washing machine; 8) have a colour TV; or 9) have a telephone. All households for whom at least one of the indicators is positive are considered at risk of poverty or social exclusion.

AROPE's main advantages are that it is readily available in EU-SILC data and can therefore easily be calculated across different EU countries and over time. Moreover, the indicator does not involve complex variable transformations or index combinations. It is therefore transparent and easy to understand. However, its main disadvantage is that it captures a relatively small subset of dimensions related to social exclusion, namely poverty, material deprivation and limited labour market attachment. Other dimensions, such as housing, low education attainment, or limited social contacts, are not included, or indirectly (and partially) through the severe material deprivation variables. This does not necessarily mean that individuals facing these difficulties are not captured by AROPE because, often, socially excluded populations face several difficulties simultaneously (see Figure 1.3, further below). As a result, the indicator captures a broad share of the population in some countries and might therefore be too imprecise to identify those at the highest risk of social exclusion.

1.2.2. Laparra social exclusion index

This approach constructs a synthetic index of social exclusion using data from a FOESSA Foundation survey for Spain in 2018. The starting point of the analysis is a theoretical framework of social exclusion based on previous work (Laparra et al., 2007[8]).

This framework consists of eight different dimensions of social exclusion[3] with a total of 35 binary indicators calculated at the individual level. The indicators are normalised so that each dimension has the same weight and constructs an aggregate score for each person. This aggregated score is then normalised again to produce a distribution of non-negative scores with a mean of 1.0; a score of 0.0 is interpreted as "no exclusion", and high scores are interpreted as "strong symptoms of social exclusion". For example, Laparra (2007[8]) considers individuals with an index score of 2 or above to be socially excluded.

The main advantage of this approach is that it uses a comprehensive definition of social exclusion based on various indicators. It also allows for measurement on a continuous spectrum, thereby indicating the depth of social exclusion. Its main drawback is its complexity, making it hard to understand why someone is considered socially excluded. Moreover, the index was originally developed using survey material only available for Spain; therefore, its extension to other countries is not straightforward. An implementation in EU-SILC would require some adjustments to the original concept.

1.2.3. Coumans and Schmeets social exclusion

Coumans and Schmeets (2015[7]) developed a framework to measure social exclusion in the Netherlands using EU-SILC 2010 data (which features an ad hoc module on social exclusion). The approach uses four dimensions: participation (social, cultural, civic); access to basic rights and institutions; material deprivation; and normative integration. In total, the framework includes 46 binary indicators to measure these 4 dimensions. The aggregated indicator results from normalising each of the 4 dimensions on a scale from 0 to 3 and then summing across them. The index, called here NL-SE, then ranges from 0 (no exclusion) to 12 (total exclusion). Individuals scoring 10 or above are considered socially excluded.

One particularity of this approach is that it uses principal component analysis to determine which of the 46 original indicators do not explain much of the variation between individuals so as to exclude them from the analysis to increase the robustness of index construction. This approach also uses SILC data. However, given that many of their indicators stem from the 2010 ad hoc module of EU-SILC, NL-SE cannot be directly implemented for later waves, which is an important drawback.

Table 1.1 shows the share of individuals facing situations that might put them at risk of social exclusion, as captured by the three indicators described above. The results show that, on the one hand, AROPE and the FOESSA index cover the broadest share of the various dimensions of social exclusion. On the other hand, the NL-SE index, by placing more emphasis on the health aspects of social exclusion, covers only a limited share of the individuals affected by employment-related barriers.[4]

Table 1.1. Comparison of different indicators to identify the socially excluded in Spain

Share of each disadvantaged group, in percentage, 2020

	AROPE	FOESSA	NL-SE
Not employed	46	48	37
Low education	40	46	40
Poor	100	62	54
Cannot keep house warm	66	63	72
Long-term unemployed	67	91	52
Overcrowding	52	54	50
No Internet at home	64	99	67
Strong health limitations	49	100	69

Note: In 2020, long-term unemployed represented 9.3% of the working-age population in Spain. The AROPE index captures 67% of them, whereas the FOESSA index and NL-SE index detect 91% and 52%, respectively. Large and significant differences between indicators are highlighted.
Source: OECD calculations based on Eurostat (2020[9]), *EU statistics based on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

For this report, **the AROPE indicator is adopted as a definition of social exclusion** because:

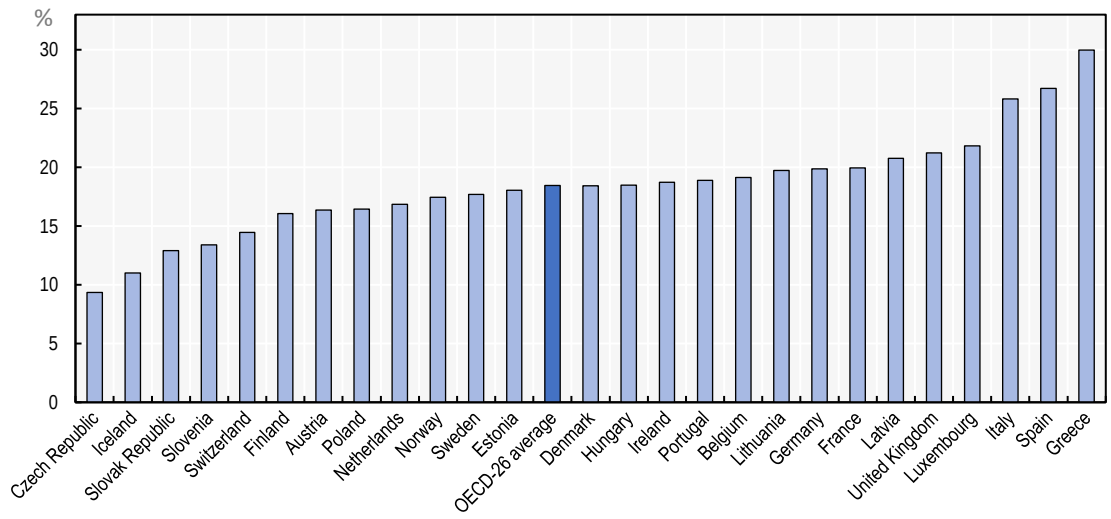
- It is a well-known and widely used standard based on a well-documented methodology developed by Eurostat.
- It is part of the core variables of EU-SILC, a clear advantage that makes it possible to cross-check results with other European countries.
- The way it is built makes it simple to understand and interpret. Alternative definitions are richer but work as a black box, making the interpretation of results more complex.
- While each country does have its own history and circumstances, and certain definitions might be more appropriate in some contexts than in others, leading to more accurate results, having a common definition of social exclusion is important as it allows for comparability across countries.

1.2.4. The size of social exclusion shows large differences across European countries

Figure 1.1. shows that the relative size of the working-age AROPE population varies greatly among OECD countries for which data are available in EU-SILC. It ranges from less than one person in ten in the Czech Republic to three in ten in Greece, showing differences of more than 20 percentage points. Southern European countries rank at the top with an AROPE share of more than 25%, except Portugal. The working-age population in some central/eastern and northern European countries is relatively less likely to be at risk of poverty or social exclusion. The average of those countries is 18.4%. The shares of more than half of countries are centred around the average, ranging between 15% to 20%.

Figure 1.1. Share of persons at risk of poverty or social exclusion among the working-age population in selected OECD countries, 2020 or latest available year

Percentage of working-age population aged 18-64



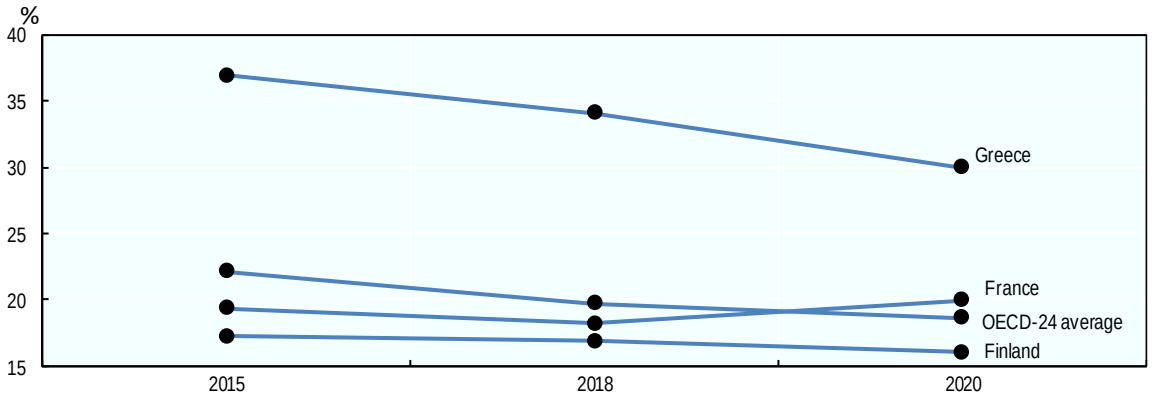
Note: OECD-26 average is the unweighted mean of shares of the following countries: Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland and the United Kingdom. In EU-SILC, the income refers to the year before the indicated wave, meaning that this chart illustrates the pre-COVID situation. For Iceland and the United Kingdom, the latest wave available is 2018.

Source: OECD calculations based on Eurostat (2020[9]), *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

The share of AROPE among working-age individuals has remained stable over time, except during big economic crises. Trends do differ across countries, however. The share of socially excluded people increased in 2008-09 and 2020-21. Between the financial and coronavirus (COVID-19) crises, the economic conditions improved in all OECD countries, and the share of AROPE individuals decreased.[5] This is illustrated in Figure 1.2 by the OECD-24 average (countries for which the data are available in EU-SILC 2015-20), which shows a gradual downward trend in the average AROPE share in recent years. Figure 1.2 shows that the decrease in the AROPE population includes countries that started from very different situations after the 2008 financial crisis. For example, Finland had the lowest AROPE share in 2015, falling slightly to about 15% in 2020. Greece has consistently shown the highest share since 2015, but this share sharply decreased by 7% in 2020. However, a few countries show a different trend. This includes France, where the AROPE share slightly decreased in 2018 and bounced back in 2020 to a higher level than in 2015.

Figure 1.2. Trends in the share of persons at risk of poverty or social exclusion among the working-age population in selected OECD countries, 2015, 2018 and 2020

Percentage of working-age population aged 18-64



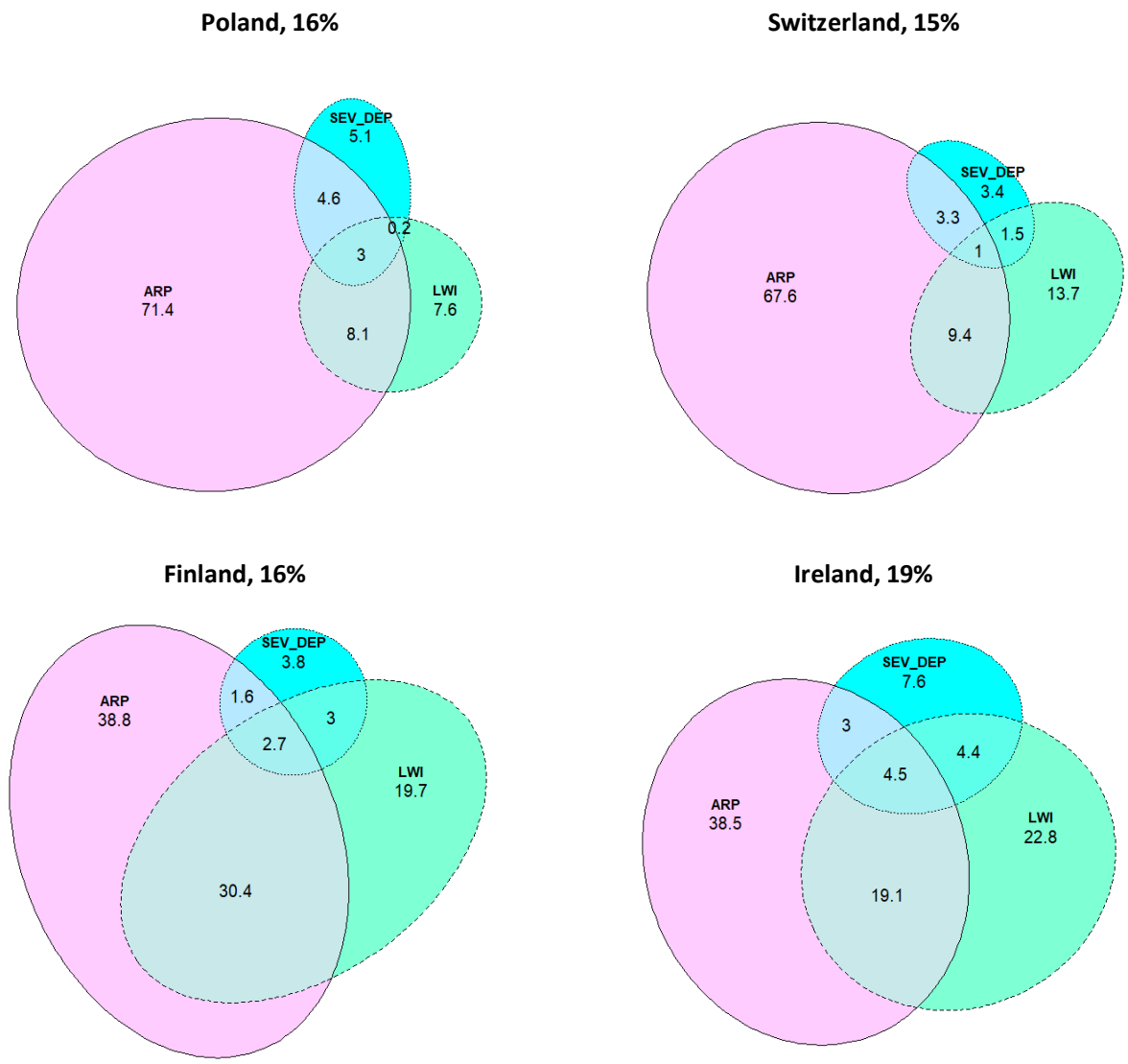
Note: OECD-24 average is the unweighted mean of shares of the countries listed in the note of Figure 1.1., excepting Iceland and the United Kingdom. See next section for a focus in Spain.
Source: OECD calculations based on *EU statistics on income and living conditions (EU-SILC) 2015, 2018 and 2020*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

As mentioned previously, people can face several difficulties simultaneously, which calls for advocates in favour of multidimensional holistic policy solutions (instead of very targeted and isolated policies). An example of this is illustrated in Figure 1.3. Venn diagrams clearly show that AROPE components are not mutually exclusive. Indeed, an income-poor individual can also face (or not) situations of severe material deprivation and/or labour market exclusion. A common pattern across European countries is that individuals at risk of poverty constitute the largest group of the working-age AROPE population; low work intensity is the second most frequent situation; and situations of severe material deprivation are less frequent. However, the relative incidence of each component and how they overlap differs across countries, reflecting socio-economic differences and, to some extent, the structure of social protection systems, especially in terms of the support provided to populations in most need.

For example, in Poland and Switzerland, the working-age AROPE population is largely dominated by individuals at risk of poverty and overlaps between the three groups are very small, suggesting that monetary poverty is the main factor, and the population facing severe material deprivation issues is, if not marginal, very small. In Finland and Ireland, the relative size of the income-poor group is smaller than in Poland and Switzerland and overlaps with the two other components are much larger. The working-age

AROPE population in Finland shows a very small group of people in situations of severe material deprivation, a quite large incidence of the low-work intensity group, and a large overlap of this group with the income-poor. Something similar is observed in Ireland, but with a smaller overlap between the income-poor and low-work intensity groups and a slightly higher incidence of material deprivation (see Figure 1.3).

Figure 1.3. Composition of populations at risk of poverty or social exclusion in selected OECD countries, 2020



Note: ARP, SEV_DEP and LWI denote respectively "at risk of poverty", "severe material deprivation" and "low-work intensity", according to the standard AROPE definition (see above). See next section for a focus in Spain.
Source: OECD calculations based on *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

1.3. Those socially excluded in Spain face multiple and compounded barriers

To map the population identified as socially excluded to concrete policies, it is necessary to identify a relevant set of variables (or social exclusion barriers) available in the EU-SILC. In line with the Faces of Joblessness approach (Fernandez et al., 2016[10]), these barriers should explain why some people fall into or have trouble exiting situations of social exclusion.

This kind of analysis does not need to be designed to identify causality effects. Indeed, some of the explanatory variables can be at the origin of social exclusion (i.e. genuinely cause it), whereas others might be a consequence of it; or, in other cases, a marker can be correlated with the causes/effects but is not at their origin. A social exclusion marker is understood here as a characteristic that is measurable at the individual or household level. For example, being long-term unemployed could be an individual-level barrier to social inclusion. It can either be a driver of social exclusion by excluding people from social networks and limiting their income, as well as a consequence of social exclusion if an individual is unable to find a job due to other limitations.

This section discusses potential indicators using EU-SILC data to describe the socially excluded population and provides examples of their prevalence in Spain.

1.3.1. EU-SILC core variables provide rich information characterising the socially excluded

Table 1.2 lists potential indicators (called "barriers") derived from EU-SILC core variables. All barriers included in this list highlight different aspects of poverty and social exclusion, such as income, housing, education, health or employment. Barriers are presented by thematic area along with short explanations of how they can be calculated from EU-SILC variables and the policy areas they link to. Policy areas linked to each marker should be understood broadly: not all those who face a marker will necessarily need access to services on one or more of the mentioned policy areas. However, some of these policies may be relevant to some population groups facing the marker.

Table 1.2. List of potential barriers in EU-SILC core variables

Thematic area	Marker	Definition	Policy area
Employment	Long-term unemployed	Individuals out of work for at least 12 months AND are currently looking for work.	- Active labour market policies - Social integration through labour market integration - Income support linked to labour integration - Second chance schools and lifelong learning programmes (might also be linked to lifelong learning and upskilling or reskilling programmes)
	No recent work experience	Individuals who did not work over the past 12 months.	- Active labour market policies - Social integration through labour market integration - Income support - Work incentives
	Care duties	Individuals who: 1) live in a household with another household member in need of care; and 2) indicate staying out of the labour force for care-related reasons. Individuals in need of care are either children under the age of 12 who receive less than 30 hours per week of childcare through other channels OR elderly (65+) inactive household members who report severe limitations to daily	- Long-term care for dependent persons (facilities and access) - Childcare (facilities and access, such as early childhood education) - Work-life balance policies - Income support for caregivers - In-kind support for individuals who need care and carers (home help for activities of daily living, day

Thematic area	Marker	Definition	Policy area
		activities OR adult household members reporting severe limitations to daily activities and listing their disability as the main reason for inactivity.	and/or overnight care support) - Telecare services - Residential care programmes
Education	Low education and not in education	Individuals who have completed, at a maximum, lower secondary education AND are currently not in education.	- Education for adults (e.g. back-to-school programmes) - Centres for early school leavers (second-chance schools) - Lifelong learning policies - School-labour market transition - Social policies integrating the provision of labour, educational and social support for those not in education, employment or training (NEET) in general (when individuals are young) - Policies to prevent school absenteeism
Health	Strong health limitations	Individuals indicating that they are severely limited in their daily activities due to health reasons.	- Access to healthcare - Long-term care (facilities and access) - Income support (sickness and disability benefits)
	Difficulties affording medical treatment	Individuals who needed medical treatment (in the preceding year) AND could not afford it.	- Access to healthcare (universal health insurance) - Income support - Mental health programmes for vulnerable people
	Difficulties affording dental treatment	Individuals who needed dental treatment (in the preceding year) AND could not afford it.	- Access to healthcare (universal health insurance) - Income support
Housing	Cannot keep house warm	Individuals living in households who indicate they cannot afford to keep their dwelling adequately warm.	- Housing policies - Specific cash transfers (e.g. energy vouchers) - Programmes against energy poverty - Income support
	No Internet at home	Individuals who do not have an Internet connection for personal use at home.	- Digitalisation policies (access to affordable digital devices and digitalisation training) - Digital education - Specific cash support
	Rent overburdened	Individuals living in a household renting their dwelling AND the rent exceeds 30% of disposable household income.	- Access to public social housing - Housing benefits (specific cash support) - Income support - Rent transfers - Accompaniment for persons/households under emergency housing situations
	Dwelling in bad conditions	Individuals living in a household where at least one of the following applies: the dwelling has a problem with a leaking roof and/or damp ceilings, dampness in the walls, floors, or foundation and/or rot in window frames and doors.	- Access to public social housing - Housing benefits (specific cash support) - Emergency housing services - Accompaniment for persons/households under emergency housing situations - Income support - Family policies (support to children/youth living in poor housing conditions)
	Overcrowded household	Individuals living in a household that does not have: 1) one room for the entire household AND 2) one room for each couple; 3) one room for each adult single; 4) one room for each pair of same-sex 12-17 year-olds; 5) one room for each 12-17 year-old not previously included; 6) one room for each pair of children under 12.	- Access to social housing - Housing benefits (specific cash support) - Income support - Family policies (support to children/youth living in poor housing conditions) - School support for children living in poor housing conditions (e.g. a place at school where they can do homework)

Thematic area	Marker	Definition	Policy area
Living area	Crime in area	Individuals living in a household that perceives crime, violence or vandalism to be a problem in the area.	- Policies to mitigate degradation in urban areas - Urban integration (e.g. neighbourhood development integration) - Better access to social work - Security and police
	Pollution in area	Individuals living in a household that perceives `pollution, grime or other environmental problems to be a problem in the area.	- Policies to mitigate degradation in urban areas - Urban integration (e.g. neighbourhood development integration) - Environmental policies (at the macro level related to national environmental policies, at the micro level, can be related to the environmental education of people)
	Lives in a rural area without a car	Individuals living in a household in a rural area that does not own a car.	- Public transport -Provision of basic services such as schooling or medical assistance - Digital welfare in general (administrative, health, social services, social protection) - Digitalisation policies (access to affordable digital devices and digitalisation training) - Mobile and itinerant services
Migration	Born abroad	Individuals who were born abroad.	- Legal and administrative support (to access social services and benefits) - Language classes
	Born outside EU	Individuals born outside the European Union.	- Legal and administrative support (to access social services and benefits) - Language classes
	Recent non-EU migrant with low education	Individuals born outside the European Union AND arrived in the country less than ten years ago AND have a maximum of lower secondary education.	- Legal and administrative support (to access social services and benefits) - Access to education, especially for adults (in theory, the access to education for children is guaranteed in Spain) - Language classes - Active labour market policies
Public support	Severe material deprivation or at risk of poverty plus no income support	Individuals living in households at risk of poverty or affected by severe material deprivation AND do not receive family, housing or social exclusion benefits.	- Income support - Basic help for people in a severe material deprivation situation (access to daily food, clothes and shelter) - Legal and administrative support (to access social services and benefits)
	Strong health limitations plus no sickness/disability benefits	Individuals suffering from strong health limitations (as per the above definition) AND do not receive sickness or disability benefits.	- Disability benefits

Note: The definition column provides the formal definition of the marker in EU-SILC. The policy area column links the marker to policies that can be used to address the marker.
Source: OECD compilation based on Eurostat (2020[9]), *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

The above list can be complemented with relevant information drawn from EU-SILC ad hoc modules (see Box 1.2). Although they are not available for all years, some of these thematic barriers can provide valuable information for specific research.

Box 1.2. Using EU-SILC ad hoc modules to enrich the analysis of social exclusion

Each year, EU-SILC releases, along with the core variables of the survey, a group of extra variables that give detailed information about a specific topic. This group of variables is called the ad hoc module. Ad hoc modules are designed to shed light on specific topics, though not annually.

Topics change every year according to a calendar set by Eurostat. For example, in 2017, the ad hoc module focused on health and children's health; in 2018, on material deprivation, well-being and housing difficulties; in 2019, on intergenerational transmission of disadvantages, household composition and evolution of income; etc. Not all ad hoc modules contain relevant information for studying social exclusion, but some of them are extremely relevant and might be used to enrich the characterisation proposed in this section.

Table 1.3. List of potential barriers in EU-SILC ad hoc variables (2018, 2019 and 2020)

Thematic area	Year	Marker	Definition	Policy area
Household wealth	2020	Less than 3 months of savings	Households whose savings are insufficient to cover three or more months of regular monthly expenses	- Financial literacy training - Income support
		Has to borrow money/draw down savings every month	Households that have to draw down savings every month to pay for their monthly expenses	- Financial literacy training - Income support
Family history	2019	Both parents born abroad (only for adults aged 25-59)	Individuals whose parents (both mother and father) were born abroad. This indicator is only available for those 25 to 59 years old.	- Legal and administrative support (to access social services and benefits) - Language classes
Mental health	2018	Feeling down most or all of the time	Individuals who indicate that they feel down in the dumps most or all of the time	- Access to healthcare (mental health services) - Access to counselling and social work
		Feeling depressed most or all of the time	Individuals who indicate that they feel depressed most or all of the time	- Access to healthcare (mental health services) - Access to counselling and social work
		Feeling lonely most or all of the time	Individuals who indicate that they feel lonely most or all of the time	- Access to healthcare (mental health services) - Access to counselling and social work - Social integration policies on a community level (e.g. community centres/activities)
		Unable to rely on material help from others	Individuals who indicate that they are unable to rely on friends, family or acquaintances for material help if the need should arise	- Social integration policies on a community level (e.g. community centres/activities)
		Unable to rely on non-material help from others	Individuals who indicate that they are unable to rely on friends, family or acquaintances for non-material help if the need should arise	- Social integration policies on a community level (e.g. community centres/activities)

Source: OECD compilation based on EU-SILC 2018, 2019 and 2020, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

While ad hoc variables have the disadvantage of only being available for one particular year, they can nevertheless provide additional information on social exclusion not available within the core EU-SILC

variables. Table 1.3 shows these additional barriers based on ad hoc variables, their definitions, and the policy area they link to.

1.3.2. A concrete example of how social exclusion barriers can be used to characterise the AROPE population in Spain

To illustrate how these social exclusion barriers can be used to provide a more detailed characterisation of the target population,[6] the OECD selected a group of ten barriers according to simple criteria: policy relevance in the current Spanish context; data availability in EU-SILC; understandability of the indicator; and discriminatory power (defined as the gap in the percentage of individuals affected by the marker in the target population and the non-target population).

Table 1.4 shows how it is possible to characterise a given target population according to objective criteria. For instance, the three variables that most discriminate between individuals in the target population and those outside it are "cannot keep the house warm" (linked to situations of very low income and material deprivation), being "long-term unemployed" (linked to labour market exclusion) and being "born abroad" (linked to issues faced by some migrants like language issues or lack of social networks).

Table 1.4. Several criteria can be used to select barriers for analysis

Variable (Derived from EU-SILC core)	Policy relevance	Share of missing observations among AROPE	Easy to understand	Discriminatory power
Long-term unemployed	- Active labour market policies - Social integration - Income support - Lifelong learning	1.2%	Easy	23%
Care duties	- Childcare services - Long-term care services - Income support for caregivers	0.2%	Hard	2.2%
Low education and not in education	- Lifelong learning - Remedial education - Policies for those not in education, employment or training (NEETs) - Prevention of absenteeism	1.2%	Moderate	15%
Strong health limitations	- Access to healthcare - Long-term care - Disability benefits	1.2%	Easy	4%
Difficulties affording dental treatment	- Access to healthcare - Income support	1.3%	Easy	9%
Cannot keep house warm	- Energy-related cash transfers - Income support	0.1%	Easy	25%
Rent overburdened	- Social housing - Housing benefits - Family benefits - Accompaniment for persons/households under emergency housing situations	0.5%	Moderate	18%
No Internet at home	- Digitalisation policies - Specific cash transfers	1.2%	Easy	11%
Born abroad	- Legal and administrative support (to access social services and benefits) - Language classes	1.2%	Easy	21%

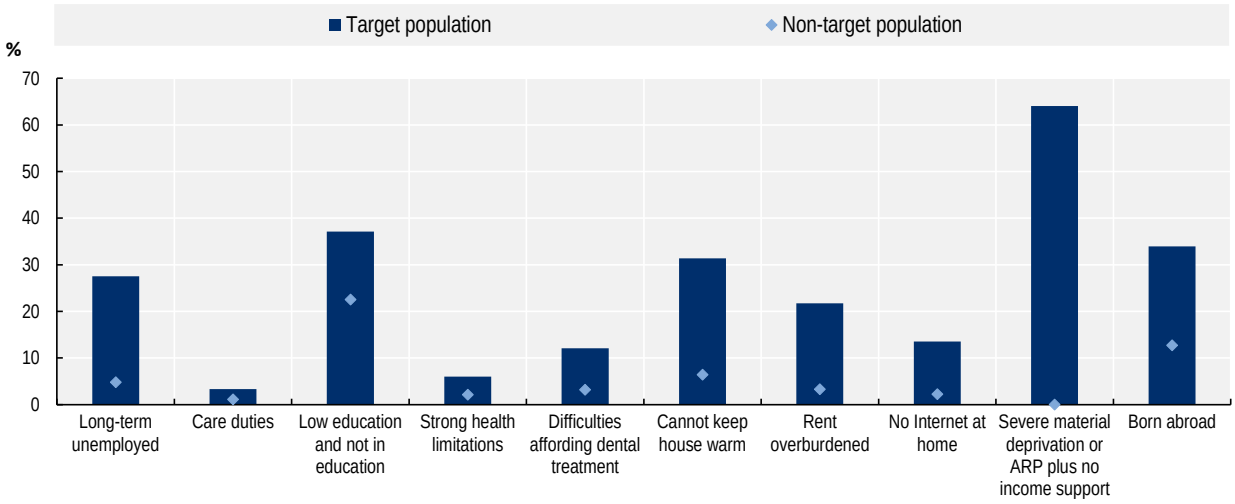
Variable (Derived from EU-SILC core)	Policy relevance	Share of missing observations among AROPE	Easy to understand	Discriminatory power
Severe material deprivation or at risk of poverty, plus no income support	- Income support - Access to social work	0%	Hard	10%

Note: Except for the columns "Policy relevance" and "Easy to understand", which are based on a qualitative assessment of the barriers, the columns give percentage values based on EU-SILC 2020 data. The Discriminatory Power of each variable refers to the percentage point difference between the share of individuals affected in the target population and the share affected in the non-target working-age population.
Source: OECD calculations based on Eurostat (2020[9]), *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

Individuals in the target population are much more likely to be affected by barriers. This is not a foregone conclusion because, with the only exception of the marker on "severe material deprivation and no income support", there is no direct relation between being affected by one marker and being AROPE. Figure 1.4 shows the share of individuals in the working-age population affected by the selected barriers. For example, 28% of individuals in the target population are long-term unemployed compared to only 5% in the non-target population. Looking at a marker with less incidence (but no less important from a policy perspective), about 3% of the target population faces strong care constraints, compared to only 1% in the non-target population.

Figure 1.4. Share of population affected by different barriers

As percentage of target (AROPE)/non-target working-age population, 2020



Note: The income support considered in the "Severe material deprivation or ARP plus no income support" barrier includes social assistance (social exclusion not elsewhere classified), family and housing benefits.
Source: OECD calculations based on *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

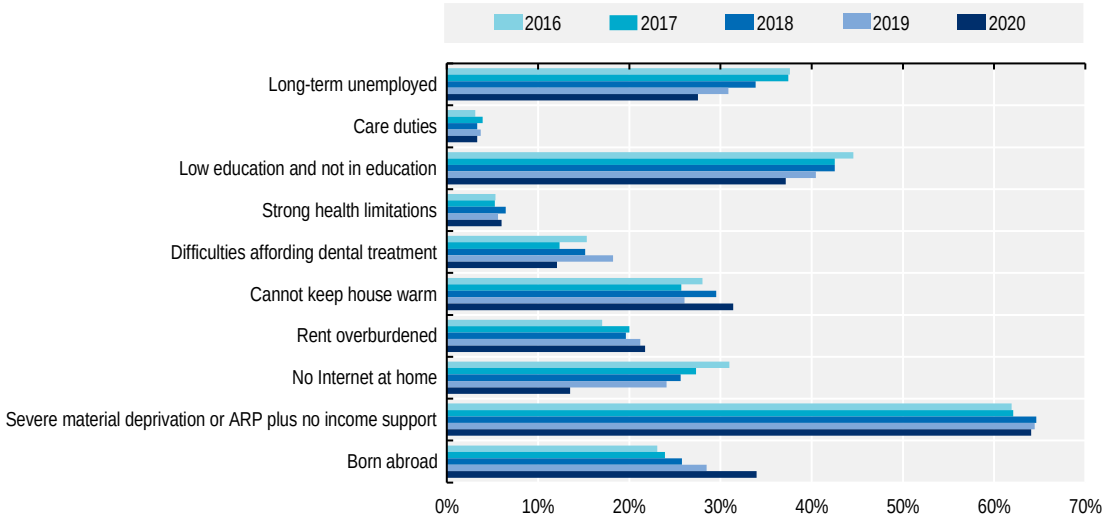
Figure 1.5 shows the incidence of selected barriers for the target population between 2016 and 2020. Overall, barrier incidences are stable. Nevertheless, some trends can be observed. A first group (material deprivation and no income support, difficulties affording dental treatment, strong health limitations and care

duties) are relatively stable with only minor changes over time. A second group (long-term unemployment, born abroad, rent overburdened and cannot keep the house warm) is influenced, in different ways, by the economic cycle. The decrease in the presence of low-educated people and the absence of the Internet at home reflect long-term trends in society as a whole.

Finally, individuals in the target population are also much more likely to be affected by multiple barriers simultaneously. Figure 1.6 shows the number of barriers (among the ten variables selected, listed in Table 1.4) for the target and non-target populations that individuals are affected by simultaneously. For example, 57% of individuals in the non-target population are not affected by any barriers at all, whereas the same share is only 8% for individuals in the target population. Conversely, only 3% of individuals in the non-target population are affected by three or more barriers, whereas the corresponding share in the target population is 48%. This result illustrates the multidimensional nature of social exclusion and calls for a holistic approach to address, fight against or prevent it. Empirical analysis (e.g. clustering algorithms) might provide further information about the characteristics of the complex issues various population groups face (see the example shown in Box 1.3).

Figure 1.5. Changes in the share of population affected by different barriers

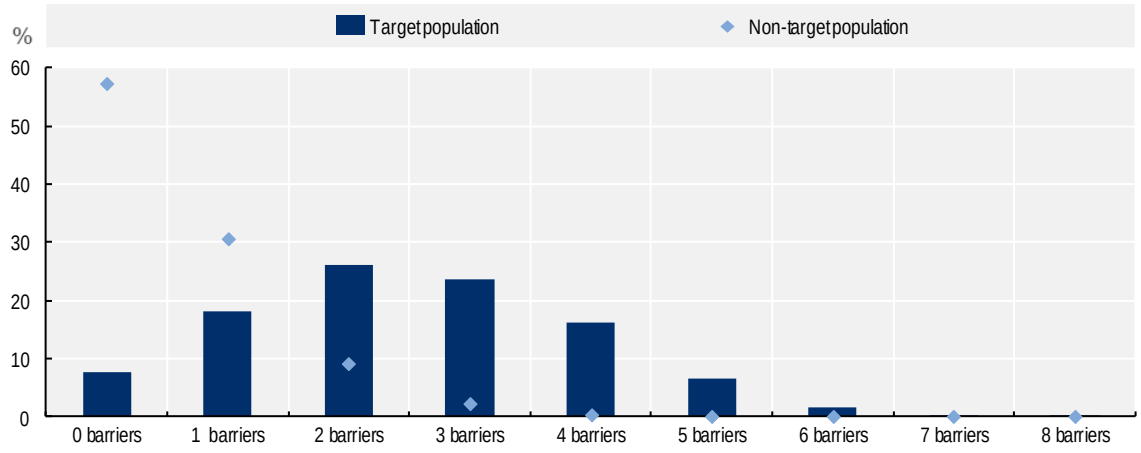
As percentage of target (AROPE) working-age population, 2016 to 2020



Note: The income support considered in the "Severe material deprivation or ARP plus no income support" barrier includes social assistance (social exclusion not elsewhere classified), family and housing benefits.
Source: OECD calculations based on EU-SILC 2016, 2017, 2018, 2019 and 2020, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

Figure 1.6. Number of simultaneous barriers affecting individuals

As percentage of target (AROPE)/non-target working-age population, by number of barriers they face, 2020



Note: Only the ten variables listed in Table 1.4 are considered in the count.
Source: OECD calculations based on Eurostat (2020[9]), *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

Box 1.3. Clustering might help identify sub-groups within socially excluded populations

This box presents **preliminary results** of running a clustering algorithm using seven clusters and the ten social exclusion barriers detailed in Table 1.4.[1] In addition, other individual and household characteristics were estimated for each cluster. The main results are summarised in Table 1.5.

Table 1.5. Example of clustering applied to the socially excluded in Spain

Cluster	Size	Prevalent social exclusion barriers	Other characteristics	Suggested policies
1	35%	- Care duties slightly above the average - All other markers below the average	- High share of youth - Many are working, and some have no work experience - High share of couples without children - Low incidence in Madrid and the east (Catalonia, Valencia and Baleares)	- No major markers of social exclusion. Young adults generally have low incomes, but this is a temporary situation in many cases. - Policies to integrate youth into the labour market
2	15%	- Exclusively long-term unemployed - Slightly higher prevalence of low education	- Higher share of living with elderly adults - Many live in the south and centre - Higher share in rural areas	- Active labour market policies (including training) are key to integrating this group
3	5%	- Very high share of health problems, low education, and no Internet at home - Low incidence for other markers	- Mostly older working-age adults - More male and rural - High incidence in the south and northwest - Less poor than other groups	- Ensuring access to healthcare and disability benefits - Regionally targeted activation policies as these individuals live in regions with weak labour market outcomes - Training and other remedial education programmes - Digitalisation policies
4	16%	- Medium intensity on most exclusion markers	- Mostly rural and older - Less poor than other groups	- Regionally targeted activation policies as these individuals live in regions with weak

		- Very high levels of inability to afford dental treatment and pronounced inability to keep the house warm		labour market outcomes - Targeted transfers that address the lack of affordability of heating/healthcare in this group - Digitalisation policies to increase access to resources
5	9%	- Very high share of foreigners - Many rent overburdened and long-term unemployed - Low on most other markers	- More female and middle-aged - Many live with children - Mostly in urban areas - Poor - Likely to live in overcrowded housing in bad condition	- Language skills where necessary - Legal and administrative support - Family benefits - Support for childcare - Housing support - Active labour market policies
6	10%	- Almost only foreigners - Highest share of care duties - Medium to high incidence on most other markers	- Mostly female and urban - Also middle-aged and likely to live with children - Mostly in Madrid and the east - Poor - Likely to live in overcrowded housing in bad conditions	- Language skills where necessary – Legal and administrative support - Family benefits - Support for childcare - Housing support
7	9%	- High incidence on most markers (except care duties) - Very high share of not receiving public support	- Many either single or in two+ adult households - Very poor (in the first decile) - Urban and very likely to live in the Canary Islands - High levels of crime and pollution in areas where individuals live	- This group likely requires multiple interventions and an integrated approach to service provision, as they are the most excluded - Cash transfers as this group has a very high incidence of lack of public support

Note: These results and suggestions are preliminary and should be seen as highlighting policy domains warranting further investigation. Mapping current social integration policies will be a key complement to providing more concrete and feasible recommendations.
1. Technical details about the experimental approach (clustering algorithms, model selection, stability, etc.), as well as detailed descriptive statistics of each cluster, are outside the scope of this report and will be further developed in forthcoming publications.
Source: OECD calculations based on Eurostat (2020[9]), *EU statistics on income and living conditions (EU-SILC)*, https://ec.europa.eu/eurostat/web/microdata/european-union-statistics-on-income-and-living-conditions.

1.4. Conclusion

After a brief discussion about the concepts of poverty and social exclusion, this chapter presented an inventory of potential data sources available in Spain to identify and characterise the population groups facing these situations. The chapter proposed a concrete approach based on the EU-SILC survey that can lead to quantitative analysis. The approach can be tailored to address different policy topics related to integrating socially excluded populations.

The preliminary results show how, even when a common harmonised definition of socially excluded populations is adopted, similar levels of socially excluded can hide extremely different situations. For example, in 2020, the share of working-age AROPE individuals in Finland, Poland and Switzerland was within 1 percentage point, around 16%. However, the internal structure of this 16% differs significantly in these three countries and calls for different policy actions, which supports the idea of tailor-made analysis to inform policy action in each country.

Within countries, the number of different realities behind the broad concept of AROPE is extremely rich. To provide a more detailed and granular vision of them, the chapter presented a broad set of indicators (called “barriers”) reflecting different aspects of social exclusion.

It showed that populations in poverty or social exclusion in Spain often face more than one barrier, calling for multidimensional policy interventions. Preliminary results show that the AROPE population in Spain (in 2020) is far from being a homogeneous group. In addition to a large group of people where social exclusion

barriers are relatively weak and with a high prevalence of youth, the other six groups would need very different (but always multiple) social inclusion policies: people living with old-age adults in rural areas, unemployed old working-age adults living in rural areas, poor migrants with children, extremely poor middle-age migrant women with children living in big cities and very poor individuals living in areas with high levels of crime and pollution.

Depending on the issue that governments, researchers and policy makers wish to address, a specific subset of relevant social exclusion barriers could be used to establish population profiles, seen as a combination of a population group sharing one or more issues. The combined analysis of the socio-economic characteristics of groups and the main barriers provides concrete and relevant information to design, co-ordinate and decide on policy interventions.

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Notes

1. Defined here as all those households with equivalised household incomes below 50% of the country median.

2. For more details about the EU 2030 targets, see https://commission.europa.eu/energy-climate-change-environment/overall-targets-and-reporting/2030-targets_en.

3. These are: 1) participation in employment; 2) participation in consumption; 3) political participation; 4) access to education; 5) access to housing; 6) access to health; 7) social conflict; and 8) social isolation.

4. Other results, not included here, also show that the indicators do not identify the same individuals. For example, in 2020, the long-term unemployed represented 9.3% of the working-age population in Spain. About 64% of them are identified as socially excluded by both FOESSA and AROPE; 26% are identified by FOESSA and not by AROPE; and 3% are identified by AROPE and not by FOESSA. Finally, 7% were not identified as socially excluded by any of the algorithms.

5. The causality of these two facts is not obvious. Better economic conditions, in general, imply less material deprivation and higher activity rates in the labour market. But, if not combined with a less unequal income distribution (or at least not more unequal), this does not necessarily imply a mechanical decrease in poverty rates, which are the most important component of AROPE.

6. In this case, the target population is identified as working-age AROPE, i.e. individuals aged 16-64 at risk of poverty or social exclusion (according to the standard Eurostat definition) in Spain.

2 Policy responses to social inclusion barriers in Spain

This chapter provides an overview of social inclusion policies in Spain at the central and regional levels. It provides an analysis of Spain's regional inclusion plans and discusses the programmes in place in the areas of minimum income, labour, housing, education, health, care and digital skills. It also provides insights into the governance arrangements to promote horizontal and vertical integration for social inclusion.

2.1. Spain's institutional framework for social inclusion is complex

In Spain, competences[1] and responsibilities for designing and providing social inclusion policies are divided between the different administrative levels. Some are shared between the central and regional governments, and others are devolved to regional governments. In particular, minimum income benefits and social inclusion policies are under the responsibility of regions (called Autonomous Communities of Spain [Comunidades Autónomas de España], hereafter "AACC"), while local authorities are often responsible for providing a range of complementary policies. In this context, Spain introduced a minimum income scheme, *Ingreso Mínimo Vital* (IMV), in 2020 to ensure a common income floor that is accessible and promotes social inclusion across the country.

This chapter provides a typology of the organisation of social inclusion pathways across Spain's regions, with a focus on a range of policies that impact inclusion outcomes, such as active labour market policies (ALMPs), family support policies (childcare and long-term care), health policies (e.g. aimed at people with addictions and mental health issues or a disability) and relevant housing support, in addition to social services and transfers for inclusion, prevention of socio-economic exclusion and help with basic needs. Within these policy areas, the goal is to identify the key governance aspects of social inclusion, including co-ordination between various policy areas and across administrative levels, involvement of the third sector, the type of professionals involved in service provision, data sharing practices and processes, complementarities among social inclusion policies, and the existence of individualised social inclusion plans. The chapter combines extensive literature research with an intense information-gathering campaign on the ground. Box 2.1 briefly explains the methodology followed by the OECD to gather and compile this information.

2.1.1. The National Strategy for Preventing and Fighting Poverty and Social Exclusion provides a framework at the central level

The current framework for social inclusion is the National Strategy for Preventing and Fighting Poverty and Social Exclusion (Estrategia Nacional de Prevención y Lucha contra la Pobreza y la Exclusión Social) 2019-23. This strategy aims to fight poverty (with a focus on child poverty) and reduce inequalities and disparities in income levels. It is framed as part of the 2030 Agenda for Sustainable Development of the United Nations. This strategy was originally drafted by the Ministry of Health, Consumption and Social Well-being but has come to be managed by the Ministry of Social Rights and Agenda 2030 (MDSA2030) following a government restructuring.

Overall, this can be considered a comprehensive strategy that offers a multidimensional approach to social inclusion (see Chapter 1 for a discussion on the different dimensions of social exclusion). It covers income support and policies in employment, education and training, health, work-life balance, long-term care and housing and energy poverty. Furthermore, it presents a combination of preventive and palliative measures, as well as measures that cover the whole population and specific actions for groups identified as vulnerable. To integrate the different policy areas covered in the strategy, there is an Inter-ministerial Commission for National Action Plans for Social Inclusion. In this line, the strategy is also comprehensive in terms of participation, as the drafting of the document included a consultation process with all relevant stakeholders, including ministries, the AACC, non-governmental organisations (NGOs) and social partners.

Box 2.1. The methodology used to gather data to construct a typology of Spain's social inclusion pathways

The provision of social inclusion policies in Spain covers many policy areas: labour inclusion, housing, income protection, child and long-term care policies, physical and mental health, education and others. To gather information on the governance of these areas within the social inclusion framework, the OECD and the Spanish Ministry of Inclusion, Social Security and Migration (MISSM) distributed questionnaires and conducted online interviews with all the Spanish AACC between March and July 2022. This work was performed in two steps:

- **Distribution of two questionnaires**: A qualitative one, asking for descriptive information in the areas of governance and financing, digitalisation, labour inclusion, housing, minimum income schemes, care policies, health and early school leaving. In addition, a quantitative questionnaire was sent to gather, for each policy area, information on users' needs, characteristics of services, benefit processing and statistics concerning staff.
- **Online interviews**: Interviews with the AACC were carried out at an early stage of the project to clarify any potential doubts concerning the information requested in the questionnaires and give the regional authorities the opportunity to add comments or clarifications on the organisation of social inclusion policies in their AACC.

Once the information had been gathered, the next task consisted of organising the results, harmonising the data as much as possible and completing the information with other sources (legislation, databases, academic literature, etc.). In addition to the interviews with the AACC, semi-structured interviews were also undertaken with the following actors:

- **Ministries**: Interviews were conducted with the Ministry of Social Rights and 2030 Agenda and the Ministry of Education and Professional Training. Information was exchanged via email with the Ministry of Health.
- **Local entities**: Municipalities of Barcelona (Cataluña), Colindres (Cantabria) and La Línea de la Concepción (Andalucía); Mancomunidad of Torrelodones, Hoyo del Manzanares, Alpedrete y Moralzarzal (Comunidad de Madrid); Insular Council of Mallorca (Illes Balears), Diputación of Valladolid (Castilla y León) and the inclusion working group of Otxarkoaga (Bilbao, País Vasco).
- **Third-sector entities**: Cáritas, Cruz Roja, Fundación Secretariado Gitano, Hogar Sí, and Save The Children.

This methodology has allowed the OECD to gain a broad understanding of the current state of social inclusion policies and pathways in Spain. Mapping social inclusion governance has identified key barriers and potential avenues for reform. At the same time, regional and local authorities and the third sector have had the chance to elaborate on the functioning, limitations and upcoming reforms in social inclusion. This has enhanced understanding of differences and similarities across regions.

2.1.2. The Social Inclusion Network (Red de Inclusión Social) provides a forum for sharing practices across Spain

Beyond the national strategy, the main forum for communication on social inclusion is the Red de Inclusión Social (RIS), or Social Inclusion Network. This network gathers representatives from the public administration responsible for managing European funds and social inclusion policies at the European, national, regional and local levels. Representatives from the AACC include members from social services and employment departments. It also includes social entities, NGOs, trade unions, and the High

Commission against Child Poverty. This network works through working groups, exchanges of best practices or training for professionals, among other activities.

The RIS has a joint presidency, shared by the Ministry of Employment and Social Economy (MITES) and the MDSA2030. In addition, the main governing body of the network, the Plenary, includes representatives from 20 national bodies, including directorate-generals, general secretariats and institutes representing 10 ministries. The High Commission against Child Poverty is the latest national body included in the governance of the RIS. The network also includes representatives from the regional level. In addition, work is structured around six different working groups, whose composition is more selective than that of the RIS Plenary and thus only includes ministries directly involved with the area covered.

The different activities of the RIS include joint training sessions for employment and social services, with the goal of moving towards enhancing co-ordination between these two areas. There are also dissemination sessions on relevant topics, such as the intergenerational transmission of poverty or the feminisation of poverty.

2.1.3. Multiple stakeholders are responsible for social inclusion

Spain is one of the most decentralised countries in the OECD with regard to public spending, and many public services are provided at the regional level. According to the 1978 Constitution, Spain has a three-tier system with central, regional and local governments. There are 17 self-governing AACC, 2 autonomous cities, 50 provinces and 8 131 municipalities. The map of competences is regulated in the Spanish Constitution, and while some are exclusively managed by the central government, most are shared between the central and regional governments.

Social services, minimum income benefits and social inclusion policies are under the responsibility of the AACC – based on Article 148.1.20ª of the Constitution. At the same time, the new minimum income scheme (IMV) established at the national level is now within the competence of the central government, with some exceptions, while the AACC, which previously had their own minimum income benefits are still managing them if a supplement is needed or for those not eligible to receive the IMV. The design of the IMV has been under the competence of the MISSM. Within the MISSM, the General Secretary of Objectives, Inclusion Policies and Social Forecasting is in charge of collecting indicators in this area; monitoring the effectiveness and use of the IMV; designing, promoting and evaluating inclusion policies; and co-ordinating policies and strategies with other ministries such as the MDSA2030.

In addition, given the multidimensional nature of social exclusion, many additional actors come into play at the national and subnational levels. Following the Spanish Constitution, education and health are shared competences, with the central government establishing the overall structure of the system and the main framework in national laws, but the AACC enjoying a high degree of budgetary and organisational autonomy.

In the field of employment, the national public employment service (SEPE), an autonomous body attached to the Ministry of Labour and Social Economy, together with the public employment services of the AACC, constitute the National Employment System. SEPE contributes to the development of employment policy, manages the protection system for unemployment and ensures the information on the labour market. Public employment services (PES) in each AACC are responsible for implementing ALMPs and labour intermediation in co-ordination with central authorities. Targets within the National Employment System are co-ordinated through the Spanish Activation Strategy and Employment Policy National Plans.

Housing is traditionally a competence of the AACC according to the Constitution (Article 148.3). At the same time, the central government has also influenced housing regulation through credit regulation, which affects all regions (Article 149.1.11 CE) and through determining the basis and co-ordination of general economic activity planning (Article 149.1.13 CE). The main goals of housing policy are set out in a multi-annual plan by the central government, but the AACC and local entities establish priorities and define

requirements for entitlements. Currently, the General Directorate of Architecture, Housing and Land within the Ministry of Transport, Mobility and Urban Agenda is responsible for the latest Housing Plan (2022-25).

Since 2013, many AACC have enacted new regional legislation on housing, instituting a right to housing, mobilising empty housing and promoting subsidies to help pay energy bills. This gave impulse to a new national Housing Act, approved in May 2023, to regulate rental housing, instate a minimum social housing threshold of 30% in new builds, increase taxes on empty property, regulate evictions for indebted people, and regulate rental prices in areas of short supply, among others (Ley 12/23 de 24 de mayo, por el derecho a la Vivienda).

2.2. Regions have chosen different policy arrangements with respect to social inclusion

This section describes the regional strategies and main policies and services implemented in Spain for citizens facing inclusion barriers. Some policy fields presented include income support, labour integration, housing and healthcare support.

2.2.1. Less than half of the regions have a current regional plan for social inclusion

In parallel to the national framework, some AACC have developed social inclusion plans or strategies of their own. These differ in terms of time frames, topics covered, and government departments involved (see Table 2.1).

Table 2.1. AACC regional social inclusion plans and the departments in charge

AACC	Has a social inclusion plan	Government department	Name of the plan	Time period
Andalucía	Partial (does not cover the whole territory)	Equality, Social Policy and Work-life Balance	Estrategia Regional Andaluza para la Cohesión e Inserción Social. Intervención en Zonas Desfavorecidas	2018-22
Aragón	No	Citizenship and Social Rights		
Asturias	No	Social Rights and Well-being		
Illes Balears	No	Social Affairs and Sports		
Canarias	Yes	Social Rights, Equality, Diversity and Youth	Estrategia Canaria de Inclusión Social	2019-21
Cantabria	Yes (outdated)	Employment and Social Policy	II Plan de Emergencia Social de Cantabria	2018-20
Castilla y León	Yes	Family and Equality of Opportunities	Plan Estratégico de los Servicios Sociales de Castilla y León	2017-21
Castilla-La Mancha	Yes (outdated, with a new one being developed)	Social Well-being	Estrategia contra la Pobreza y la Desigualdad Social de Castilla-La Mancha	2017-20
Cataluña	No	Social Rights		
Comunitat Valenciana	Yes	Equality and Inclusive Policies	Plan Valenciano de Inclusión y Cohesión Social	2017-22
Extremadura	No	Health and Social Services		
Galicia	Yes (outdated)	Social Policy	Estrategia de Inclusión Social de Galicia	2014-20
Comunidad de Madrid	Yes	Family, Youth and Social Policy	Estrategia de Inclusión Social de la Comunidad de Madrid	2016-21
Región de Murcia	No	Women, Equality, LGTBI, Family and Social Policy		
Comunidad Foral de Navarra	Yes	Social Rights	Plan Estratégico de Inclusión de Navarra	2018-21
País Vasco	Yes (and a new one is	Equality, Justice and Social	IV Plan Vasco de Inclusión	2017-21

AACC	Has a social inclusion plan	Government department	Name of the plan	Time period
	being developed)	Policy		
La Rioja	No	Social Policy, Family, Equality and Justice		

Note: Plans that finished before 2020 have not been taken into consideration for this table. Plans that ended in 2020 are considered outdated.
Source: OECD social inclusion questionnaires and interviews (2022) and regional government websites.

In total, there are only six AACC that have an updated social inclusion plan, nine if counting those that had a working plan until 2020. In addition to these, Andalucía has a Regional Strategy for Social Cohesion and Insertion that covers only geographical areas identified as being at risk of social exclusion rather than the whole territory. This leaves eight AACC with no social inclusion plan. Of these, there are certain AACC, such as Asturias or Cataluña, that did have social inclusion plans in the past but that have not continued to work with this tool, and others, like Murcia, that are waiting for the approval of a social services law that will set the framework for future social inclusion plans.

In general, regional plans are comprehensive in their approach to social inclusion. The ten plans analysed included mentions of income support, labour inclusion, housing, health and education and training, which shows a multidimensional understanding of the nature of social exclusion. In addition, government departments in charge of these areas are generally mentioned as part of the social inclusion plans, showing an integrated perspective.

Care policies are the main area of social inclusion that is still underdeveloped in these plans. Eight of the ten plans analysed mention the work-life balance related to the care of children. However, these approaches tend to focus only on child poverty, overlooking the impact of care duties for families and how this interacts with social inclusion. Mentions of long-term care as a core social exclusion policy appear only in Castilla y León, Comunitat Valenciana, Comunidad de Madrid and Comunidad Foral de Navarra. This suggests that, while more traditional social inclusion policies are considered both in the diagnostic and on the measures taken to tackle exclusion, the transition to including other factors, such as care duties, is still limited. Similarly, the emergence of digital gaps affecting the population at risk of social exclusion is still underdeveloped in most social inclusion plans. Eight out of ten regional strategies mention this topic, but the number and detail of the programmes foreseen to mitigate this gap remain marginal in most AACC compared to other areas tacked by the inclusion plans.

As the analysis confirms, most AACC lack a long-term, consistent approach to their social inclusion frameworks. While social inclusion plans have existed for many years now, there is significant variation when it comes to which AACC use this tool, as well as on the social inclusion plan and strategy time periods.

The evolution of social inclusion plans for the time period 2012-22 shows that only the País Vasco and Galicia have a continued approach to social inclusion plans over time. While the two strategies from Andalucía follow each other in time, the current framework is not a continuation of the previous one but a new approach to social inclusion. Furthermore, two AACC, Cantabria and Cataluña, used to have a continued approach to social inclusion plans but no longer use this tool. All the other AACC show isolated social inclusion plans. Interviews were inconclusive about the reasons for the lack of continuity, which is in some cases related to changes in regional governments and subsequent changes in priorities.

The lack of a continued, comprehensive approach to social inclusion plans can have two main implications. The first relates to evaluation and incorporating evaluation feedback into new policies and programmes. Most plans and strategies envisage an ex-post evaluation that makes it possible to assess the adequacy of existing programmes and adapt them if necessary. However, without a continuous framework, lessons for these evaluations may not reach this stage and thus would not serve the purpose of informing policy reforms. An example of good practice is that the latest Basque and Galician plans include a reflection on

the evaluation of the previous framework, and new measures and objectives build on this. On the other hand, strategies, such as those from Madrid or Castilla-La Mancha, build their diagnostics and objectives mostly from survey data and statistics rather than previous policy results. The second implication relates to the fact that, in the case of plans that have a specific budget allocated by year, the ending of these plans with no foreseen continuation can lead to the ending of financing for specific programmes and cuts in the existing allocation of resources, leading to a possible lack of continuity or projects.

2.2.2. Different policy areas for social inclusion are weighted differently across regions

As mentioned earlier, a multidimensional approach to social inclusion involves the consideration of other policies besides income support schemes. Key policy areas analysed in this section to highlight regional differences in social inclusion coverage include labour policies, housing, health, education and work-life balance.

Minimum income, emergency benefits and inclusion itineraries

Before the introduction of the IMV, all AACC had some kind of minimum income scheme (MIS) in place. These schemes showed substantial regional variation in indicators such as generosity, per capita spending, adequacy, coverage, or length of payment of the benefits (AIREF, 2019[1]).

As part of their MIS, 12 AACC had planned some kind of individual inclusion itinerary throughout the duration of the benefit. These itineraries usually include primary social services, employment services and, in some cases, other areas, such as health, education or housing. The degree of implementation of these itineraries shows some variation. For example, while the AACC, such as Andalucía or Castilla-La-Mancha, envisage the creation of itineraries as part of their MIS legislation, according to interviews and policy questionnaires, these have not yet reached the implementation stage. In addition, the entry into force of the IMV seems to be impacting the functioning of regional inclusion pathways. An example from interviews comes from Castilla y León, where those beneficiaries who have transitioned from the previous Renta Garantizada de Ciudadanía to receiving the IMV are no longer subject to participation in an integrated inclusion pathway (and thus, no longer benefit from them).

Beyond MIS, 14 AACC also have some kind of last resort emergency transfer, managed by social services and targeted at individuals or households who do not fulfil the criteria for other social transfers and are in some type of emergency situation. In most cases, these transfers are a one-time payment targeted at a specific need that the individual or household cannot pay for. While Cataluña does not have a general emergency transfer, it has a specific one targeted at specific housing emergencies. In the case of the Balearic and the Canary Islands, these emergency transfers are not regional but rather managed through the different Island Councils (Consejos Insulares). In Aragón, there are two types of emergency transfers: emergency aid for general situations and specific emergency aid for the payment of energy consumption. Among others, the first type is aimed at covering needs such as the impossibility of living in one's habitual dwelling, buying food or lacking resources to maintain essential personal care, primarily clothing and hygiene.

The introduction of a national minimum income scheme: The Ingreso Mínimo Vital (IMV)

The most relevant reform within the area of social inclusion in Spain in recent years has been the introduction of a guaranteed income scheme, the IMV, in 2020. The introduction of the IMV, with a total allocated budget of almost EUR 3 000 million for 2021 and a coverage goal of 850 000 households, has entailed a significant increase in resources for social inclusion in the Spanish territory. According to a study by the Independent Authority for Spanish Fiscal Responsibility (AIReF) (2022[2]), a total of 450 000 households fulfil the criteria both for the IMV and their corresponding regional MIS. The overlap of the IMV with previous regional MIS is spurring reform and budget reallocation of income support across

the different AACC. Due to the scope of this new national policy and administrative challenges in transitioning from regional to national income support, adaptation by the AACC is gradual and remains ongoing in most cases.

At the moment, three main scenarios can be distinguished when it comes to the relationship between the IMV and regional MIS (EAPN, 2021[3]):

- AACC with regional MIS having higher amounts than the IMV, where regional schemes now complement the national benefit. This is the case for Aragón, Canarias, Cataluña, Comunitat Valenciana, Comunidad Foral de Navarra and País Vasco.
- AACC with regional MIS that show a broader coverage of profiles than the IMV. This group includes Aragón, Comunitat Valenciana and Illes Balears.
- AACC with regional MIS that would only be activated for cases where a household has been denied or is not entitled to the IMV, as a last resort.

Table 2.2 summarises the current state of adaptation of regional MIS to the IMV. It includes whether the reconfigured regional transfers complement the IMV amount and if they play a subsidiary role to the national transfer – that is, whether they cover profiles not eligible for the IMV complement, such as based on age or residency requirements.

Table 2.2. Adaptation of **Spain's** regional minimum income schemes to its national minimum income scheme (IMV)

	Regional benefit	Complementary to IMV	Subsidiary to IMV	Subsidiarity coverage
Andalucía	Renta Mínima de Inserción Social, now becomes Ingreso por la infancia y la Inclusión		✓	Persons who do not fulfil the IMV criteria. For example, the term of the legal residence permit for migrants remains undetermined, which may reach more migrant people.
Aragón	The former Ingreso Aragonés de Inserción (IAS), now becomes Prestación Aragonesa Complementaria del Ingreso Mínimo Vital (PACIMV)	✓	✓	Persons who do not fulfil the IMV criteria.
Asturias	Salario Social Básico (SSB)		✓	Persons who do not fulfil the IMV criteria: no maximum age, fewer requirements for migrants, higher amount for people with disabilities.
Illes Balears	Renta Social Garantizada (RESOGA)		✓	Persons who are not entitled to IMV.
Canarias	Renta Canaria de Ciudadanía	✓		
Cantabria	Renta Social Básica (RSB)			
Castilla-La Mancha	Ingreso Mínimo de Solidaridad (IMS)		✓	IMS covers a broader age range as there is no maximum age.
Castilla y León	Renta Garantizada de Ciudadanía (RGC)	✓	✓	Persons who do not fulfil the IMV criteria. Also, there is no maximum age to be a potential beneficiary.
Cataluña	Renta Garantizada de Ciudadanía (RGC)	✓	✓	RGC covers a broader age range as there is no maximum age.
Comunitat Valenciana	Renta Valenciana de Inclusión (RVI)	✓	✓	RVI covers more cases. For example, being over 18 years of age and being in a situation of functional dependency, although the minimum age for RVI is 25.
Extremadura	Renta Extremeña Garantizada	✓		
Galicia	Renta de Inclusion Social de Galicia (RISG)		✓	Persons who are not entitled to IMV. For example, the legal residence requirement for migrants is exempted for persons with refugee and asylum

	Regional benefit	Complementary to IMV	Subsidiary to IMV	Subsidiarity coverage
				seeker status.
La Rioja	Renta de Ciudadanía (RC)		✓	Persons who do not fulfil the IMV criteria.
Comunidad de Madrid	Renta Mínima de Inserción (RMI)		✓	RMI covers a broader age range.
Región de Murcia	Renta Básica de Inserción (RBI)			
Comunidad Foral de Navarra	Renta de Inclusión Social (RIS)	✓	✓	RIS covers a broader age range and cases such as migrant status.
País Vasco	Renta de Garantía de Ingresos (RGI)	✓	✓	RGI can be applied for by people over 18 in vulnerable conditions.

Note: Regional MIS are considered complementary in those cases when the regional transfer is used to complement the amount of the IMV. AACC where complementarity is legally possible but whose regional MIS is less generous than the IMV have been excluded from this category. Subsidiarity refers to those regional MIS that cover profiles rejected by the IMV. In any case, to access the regional MIS, claimants must apply to the IMV first.
Source: OECD social inclusion interviews and questionnaires (2022) and EAPN (2021), *El Ingreso Mínimo Vital un año después. La perspectiva autonómica*, www.eapn.es/publicaciones/452/el-ingreso-minimo-vital-un-ano-despues-la-perspectiva-autonomica.

In total, eight AACC complement the amount of the IMV with their regional MIS. These include AACC with more generous MIS than the IMV: Aragón, Canarias, Cataluña, Comunitat Valenciana, Comunidad Foral de Navarra and País Vasco. In addition, Extremadura has a minimum amount that is higher than the IMV (EUR 537.84 vs. EUR 469.93), and it also includes a EUR 100 transfer for single-parent families. Finally, while the Renta Garantizada de Ciudadanía (RGC) in Castilla y León shows lower amounts than the IMV, the regional government has modified the legislation to allow for the RGC to complement the IMV for 1 000 households (EAPN, 2021[3]).

With regard to subsidiarity, up to 13 AACC (all of them except Canarias, Cantabria, Extremadura and Murcia) broaden to some extent the coverage of the IMV. The most common ways of broadening the coverage are through less strict residency requirements (this is the case for Andalucía, Asturias, Galicia and Comunidad Foral de Navarra); the inclusion of a broader age range for beneficiaries (Asturias, Castilla-La Mancha, Castilla y León, Madrid, Comunidad Foral de Navarra and País Vasco); special provisions for persons with disabilities (Asturias, Comunitat Valenciana); or acting as a last resort for those households in a vulnerable situation that have been denied or have no access to the IMV (Aragón, Illes Balears and La Rioja).

Information from policy questionnaires on how budget adaptation is taking place is inconclusive. In most cases, the introduction of the IMV has not yet triggered a strong change in the budget provision for regional MIS, as the transition for beneficiaries is still an ongoing process. The AACC show a progressive decline in the provision of funds dedicated to regional MIS, although those with more generous schemes, such as Comunidad Foral de Navarra and País Vasco, report little budget adaptation to the introduction of the national benefit.

As for the destination of funds, no systematic approach has been applied to reallocating the specific budget dedicated to MIS to other policies. An exception would be Illes Balears, where funds will be allocated to increasing the regional emancipation transfer, an autonomy transfer for individuals previously under guardianship, and a complement of social transfers to adapt non-contributory benefits to the living standards of the region (EAPN, 2021[3]). In addition, other AACC, such as Cantabria or Castilla-La Mancha, report that the MIS budget will be reallocated to other social policies, such as social emergency transfers.

Labour inclusion

In Spain, the AACC are responsible for designing regional ALMPs and organising ALMP implementation via regional PES. In this context, a Common Portfolio of Services[2] is set up with the aim of guaranteeing equal opportunities across the AACC in access to employment services for all groups of users. It sets out the measures and services that all PES across the country are required to provide:[3] 1) counselling for jobseekers; 2) counselling and placement services for employers; 3) training and qualification services; and 4) self-employment counselling services. Nevertheless, to allow sufficient flexibility to adapt to the characteristics of the beneficiaries in the different AACC, regional PES can provide complementary services.

The 2022 Annual Employment Policy Plan details the ALMPs that the AACC would develop in 2022. It differentiates between those services and measures common to all of Spain and those specific to each AACC. Regarding ALMPs addressed to vulnerable groups, all AACC envisage implementing supplementary job creation schemes or employment subsidies; nine AACC plan additional counselling and intermediation actions; and two AACC have designed specific training programmes (Illes Balears and Galicia). Under the employment law (Article 30), vulnerable groups include young people, women, the long-term unemployed, people over 45, people with family responsibilities, people with disabilities, people in a social exclusion situation and immigrants.

Regional social inclusion plans often highlight the importance of adapting ALMPs to the specific needs of those at risk of social exclusion. In this context, the Transformation and Resilience Recovery plan with its investment in “vulnerable groups” (within Investment 4, “New territorial projects for rebalancing and equity” of Component 23, “New public policies for a dynamic, resilient and inclusive labour market”) is playing an important role by endowing the AACC with the means to provide personalised support to people in vulnerable groups. At least two projects are being funded in each AACC with the aim of implementing personalised itineraries of labour market integration that include counselling and career advice, job intermediation and training. Besides this recent development, the AACC have implemented other counselling, job intermediation and/or training programmes over the past five years targeting vulnerable groups in general or specific populations at risk of social exclusion.

Finally, subsidies to employers and job creation schemes are prevailing ALMPs when talking about the labour market integration of people at risk of social inclusion in Spain. Social Integration Enterprises are companies that perform profitable economic activities while recruiting socially excluded people. Through the on-the-job training and guidance provided in the integration enterprise, individuals should become equipped to find a job in the primary labour market. In 2022, 249 Social Integration Enterprises were active across the Spanish territory. More than 50% were in Cataluña, País Vasco and Madrid communities. In contrast, Asturias, Illes Balears, Castilla-La Mancha, Comunitat Valenciana, Extremadura, Galicia, and Murcia count fewer than ten Social Integration Enterprises each (Vargas, 2022[4]). Similarly, more than 2000 Special Employment Centres provide workers with disabilities with productive and remunerated work. Andalucía and Castilla y León are the AACC with the highest number of centres (the two AACC accounted for 33% of the centres in 2019). However, Andalucía, Cataluña and Madrid have the largest number of employees working in the Special Employment Centres (Observatorio sobre discapacidad y mercado de trabajo en España, 2019[5]).

Housing policies

When analysing the housing policies that are part of the social inclusion frameworks of different regions, the analysis considers categories of emergency housing, housing policies specifically targeted at socially excluded populations and policies to combat energy poverty (see Table 2.3).

Table 2.3. Housing policies in **Spain's** AACC

	Emergency housing	Accompaniment for persons/households under emergency housing programmes	Public social housing for vulnerable groups	Rent transfers for vulnerable groups	Programmes against energy poverty
Andalucía	✓	✓	✓		✓
Aragón	✓	✓	✓	✓	✓
Asturias	✓	✓	✓	✓	✓
Illes Balears			✓	✓	
Canarias	✓	✓	✓	✓	
Cantabria	✓	✓	✓	✓	✓
Castilla-La Mancha			✓	✓	✓
Castilla y León	✓	✓	✓	✓	✓
Cataluña	✓	✓	✓	✓	n.a.
Comunitat Valenciana	✓	✓	✓	✓	
Extremadura	✓		✓	✓	✓
Galicia	✓	✓	✓	✓	✓
La Rioja	✓		✓	✓	
Comunidad de Madrid	✓	✓	✓		
Región de Murcia	✓	✓	✓	✓	✓
Comunidad Foral de Navarra	✓	✓	✓	✓	✓
País Vasco	✓	✓	✓	✓	✓

Note: "n.a." stands for missing or not available information.
Source: OECD social inclusion questionnaires and interviews (2022), regional government websites and regional social inclusion plans.

Sixteen AACC (all of them, except Castilla-La Mancha) have an emergency housing programme, though coverage varies substantially by AACC. The main groups covered by emergency housing include victims of gender-based violence and their dependants, individuals or households under an eviction situation, and individuals under exceptional circumstances, such as natural disasters or refugee status. However, the adequacy of resources allocated to this policy remains unclear, as interviews with local entities have raised the issue that emergency housing is not always available for the population in need in some AACC, such as the Comunidad de Madrid, among others. An analysis of the catalogue of services by region highlights that such housing programmes are more widespread for gender-based violence victims than for those under any other emergency circumstance and that such programmes are subject to sufficient budgetary capacity only in some cases.

Apart from providing emergency housing services, 13 AACC also have accompaniment programmes for persons in these situations, even if three of these only contemplate this monitoring for victims of gender-based violence (Asturias, Cantabria, and Castilla y León). Accompaniment programmes include actions such as coverage of basic needs (Aragón), social inclusion of gender-based violence victims (Asturias, Cantabria, Castilla y León) and social and labour inclusion (Galicia, Comunidad de Madrid).

Regarding housing policies targeting vulnerable groups, all AACC have public social housing for individuals and households with scarcity of resources. In addition, 12 AACC complement the national framework of rent transfers included in the National Housing Plan by providing extra financial support in the form of rental aid for vulnerable groups. Other housing policies for vulnerable groups include the improvement of housing accessibility (Asturias), as well as specific measures for homeless persons (Asturias, Castilla-La Mancha, Castilla y León, Cataluña, Region de Murcia) or the Roma population (Andalucía, La Rioja, Comunidad de Madrid).

Finally, on energy poverty, the national framework contemplates two energy vouchers for vulnerable households to help finance energy supplies. Most AACC have transferred the management of this specific

area to local entities through primary social services. Policies mostly include transfers covering the cost of energy supplies for emergencies through specific programmes or social emergency transfers. Some AACC (Andalucía, Castilla-La Mancha, Castilla y León) also have mediation programmes with energy companies to prevent the interruption of energy services.

Health

In the area of health, the analysis will focus on three core elements: the existence of specific measures for vulnerable groups as part of regional health plans; specific mental health measures for vulnerable groups; and the presence of multidisciplinary teams for those cases when individuals with health needs also show needs in terms of social inclusion. A summary of the coverage of these areas in the different AACC can be found in Table 2.4.

Table 2.4. Health policies for vulnerable groups **in Spain's AACC**

AACC	General health programmes for vulnerable groups	Mental health programmes for vulnerable groups	Co-ordination protocols between health and social services	Presence of multidisciplinary teams
Andalucía	✓	✓	✓	✓
Aragón	✓	✓	✓	✓
Asturias	✓	✓		
Illes Balears		✓		
Canarias		✓		
Cantabria				✓
Castilla-La Mancha	✓	✓	✓	✓
Castilla y León	n.a.	n.a.	n.a.	n.a.
Cataluña	✓	✓	✓	✓
Comunitat Valenciana	✓	✓	n.a.	n.a.
Extremadura	✓	✓	n.a.	n.a.
Galicia	n.a.	✓	n.a.	n.a.
La Rioja	n.a.	✓	n.a.	n.a.
Comunidad de Madrid	✓	✓	✓	✓
Región de Murcia	✓	✓	✓	✓
Comunidad Foral de Navarra	✓	✓	✓	✓
País Vasco	✓	✓	n.a.	n.a.

Note: Information on co-ordination protocols and multidisciplinary teams is only available for AACC providing information. "n.a." stands for missing or not available information.
Source: OECD social inclusion questionnaires and interviews (2022), regional government websites and regional social inclusion plans.

Regarding general health measures, 11 AACC have specific actions in their health strategies or policy frameworks with a particular focus on the most vulnerable groups. Groups tackled by these AACC include victims of gender-based violence, migrants, people in penitentiary institutions, homeless people and people with addictions, among others. Specific programmes include sanitary support for vulnerable groups, agreements with the third sector and organisations working with collectives at risk of exclusion, co-ordination protocols between the health and social services departments or the regular presence of social workers in health centres.

The specific issue of mental health has also been strongly correlated to situations of social exclusion. To this end, 15 AACC have undertaken specific measures either as part of a specific mental health strategy, general health strategy or as part of their policy framework for health measures. The groups tackled by these measures are largely similar to those mentioned for general health. Measures include priority access to mental health resources for people in social exclusion, specific care and information centres and

accompaniment programmes and specific measures for groups such as victims of gender-based violence, homeless people or people with addictions.

Finally, the presence of multidisciplinary teams that integrate health professionals, social workers and other services that may be needed can be key for approaching special exclusion cases. Co-ordination protocols between health and social services are present in at least seven AACC, while multidisciplinary teams can be found in at least eight AACC.[4]

Education and early school leaving

Early school leaving (ESL) can be both a cause and a consequence of social exclusion situations (OECD, 2016[6]). This is especially key in a country like Spain, which had in 2021 the second highest rate of early leavers from education and training in the European Union after Romania (Eurostat, 2022[7]). Therefore, the analysis of education policies related to social inclusion will concentrate on this area, specifically whether the AACC have targeted programmes for those at risk of social exclusion that supplement the national ESL framework and the availability of second-chance schools.

The main programme at the national level is called PROA+ (Programme for Orientation, Progress and Educational Enrichment). It targets educational centres with a significant number of students in a situation of educational vulnerability and who showcase a series of difficulties or obstacles throughout their educational trajectory. In addition, 15 AACC have developed their own programmes to fight ESL, with a strong focus on absenteeism and specific vulnerable groups, such as the Roma.

Thirteen AACC also have second-chance programmes, either in the form of second-chance schools or through the financing of scholarships. These usually target young individuals who dropped out of the educational system, do not hold a degree, or are unemployed. In addition to regional initiatives, the association, Las Escuelas de Segunda Oportunidad (E2O) counts a total of 43 second-chance schools in nine AACC, providing educational services to around 8 000 students yearly (Escuelas de Segunda Oportunidad España, 2022[8]). In certain cases, the activity of these schools is developed in collaboration with local entities, such as in the municipalities of Gijon or Barcelona. This collaboration happens in different modalities: first, in the participation of local entities as partners in the national association of second-chance schools, the E20. Another is the availability of second-chance schools in public entities, such as the City Council of Gijon, through the Local Agency for Economic Promotion and Employment. Finally, the collaboration of public local entities can also take place through public funding for E20 partners in order to establish this service in the community, as in Barcelona.

At the national level, it is also worth mentioning the existence of the Formación Profesional Básica (Basic Professional Training), consisting of vocational training programmes with a duration of two years for individuals who have not finished compulsory education and want to continue their studies to obtain a professional training qualification.

Work-life balance and long-term care

Care barriers can be crucial when it comes to overcoming social exclusion situations, something that applies both to childcare and long-term care (LTC). The issue of care is still overlooked in social inclusion plans and strategies, however, and work-life balance and LTC policies are not always included as part of individual inclusion pathways. The analysis of regional care policies will look at income support for vulnerable households with children; school canteens and early childhood education and care (ECEC); programmes for vulnerable children; early care for children with disabilities; and support for carers in the area of LTC (see Table 2.5).

Table 2.5. Care policies for vulnerable groups **in Spain's AACC**

AACC	Income support for vulnerable families with children	ECEC programmes for vulnerable children	School canteen programmes for vulnerable children	Early care for vulnerable children with disabilities	Support for carers in LTC
Andalucía	✓	✓	✓		✓
Aragón	✓		✓	✓	✓
Asturias			✓	✓	
Illes Balears		✓	✓		
Canarias			✓		
Cantabria	✓	✓	✓		
Castilla-La Mancha			✓		
Castilla y León	✓	✓	✓	✓	
Cataluña	✓	✓	✓	✓	✓
Comunitat Valenciana		✓	✓		✓
Extremadura			✓		
Galicia	✓	✓	✓		
La Rioja	✓	✓	✓	✓	
Comunidad de Madrid	✓	✓	✓		✓
Región de Murcia	✓	✓	✓		
Comunidad Foral de Navarra		✓	✓	✓	✓
País Vasco	✓		✓	✓	

Source: OECD social inclusion questionnaires and interviews (2022), regional government websites and regional social inclusion plans.

At the national level, starting in 2022, the IMV has a childhood complement for households with children, with an amount that varies with the age of the children (see Chapter 3). In addition, ten AACC have some kind of economic transfer for households with dependent children. These include single transfers at the moment of birth or adoption (Cataluña, Galicia, País Vasco), complement regional MIS (Aragón, Cantabria, La Rioja) or transfers to pay for work-life balance services (Castilla y León), among others.

In the specific area of children support and work-life balance, 11 AACC have developed ECEC programmes to specifically address vulnerable children's needs. These range from direct access to ECEC for those children in households that receive a regional MIS (Comunitat Valenciana) or priority access to ECEC (La Rioja, Comunidad de Madrid) to partial or total financing of early education for children at risk of exclusion (total financing in Cantabria, Castilla y León Cataluña and Comunidad de Madrid; total or partial financing depending on income in Andalucía, Illes Balears, Galicia, Murcia and Comunidad Foral de Navarra; and partial financing in País Vasco).

Another key service for work-life balance and child well-being is school canteens. All AACC have developed programmes in this area, from direct access for vulnerable children (Comunitat Valenciana) to different reimbursement and financing schemes (free-of-charge policies for vulnerable children in Andalucía, Asturias, Canarias, Cantabria, Castilla-La Mancha, Castilla y León, Extremadura, Galicia, Murcia, Comunidad Foral de Navarra; partial reimbursement in Illes Balears, Cataluña, La Rioja, Comunidad de Madrid and País Vasco).

Moving towards the specific vulnerable group of children with disabilities and their families, seven AACC contemplate as part of the social services catalogue the service of early care for children aged either 0-3

or 0-6 with disabilities. There is thus still room for developing more targeted care policies for those vulnerable groups with stronger care needs.

As for LTC, beyond the national framework of care services and transfers from the Ley de Dependencia, which entered into force in January 2007, only six AACC also provide specific regional programmes targeted at carers. These include training programmes (Andalucía, Aragón) and respite for carers (Andalucía, Comunidad de Madrid, Comunidad Foral de Navarra), among other support programmes.

Digital gaps

The emergence of the use of new technologies, especially in light of the coronavirus (COVID-19) pandemic, has raised issues on the emergence of a digital divide that can especially affect women, the elderly and low-income individuals (OECD, 2020[9]). This can have significant consequences for social exclusion in the absence of adequate skillsets. The response to these challenges varies by AACC and is summarised in Table 2.6.

Table 2.6. Digital inclusion in **Spain's** AACC

AACC	Mentions a digital gap in its social inclusion plan	Provides training on digital skills for vulnerable groups
Andalucía	✓	✓
Aragón		
Asturias		✓
Illes Balears		
Canarias		
Cantabria		
Castilla-La Mancha	✓	✓
Castilla y León		
Cataluña		
Comunitat Valenciana	✓	✓
Extremadura		✓
Galicia	✓	
La Rioja		
Comunidad de Madrid	✓	
Región de Murcia		✓
Comunidad Foral de Navarra	✓	✓
País Vasco	✓	✓

Note: Information on mentioning a digital gap has only been gathered for those AACC with updated social inclusion plans or have plans that ended no earlier than 2020.
Source: OECD social inclusion questionnaires and interviews (2022), regional government websites and regional social inclusion plans.

Among the nine AACC with an updated social inclusion plan, or one ending no earlier than 2020, seven make mention of a digital divide. Five contemplate specific objectives and measures to tackle the digital divide, mostly through training programmes and increasing access for vulnerable groups, particularly women and people over 55. The Comunidad de Madrid and the País Vasco only mention the digital divide as a challenge and part of their diagnostic, with no specific measures. Finally, in the case of Comunidad Foral de Navarra, the digital gap is not mentioned in the original strategy but has since been added as a key objective through its operational plans.

Trainings on digital skills aimed at vulnerable groups exist at the regional level in eight AACC. Groups covered by these programmes are diverse and include collectives such as unemployed persons (Extremadura), women (Aragón, País Vasco), women in rural areas (Comunidad Foral de Navarra),

persons at risk of social exclusion (Andalucía, Comunitat Valenciana, Comunidad Foral de Navarra), persons with disabilities (Andalucía, Comunitat Valenciana), older people, migrants and the gipsy population (Andalucía).

Despite digital barriers being critical for populations at risk of social exclusion, policies to address the digital divide remain nascent in most AACC and are not yet an integral component of social inclusion frameworks. Table 2.7 presents an overview of support mechanisms for users with digital needs for six AACC for which digitalisation questionnaires are available.

Table 2.7. Existing digital support mechanisms in **Spain's** AACC

	Possibility of in-person requests for social inclusion programmes	Existence of online application systems adapted to mobile phones	Existence of support mechanisms for users with difficulties submitting applications on line
Andalucía	✓	✓	✓
Aragón		✓	
Cantabria	✓		
La Rioja	✓	✓	
Comunidad de Madrid	✓		n.a.
Comunidad Foral de Navarra	✓		✓

Note: Information is missing for the AACC not included in this table, as well as for the existence of support mechanisms in Madrid.
Source: OECD social inclusion questionnaires (2022).

Most AACC in the sample (with the only exception of Aragón) provide the option of in-person applications for social inclusion programmes. As seen above, this possibility is key for including those who lack the resources or skills to make an online application and who may be otherwise excluded from the system. In accordance with current legislation (and in particular with the Ley 39/2015, de 1 de octubre, del Procedimiento Administrativo Común de las Administraciones Públicas), citizens have the legal right to not communicate electronically with the administration. When a legal act imposes the obligation for a collective to engage in electronic communication, it must be shown that the collective have access to the necessary electronic means and that they are available (Article 14.3). However, legislation related to social inclusion often does not mention this provision, which gives citizens the right to use offline means of communication (Taula d'entitats del Tercer Sector Social de Catalunya, 2022[10]).

The existence of online application systems adapted to mobile phones is also crucial, as in 2021, only 53.6% of households with monthly incomes below EUR 900 per month had a working computer (INE, 2021[11]). In this context, adapting online application forms to mobile phones can be key to enhancing accessibility as, according to the same survey, 98.8% of households under the same income threshold had a mobile phone. Despite this, only half of the AACC of the sample (Andalucía, Aragón and La Rioja) have adapted application forms, while Cantabria, Madrid and Comunidad Foral de Navarra have not.

Finally, the last column of the table shows the AACC with some kind of support or technical assistance programmes for persons with difficulties when it comes to filing applications on line. Such programmes are only present in Andalucía and Comunidad Foral de Navarra at the moment. In Andalucía, this is done through local commissions as part of the European Reference Framework for the Digital Competence of Social Services (ERACIS) strategy. In Comunidad Foral de Navarra, third-sector entities supported by public funds offer digital capacitation programmes for these cases. While there are no specific referral protocols, public services are aware of these resources and direct users to them. At the local level, the Xarxes de serveis d'atenció, developed in Barcelona, also act as centres for supporting claimants in this context. These offices act as systems of assistance to help people overcome difficulties in the application

procedure for benefits. These Xarxes have a support team for the procedures as well as digital training units.

This overview, as well as the lack of information for many AACC, suggests that specific policies for tackling the digital gap targeted at vulnerable populations are still underdeveloped in most AACC. Furthermore, there is still no comprehensive approach to specific measures to tackle the consequences of digitalisation or clear identification of the most vulnerable groups.

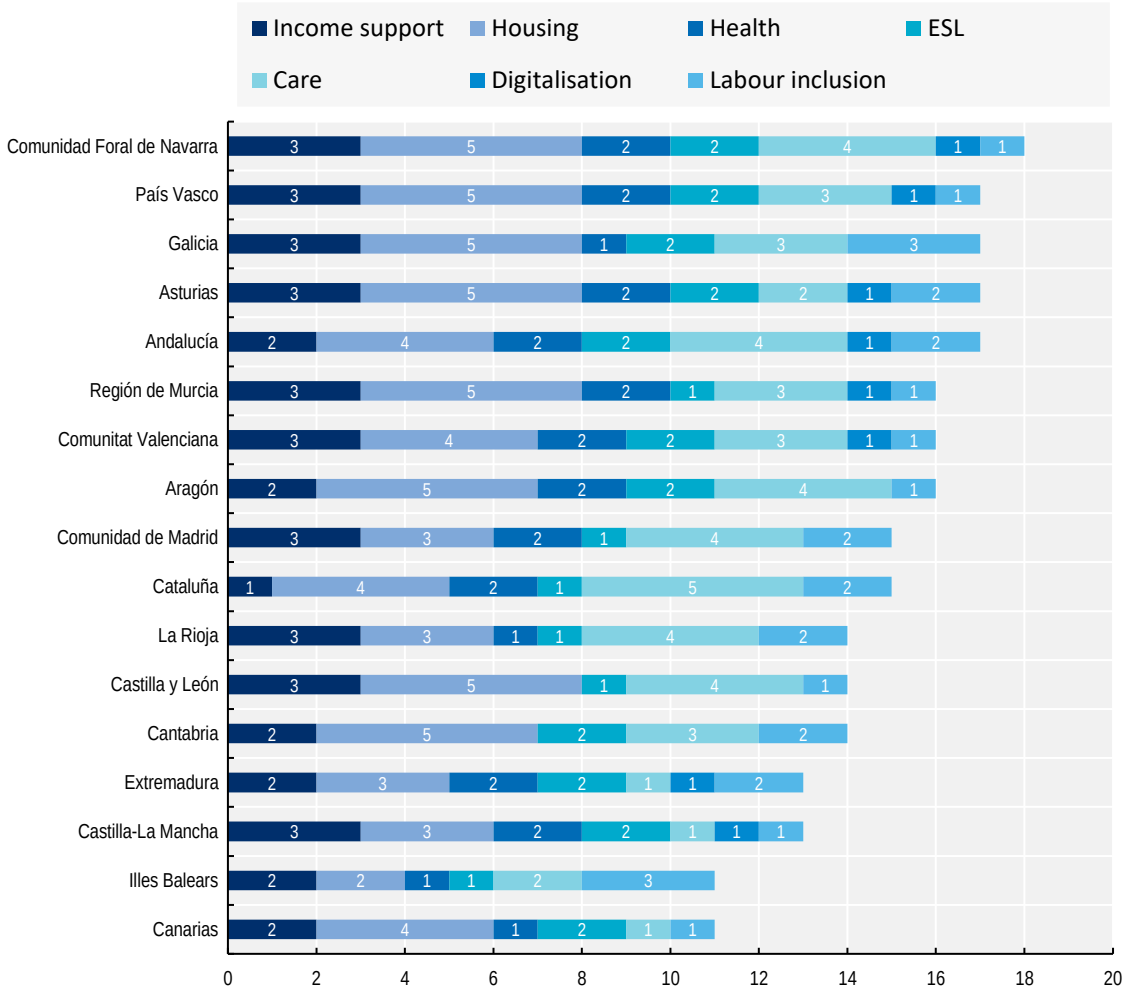
A regional typology of social inclusion policies

Figure 2.1 shows a ranking of social inclusion policies by thematic area based on the number of indicators for each area which were available in Tables 2.3 to 2.7 and the discussion of benefits and policies under minimum income and labour inclusion. It shows how in specific areas, some groups of AACC lag behind the rest, as well as the extent to which different areas have a broad coverage at the regional level in Spain. The main conclusions that arise from this figure are the following, by area:

- Income support is one of the most developed areas of social inclusion. With the only exception of Cataluña, which does not have last-resource emergency transfers at the regional level, all other AACC have at least two out of three indicators (regional minimum income, inclusion itinerary linked to minimum income and last-resource monetary transfer).
- The area of housing shows more regional variation. While 12 out of 17 AACC have at least 4 out of 5 indicators covered, there are five AACC with 3 or fewer indicators: Comunidad de Madrid, Castilla-La Mancha, La Rioja, Extremadura and Illes Balears.
- In health, there are 11 AACC that have two indicators from the analysis. In addition, 4 AACC (Galicia, La Rioja, Canarias and Illes Balears) have one indicator. Castilla y León and Cantabria are the two AACC that do not have specific health measures for vulnerable groups.
- For ESL, all AACC have at least one out of the two indicators (programmes for ESL and second-chance programmes). The list of the AACC that only have one is Murcia, Comunidad de Madrid, Castilla y León, Cataluña, La Rioja and Illes Balears.
- As seen throughout the analysis of this section, the area of care is still not fully integrated within the social inclusion framework in Spanish regions. Cataluña is the only AACC to have five out of the five indicators in this area. The AACC with less development related to care policies (one or two indicators) are Asturias, Castilla-La Mancha, Extremadura, Canarias and Illes Balears.
- Finally, as already mentioned, the issue of the digital gap is still under development in most AACC, as only eight AACC show some kind of policy related to digitalisation targeted at vulnerable groups. Nine AACC have no reported policies in this area: Aragón, Galicia, Comunidad de Madrid, Castilla y León, Cataluña, Cantabria, La Rioja, Canarias and Illes Balears. It should be noted that the six highest-ranking AACC do have digitalisation measures, suggesting this area is mostly addressed when a comprehensive approach to social inclusion is already in place.

In terms of how the AACC compare when drilling down in the ranking, there is strong variation, with 13 of 17 AACC falling behind in at least one area. The four AACC not on this list are Andalucía, Comunitat Valenciana, Comunidad Foral de Navarra and País Vasco. These are also four of the five highest-ranked AACC, and all of them have a recent social inclusion plan. As for those AACC that fall behind in a higher number of areas, Illes Balears falls behind in a total of four areas (housing, ESL, care and digitalisation) and Illes Balears, Castilla y León, Cataluña and Comunidad de Madrid in a total of three.

Figure 2.1. **Ranking of Spain's AACC by area of** social inclusion



Note: The elements taken into account for this ranking comprise: the existence of a regional minimum income scheme (MIS); the presence of inclusion itineraries linked to the MIS; last-resource economic transfers; emergency housing; accompaniment for persons/households under emergency housing programmes; public social housing for vulnerable groups; rent transfers for vulnerable groups; programmes against energy poverty; general health programmes for vulnerable groups; mental health programmes for vulnerable groups; regional early school leaving programmes for vulnerable groups; the existence of second-chance schools; income support for vulnerable families with children; early child education and care programmes for vulnerable children; school canteen programmes for vulnerable children; early care for vulnerable children with disabilities; support for care in the area of long-term care; training on digital skills for vulnerable groups; counselling and labour market intermediation; training programmes and subsidies to employers and job-creation schemes.
Source: The ranking builds on the analysis of OECD social inclusion questionnaires and interviews (2022) and regional government websites.

2.3. Resources for social inclusion vary greatly across regions

The AACC differ in how their social inclusion policies and programmes are organised and whether these are grouped as part of a comprehensive social inclusion plan or strategy. These different approaches translate into differences in budget governance, as social inclusion budgets are strongly related to having a social inclusion plan. Only three AACC present a comprehensive approach to the budgeting of social inclusion policies but do not have a strategy.

Table 2.8 presents a summary of different approaches to budget governance found in the AACC for those regions where information is available, based on policy questionnaires and interviews and on regional

social inclusion plans. Four groups emerge from this categorisation. First, a group formed by those AACC that have a social inclusion plan that ended no earlier than 2020 with its own budget. There are also five AACC that have a plan but no specific budget allocated to it. Third, as described above, three AACC do not have a plan but do have an integrated budget for social inclusion policies. Finally, one AACC does not have a social inclusion plan or budget.

Table 2.8. **Spain's** AACC budget governance and social inclusion

	AACC having a social inclusion plan	AACC that do not have a social inclusion plan
AACC having a specific budget for social inclusion	Cantabria, Castilla-La Mancha, Castilla y León, Comunidad de Madrid, Comunidad Foral de Navarra	Aragón, Extremadura, La Rioja
AACC not having a specific budget for social inclusion	Andalucía, Canarias, Comunitat Valenciana, Galicia, País Vasco	Cataluña

Note: Information is missing for Asturias, Illes Balears and Murcia.
Source: OECD social inclusion questionnaires and interviews (2022) and regional social inclusion plans.

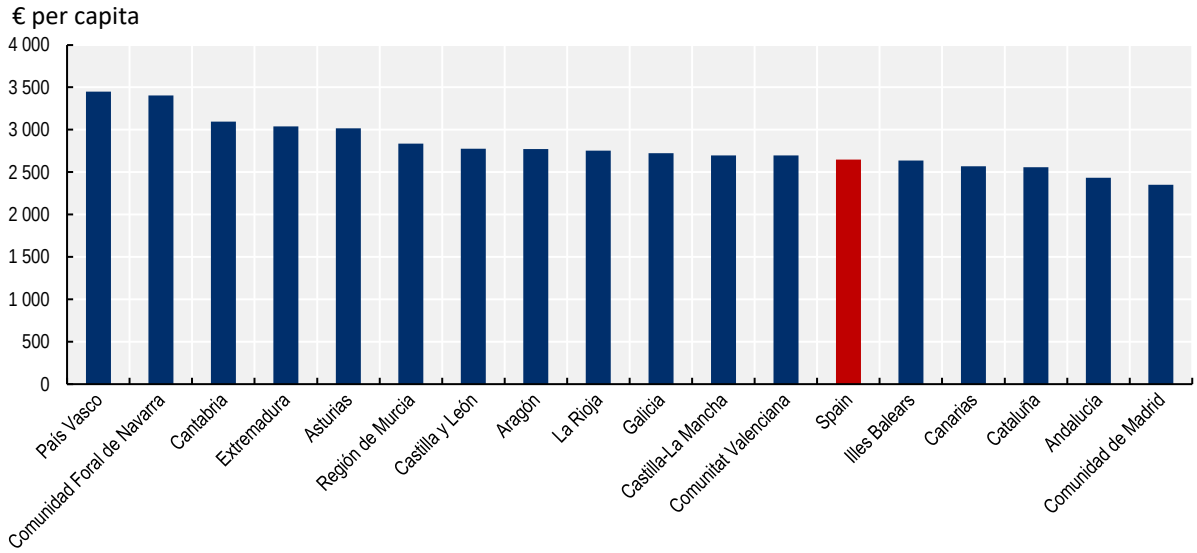
Measuring spending on social inclusion poses challenges for comparison between the AACC. First, since social inclusion encompasses diverse policy areas, no specific budget allocation covers only social inclusion programmes. Moreover, the lack of further integration between policy areas also complicates measuring expenditure. Second, while the closest to this would be the "social insertion and prevention" item of the social services catalogue, which should include: 1) intervention community services and social voluntary work; 2) socio-educational intervention and accompaniment in social inclusion itineraries; and 3) coverage of basic needs; not all AACC include the same kind of policies and services within this category, making comparisons inaccurate.

As an approximation, Figure 2.2 shows differences in per capita spending in social policy in 2019, including social services, education, health and housing, with over EUR 1 000 variation between the region with the highest spending (País Vasco, EUR 3 450 per capita) and the lowest (Comunidad de Madrid, with EUR 2 350 per capita). The three AACC with the most per capita spending (País Vasco, Comunidad Foral de Navarra and Cantabria) also have the lowest social exclusion rates. A more striking case is that of Extremadura, which is the region with the second-highest exclusion rates; it also has the fourth-highest per capita spending. The AACC where spending falls below the national per capita average of EUR 2 648 tend to have above-average social exclusion rates, with Madrid as the sole exception. Madrid has the lowest per capita spending but exclusion rates below the national average.

There is significant variation between the AACC in terms of needs and demand for social inclusion programmes and the resources allocated, including spending figures, staff ratios and coverage rates. To understand the resource adequacy of a given region, it is necessary to relate needs and resources in a way that reveals whether the resources allocated by an AACC are adequate for its population's needs. To do this,

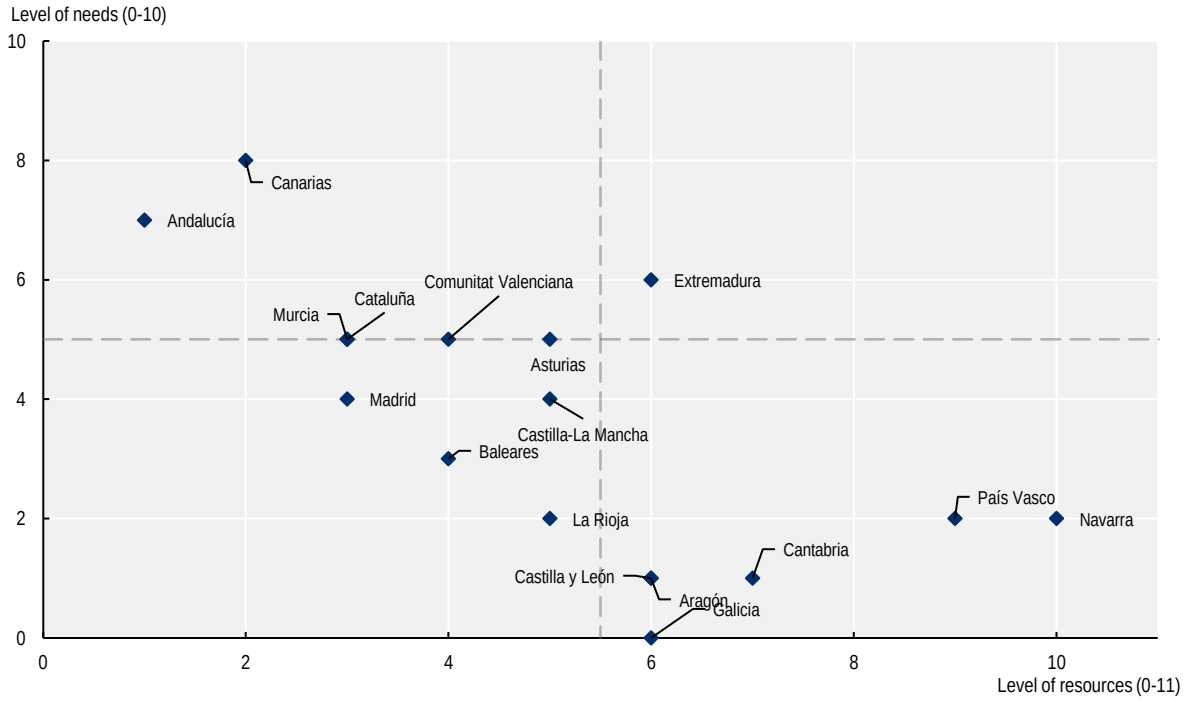
Figure 2.3 presents a two-dimensional ranking that shows the scores of all AACC based on the indicators gathered and analysed to measure resources and needs. The horizontal axis represents the level of resources allocated to social inclusion programmes, based on a total of ten indicators, while the vertical axis represents differences in the level of social inclusion needs of the population, based on a total of nine indicators.

Figure 2.2. Per capita spending on social services, education, health and housing by AACC, 2019



Note: Social spending is calculated as the sum of spending on social services and promotion; education; health; access to housing; and promotion of construction.
Source: Ministerio de Hacienda y Función Pública (2022[12]), *Liquidación de los Presupuestos de las Comunidades Autónomas*.

Figure 2.3. Ranking of **Spain's AACC** based on their social inclusion needs and resources



Note: The level of needs of a given AACC is based on a total of ten indicators: social exclusion rates; severe poverty rates; rent overburden rates; share of households not able to keep their house warm; share of population with unmet health needs due to economic reasons in the areas of medical attention and mental health; share of children aged 0-2 enrolled in early childhood education and care (ECEC); share of children 0-2 enrolled in ECEC who attend public centres; share of persons with dependency rights waiting to receive long-term care benefits and long-term unemployment as a share of the labour force. The AACC are given a score of 1 per indicator when above the national average, except for the indicators related to children aged 0-2, when the score is given for the AACC below the national average.
Source: Data for needs corresponds to (Foessa, 2019[13]), Calculations based on ECV 2019, Calculations made using the Encuesta Nacional de Salud (2017) (Ministerio de Educación y Formación Profesional, 2022[14]; Imserso, 2021[15]).
OECD.stat.
Data for resources corresponds to Consolidated 2019 budget liquidation by AACC (Ministerio de Hacienda y Función Pública, 2022[12]; OECD, 2022[16]); Data on MIS amounts from Ministerio de Sanidad Consumo y Bienestar Social (2018). Spending data from the consolidated 2019 budget liquidation by AACC (Ministerio de Hacienda y Función Pública, 2022[12]). OECD Affordable Housing Database (Observatorio Vasco de la Vivienda, 2020[17]): Spending data from the consolidated 2019 budget liquidation by AACC (Ministerio de Hacienda y Función Pública, 2022[12]). Staff data from (Ministerio de Sanidad, 2020[18]; Directores y Gerentes de Servicios Sociales, 2020[19]), and OECD calculations based on SEPE data.

In terms of the adequacy of resources allocated to social inclusion, an AACC can be categorised by need and level of resources:

- A first group includes those AACC with a low level of need and a high level of resources targeted at social inclusion. País Vasco and Comunidad Foral de Navarra are found in the first group. These AACC show social below-average inclusion needs while presenting the two highest scores for the allocation of resources. This suggests that the comparatively high level of resources allocated to social inclusion manages to adequately cover the needs of the population.
- A second group, formed by Andalucía, Canarias, Cataluña, Comunitat Valenciana, Extremadura and Murcia, are those AACC where the needs of the population are high, but the level of resources is low. In all of these cases, the current level of resources allocated for social inclusion would not be enough to cover the population's needs. Andalucía and Canarias are the clearest examples of this situation, with the two highest scores concerning population needs and the two lowest regarding the level of

resources. Cataluña, Murcia and Comunitat Valenciana show lower levels of needs than Andalucía and Canarias, but their level of resources lags behind most AACC. The case of Extremadura is more nuanced, with the highest level of resources for this group. However, the needs of the population are the third highest among all AACC.

- The third group comprises the AACC that show low levels of needs in combination with an average level of resources. This group includes Aragón, Cantabria, Castilla y León, Galicia and La Rioja. In these cases, even if the level of resources is not particularly high, it seems to come in combination with lower levels of need for the population, suggesting the existence of adequate resources.
- The last group is formed by the AACC that show levels of needs close to the average, together with low levels of resources: Asturias, Madrid and Castilla-La Mancha. Illes Balears would be a middle case between the third and the final group, falling closer to this one. The needs of the population in these five AACC are in all cases higher than for the first and third groups, but the level of resources is in all cases lower, suggesting a mismatch in adequacy.

2.4. Co-ordination mechanisms and policy evaluations should be further enhanced

2.4.1. Horizontal and vertical co-ordination mechanisms are not always well developed across regions

The analysis shows a great degree of variation when it comes to the different co-ordination mechanisms existing in the different AACC across areas, as well as between levels of government and with the third sector. Table 2.9 summarises the co-ordination mechanisms present in each AACC, including horizontal co-ordination mechanisms (existence of interdepartmental bodies, co-ordination protocols and data sharing between departments); vertical co-ordination (involvement of local entities through specific bodies and integrated systems of data sharing); the presence of multi-disciplinary teams; and the involvement of the third sector.

Table 2.9. Co-ordination mechanisms present in **Spain**'s different AACC

	Existence of interdepart-mental bodies	Co-ordination protocols	Data sharing between departments	Involvement of local entities through specific bodies	Integrated systems of data sharing with the local level	Presence of multi-disciplinary teams	Involvement of the third sector through specific bodies
Andalucía	✓		✓	✓		✓	
Aragón			✓			✓	✓
Asturias	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Illes Balears	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Canarias	✓		✓				
Cantabria						✓	
Castilla-La Mancha					✓		
Castilla y León	✓		✓	✓	✓	n.a.	✓
Cataluña		✓					
Comunitat Valenciana	✓	✓	n.a.	✓		n.a.	
Extremadura	✓	n.a.	n.a.				✓

Galicia	✓	n.a.	n.a.	✓		n.a.	
La Rioja					✓	✓	
Comunidad de Madrid		✓	✓	✓		✓	
Región de Murcia			✓				
Comunidad Foral de Navarra	✓	✓	✓	✓			✓
País Vasco	✓	✓	✓	✓		n.a.	✓

Note: AACC are considered to have multidisciplinary teams when they fare as multidisciplinary in at least four of the six policy areas analysed. Teams are considered multidisciplinary when having two or more professional profiles involved in income support, four or more for labour inclusion, two or more for housing, three or more for health, two or more for early school leavers and three or more for care. "n.a." stands for missing or not available information.
Source: OECD policy questionnaires and interviews (2022) and regional social inclusion plans.

A series of AACC have inter-departmental bodies with the aim of achieving better co-ordination concerning the different areas related to social inclusion. These are often related either to the existence of a social inclusion plan or to inclusion itineraries linked to minimum income schemes that involve different departments. Different modalities of inter-departmental bodies include:

- In Andalucía, the ERACIS strategy (Andalusian Regional Strategy for Social Cohesion and Inclusion) foresees an inter-departmental commission that holds yearly meetings to perform a monitoring of the plan. Furthermore, bilateral meetings with the goal of modulating policies are frequent in this AACC, mostly between the areas of social services, employment and education.
- Canarias have a General Council of Social Services with representatives from government departments from areas such as social rights, employment, housing, health or education, among others. This Council meets at least once a year and is in charge of co-ordination and co-operation on areas related to social policies.
- In Castilla y León, a Social Services Council aims to integrate and co-ordinate advisory functions and participate in policy proposals. It is divided into ten different thematic sections, with representation from the different government departments, territorial entities and third-sector organisations.
- Comunitat Valenciana has a Monitoring and Evaluation Commission for its social inclusion plan, including representatives from the areas of employment, education, health and housing, among others. This commission co-ordinates and evaluates the plan's implementation and budgeting and drafts biannual outcome reports.
- Extremadura has an Inter-administrative Council of Social Services, with representation from different areas such as social services, education, housing, LTC, health, employment and women. It is in charge of technical and administrative co-operation and works primarily to unify requests from the user's perspective.
- Galicia has an Interdepartmental Commission for Social Services and Social Inclusion to ensure co-operation between the different regional government departments involved in the Social Inclusion Strategy of Galicia 2014-20.
- In Comunidad Foral de Navarra, structured inter-departmental co-ordination emerged during the implementation process of the last regional strategy. The cross-area nature of the Strategic Inclusion Plan of Navarra 2018-21, which affects different government departments (housing, education, health and social rights, among others), entailed a series of governance challenges that led to the creation of four working groups. The topics covered by these working groups are inclusive health, education, housing and employment. They aim to create a co-ordination structure between social rights and other areas to implement joint measures.

- The País Vasco has a participative framework of periodic meetings that makes it possible to connect all systems. In these meetings, each department provides information on progress made in social inclusion. This participatory framework is formed by the Inter-institutional Commission for Social Inclusion (internal government co-ordination) and the Basque Inclusion Council (including third-sector organisations as well). The Commission is constituted as the highest body for collaboration between Basque public administrations in order to ensure inter-institutional co-ordination in the various actions in the field of social inclusion. It is attached to the department responsible for income guarantee and social inclusion. On a five-yearly basis, this institution also conducts a report on the control of the quality of management.

There are also two AACC where the existence of inter-departmental bodies is planned but has not reached an implementation stage:

- In Castilla-La Mancha, the last Strategy against Poverty and Social Inequality foresees the creation of a steering committee and a technical committee to ensure the existence of a co-ordination and monitoring system led by the Social Well-being Department. These committee meetings, however, are not taking place during the implementation process.
- La Rioja also holds a regulatory framework for the existence of an Inter-institutional Commission that would be held to co-ordinate social inclusion policies if the region were to have a social inclusion plan. However, in the absence of such a plan or strategy, this Commission has yet to hold a meeting.

In addition to specific bodies, six AACC have developed some kind of protocol or written guidelines specifying how co-ordination in the area of social inclusion should take place between different government departments:

- Cataluña has co-ordination protocols specific to the area of income support. Since the Renta Garantizada de Ciudadanía is jointly managed between the social rights and the employment departments, the relationships between departments concerning this area have been systematised. These joint competencies are structured on the basis of detailed instructions (Instruction 01/2018 and 39/2017) containing the procedures when a user applies for the regional MIS. Instruction 39/2017 sets out the procedure in which the joint work of social services and employment is performed. The employment office is responsible for processing all regional MIS applications and for developing an individual labour inclusion plan. If a user with a labour profile applying for the regional MIS also wants to apply for the Supplementary Benefit of Activation and Insertion, the social services department is in charge of the elaboration and follow-up of an individual social inclusion plan.
- Since 2019, Comunitat Valenciana has had a protocol establishing the information and referral between social and employment services for establishing a social diagnostic and drafting an individual inclusion pathway for recipients of the regional MIS.
- In the cases of Madrid and Comunidad Foral de Navarra, there are written guidelines to structure co-ordination related to social inclusion. This applies to communication between government departments, other administrative levels, and the third sector.
- Murcia has developed social services and employment protocols to improve access to employment for persons at risk of social exclusion and socio-sanitary protocols to enhance the accessibility and continuity of services.
- In País Vasco, protocols and guidelines are part of the regional social inclusion plans that provide a participation framework and connect systems.

Castilla y León, País Vasco and Comunidad Foral de Navarra are the three AACC with a higher number of co-ordination mechanisms (five out of seven). Castilla y León has two out of three horizontal co-ordination mechanisms, as well as integrated data sharing with local entities and structured involvement

of local entities and the third sector. Comunidad Foral de Navarra and País Vasco have specific bodies to include local entities and the third sector in the social inclusion framework. On the other hand, none of these AACC has integrated mechanisms of data sharing with local entities or a multidisciplinary approach to social inclusion on the ground. There are also two AACC with four co-ordination mechanisms: Andalucía and Madrid. Andalucía has two out of three horizontal co-ordination mechanisms, as well as structured involvement of local entities in the social inclusion framework and multidisciplinary teams. Finally, Madrid has multidisciplinary teams, a dedicated body for local entities, co-ordination protocols and data sharing across departments.

Based on the information and indicators available, the AACC showing the weakest development of co-ordination mechanisms are Cantabria, Castilla-La Mancha, Cataluña and Murcia. Of these, Murcia is the most striking case, as it had one of the broadest ranges of social inclusion policies, but the analysis from this section suggests that these are not necessarily interconnected among them or integrated for beneficiaries. Cantabria, Castilla-La Mancha and Cataluña also fared below average in terms of the existence of social inclusion policies, coming together with underdeveloped co-ordination mechanisms. From this group, it should be noted that Castilla-La Mancha has an inclusion plan that foresees the creation of co-ordination mechanisms. However, these have not been developed according to questionnaires.

Regarding vertical co-ordination within the AACC, financing agreements are one of the most common frameworks for co-ordination between the AACC and local entities. In Spain, the competence for the provision of primary social services corresponds to local entities, although part of the financing of these services can originate from higher administrative levels (Pontones Rosa, Pérez Morote and González Giménez, 2010[20]). While local entities finance part of their social services provision, part of the local social services budget comes from the regional, national and sometimes European levels. In addition, financing from the regional level represented the highest share of primary care budgets in most AACC (OECD, 2022[16]).

Vertical co-ordination with local entities is also key in Castilla y León due to the large extension of the territory and the high dispersion of the population. The main tool in this area is the Framework Agreement of Co-financing of Primary Care Teams and Social Services Programmes. In the case of *diputaciones,* this framework comes together with a monitoring commission where local entities can raise changes in their resource needs. Cataluña also has a Framework Agreement called a *contrato programa* with basic areas of social services, with a four-year duration. Local entities can also request specific financing for Local Plans of Inclusive Community Action as part of this framework. La Rioja is the last AACC to report financing agreements as the main co-ordination tool. In this territory, with the exception of Logroño, most local entities are financed by the regional government. This entails yearly meetings to adjust both the financing and the needs of local entities.

Third-sector entities such as major international NGOS like the Red Cross but also national NGOs are key actors in Spain's social inclusion framework, with major involvement in service provision across areas such as social and socio-sanitary services and educational support (Plena Inclusión, 2016[21]). The third sector contributes 1.41% of gross domestic product (GDP), and three-quarters of its work covers the areas of social inclusion, integration and socio-health programmes. Some of the most relevant features of the role of the third sector as part of the Spanish welfare state include its territorial granularity, with more than 70% of entities working at the local, provincial and regional levels; and the involvement of civil society participation, including vulnerable groups (Plataforma Tercer Sector, 2020[22]).

The different AACC differ in the degree of involvement and co-ordination with the third sector within their territories. At least five regions have structured communication through specific bodies or frameworks. In Aragón, there is a regional social inclusion network formed by third-sector entities, which is the main interlocutor for the regional government. There is frequent communication with this network, including information sharing. Castilla y León involves the third sector in the regional network for the protection and inclusion of persons and families in situations of social or economic vulnerability (Ley 4/2018). Third-sector

entities are also part of the Social Services Council of Castilla y León through a specific section for collaboration. Extremadura also involves the third sector through a Social Services Council. In Comunidad Foral de Navarra, there is a Council for Social Well-being with representatives from social entities and, finally, the País Vasco involves the third sector through the Basque Council for Inclusion.

In the case of Andalucía, co-ordination takes place mostly on the ground, with a strong involvement of the third sector in the ERACIS framework, through the participation in working tables rather than through a regional body. In addition, agreements with the third sector have been institutionalised as part of inclusion programmes, and more concretely in the area of accompaniment, as currently, inclusion plans in Andalucía include an accompaniment figure from the third sector. There are also AACC that report communication in the framework of specific projects, such as Canarias.

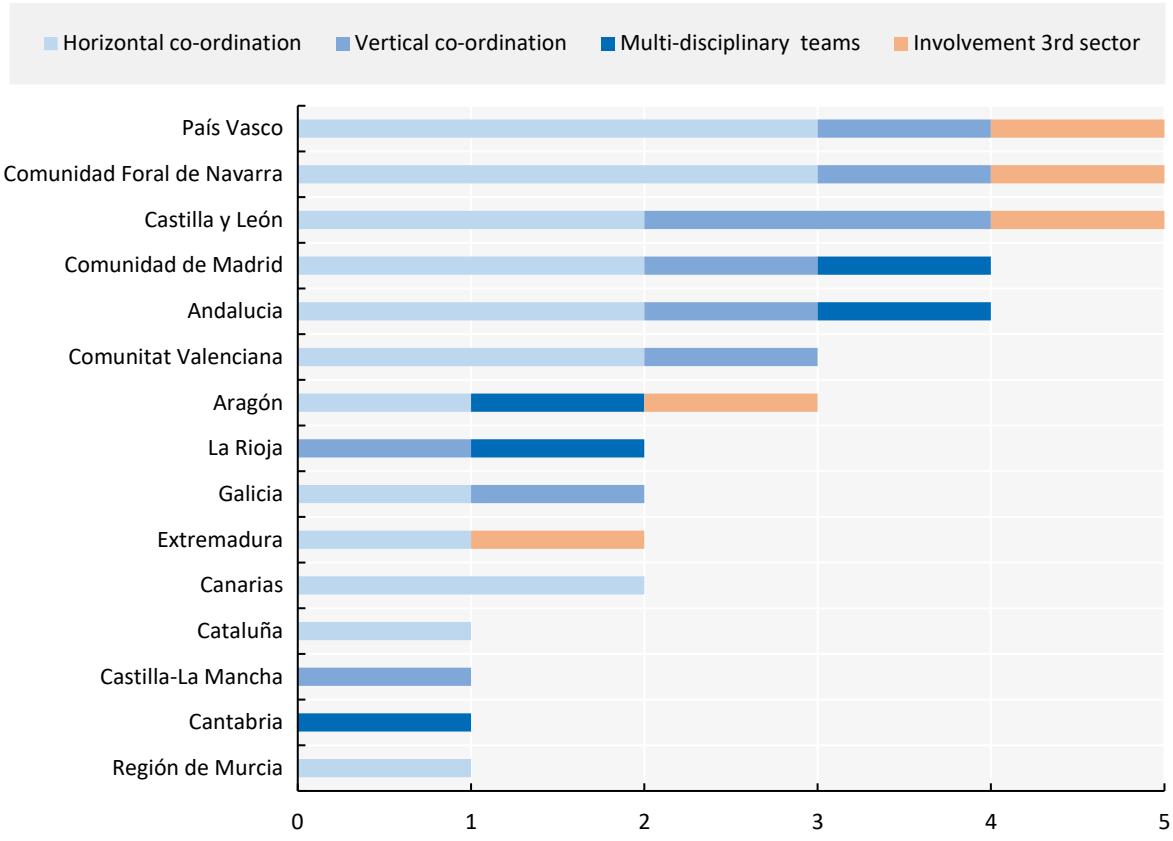
Co-ordination in the exchange of information between the services involved in the assessment and provision of benefits and services is crucial to developing a complete diagnosis, avoiding duplicities, reducing the administrative burden and improving users' experience and outcomes. Implementing the electronic personal social history (Historia Social Única, HSU) in all territories would be a major step forward in this respect. HSU's main objective is to allow administrations to gather information about the user's case, assessments, evolution of social care of the users throughout their intervention process, as well as the identification of the professionals and the services or benefits. Although most regions foresaw the implementation of their version of the HSU at the end of 2022, only Andalucía, Castilla y León, Castilla-La Mancha and Galicia have operational versions of this data-sharing system.[5] In Galicia, the system makes it possible to share the regional social services system with other areas such as health, education or employment, facilitating the co-ordination between the different actors involved in service provision. Thanks to the HSU, both the social worker and the employment professional can access the whole social history of a person. Both systems are co-ordinated so professionals can upload their respective assessments to the HSU (and therefore make them accessible to each other). In addition, a single social inclusion agreement (linked to the itinerary) was created jointly by the two departments. Again, both can monitor the interventions by accessing the same source of information throughout the intervention process.Although it does not replace full interoperability, developing the HSU is a good opportunity to develop a common taxonomy across services, helping develop more interoperable information systems.

In addition to the development of the HSU, the full implementation of the Social Digital Card (TSD) would benefit users and professionals as well, as it aims to give citizens and professionals working with social benefits access to an overview of all transfer payments. Unlike the HSU, which depends entirely on the initiative of each AACC, the TSD implies co-operation at the local, regional and state levels. The TSD would entail avoiding identification errors, providing quick access to information about rights, and the entire social services could benefit from reducing the administrative burden of claiming benefits or services.

Although interoperability represents a challenge,[6] it becomes essential for developing itineraries offering integrated social interventions. It would provide better information for users and reduce administrative work for professionals. Currently, SIUSS (Social Services Users Information System) does not have application programme interfaces (APIs) that allow for the implementation of software interfaces with other applications, hindering interoperability between services. In this context, some AACC are implementing their own unified system for all social services. La Rioja (PROTECNIA), Castilla-La Mancha (ASIST/MEDAS) and Castilla y León (SAUSS/CEAS) are examples of interoperability between primary and specialised services. Regarding interoperable systems between different agents, some systems are present in specific areas, such as dependency. For example, in Castilla y León, there is a certain degree of interoperability between social services (including primary services), the Tax Agency (AEAT) and the national dependency information system (Sistema Nacional de Información sobre Dependencia).

As a last step, Figure 2.4 ranks the AACC by the number of co-ordination mechanisms, breaking these down into four categories as developed above. This figure shows that variation exists not only in the number of mechanisms available but also in the types of co-ordination more prevalent across the AACC.

Figure 2.4. Ranking **of Spain's AACC** by area of co-ordination



Note: Asturias and Illes Balears are not included in this figure due to missing information from all areas. In addition, information on co-ordination protocols is missing for Extremadura and Galicia; data sharing across departments is missing from Comunitat Valenciana, Extremadura and Galicia; and information on multidisciplinary teams is missing from Castilla y León, Comunitat Valenciana, Galicia and País Vasco.
Source: Table 2.9 above, based on OECD policy questionnaires and interviews (2022) and regional social inclusion plans.

Horizontal co-ordination is the most widespread form of co-ordination in Spanish AACC: 12 of the 15 AACC for which information is available show at least one horizontal co-ordination mechanism. Only in Cantabria, Castilla-La Mancha and La Rioja is there no structured co-ordination between departments. Castilla y León is the only AACC that fulfils the two criteria for vertical co-ordination, while nine other AACC have at least one mechanism in this area. Aragón, Extremadura, Canarias, Cataluña and Murcia are the AACC lagging in this regard. Finally, multidisciplinary teams and the structured involvement of the third sector are the two areas where the Spanish regions show less development. Only five AACC have mechanisms for each of these categories. For multidisciplinary teams, this aligns with information that informal mechanisms are the most common way of co-ordinating on the ground, raising the need for further formal protocols in this area. As for the third sector, while collaboration with these entities is widespread in most regions and third-sector entities frequently act as service providers, they are not always formally involved in the social inclusion framework of the AACC.

2.4.2. There is significant variation in the evaluation of social inclusion plans

The AACC differ in the degree of evaluation of their social inclusion programmes, as well as in the structure of these evaluations, actors involved throughout the process and whether evaluations are internal or external. Table 2.10 summarises the different approaches to evaluation taken by the different AACC, focusing on the type of evaluation and the actors involved.

Table 2.10. Evaluation mechanisms and actors involved in social inclusion plans in Spain's AACC

	Evaluation mechanisms	Actors involved in the evaluation			
		Other regional government departments	Local entities	Third sector	Beneficiaries
Andalucía	Comprehensive evaluation of the strategy	✓			
Aragón	Each programme has its own evaluation				
Asturias	n.a	n.a	n.a	n.a	n.a
Illes Balears	n.a	n.a	n.a	n.a	n.a
Canarias	Comprehensive evaluation of the strategy	✓	✓		
Cantabria	Each programme has its own evaluation				
Castilla-La Mancha	Comprehensive evaluation of the strategy	✓	✓		✓
Castilla y León	Comprehensive evaluation of the strategy		✓		
Cataluña	Each programme has its own evaluation				
Comunitat Valenciana	Comprehensive evaluation of the strategy	✓	✓	✓	✓
Extremadura	Each programme has its own evaluation			✓	✓
Galicia	Comprehensive evaluation of the strategy	✓	✓	✓	
La Rioja	No systematic evaluations are foreseen				
Comunidad de Madrid	Comprehensive evaluation of the strategy	✓	✓		
Región de Murcia	Evaluation only for specific programmes	✓			
Comunidad Foral de Navarra	Comprehensive evaluation of the strategy	✓	✓	✓	
País Vasco	Comprehensive evaluation of the strategy				

Note: No information is available from Asturias and Illes Balears. For Murcia, information on the actors involved comes from the evaluation of the II Pacto contra la Pobreza y la Exclusión Social en la Región de Murcia.
Source: OECD social inclusion interviews and policy questionnaires (2022) and regional social inclusion plans.

Nine AACC envisage a comprehensive evaluation of their social inclusion plans and strategies as their main evaluation mechanisms. This corresponds to the AACC with social inclusion plans ending no earlier than 2020 (see the section above, "Less than half of the regions have a current regional plan for social inclusion"), with the only exception of Cantabria. Of these, there are certain AACC such as Comunitat Valenciana, Galicia, Madrid and Comunidad Foral de Navarra that also have yearly evaluations of their plans, in addition to a final one. In the case of Comunidad Foral de Navarra, these yearly plans (*planes operativos)* have led to the identification of a series of obstacles during the implementation phase of the strategy, such as in the area of governance, and to the subsequent adaptation of measures and creation of working tables to tackle these issues, showing a feedback process between evaluation, design and implementation.

Other AACC show different approaches to evaluation. There are four regions (Aragón, Cantabria, Cataluña and Extremadura) where each programme related to social inclusion has its own evaluation. While this approach ensures that all policies are evaluated, it can prevent the existence of a comprehensive approach that brings together common lessons and challenges for different programmes. Less systematic approaches include Murcia, which only foresees evaluations for specific plans and La Rioja, where no systematic evaluation of social inclusion policies has been established.

Government departments involved in social inclusion are present in the evaluation processes of up to eight AACC. These are the same regions that envisage a comprehensive evaluation of social inclusion plans, except for Castilla y León, whose strategy focuses only on social services, and País Vasco, which reports that evaluations are undertaken by the government department in charge of inclusion, without mention of other actors. In addition, Murcia involves other departments for specific evaluations. This horizontal approach to co-ordination can be key for developing evaluations that take a multidimensional

approach to inclusion, helping to identify key areas where changes are needed, even if these belong to other policy areas.

Local entities are frequently consulted as part of regional evaluation processes, which is the case for at least seven AACC. While this ensures that different territorial challenges can be considered as part of the evaluation, interviews with local entities highlighted the lack of bi-directionality in the communication with regional governments. In several cases, this involvement consists of information requests made by the regional government, without specific channels for local entities to engage in an exchange on the implications of this information.

The third sector is only involved in evaluation in four AACC: Comunitat Valenciana, Extremadura, Galicia and Comunidad Foral de Navarra, consistent with interviews with third-sector entities reporting that contacts with the administration are scarce in the evaluation area. With the third sector is a key actor in providing social inclusion services in many AACC, their absence may result in information from the implementation phase of specific outsourced programmes not being included in the evaluations and thus not considered for future reforms. Finally, only three AACC include beneficiaries as part of the evaluation processes: Castilla-La Mancha, Comunitat Valenciana and Extremadura.

In a nutshell, there is significant variation in the mechanisms and involvement of different actors in evaluating social inclusion programmes. Comprehensive evaluations are foreseen only for half of the AACC, while the rest only have programme-based or non-systematic approaches to evaluation. In addition, the involvement of key actors for social inclusion also varies. From within the administration, regional government departments other than the one in charge of social inclusion are not always consulted for evaluation, and while local entities are consulted often, the lack of bi-directionality can be an obstacle for information flows; for example end-user's feedback is rarely included in policy evaluation protocols (see Box 2.2). As for external actors, while the third sector is a key provider of social inclusion services in many AACC, it is not considered part of the evaluation stage in most regions.

Box 2.2. User experience is rarely included in policy evaluation in Spain

The involvement of citizens, overall and policy beneficiaries, specifically throughout the policy cycle stages, especially policy design and evaluation, has gained substantial momentum in recent years. Citizen engagement is considered an essential tool to improve institutional quality, trust and ownership (European Commission, 2020[23]), with the European Commission having highlighted the need for "strengthened citizen engagement" (European Commission, 2019[24]). In the particular case of social inclusion policies and beneficiaries, involvement can be key to adequate policy design tailored to the particular needs and barriers faced by the population at risk of exclusion. In addition, considering the user experience in this area can help identify issues raised during implementation processes, such as the lack of enough information, the existence of administrative burdens or the lack of adequate services for specific needs.

The involvement of users in social inclusion programmes is still an underdeveloped area in all Spanish regions, with no AACC having developed a systematic approach to involving beneficiaries in this area. However, information from policy questionnaires and interviews reveals that this is a topic under consideration in numerous regions, with different mechanisms for involvement being developed. Some examples of involvement include:

- **User involvement through third-sector organisations**. Andalucía, Aragón and País Vasco currently work with third-sector entities during the policy process as interlocutors for the needs of beneficiaries. Andalucía also includes neighbourhood associations and is considering the involvement of users in policy evaluation in the next social inclusion framework. Aragón works with third-sector entities, mostly during the design phase of policies, as a means of including

professionals who work with policy beneficiaries. País Vasco also relies on third-sector entities in the area of social inclusion through the involvement of associations in the Basque Inclusion Council.

- **User involvement during the design process**. While Comunidad Foral de Navarra is currently working on a more systematic approach to the involvement of users in policy design, this has already been implemented for some programmes. For instance, the drafting process of the 2016 law that sets the regional framework for social inclusion and the regional MIS (Ley Foral 15/2016) included interviews with minimum-income beneficiaries. In a more indirect way, Castilla y León reports that the elaboration of the current Strategic Plan for Social Services involved associations of citizens from collectives that would be the subject of this strategy.
- **User involvement as part of the implementation process**. Examples of this include Aragón, where beneficiaries' opinions are considered for the development of its inclusion plan, which led to the adaptation of the regional MIS in line with the needs detected throughout this process. Another example of including users' opinions in the intervention process is the Crisol Programme in Extremadura, which promotes social and labour market insertion. Through individualised interviews with the participants, itineraries for social and labour insertion are jointly prepared. The objective is to provide an adequate response to the needs and preferences in each case in order to improve the process of employability and detect the potentialities of users.
- **User involvement in evaluation**. This is foreseen in Cantabria, where one of the objectives of strategic line 3 of the regional 2030 strategy refers to the promotion of the evaluation of the satisfaction of users of social services. Another objective from this strategic line refers to users' participation in decision making, especially on decisions related to their functional autonomy and community inclusion. In Extremadura, some channels allow the user's experience to be included in the social inclusion activities' evaluation phase. The user's perspective is included by collecting information from interviews or group discussions. These are conducted with the participants in the workshops or training actions framed in the social intervention programmes. Information is then gathered in the technical monitoring and evaluation reports that reflect on the implementation of the programmes in the territory.

2.5. Spain faces challenges in social inclusion that are diverse across the territory

In light of the analysis of different dimensions of social inclusion policies, five core topics have been identified as key reform areas in the Spanish AACC:

- transitioning towards a broader understanding of social inclusion programmes across policy areas, which takes a multidimensional perspective
- developing formal co-ordination mechanisms in the area of social inclusion, both horizontally and vertically
- ensuring the adequacy of resources dedicated to social inclusion so as to meet the needs and demands of the population
- moving towards an evaluation framework that secures continuity and considers users' perspectives
- adapting to digital challenges, both within the administration and in relation to the population at risk of exclusion.

Starting with developing a broader understanding of social inclusion programmes, the analysis has revealed that most AACC lack a multidimensional approach to social inclusion that covers all necessary

policy areas. In most AACC, regional government departments in charge of social services are the main and often the only actors in charge of inclusion policies. In recent years, there has been an impulse towards enhanced co-ordination between social and employment services, which can be seen in the development of multiple pilot projects throughout the Spanish territory. While this is a positive move forward that has led to a more integrated vision of inclusion, the analysis has also detected that other areas that are also key for the inclusion of vulnerable individuals, such as housing, health or care policies, are much less integrated with the actions and programmes developed by social services. In most AACC, co-ordination with these areas is severely limited, with no co-ordination protocols being developed and no mechanisms for data sharing. This isolation of key areas for inclusion can lead to duplication across some programmes while leaving coverage gaps in others. In terms of reforms, the existence of comprehensive social inclusion plans that include inter-departmental monitoring of their implementation can be key for the development of more multidimensional and efficient social inclusion frameworks in the Spanish AACC.

The second reform pathway, closely related to the transition towards a more multidimensional framework, concerns the development of formal co-ordination mechanisms in the area of social inclusion, both horizontally and vertically. Horizontally, the creation of interdepartmental bodies (currently present only in eight AACC) and co-ordination protocols can enhance within-government communication in the area of social inclusion, leading to a clearer delimitation of responsibilities, but also to the creation of synergies and a better and more integrated service provision for users. Vertically, the analysis has detected a need for more bidirectional communication between local entities and regional governments, as nowadays, communication often only takes the shape of information requests from the regional to the local level. A stronger involvement of local entities in the social inclusion policy process could lead to better transmission of the changing needs and demands of the population at risk of exclusion and, in turn, to increased adequacy in policy design that leads to more efficient implementation. The need for formal co-ordination mechanisms, particularly referral protocols and institutionalised working groups, has also been detected at the local level, where co-ordination mostly occurs through the good will of professionals involved.

The level and adequacy of resources allocated to social inclusion have also been identified as a key pathway for reform. As seen in the section, “Resources for social inclusion vary greatly across regions”, there are only four AACC (Aragón, Cantabria, Comunidad Foral de Navarra and País Vasco) with a high level of resources that manages to keep the needs of the population low. In contrast, in Andalucía, Canarias, Cataluña, Comunitat Valenciana, Extremadura and Murcia, the analysis has detected a high level of need coming from the population, which come together with a low level of resources, revealing that resources allocated to this area are not adequate for the demands of the population at risk of exclusion. In terms of reform, beyond an increase in investment and staff that would lead to better coverage, the analysis also detected the need for further budget co-ordination across areas, which could lead to more efficient allocation of resources in social inclusion.

In terms of evaluation, the previous section detected a series of challenges related to evaluation, particularly in relation to continuity and the inclusion of users’ experiences. In terms of continuity, while most AACC have developed some kind of evaluation mechanism for their inclusion programmes, it has also been detected that the lack of continuity associated with most social inclusion plans often leads to these evaluations not being incorporated into new frameworks, interrupting the policy feedback. At the moment, social inclusion plans and frameworks also lack stronger user involvement during design and evaluation, which would help adjust programmes to the target population’s needs.

The last reform pathway is related to digitalisation challenges, both within the administration and in relation to the population at risk of exclusion. Within the administration, the analysis has shown that data sharing, as well as the interoperability of systems, both between government departments and between regional and local governments, is still an underdeveloped area. While some steps are being taken in this direction, the administration still shows broad room for improvement. Regarding digitalisation challenges related to users, the analysis has shown the existence of significant digital barriers for the more vulnerable population, which often lacks the necessary skills and resources for carrying out administrative procedures

on line. The AACC appear to have complicated application forms for inclusion programmes or benefits and have not been adapted to the digital skills and resources of the population. As an example, few AACC report adapting their interfaces for mobile phones, which are much more common in low-income households than computers. In addition, very few AACC have developed assistance or training programmes to support these users with the digital barriers faced in their contact with the administration.

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Notes

1. In this chapter, the concept of "competences" refers to the power to act in certain areas of social protection and to design public policies. These competences, as established by Spanish law and the Constitution, are assigned to specific levels of government (national, regional, local) or institutions.

2. Developed by the Royal Decree 7/2015 of 16 January 2015.

3. Article 27 of the Employment Law.

4. Co-ordination protocols and the existence of multidisciplinary teams are only considered for those AACC that sent the relevant information through policy questionnaires.

5. In most cases, HSU development plans provide for incremental or phased implementation. In fact, the HSU is a complex tool that, ideally, collects and harmonises information from multiple sources and administrations. It would be impossible to specify a full version of it from scratch. For this reason, even AACC who already have an operational version of the HSU are and will keep working on their further development and adaptation to new contexts.

6. As mentioned, HSU and TSD, as such, are not data exchange tools. Interoperable systems are designed to, either directly or through a third-party device, exchange data without the intervention (other than the configuration of data queries) of human operators. Interoperable systems require, among other things, secured communication protocols, a common taxonomy and common data models, application interfaces and, on the non-technical side, a clear regulatory context agreed by all involved actors, especially in terms of the transmission of personal sensitive data. The implementation of the HSU and the TSD can help administrations better understand the challenges they must overcome to implement interoperable systems; they can also contribute to the definition of a common taxonomy and, in some cases, to develop common data models.

3 Minimum income schemes and inclusion itineraries in Spain

This chapter presents the characteristics of the national minimum income scheme (Ingreso Mínimo Vital, IMV) introduced by the Spanish central government in 2020 in terms of eligibility, adequacy of support and coverage, as well as the main changes brought with the IMV work incentives package, which entered into force in 2023. Before the introduction of the IMV, Spanish regions operated their own minimum income schemes. Thus, this chapter also provides an overview of these regional minimum income schemes and analyses the co-ordination mechanisms between national and regional stakeholders in providing minimum income benefits.

3.1. The Ingreso Mínimo Vital has lifted many out of poverty but suffers from low coverage

Establishing a minimum vital income was part of the 2019-23 Spanish National Strategy for Preventing and Fighting Poverty and Social Exclusion, whose Objective 1.1 is "Establish a minimum income scheme with sufficient coverage to allow people to live decently and promote an increase in net disposable household income, especially for households with dependent children or adolescents, since the highest levels of vulnerability are found in households with children" and one of the action lines "Progress towards developing a Minimal Living Income" (Ministerio de Sanidad, Consumo y Bienestar Social, 2019[1]).

The Ingreso Mínimo Vital (IMV), created in May 2020 through the Real Decreto-ley 20/2020, is a non-contributory transfer with the goal of guaranteeing, through the satisfaction of minimum material conditions, the full participation of all citizens in social and economic life, breaking the link between the absence of resources and the lack of access to opportunities in the labour, educational and social sphere of individuals. It was initially targeted towards households headed by persons aged 23 to 65. Persons over 65 have also been granted access to this benefit since September 2020 (Real Decreto-ley 30/2020). In addition, persons under 23 who have dependent children are also eligible. The IMV includes means-testing thresholds for annual income and wealth, depending on the size of households and the number of dependent children. Recipients must also have had legal residence in Spain for at least a year (exceptions apply to victims of human trafficking and gender-based violence), be registered as a jobseeker, and have already requested the pensions and transfers for which they are eligible.

The IMV came to provide a national common floor to the previously existing regional minimum income schemes (MIS) (also known under the generic name of Rentas Mínimas), which had significant differences in design and coverage. For example, in 2016, coverage rates for low-income households formed by a couple with two children ranged from 26.8% in La Rioja to 64.4% in Comunidad Foral de Navarra. In terms of design, regional MIS also differed significantly, with those of Comunitat Valenciana, Galicia and Ceuta having a fixed duration of six months. In contrast, Castilla y León, Comunidad de Madrid and País Vasco offered indefinite-duration transfers (AIReF, 2019[2]).

3.1.1. The IMV eligibility depends on a wide range of criteria

The IMV is part of the social security system in Spain and is configured as a subjective right or entitlement to an economic benefit. It guarantees a minimum income level to those in a situation of economic vulnerability. Since the IMV entered into force in 2020 during the coronavirus (COVID-19) crisis, some changes have been introduced. In 2021, a Childhood Support aid (*Ayuda para la infancia*), mainly designed as a supplement for IMV recipient families with children, was created; in 2023, a "work incentives" package was introduced, which allows IMV beneficiaries to combine the benefit with earnings from work, under some conditions.

This section briefly explains the main characteristics of the IMV design. It is not exhaustive, and some exceptions are not included. For more information, see the Spanish Social Security's web page (https://imv.seg-social.es/), which explains the IMV eligibility rules, benefit amount, modalities for applying, etc., in detail (in Spanish). The OECD Benefits and Wages page (www.oecd.org/social/benefits-and-wages/benefits-and-wages-country-specific-information.htm) provides a less detailed explanation in English.

Age

Recipients must be over 23 years old or above 18 if they have dependent children or have been in a public residential home the three years prior to becoming 18. This differs from many countries, where people 18 and above are eligible for minimum income (see Chapter 4).

Legal residence in Spain

Non-Spanish claimants must certify at least one year of uninterrupted stay immediately prior to application (except for victims of gender violence, trafficking and sexual exploitation). Spanish claimants can access the benefit provided they fulfil the eligibility conditions. As mentioned in Chapter 4, some OECD countries provide less restrictive legal residence criteria for some foreign groups, compared with Spain.

Means test

As a general principle, the income of the previous year is used to qualify for the programme. Households qualify not only based on their income but also their wealth. The main rules are as follows:

- For families, claimants must certify that the family unit has been formed at least six months prior to the application.
- Total household income (net of social security contributions and income tax) must be below the guaranteed household income corresponding to the household size.
- Total household wealth (excluding the main residence) must be below three times the annual guaranteed household income for a single-member household, with an incremental threshold per type of household.

In order to calculate the total amount of household income, the income of all household members is taken into account with the exception of:

- the regional MIS or similar social assistance aids granted by the autonomous communities
- other social and economic benefits covering specific needs, such as scholarships, some extraordinary public subsidies or redundancy payments and orphans' pensions.

Amount

The benefit amount is the difference between the guaranteed and total household incomes. The benefit is paid on a monthly basis, and the guaranteed income varies by type of household, with a bonus for single-parent households.

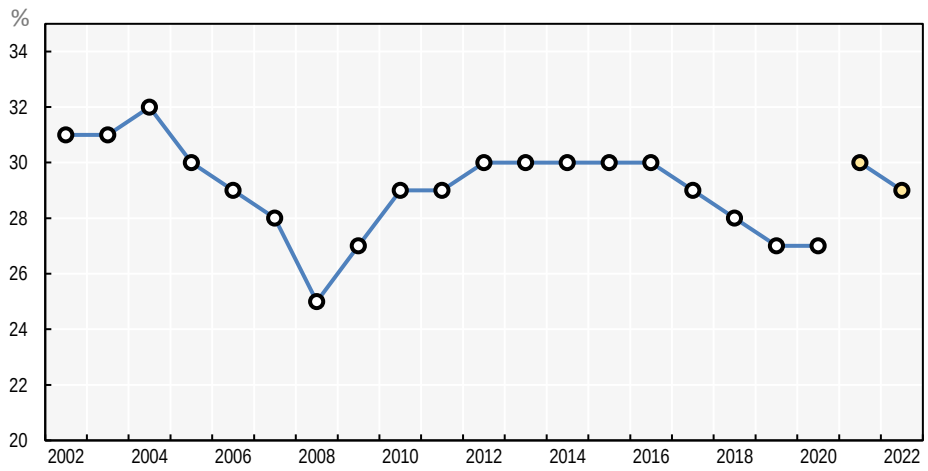
Article 13 of the IMV Law (19/2021) establishes that the guaranteed income depends on the family composition and is updated annually. Cases are numerous and are not detailed here.[1] By way of example, however, in 2023, an adult without children has a guaranteed income of EUR 6 784.44 per year (or EUR 565.37 per month); for a couple of adults without children, the amount is EUR 8 819.88 per year (or EUR 734.99 per month); for a couple of adults with two children, the amount is EUR 12 890.52 per year; and for a single parent with one child, the amount is EUR 10 312.44 per year (or EUR 859.37 per month).

Adequacy

During the last decades, the adequacy of minimum income benefits in Spain, measured as the ratio between the disposable income of a minimum income recipient and the median disposable income in the country, has moved around 30% (see Figure 3.1). The negative trend between 2004 and 2008 might be explained by the economic boom (and the resulting increase of the nominal value of the median disposable income in the country) before the 2009 financial crisis. The introduction of the IMV explains the discontinuity between 2020 and 2021.

Figure 3.1. Adequacy of minimum income benefit in Spain, 2002-22

Single individuals aged 40 without children



Notes: This indicator measures the income of jobless families relying on guaranteed minimum income benefits as a percentage of the median disposable income in Spain. Housing supplements are included, subject to relevant eligibility conditions.
Between 2002 and 2020, the indicator refers to the minimum income benefit of Madrid, which was among the lowest regional amounts (see Table 3.1). After 2020, it refers to the IMV.
Adequacy can change depending on family composition. The example of a single adult without children is taken for the sake of simplicity.
Source: OECD (2023), "Adequacy of minimum income benefits" (indicator), https://doi.org/10.1787/dcb819cd-en).

Turning the analysis to the regional context, regional MIS show significant differences in their basic amounts. Their adequacy is often compared with two national indicators: the Minimum Interprofessional Wage (Salario Mínimo Interprofesional, SMI) and the Public Indicator of Multiple Effect Income (Indicador Público de Renta de Efectos Múltiples, IPREM). In 2021, the average amount of the basic benefit was EUR 490.81 per month, with relatively strong regional differences. The Autonomous Community of Spain (Comunidades Autónomas de España, hereafter "AACC") with the highest basic amount was País Vasco, with EUR 706.22 (or 73% of the minimum wage); the second highest amount was in Cataluña, with EUR 664, and then Comunidad Foral de Navarra with EUR 636.73 and the Comunitat Valenciana, with EUR 630. In contrast, the lowest basic amounts are Comunidad de Madrid (EUR 400 or 41% of the minimum wage) and Galicia (EUR 423.68). These figures show a gap of around EUR 306 between the regions with the highest and the lowest amounts (País Vasco and Comunidad de Madrid)[2] (Ministerio de Derechos Sociales y Agenda 2030, 2021[3]).

To illustrate this territorial gap, Table 3.1 displays the entitled basic amount of the benefit for a single-person household compared to the minimum wage in 2021. Although IMV amounts awarded slightly improved (on average), the situation for some family types with respect to regional schemes, the IMV has not substantially changed the historical average adequacy level of benefits in Spanish regions.

Table 3.1. Adequacy of regional minimum income benefits in Spain, 2021

Percentage of minimum wage

	Minimum income basic amount (in EUR)	% of minimum wage (EUR 965)
Comunidad de Madrid	400.0	41.5%
Galicia	423.7	43.9%
Andalucía	440.6	44.7%
Principado de Asturias	448.3	46.5%
Cantabria	451.9	46.8%
Castilla y León	451.9	46.8%
La Rioja	451.9	46.8%
Región de Murcia	452.9	46.8%
Illes Balears	469.9	48.7%
Ingreso Mínimo Vital	469.9	48.7%
Canarias	489.4	50.7%
Aragón	491.0	50.9%
Castilla-La Mancha	525.0	54.4%
Extremadura	564.9	58.5%
Comunitat Valenciana	630.0	65.3%
Comunidad Foral de Navarra	636.7	66.0%
Cataluña	664.0	68.8%
País Vasco	706.2	73.2%

Note: Figures refer to statutory amounts of the basic benefit (i.e. without eventual top-ups).
Source: Ministerio de Derechos Sociales y Agenda 2030 (2021[3]), *El Sistema Público de Servicios Sociales. Informe de Rentas Mínimas de Inserción*, www.mdsocialesa2030.gob.es/derechos-sociales/servicios-sociales/r-minimas/R_M_I_2021.pdf.

Duration

The IMV does not have a fixed or maximum duration. Beneficiaries can keep the benefit as long as they fulfil the eligibility conditions. However, the right to the benefit can be suspended for several reasons. The most important are:

- temporary loss of any of the requirements for recognition
- temporary breach by the beneficiary, holder or any member of their cohabitation unit of the obligations assumed by accessing the benefit
- in the event of transfer abroad for a period over 90 calendar days
- failure to meet the terms related to compatibility of the IMV with income from work or self-employed economic activity.

Taxation and compatibility with other benefits

The IMV is not taxable and is compatible with other social and economic benefits as long as total household income does not exceed the guaranteed income thresholds established by the type of household. Regional benefits had a similar scope. In fact, individuals/families who received the regional benefit would have also been eligible for the IMV. However, the regions are progressively changing the design of their regional benefit to make them complementary and subsidiary to the IMV within the framework of their competences (see Box 3.1).

Box 3.1. Adaptation of regional minimum income schemes to the introduction of the IMV

Since the introduction of the IMV, many AACC have started adapting regional MIS to the new national benefit. Although not fully incorporated into regional laws, most AACC have used regional benefits to extend the IMV's coverage through less stringent residency requirements or wider age eligibility, among others. In addition, some regions complement the cash support provided by the IMV (EAPN España, 2021[4]). Table 3.2 summarises the adaptation of regional MIS to the IMV, including whether the new configuration of regional transfers foresees complementing the IMV by topping up its amount; and whether the regional minimum income scheme has a subsidiary character to the IMV, i.e. if it covers socio-economic profiles that are not covered by the national scheme.

Table 3.2 Adaptation of regional minimum income schemes to the IMV

	Regional MIS	Complementary to IMV	Subsidiary to IMV
Andalucía	Renta Mínima de Inserción Social		✓
Aragón	Former Ingreso Aragonés de Inserción (IAS), now Prestación Aragonesa Complementaria del IMV (PACIMV)	✓	✓
Principado de Asturias	Salario Social Básico (SSB)		✓
Illes Balears	Renta Social Garantizada (RESOGA)		✓
Canarias	Renta Canaria de Ciudadanía	✓	
Cantabria	Renta Social Básica (RSB)		
Castilla-La Mancha	Ingreso Mínimo de Solidaridad (IMS)		✓
Castilla y León	Renta Garantizada de Ciudadanía (RGC)	✓	✓
Cataluña	Renta garantizada de Ciudadanía (RGC)	✓	✓
Comunitat Valenciana	Renta Valenciana de Inclusión (RVI)	✓	✓
Extremadura	Renta Extremeña Garantizada	✓	
Galicia	Renta de Inclusion Social de Galicia (RISG)		✓
La Rioja	Renta de Ciudadanía (RC)		✓
Comunidad de Madrid	Renta Mínima de Inserción (RMI)		✓
Región de Murcia	Renta Básica de Inserción (RBI)		
Comunidad Foral de Navarra	Renta de Inclusión Social (RIS)	✓	✓
País Vasco	Renta de garantía de Ingresos (RGI)	✓	✓

Note: Regional MIS are considered complementary in those cases when the regional transfer is used to complement the amount of the IMV. AACC where complementarity is legally possible but whose regional MIS is less generous than the IMV, have been excluded from this category. Subsidiarity refers to those regional MIS covering profiles the IMV has rejected. In any case, to access the regional MIS, claimants must apply for the IMV first. Information refers to mid-2022.
Source: OECD social inclusion interviews and questionnaires (2022) and (EAPN España, 2021[4]), *El Ingreso Mínimo Vital un año después: La perspectiva autonómica*.

3.1.2. Spain has introduced a number of initiatives to improve the take up of the IMV

Take-up and coverage

Incomplete take-up of social benefit programmes refers to the gap between the number of individuals receiving a benefit and the number of individuals fulfilling the statutory eligibility requirements. Although some non-take-up may be unavoidable in tightly targeted programmes, sizeable non-take-up rates can undermine their effectiveness by limiting their overall reach and making support inaccessible for targeted recipient groups. It can also compromise the transparency of targeting strategies and raise fairness issues.

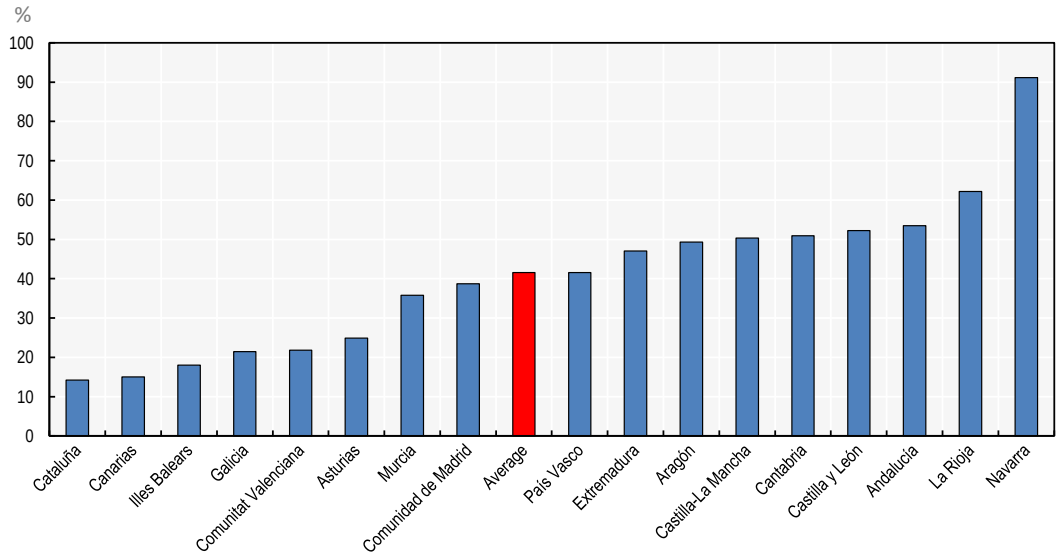
Non-take-up also prevents individuals from connecting to other services often linked with benefit receipt, such as active labour market policies, inhibiting the formulation and implementation of coherent inclusion strategies. When non-take-up is significant, it can result in non-negligible, long-term costs in the form of destitution, ill health and persistence of disadvantage, creating costs for individuals, society and government budgets.

Take-up of the new national minimum-income programme remains incomplete. Estimates based on survey and administrative data[3] indicate that only 40% of eligible individuals received the IMV in late 2021 (AIReF, 2022[5]). In 2023, a second study (AIReF, 2023[6]) confirmed that, by end 2022, take-up remained low (42%), with a high rate of rejected applications (69%) and a high share of households that had benefited from the IMV since its introduction in 2020 (62% of recipient households in December 2022).

Figure 3.2 shows the estimated coverage rates of IMV in Spanish regions. They are calculated by dividing the number of IMV recipients in September 2021 by the estimated number of persons in extreme poverty (disposable income below 30% of the national average), as computed by the 2020 *Encuesta de Condiciones de Vida* (INE, 2020[7]). The average over regions (41%) masks high levels of variation, with regional rates ranging from about 15% in Canarias and Cataluña to 62% in La Rioja and more than 90% in Comunidad Foral de Navarra. Studies also show that coverage rates of regional MIS were also below 100%, except in the Comunidad Foral de Navarra and País Vasco and were generally not higher than 50% in many regions (Hernández, Picos and Riscado, 2022[8]). Although income poverty does not wholly determine eligibility for the IMV, these low coverage rates suggest room to improve IMV take-up.

Figure 3.2. Estimated coverage of IMV in Spanish regions

Percentage, 2021, by region

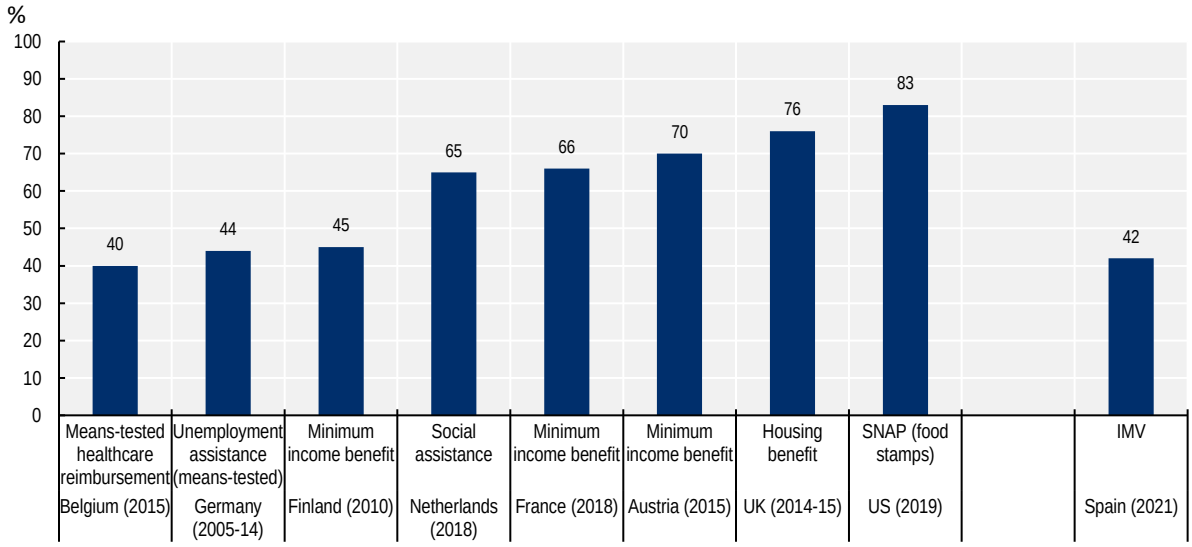


Note: Estimated coverage rates are calculated by dividing the number of IMV recipients in September 2021 in each region by the estimated number of persons in extreme poverty, as computed by the 2020 *Encuesta de Condiciones de Vida*. It should be noted that the requirements for accessing the IMV include other criteria beyond income, such as asset tests or residency requirements, that are not captured by this estimate. A more up-to-date version of this chart can be found in AIReF (2023[6]), Gráfico 10. However, the results are very close to those shown here.
Source: Calculations based on data from MISSM (2021[9]), *Distribución Territorial de las Personas Beneficiadas por el IMV*, https://revista.seg-social.es/documents/39386/1362593/NP-IMV-septiembre-21-4.docx.pdf/15022613-edf9-0f16-f812-338c61fe1a22 and INE (2020[7]), *Encuesta de Condiciones de Vida*, www.ine.es/dyngs/INEbase/es/operacion.htm?c=Estadistica_C&cid=1254736176807&menu=ultiDatos&idp=1254735976608.

Spain is not an exception. Figure 3.3 shows how take-up rates of means-tested programmes vary widely across countries and programme types, but incomplete take-up persists in different contexts. While some programmes in other countries have take-up rates comparable to the IMV in Spain, the best-performing programmes generally reach take-up rates of 70-80%.

Figure 3.3. Minimum income benefits take-up, selected countries

Share of individuals receiving benefits compared to all those eligible, various years



Note: Take-up rates refer to the share of individuals receiving benefits over all those eligible.
Source: Adapted from Ko and Moffitt (2022[10]), "Take-up of social benefits", https://docs.iza.org/dp15351.pdf.

As in other programmes, non-take up of the IMV is due to institutional factors, like lack of administrative capacity to process applications in time, no proactive action to reach potentially eligible people and lack of information about programme rules or objectives, and to "individual decisional" factors ranging from uncertainties surrounding the application process, individual-level barriers, such as stigma, lack of digital skills or a limited capacity for successfully engaging in the claiming process. The high variation in coverage rates across Spanish regions and across countries suggests that programme design features and how they interact with pre-existing regional MIS are important and that a significant increase in take-up is possible.

A survey conducted by the Ministry of Inclusion, Social Security and Migration (MISSM) estimated that 25% of those potentially eligible do not know about the programme's existence (Martinez-Bravo, 2022[11]). Moreover, in 2022, the average waiting time for the decision regarding one's application was 60 days, and almost 70% of applications were denied. These factors likely disincentivise individuals from applying in the first place. The still limited coverage of the IMV can be illustrated by the fact that only 64% of the total budget allocated for this programme in 2021 was implemented (Congreso de los Diputados, 2022[12]). According to AIReF (2022[5]), only 22% of households under the severe poverty line were covered by the IMV in December 2021 (284 000 out of 1 300 000). Furthermore, 400 000 households (57% of the total potential) could request the IMV and have not done so.

Digitalisation challenges and the outreach of potential claimants are also key factors in explaining the limited coverage of the IMV. According to interviews with local entities, claimants often do not know how to navigate the online request process and need specific assistance in this regard. Claims for the IMV can be submitted via the online application or in person at social security offices.[4] As the IMV entered into force

in June 2020, during the COVID-19 pandemic, initial applications took place almost entirely on line, with the online channel representing 90% of applications in June and July 2020 (AIReF, 2022[5]). In-person applications, however, have gained importance over time, with manual and mixed channels representing one-half of requests in December 2021. The decrease in the share of online applications may be related to digital difficulties faced by claimants during the process. In-person applications, however, are not always possible due to the scarcity of available appointments at social security offices, according to interviews with regional authorities.

While the online application form is now simpler and iterative (see below), there is still room for simplifying the paper form. Several studies have identified issues related to the readability of the IMV application form, which requires a reading time of approximately 25 minutes for 22 pages, uses formal and complicated language and has an unstructured visual design that does not help to structure or clarify the completion process. This lack of readability translates into a lengthy and complicated application process. Completing the submission procedure can take about one hour for professionals and social practitioners, and the process has been described as complex even for individuals with high education and solid digital skills (Costas, 2022[13]; Prodigioso Volcán, 2020[14]).

It also appears that non-take-up is related to institutional factors and claimants' personal situations. Take-up is much higher for households with minors, especially with respect to single-parent households. On the other hand, non-take-up is particularly high for those working or receiving unemployment subsidies. According to (AIReF, 2022[5]), 91% of eligible households not requesting it have employment income, and 53% receive unemployment benefits. Non-take-up is particularly high for those whose potential income would increase by 20% or less if requesting the IMV, as the opportunity cost of the application appears high.

Information campaigns and support for claimants

Spain has launched initiatives to improve the benefit coverage through improved information and some automatisation of tasks.

The IMV information bus

In October 2022, the MISSM launched an information campaign to reach out to potential IMV recipients. One of the campaign's initiatives was the IMV information bus: a mobile social security office ("the bus") acting as a general information point for citizens where caseworkers explain the benefit, the eligibility criteria and other relevant details about the application process. Individuals who have already applied can also obtain information about the status of their application.

The bus has stopped in 40 different municipalities all over Spain and stayed in each for one to several days. It had two different points of contact for individuals. One is dedicated to those who might need general information about the IMV. The second is aimed at providing support for more specific questions, such as the status of one's application, the procedure to start claiming or how to find out what documents are required.

Application tutorials and simplification of the online process

One important possible reason for non-take-up is related to the complex eligibility requirements and administrative process, as well as, in some cases, long delays for process applications. Complex procedures often lead to errors and incomplete application forms. In this respect, over two years, the Instituto Nacional de la Seguridad Social (INSS) has performed a number of improvements in the application process. Simplified application processes are essential, especially in a context where the share of online applicants remains significant. As mentioned above, it is estimated that 70% of applications were rejected initially, with just over 40% of negative decisions due to the claimant not meeting the income and

wealth criteria; 10% were due to incomplete documentation; and 22% were due to problems with the justification of the household unit (often because of inconsistencies in the registration with a municipality or the fact that another person in the household had requested the IMV in parallel).

In terms of simplifying the online application process, the INSS has taken the following actions:

- It has designed an online tutorial to explain what the IMV is, its eligibility criteria and details concerning the online application.[5]
- The web version has a number of questions and answers to help with the process.
- One initial challenge was related to digital barriers and the requirement of a digital national identity certificate. To simplify the ID verification process, the INSS currently allows applicants to upload a selfie and a copy of their ID.
- The initial online application process had limits on data attachments of 30 Mbytes, which were often reached when applicants tried to attach images and other documents. This limit has since been removed.
- While previously, the form requested an email address, it is now possible to complete it using a smartphone, and the INSS is proceeding with ID checks via phone calls in some pilot regions.
- The online form only asks for information on household members if the person has indicated that there is more than one person in the household unit.
- The INSS has also created a system to generate a fictitious ID for minors who do not possess actual ID numbers, which previously generated errors for online applications.
- The INSS has also simplified the online application through an iterative form that displays explanatory windows and performs several consistency checks to simplify the process.
- The most recent version of the online form allows claimants to provide documents at a later stage if they are not initially available and to verify the state of their submission process.

In-person and phone outreach across Spain

Spain is also currently conducting a randomised control trial to evaluate the effectiveness of a campaign of active outreach to potential beneficiaries.[6] Across 200 locations all over Spain, such as shelters or food distribution centres, social workers will be present for 12 weeks to provide information about the IMV. Social workers also help individuals assemble the documents required for the application and assist in filling it out.

The impact on take-up will be compared on the local level against the impact on take-up in 200 control locations. Additionally, there will be a social ads campaign in 200 locations (100 in the previous control group and the other 100 in the treatment group), with information on the IMV (simulator, general information and application platform).

To evaluate the impact, there are different types of information:

- A phone survey which contacts about 30 individuals in each of the 400 locations, both before and after the intervention. The questions are related to knowledge about the IMV, opinions about the application process and the benefit, as well as about trust in institutions.
- The number of applications for the IMV obtained from management data will be used, aggregated at the local level, to be able to measure if both treatments (outreach and ads) have impacted the reduction of non-take-up.

In addition, the MISSM has launched a pilot programme in co-operation with the tax authority to send texts (short message/messaging service, SMS) to potential beneficiaries selected on the basis of income and wealth data. The recipients of the SMS could authorise the MISSM to call them with a survey about the information they have on the IMV and offer support with the application process.

Barcelona Socio-economic Response Network

The Barcelona City Council operates the Socio-economic Response Network (XARSE), which assists people in accessing existing social programmes at the city level.[7]

The city launched XARSE in 2020 to assist people whose livelihoods were adversely affected by the COVID-19 pandemic. The target population of its services are individuals who lack relevant information about benefits, have difficulties understanding bureaucratic language or do not have access to the Internet. XARSE operates multiple offices across the city of Barcelona and co-ordinates closely with the social services departments of the city. Its main services are:

1. Assist in the application process for social services, particularly the application to the IMV. XARSE staff assist individuals with the initial application and follow up with them to check their status.
2. Advise individuals on financial literacy and debt management and organise self-help support groups for users.
3. Assist individuals in handling problems that arise during the process of application for benefits, such as gathering the necessary supporting documents or accessing grievance redress mechanisms in case of rejected applications. The network thereby acts as an intermediary between applicants and local authorities.

Access to XARSE's services happens mainly through referral from social workers who identify relevant individuals in need and ensure that the neediest can receive adequate levels of support in accessing social services. Once individuals are referred to XARSE, they are assigned a caseworker and receive other relevant services (e.g. digital skills training) if required. XARSE can also directly refer applications and supporting documents to municipal social service offices.

Navarra processing units

As part of the AUNA project, the Comunidad Foral de Navarra operates "processing units" to support individuals in applying for the IMV or regional minimum income benefit.[8] These units target both new applicants and existing recipients who wish to renew the benefit, providing both online and in-person support. They aim to assist individuals facing multiple barriers to facilitate their application for the IMV and, more generally, to speed up the overall process.

There are several points of contact through which individuals can get in touch with the processing units. Both the public employment and primary social services offices refer individuals. For instance, when users approach social services to claim the IMV, one eligibility condition is to be registered as actively looking for work with the employment services. If they are not registered, social services refer them to employment services, who will subsequently refer them to the processing units to support the IMV application.

This process ensures that vulnerable individuals benefit from an inclusion pathway by combining the monetary IMV support with support from social and employment services (Departamento de Derechos Sociales, Gobierno de Navarra, 2022[15]).

3.1.3. Work incentives were introduced in 2023 and are likely to promote work, but not for all groups

A new measure to stimulate greater participation in the labour market among recipients of IMV was approved at the end of 2022 and entered into force at the beginning of 2023. The work incentive is aimed at motivating the beneficiary to enter the labour market or to increase the number of hours of employment by guaranteeing a higher benefit amount than without taking up employment.

According to OECD (2022[16]), the employment incentive is divided into three tiers:

1. If a recipient's income increases compared to the previous year and is less than 60% of their IMV entitlement, they receive the total amount of their net earnings as a work incentive. This means that earnings below 60% of the IMV entitlement are not considered in the means test. It implies that the incentive provides the IMV recipient with an increase in income of the same amount as his or her income.
2. If the earnings increase falls between 60% and 100% of the previous IMV entitlement, the work incentive is partially added based on the composition of the recipient's household and whether the increase is due to a new job or increased working hours.
3. If the amount of the increase in income exceeds the amount of the guaranteed income, the household is not excluded directly from the benefit. The amount to be paid is so that the disposable total income does not decrease.

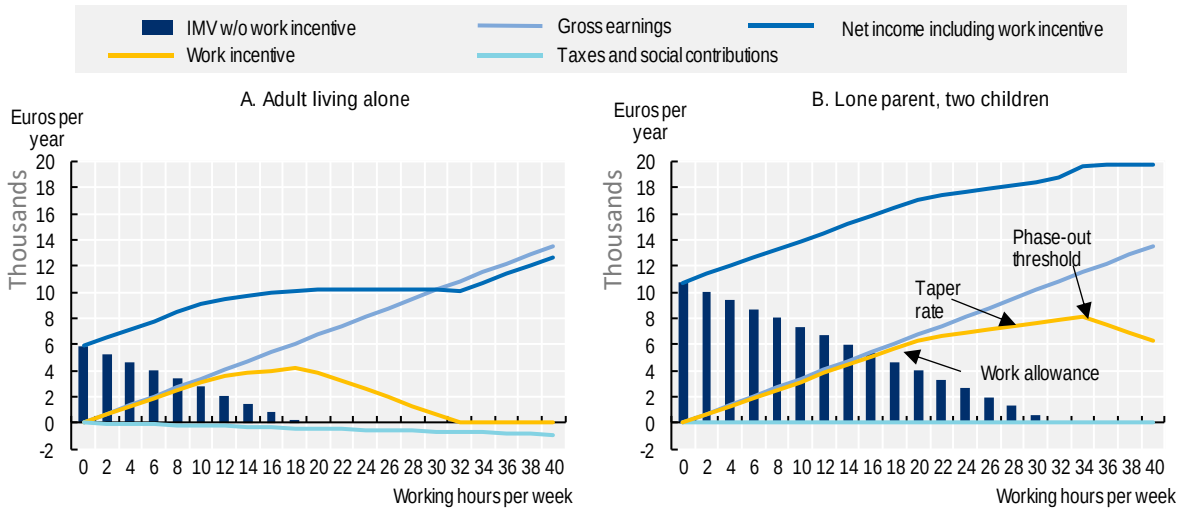
Regarding the reference periods, the new incentive is calculated from the increase between the previous year's income and the earnings before that year. This means that, for 2023, the IMV entitlement is measured on the basis of 2022 income, and the work incentive is calculated as the difference between 2021 and 2022 earnings.

The main findings of OECD (2022[16]) (see Figure 3.4) show that:

> *"The new work incentive significantly increases net incomes for recipients. Because it starts to phase out when earnings increases are equal to the (previous) benefit amount, for a single adult without children, it reaches its maximum of about EUR 4 000 per year at about three days of work per week at the minimum wage. Total IMV payments are maximised at about ten hours of work per week because the work allowance means that the work incentive completely compensates for the means test of the IMV. Increases in net income are therefore strongest for the lowest income increases, but net income remains flat or increasing up until full-time working hours."*[9]

Figure 3.4. **Spain's new work incentive increases incomes for low working hours**

Benefit amount, earnings and total income by working hours at minimum wage, by household type, 2023



Note: The new work incentive will be paid out from January 2023 but calculated based on wage increases between 2021 and 2022. Children are four and six years old. The lone parent benefits from the tax credit for large families, which offsets social security contributions (SSC) up to EUR 1 200 per year. These calculations correspond to the design of the IMV work incentives as of mid-2022.
Source: OECD TaxBEN model: IMV work incentive module. Taken from OECD (2022[16]), "The new work incentive for Spain's national Minimum Income Benefit". www.oecd.org/social/benefits-and-wages/Note: on-the-new-work-incentive-Spain.pdf

Most OECD countries operate programmes that fall into partial unemployment benefit, into-work benefit or in-work benefit. However, only a handful of countries operated a benefit targeted at social assistance recipients in 2022 and can thus be compared in some of their aspects to the IMV work incentive introduced in Spain. Some examples in the European Union are:

- **Subsistence Benefit (Estonia)**: Social assistance recipients retain part of their social assistance payments for up to six months after taking up work.
- **Prime d'Activite (France)**: An in-work benefit for low earners.
- **Solidarity Income (Greece)**: Social assistance recipients may retain part of their previous social assistance benefit for up to six months when moving into work.
- **Working Family Payment and Back to Work Family Dividend (Ireland)**: An in-work benefit for low-earning families with children and a flat-rate subsidy for social assistance recipients moving into work.
- **Into-work Benefit for Recipients of Social Assistance (Italy)**: Social assistance recipients continue to receive part of their social assistance benefits when moving into work and pay lower social security contributions on their earnings for 12 to 24 months.

Interesting examples in non-EU countries include:

- **Canada Workers' Benefit**: A targeted refundable tax credit for low-income workers.
- **Universal Credit (United Kingdom)**: Social assistance benefit that is smoothly phased out for increasing earnings.
- **Earned Income Tax Credit (United States)**: Fully refundable tax credit for low earners.

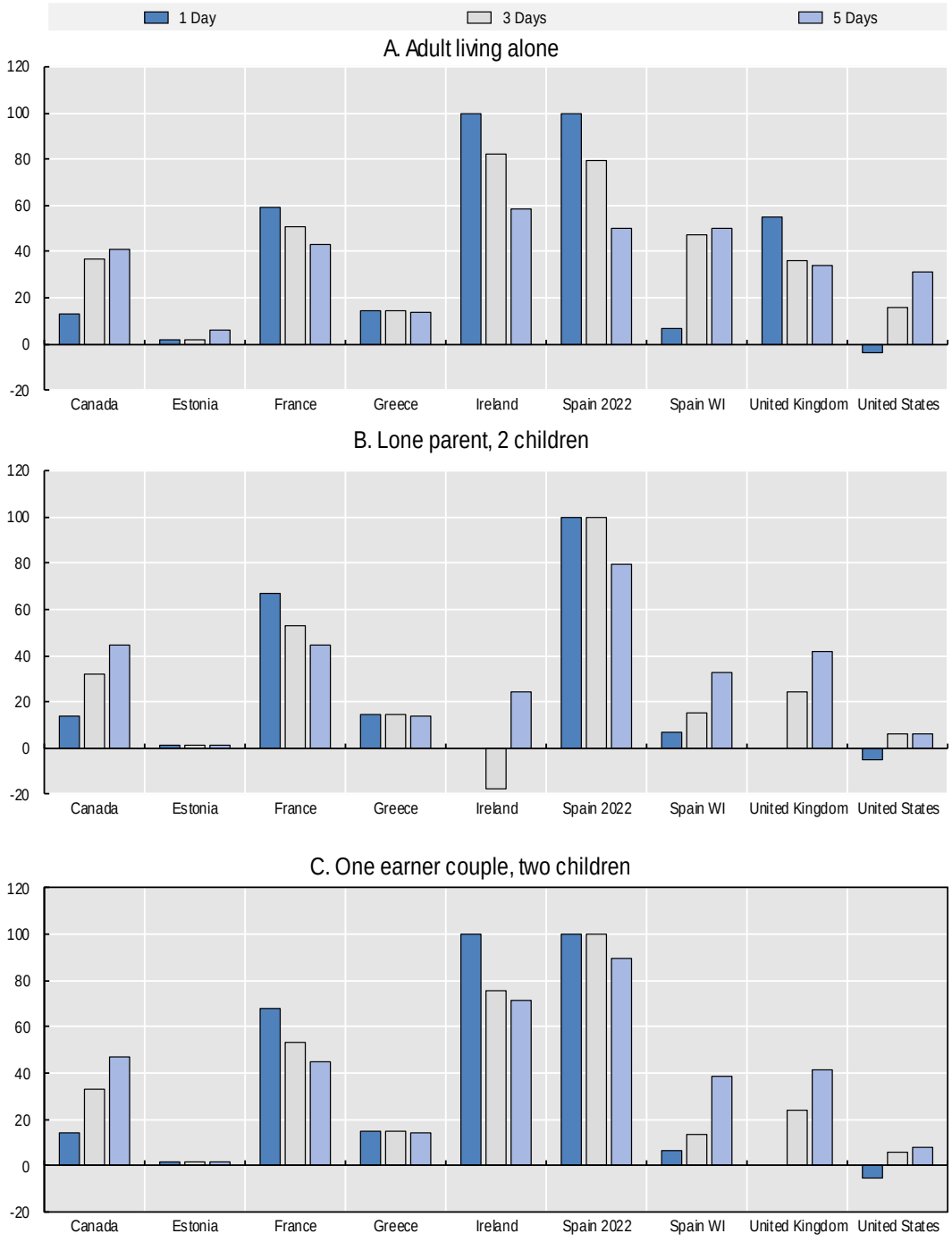
Comparisons based on OECD TaxBEN models show that the new work incentive significantly decreases the cost of taking up work. To illustrate this, Figure 3.5 presents the participation tax rate (PTR) for minimum income recipients taking up work at the minimum wage as a function of the number of days per week worked in the above-mentioned countries. In 2022, before the introduction of the IMV work incentive, the PTR for IMV recipients taking up a job working eight hours at the minimum wage was 100% for all household types. This means the IMV was fully withdrawn against labour income (see Figure 3.5, 1 day/week in all panels).

The new work incentive reduces the PTR for all household types. For an IMV recipient taking up eight hours (1 day in Figure 3.5) of work per week at the minimum wage, the PTR is only 7% because earnings are still below the work allowance. Looking at other countries, only households in Estonia and the United States would face even lower PTRs.[10] For recipients taking up jobs with longer hours – three and five days, respectively – PTRs with the new IMV work incentive remain very low in Spain compared to other countries. For adults living alone, PTRs at substantial part-time (three days a week) and full-time work at the minimum wage are comparable to France but still higher than in all countries except Ireland. For households with children, however, working full-time at the minimum wage is substantially more attractive under the new IMV work incentive scheme than in France, Canada and the United Kingdom.

In sum, the new work incentive makes taking up work significantly more attractive, particularly for very low earnings (up to eight hours a week of work) and families with children. However, childless adults taking up full-time work at the minimum wage do not appear to benefit from the subsidy. This reflects the assumption that IMV recipients will choose a full-time job (even paid at the minimum wage) rather than receive the IMV, which may not always be the case.

Figure 3.5. **Spain's new work** incentive lowers effective tax burdens for low-earners

Average participation tax rates for minimum income recipients taking up work at minimum wage, by working time, 2022



Note: For (previous) minimum income recipients who were not entitled to unemployment benefits and are moving into work. PTRs include all benefits except housing support. The adult is aged 40, any children are aged 4 and 6. These calculations correspond to the design of the IMV work incentives as of mid-2022.

Source: OECD TaxBEN model: IMV work incentive module. Taken from OECD (2022[16]), "The new work incentive for Spain's national Minimum Income Benefit". www.oecd.org/social/benefits-and-wages/Note: on-the-new-work-incentive-Spain.pdf

3.1.4. Access to active inclusion programmes for IMV recipients is not guaranteed

Currently, no specific assessment process is carried out for IMV beneficiaries, as so far, it has only been developed as a monetary benefit. However, the IMV legislation (Ley 19/2021, 20 December) foresees the development of inclusion itineraries to foster the social inclusion of recipients. According to the law, this inclusion process may be related to different dimensions, such as finding a job or treating a health condition. Itineraries shall be developed in collaboration with the AACC and local entities, as these administrative levels are closer to the concrete reality of beneficiaries through social services departments and offices and have the legal mandate to provide this type of support. Collaboration is also foreseen with third-sector entities and the private sector. The design of itineraries shall be aimed at removing social or labour obstacles that hinder the full exercise of rights and undermine social cohesion.

While social services are currently the most common entry point for regional minimum income recipients in Spain (see below), interviews with the AACC highlight that the target population for the IMV is typically broader and larger than the one for regional schemes, for which the assessment process was originally designed. Based on interviews, regional authorities agree that social services should be the entry point only when social accompaniment is needed and that overburdening these departments with the assessment and profiling of all IMV recipients may lead to an overburden of social workers with administrative tasks, reducing their capacity to perform accompaniment tasks.

While inclusion itineraries have not been developed for all IMV beneficiaries, a series of pilot projects are being implemented in different AACC that entail the assessment of IMV recipients' inclusion needs with the goal of establishing a personalised itinerary. These projects are part of two packages of pilot projects set up by the MISSM in 2021 and 2022. These packages aim to develop inclusion itineraries through grant agreements with local entities, the AACC and the third sector. Several pilot projects entail the referral of beneficiaries to specific inclusion itineraries, whether focused on social inclusion, labour inclusion, or both. Examples of how referral work in specific pilot projects targeted at IMV recipients include:

- In Aragón, a project includes referral to two types of pathways after the initial assessment of the participants. Each participant has a professional of reference who orients them towards a specific itinerary, which is characterised by networking between various services to achieve a multidimensional intervention that involves the personal, economic, health, housing, social and educational promotion, pre-employment and employment areas.
- Another interesting example is the "Barcelona pilot project". After assessing the barriers and needs of participants, the professionals working in the one-stop-shop are responsible for referring the users to the most adequate inclusion programmes provided by various entities. Referring professionals work in co-ordination with these entities and continue to provide individualised support during and after the inclusion activities.
- A project in Extremadura seeks to improve the labour market insertion and health status of women aged 18 to 45 with dependent minors who receive the IMV and/or the regional minimum income. It includes social accompaniment actions, labour insertion itineraries, mental health services and therapy in healthy habits, as well as employment practices. As the result of an evaluation, participants are divided into three groups: 1) a socio-occupational group, which receives interventions from the teams in the socio-occupational field; 2) a health-intervention group, which receives interventions from the health sector; and 3) a group that receives support in social, labour and health areas. The support is provided by interdisciplinary and interterritorial teams comprising five professionals from the social, health and employment fields. They design individual plans and propose the appropriate measures for each person, referring them to the appropriate resources or services. Therefore, the process of referral to other services is initiated by the team of professionals working directly with the user.

In addition to specific pilot projects, IMV recipients are currently automatically referred to the public employment service (PES) for automatic registration as jobseekers. Such registration is waived for several categories, including students, carers of older people and those receiving disability or long-term care benefits. The legislation does not foresee any specific penalty for IMV recipients other than those already in force for any jobseeker registered with the PES.

3.2. Regional minimum schemes have different eligibility criteria, and the process for active inclusion differs widely

3.2.1. Application for regional benefits might be easier than IMV due to in-person application and easier forms, but there are significant differences

In most regions, the application process for minimum income includes the possibility of both online forms and in-person applications, either at the local social services or in employment offices. Some regional minimum income applications are less complex than the one used for the IMV. The only AACC where in-person submissions are not a possibility is Canarias, although it is still possible for claimants to receive assistance with the process in local social services offices. Online applications are not possible in Cantabria, Cataluña and the Región de Murcia. In addition to the most common channels, Comunidad Foral de Navarra and País Vasco offer support units for those claimants who choose to apply online but need assistance with the procedure. Among the regions with online and in-person means, based on the interviews with Castilla y León and Galicia, it appears that most of the time, the application is processed in person at social services to receive support in completing the application.

According to interviews with regional authorities, the regions face a high volume of in-person claims, as claimants often lack the necessary digital and administrative skills to fill in the online applications themselves. In some instances, this leads to an overburden for social workers, reducing their time to perform social support functions as they are overloaded with administrative processing tasks. In addition, this situation can lead to delays both when it comes to the first appointment for in-person applications and for the processing of the benefit once the application is submitted. While there is no systematic information on appointment waiting times, interviews with regional actors suggest significant territorial variation among local entities. In some regions, such as Cantabria, applications can be submitted on the same day the applicant goes to the social services desk without an appointment. In others, such as Galicia or Comunitat Valenciana, it can take up to one month to submit the application or to get a first appointment with social services. In País Vasco, it takes one to two weeks, and in Cataluña, it takes fewer than ten days. In terms of processing times, which in most cases are specified in the legislation, there are also significant differences, with maximum delays for resolution ranging from one month in Cantabria and Castilla-La Mancha to a maximum of six months in Comunitat Valenciana and País Vasco.

A possible alternative to the handling of all processes by local social services offices can be found in Canarias, where the new MIS (Renta Canaria de Ciudadanía), which entered into force in April 2023, has decreased the administrative workload of local social workers. With the new income, the application is made directly to the government of the Canary Islands. The centralisation of the application means that the municipality is no longer in charge of all the administrative procedures. Once the benefit is approved, the file is transferred to the municipality, and the social workers and intervention professionals can engage in the process of social inclusion and diagnosis of risk situations.

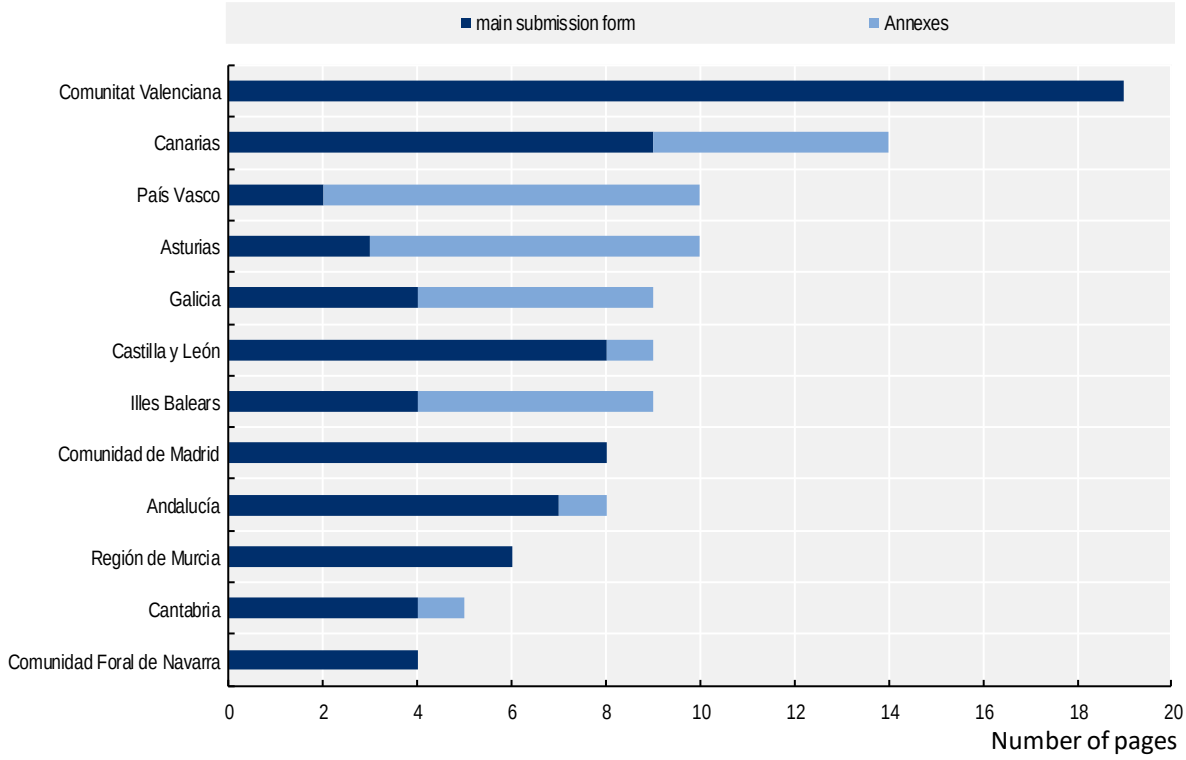
Regarding the readability of minimum income application forms in the different AACC, there is no systematic research on the language and process of all regional schemes. However, reports on selected cases suggest that the language and administrative burdens related to submission forms present a significant barrier for claimants. A questionnaire shared with professionals in the area of minimum income in all Spanish AACC in 2014 reported that, according to practitioners, up to 44% of individuals who had

the right to a regional MIS did not apply due to the complexity of documentation required (EAPN España, 2014[17]). In Cataluña, third-sector entities remark that difficulties related to the application procedure often result in claimants needing to go more than twice to employment offices for the application and even requiring assistance from social services or third-sector entities, with some claimants even paying someone to do the application for them (Taula d'entitats del Tercer Sector Social de Catalunya, 2022[18]). Similarly, in Andalucía, claimants often face difficulties understanding the technical vocabulary and the bureaucratic procedures, needing additional appointments and phone calls with professionals (Estepa Maestre and Roca Martínez, 2018[19]).

A key element of readability can be the length of application forms, which shows significant variation between AACC. Those with simpler forms are Principado de Asturias, Illes Balears, Cantabria, Galicia and País Vasco, all with application forms of under four pages, a length that can make it more accessible for claimants with more limited administrative knowledge. The longest form is found in Comunitat Valenciana, with a total length of 19 pages. It should be noted, however, that some of these differences come from annexes. Figure 3.6 shows the length of forms and annexes to be filled by claimants in a selection of regions for which information is available.

Figure 3.6. **The length of Spain's MIS application forms varies substantially by region**

Number of pages of application forms and annexes for minimum income benefits



Note: Only AACC for which submission forms and annexes are available are included in the figure. Only one copy is counted for annexes that need to be filled once per family member.
Source: Regional minimum income claiming forms.

Another important aspect is the comprehensiveness of the information collected. Table 3.3 shows the elements covered in a selection of regional minimum income submission forms. All the forms cover income, wealth, employment and information concerning the family unit. Additionally, most of the forms also gather information on housing, disabilities and whether claimants belong to a vulnerable group, such as being a

victim of gender violence, single-parent family units, refugees or the Roma community. Education, care duties and language skills are less commonly included in submission forms.

Table 3.3. **Items covered in Spain's** regional MIS application forms

	Income	Wealth	Labour	Education	Housing	Incapacity	Dependency	Care duties	Family unit	Language	Vulnerable group
Andalucía	✓	✓	✓	✓	✓	✓	✓		✓		✓
Aragón											
Principado de Asturias	✓	✓				✓	✓		✓		
Illes Balears	✓	✓							✓		
Canarias	✓	✓	✓	✓	✓	✓			✓		✓
Cantabria	✓	✓		✓		✓	✓		✓		
Castilla-La Mancha	✓	✓	✓						✓		
Castilla y León	✓	✓	✓	✓	✓			✓	✓		✓
Cataluña											
Comunitat Valenciana	✓	✓	✓	✓	✓	✓	✓		✓		✓
Extremadura											
Galicia	✓	✓	✓		✓	✓			✓		✓
La Rioja	✓	✓							✓		✓
Comunidad de Madrid	✓	✓	✓	✓	✓	✓			✓		✓
Región de Murcia		✓	✓	✓		✓			✓		
Comunidad Foral de Navarra	✓	✓	✓	✓	✓	✓	✓		✓		✓
País Vasco	✓	✓			✓	✓			✓		✓
IMV	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓

Source: Regional forms from the regional websites and the IMV form from the Spanish Social Security platform. No information available for Aragón, Cataluña and Extremadura.

In general, the AACC forms that cover more items are usually longer. Therefore, while more aspects of the situation of the applicant and his/her family unit are captured, it does not reduce the complexity and time of the application process if the form has a high number of pages to be filled in. In other words, careful design is needed to capture more information in application forms without increasing their complexity and application times.

Gathering a comprehensive set of information can be particularly useful in making the assessment of beneficiaries' needs and tailoring social inclusion itineraries to each recipient's specific needs and circumstances more efficient. For example, one of the most comprehensive forms in the table is the case of Andalucía. In this region, the information from the form is automatically transferred into the tool used for the needs assessment, facilitating the work of social workers (see Table 3.3 and further comments below).

On wealth, both real estate and other financial assets are considered in examining claimants' wealth status. As with income, responsible declarations ("Declaración responsible de ingresos y patrimonio") are most commonly employed to check claimants' information.

Nine regions ask directly about the claimant's current employment situation (i.e. employed, unemployed, not active) in the form. The Canarias request the claimant's specific profession. Andalucía, Cantabria, Canarias, Castilla y León, Comunitat Valenciana, Comunidad de Madrid, Región de Murcia and Comunidad Foral de Navarra ask directly about the level of the claimant's studies and qualifications.

Regarding housing, eight regions include a section about the applicant's living situation. For example, if he/she lives in a rented flat, property, hostel, caravan, sub-standard housing or other type of dwelling. Castilla y León is the only region whose form includes the claimant's care duties. Moreover, it also has one section on the schooling of minors and the educational establishment where they are registered.

Despite the fact that in the regions with a second official language, the applicant is asked in which language he/she prefers to be addressed by the administration, the level of these languages is not included in any of the forms examined.

All forms request information regarding sources of income, but there is variation regarding the reference periods for assessing income and the required documentation. Andalucía and Comunitat Valenciana consider the month prior to the application, while Canarias or Castilla La-Mancha count the three months immediately prior to the submission. Comunidad Foral de Navarra considers the last six months, whereas Galicia considers the last fiscal year.

In a study framed in the Spanish regional MIS context, Berjón and Gorjón (2021[20]) show that considering the poverty income of the year prior to the application to determine a person's current poverty status leaves half of the poor population undiscovered. This is because the transition factors into poverty are disregarded. In other words, the current design of the income proof does not cover all individuals who may have moved into poverty within the year of application. The study suggests that this gap could be addressed by asking for an attestation of the net income for the last three months instead of the income tax return for the last year.

The documents to provide for the income assessment also show differences in time periods. In Cataluña, the bank statement for the last two months is requested, while in Castilla y León, bank documents from the last year and the current balance of the accounts are requested. In Comunidad Foral de Navarra, a bank certificate is required with the current balance of all accounts held, and for employees under a regular contract, an employment contract and payslips for the last six months are required. For self-employed individuals, a tax declaration for the past two trimesters and balance, a certificate of benefits and rental contracts are required. However, most regions allow applicants to submit a responsible declaration of income.[11] This declaration reduces the number of documents that users need to provide to certify their income status, as it allows the administration to make the necessary verifications and enquiries. It simplifies how claimants fill in the section on income and assets.

Concerning health status, most regions consider the disability situation of the claimant and/or the family unit. As for the situation of dependency, five regions directly address this condition in their forms. An example of a clear section regarding health status can be found in Cantabria, whose form has a section dedicated to persons in a situation of dependency and disability in the family unit. In some AACC, such as Comunidad Foral de Navarra, data on disability and dependency status are not requested directly from users because they are checked directly by the administration. In the case of this AACC, only users with a disability or dependency assessment from another AACC must present the certificates.

Finally, the situations of vulnerability that users may be facing are also reflected directly in some of the forms examined. In this case, belonging to a minority or vulnerable group might include being a victim of gender violence, living in a single-parent family unit, being a refugee, or belonging to the Roma community, among others. Only those AACC with specific sections to be filled in by users in reference to these cases have been highlighted in the table above. It should be noted that in all of them, people in a situation of vulnerability, such as gender-based violence or asylum, can provide the necessary documents with their applications.

3.2.2. Needs assessment to design itineraries is not always carried out with systematic procedures and tools

Needs assessment for MIS beneficiaries is a key step in designing personalised social and labour inclusion itineraries. Table 3.4 provides an overview of the key elements of the assessment process for minimum income recipients in 11 AACC where regional MIS have associated social inclusion itineraries, either for the beneficiaries themselves or their entire family units. They include the first contact with the administration, the department responsible for acting as the entry point and the methodology used for conducting the assessment to determine the specific actions or areas to be included in the social inclusion itinerary.

Table 3.4. Assessment process for the design of social inclusion itineraries at the regional level in Spain

AACC	Entry point	First contact with beneficiaries of future itineraries	Specific tool to assess the design of the itineraries	Assessment made at the discretion of professionals
Andalucía	Social services	Social worker in charge of the itinerary	✓	
Principado de Asturias	Social services	Automatic contact from the social worker in charge of the itinerary		✓
Canarias	Social services	Social worker in charge of the itinerary		✓
Castilla-La Mancha	Social services	Social worker in charge of the itinerary	✓	
Castilla y León	Social Services	Social worker in charge of the itinerary	✓	
Cataluña	Employment office	Employment office during the processing of the benefit	✓	
Comunitat Valenciana	Social services	Social worker in charge of the itinerary	✓	
Galicia	Social services	Social worker in charge of the itinerary		✓
Comunidad de Madrid	Social services	Social worker in charge of the itinerary		✓
Comunidad Foral de Navarra	Social services and employment office	Automatic contact from administrative teams (AUNA project)	✓	
País Vasco	Employment office	Contact at the employment office	In development	

Note: Only AACC that implement social inclusion itineraries as part of their minimum income framework and for which information is available are included in the table. The answer for Castilla-La Mancha refers to the previous social inclusion itineraries linked to regional minimum income. País Vasco is developing a profiling tool to evaluate and design itineraries to be implemented in 2023. In regions with no specific tool to design itineraries, the evaluation is made at the discretion of professionals, mostly social workers.
Source: OECD interviews with regional authorities (2023).

Of the 11 regions for which information is available on the process of inclusion itineraries, social services offices are the most common entry point in 7, while employment offices are the entry point in 2 (Cataluña and País Vasco). Comunidad Foral de Navarra is the only region where both social services and the employment office act as a joint entry point. In this case, staff members from the AUNA project are responsible for contacting the recipients who will be offered integrated care provision from social and employment services. In regions where social services are the entry point for assessing a claimant's needs, social workers are typically in charge of it, whereas workers from employment offices act as the first contact in Cataluña and País Vasco. In Comunidad Foral de Navarra, a joint team of a social worker and an employment worker handles the first contact.

Regarding assessment tools, two approaches are observed in the selected regions. In five of them, specific tools have been developed to assess beneficiaries' social inclusion needs, while in Principado de Asturias, Canarias, Galicia, and Comunidad de Madrid, the assessment of needs is fully performed by social workers based on their professional judgement. Table 3.5 provides an overview of the assessment tools used in

Andalucía, Castilla-La Mancha, Región de Murcia and Comunidad Foral de Navarra, including the department responsible for the tool and the areas covered.

Table 3.5. Assessment tools in selected regions of Spain

Items	Andalucía	Castilla-La Mancha	Región de Murcia	Comunidad Foral de Navarra
Tool	SIRMI	SISO (social services) and SISPE (employment services)	Assessment of Employability Level[1]	Profiling process
Responsible department	Social services	Individual responsibility in each department: Social and employment services	Social services	Social services, employment or processing units
Type of co-ordination	No co-ordination	Data sharing	Co-ordinated referrals	Co-ordinated work
Dimensions covered				
Economic dimension	✓	✓		✓
Employment	✓	✓	✓	✓
Education and training	✓	✓	✓	✓
Housing situation	✓	✓		✓
Health status	✓	✓		✓
Support network	✓	✓	✓	✓

Note: 1. The assessment tool in Región de Murcia was framed in the co-ordination protocol between social services and employment in 2017.
Source: OECD interviews with regional authorities (2023) and official protocols of selected regions.

The tools mentioned in Table 3.5 have different characteristics depending on the specific categories and indicators and the room given to social workers to determine the needs of recipients of regional minimum income benefits and actions to be taken:

- In Andalucía, the *Sistema de Información de la Renta Mínima de Inserción Social* (SIRMI) pre-fills available information about recipients so that social workers only complete the additional information needed. The assessment regards different areas: cohabitation and social support network, economic status, employment, housing, health and education; and is used to set specific social and labour inclusion programmes in which the recipient is committed to participate, as well as qualitative and quantitative indicators to measure the expected results.
- In Castilla-La Mancha,[12] SISO (social services) covers a range of social exclusion dimensions: economic, employment, training, residential, health, relational and personal. In turn, each dimension is composed of specific indicators (for example, for economic exclusion: income, source of income, main expected source of income and severe material deprivation). Each indicator is rated on a scale of five levels: very difficult, quite difficult, some difficulty, little difficulty or none. An aggregate score indicates if the exclusion is severe, moderate or minor.
- In Región de Murcia, the assessment is focused on employability by analysing the education and employment information, complemented by information on the support network.
- In Comunidad Foral de Navarra, the AUNA project employs a profiling tool. A team of professionals from social services and employment completes a preliminary profile of beneficiaries covering six key exclusion areas: economic, employment, training, residential, socio-sanitary and relational. As in the case of SISO, each area is broken down into specific indicators. Once the assessment is completed, results are used to refer individuals to employment services if they are employable, social services if they are not ready for employment, or to a joint action of both services.

All the tools analysed include a multidimensional perspective assessing the economic dimension, employment, education, housing, health, and the social support network of beneficiaries. This is an

essential feature, as social exclusion is commonly related to income poverty, but also other aspects that capture an individual's level of vulnerability [see Chapter 1 and (Bak, 2018[21]; Saraceno, 2001[22])]. Therefore, using assessment tools that take a holistic perspective can help to ensure that all relevant areas of need are considered in the social inclusion itinerary, leading to a more comprehensive and effective approach to promoting social inclusion.

3.2.3. Some regions have established referral and co-ordination with other services for beneficiaries

This section describes how units in charge of the initial assessment of minimum income beneficiaries orient them to the most relevant unit to address their specific needs and the professionals in charge of their inclusion itineraries.

In many regions, social services are also the main actor in designing and providing many inclusion itineraries, originally developed to complement and support regional MIS. This is the case of Andalucía, Canarias (where itineraries are still being developed), Castilla y León, Castilla-La Mancha, and Comunidad de Madrid. For these cases, referral to other services and departments, such as employment services, only takes place for specific cases and programmes:

- In Andalucía, co-ordination with other areas is not consolidated and can vary depending on the municipality.
- In Castilla y León, referral to other departments, such as employment or education, can occur, although social services remain in charge of the itinerary. Specific referrals are organised through provincial social inclusion commissions that bring together representatives from social services, employment, housing, education and local and third-sector entities. Meetings are organised every two months. These commissions analyse specific cases to establish collaboration between agencies in the intervention.
- In Comunidad de Madrid, recipients of the regional minimum income can participate in specific programmes targeted at this collective by the employment department.

For those regions where the employment department is in charge of needs assessment, referrals can occur in different ways. Cataluña has a referral protocol between employment and social services, although the process is not automatic. Beneficiaries identified after the assessment as not having an employment profile are referred to social services for a social itinerary. Beneficiaries are the ones responsible for contacting the local social services during the ten days following the needs assessment to ask for an appointment to start the inclusion plan. In the case of País Vasco, employment services are currently in charge of all minimum income beneficiaries. However, a reform process will contemplate the possibility of establishing co-ordinated or integrated itineraries with other areas, such as social services, following a needs assessment.

Finally, regions with automatic referral mechanisms after the needs assessment include Principado de Asturias, Comunitat Valenciana, Galicia and Comunidad Foral de Navarra. In some of these cases, beneficiaries are automatically referred to employment services, whereas in others, joint itineraries can be established:

- In Principado de Asturias, after the needs assessment by social services, minimum income beneficiaries can be considered as having social, socio-occupational or only occupational needs. In the two first cases, the social services department is in charge of inclusion itineraries, with co-ordination with employment services for socio-occupational ones. For beneficiaries with only occupational needs, there is an automatic referral to the Principado de Asturias PES, which is in charge of those minimum income recipients who only need labour integration support due to lack of employment.

- In Comunitat Valenciana, for regional minimum income recipients, social services automatically initiate the referral to the employment services (LABORA) if the itinerary the beneficiary must follow is only focused on employment barriers. Each person has a reference professional in the social services centres and the employment office. To guarantee co-ordination, there is always a reference professional at the social services centre since this is the department in charge of the economic benefit.
- The Renta de Inclusión Social de Galicia has several stages depending on the beneficiaries' social condition. In social services, an employability diagnosis is conducted in co-ordination with employment technicians to determine whether a person is suitable for employment. A socio-labour insertion agreement can then be established in collaboration between departments. Co-ordination between social services and employment is structured through a protocol between departments.
- Finally, in Comunidad Foral de Navarra, after the joint needs assessment performed by professionals from the social services and the employment department, beneficiaries can be referred to social services to start the social itinerary (if they do not have a sufficient level of employability), to employment services (if they only need job reinforcement) or to the AUNA project, which combines the joint intervention of social and employment services. The referral is made directly at the agencies where the person has applied for the benefit and where the profiling is made. Therefore, social services, employment and benefit processing units can refer to the relevant agency after assessment of the recipient's needs (following profiling).

In Comunidad Foral de Navarra, when the profiling process detects that the beneficiary needs more comprehensive care, a referral is made directly to the attention of both the departments of social services and employment services. In this joint co-ordination, personalised itineraries are prepared for each beneficiary through pair teams of professionals formed by a professional from social services and a technical profile from the employment agency. The beneficiary's competences, labour and social expectations are examined through each expert's Social Assessment and Employability Assessment instruments. The professionals meet regularly to build a shared diagnosis and plan the joint intervention process. In addition, the pairs draft the Personalised Plan for Social Inclusion (PPIS) with the beneficiary within a maximum of two weeks following the initial interview. The team works with the participant in preparing the PPIS, which includes both social support and support for the active job search (i.e. tutoring, social accompaniment, design of a personal plan of insertion, training offer, job offer, etc).

In brief, the intervention model of the joint action in Comunidad Foral de Navarra between social services and employment is based on the following elements:

- high-intensity support processes for the beneficiary
- common assessment tools and shared information (connection between employment and social services information systems)
- spaces for joint interaction and close co-operation between employment and primary care social services.

3.2.4. Regions with inclusion itineraries tend to have conditionality requirements, but requirements vary

Conditionality on participation in social inclusion itineraries

Regarding inclusion itineraries, conditionality might be linked to the obligation to attend appointments with social services and/or employment, participate in specific integration programmes or comply with the measures decided on in the personalised plan. Almost every AACC that proposes concrete social inclusion itineraries establishes the commitment to and participation in the itineraries as a condition for continuing to receive the benefit. In some cases, the conditionality is associated with a top-up of the cash support; for

example, the basic benefit is unconditional, but supplements might be subject to conditions. For example, in Comunitat Valenciana, there is a basic unconditional minimum income, and people can participate in social inclusion itineraries that entitle them to additional benefits on healthcare. Most recipients prefer the conditional option. In Cataluña, the conditionality of the benefit is only applied in one of the components of the regional minimum income: the conditional part only applies to recipients of a EUR 150 top-up and conditions are defined in their personalised plan.

There are some geographical disparities within the AACC in the application of conditionality. For instance, in La Rioja, it was pointed out that larger cities can apply conditionality in specific activation measures. At the same time, it cannot be efficiently implemented in rural areas due to obstacles to geographical mobility or beneficiaries' lack of resources.

Some regions extend this conditionality criteria to members of the family unit. In this scenario, the beneficiary signs the personalised plan, but all the family unit members must participate in the activities and measures. This is the case in Andalucía, Principado de Asturias, Comunitat Valenciana or Galicia, among others. In other AACC, only the person who applied and receive the income support is subject to the conditions. Examples of this last case occur in Cataluña, where the social inclusion itinerary is to be signed and followed only by the entitled beneficiary. An intermediate situation occurs in Castilla y León, where members of the family unit must commit to the fulfilment of the individualised insertion project only if they are in a situation of severe social exclusion (structural social exclusion); in other cases, only the entailed beneficiary must participate in the itinerary.

Drawing from the interviews with regional authorities, another condition that seems of great importance is the fulfilment of school attendance for children within the beneficiaries' family units. This requirement is embedded in several regional minimum income laws. In Castilla y León, complying with the children's schooling is a requirement to continue receiving the regional minimum income benefit. In Cataluña, if the plan includes the commitment to take children to school and it is not fulfilled, the beneficiary will lose the top-up. It has been reported that, in some cases, the end of the social inclusion itinerary when moving on to receive the IMV has implied an increase in school absenteeism for those previously receiving regional minimum income benefits.

Using conditionality in providing minimum income benefits requires a comprehensive understanding of the beneficiaries' situations, considering barriers, obstacles and their engagement in the social and labour measures. In general, conditionality is assumed by AACC as a positive reinforcement of social and labour insertion itineraries rather than as a stick to constrain beneficiaries to fulfil the conditions under the penalty of being punished (by a suspension or cancellation of their entitlement). Even more, some AACC have implemented measures to help vulnerable recipients fulfil the entitlement conditions (see Box 3.2).

Box 3.2. Measures to encourage the fulfilment of entitlement conditions in Spain's AACC

Whether it is to attend appointments with social services, employment, job interviews or training courses, fulfilling these activities can be a challenge for users who do not have access to transport or live in areas with access restrictions. To overcome these barriers, a pilot project in Canarias for the improvement of digital skills for beneficiaries of minimum income (funded by the MISSM and implemented by the European Anti-Poverty Network [EAPN] Canarias) provides transport for participants so that individuals without access to transport can reach the training.

In Comunitat Valenciana, beneficiaries granted the IMV do not cease to be registered as a recipient of the regional income benefit. Thanks to this, although the beneficiary no longer receives the cash support from the regional minimum income benefit, he/she continues to be entitled to other benefits whose access is only possible through the regional MIS (i.e. scholarships, books and/or medicine subsidies). In this way, recipients also remain linked to the social inclusion itineraries and comply with its conditionality requirements as they are still regional minimum income beneficiaries.

Source: OECD interviews with regional authorities (2023).

Conditionality on being registered as a jobseeker

Another type of widely used behavioural conditions is related to active job search. This is the case of the IMV, which requires recipients (with a few exceptions) to be registered as jobseekers and foresees sanctions in case of non-compliance. Also, the condition of being registered as a jobseeker in the local employment offices exists in almost all regional legislations. The exceptions are Aragón, Extremadura, Comunidad de Madrid, Región de Murcia and Galicia. Aragón does not mention this condition in its laws, while Extremadura, Comunidad de Madrid and Región de Murcia do not formally establish the condition as such but state the requirement to actively participate in the individual labour insertion project (which often requires registration in the PES). In Galicia, it is not necessary to be registered to apply for the first benefit level. However, there is a conditionality element linked to employment to receive the labour inclusion level of the scheme (tramo de inserción al empleo).

In some regions, the condition of being registered as a jobseeker applies to the family members of working age of the family unit. This is the case in Andalucía, where all working-age persons who are not studying or providing care for a dependent person must register as jobseekers at the employment office. In most regions, the jobseeker registration condition can be exempted in some specific cases. A typical example is when a person is declared unable to work. For instance, in Castilla y León, mental health disorders or addictions are considered cases of exception.

In many cases, being registered in the employment offices may grant access to other benefits. For example, in Principado de Asturias, if someone cannot be employable when the minimum income benefit is awarded, the claimant should be registered as a jobseeker because the jobseeker status opens the door to receiving other benefits. Regional authorities see this "implicit condition" as positive because it helps keep people connected with the labour market; however, this may also overload the employment services with people who are not employable.

The possibility of combining income from social benefits and work is understood as an entitlement conditionality rather than as a behavioural conditionality (see Section 3.1.2). To provide a general overview, Table 3.6 shows the conditionality criteria concerning participation in activation measures, registration as jobseekers and the extent to which these conditions extend to the family unit.

Table 3.6. **Conditionality of minimum income schemes in Spain's AACC**

	Participation in labour activation and/or inclusion measures	Registration as a jobseeker	Activation to the family unit
Andalucía	✓	✓	✓
Aragón			
Principado de Asturias	✓	✓	✓
Illes Balears		✓	
Canarias	✓	✓	✓
Cantabria	✓	✓	
Castilla-La Mancha			
Castilla y León	✓	✓	Only compulsory in severe social exclusion
Cataluña	Partially	✓	
Comunitat Valenciana	Partially	✓	✓
Extremadura	✓		
Galicia	✓		✓
La Rioja	✓	✓	
Comunidad de Madrid	✓		✓
Región de Murcia	✓		✓
Comunidad Foral de Navarra	✓	✓	✓
País Vasco	✓	✓	✓
IMV		✓	

Source: Minimum income laws in AACC and OECD interviews with regional authorities (2023). Information not available for Aragón and Castilla-La Mancha.

3.2.5. Specific support programmes to transition from minimum income benefits into employment are not widespread

A key goal of minimum income benefits is to empower recipients to live on their own earnings and avoid the benefit dependency trap,[13] possibly on a stable basis, i.e. with a low probability of being forced to reapply for income support. Active labour market programmes, ideally, should lead beneficiaries to take up a stable job or, at least, to reintegrate into the labour market stably. In countries with dynamic labour markets, it is easier for PES to connect jobseekers with employers and propose training and upskilling programmes. Also, job offers are better and more frequent, making it easier to ask jobseekers to accept them.

This might be a challenge in Spain, where unemployment is high and, in some sectors and regions, is objectively difficult for PES to find reasonable job proposals. However, some policies exist to help those who exit MIS to take up jobs, such as in-work benefits to open the possibility of combining earnings from work or specific agreements between social partners to boost the recruitment of beneficiaries. Geographical labour mobility is an instrument still to be explored in Spain. This last measure includes providing support to jobseekers to relocate or commute to take up new jobs.

Initiatives to encourage transition to employment

Social employment, self-employment, or hire subsidies targeted at recipients of minimum income benefits are initiatives that favour the transition to employment. Such measures allow beneficiaries to access the labour market and gain experience and encourage companies' involvement in promoting social inclusion.

In most regions, minimum income recipients who participate in social inclusion itineraries have priority for participating in employment and vocational plans. Additionally, some regions have developed specific

agreements with local agents to build employment plans. This is the case of Principado de Asturias, which has developed municipal employment plans in which 15% of places in social enterprises are reserved for people receiving the Basic Social Benefit. Similarly, the agreement with employment services in Castilla-La Mancha allows reserving 25% of total contracts for people facing social exclusion who are referred by social services.

Subsidies provided by the administration for recruitment in public institutions or companies with specific insertion goals are another mechanism to encourage minimum income recipients' sustainable employment. For example, the public administration in Principado de Asturias covers up to 50% of the wage cost when certain companies hire beneficiaries. Castilla y León, Cataluña, Comunitat Valenciana, La Rioja, Navarra and País Vasco have subsidy programmes to encourage hiring minimum income beneficiaries in municipalities or social insertion companies. The granting of subsidies to non-profit organisations that develop employment support programmes for people at risk of social exclusion is also widely used.

Some regions provide incentives to those who want to start an independent activity or, more generally, to encourage self-employment. This is the case in Región de Murcia, where labour integration programmes include promotion and support for self-employment, specifically by promoting and raising awareness of the entrepreneurial culture and advice for the preparation, implementation and monitoring of projects where people start their own business, as well as through subsidies for self-employment.

Lastly, one of the measures in the AUNA project (Comunidad Foral de Navarra) is a noteworthy initiative aimed at enhancing employment access for individuals following a social and labour itinerary. It involves various measures to connect job opportunities with active jobseekers participating in the project. The programme aims to establish a network of companies interested in assisting and hiring minimum income beneficiaries through internships, in-company training and employment opportunities. The Confederación Empresarial Navarra (CEN) is involved in managing the job search and itineraries for selected beneficiaries. A team from CEN identifies employment prospects and demands, matching them with the skills of AUNA participants across different sectors. The selection process involves pre-screening by employment services and final candidate selection by CEN, resulting in a recommendation (to the hiring companies) of two or three candidates per job position.

Support to geographical mobility

Support to geographical mobility can often represent a good alternative for jobseekers willing to commute or move to take up a job in a different city. Measures combining the promotion of labour mobility within a country and assisting jobseekers during the process have been an instrument available in some countries to increase the chances of unemployed people finding a job. Relocation assistance and mobility subsidies are some policy instruments that can be employed in this regard (Immervoll and Knotz, 2018[23]).

Although it does not target recipients of minimum income benefits (but rather, young jobseekers), the European employment services (EURES) Targeted Mobility Scheme provides support for jobseekers to overcome the challenges of working abroad. It can provide grants for specific purposes and finance language courses, the recognition of qualifications and travel and subsistence costs. This programme is open to any jobseeker (aged at least 18 years old) or company established in an EU country (plus Iceland and Norway). It puts them in contact via local EURES counsellors and provides assistance before departure. In Spain, as part of the measures of the labour market reform in 2012, the Royal Decree 1674/2012 establishes, in its Article 1, that Spanish PES (SEPE) co-ordinates and manages the EURES support to promote and boost labour mobility in Europe through the EURES Network.

Within Spain, support for labour mobility between regions encounters the difficulty of dealing with regional autonomy and competences. In fact, since social services and employment services are of regional competence, it is difficult to find examples of social and labour market insertion programmes involving

more than one region (in particular, by helping a beneficiary of minimum income benefit in region A move to region B).

3.3. Co-ordination between central and regional stakeholders is with respect to minimum income schemes is not forthcoming

A significant challenge in the minimum income system in Spain is establishing co-ordination networks between national, regional and local authorities to ensure comprehensive service delivery to applicants of regional MIS and the IMV. Means of co-ordination may include inter-administrative bodies, formal protocols or information systems that allow for data sharing or more advanced forms of interoperability between different service providers and levels of the administration. To meet the individual needs of minimum income beneficiaries through personalised itineraries, it is necessary to connect the social security administration, employment services, health and social services.

To facilitate the implementation of the IMV at multiple levels, efforts have been made to bring together the different administrations. In 2022, the IMV Monitoring Committee was established through a Royal Decree (64/2022) as an inter-administrative co-operation body to monitor the implementation of the national minimum income. Its functions are, among others, to evaluate the impact of the IMV; to evaluate and monitor proposals in relation to the benefit and social inclusion; to promote co-operation mechanisms between administrations; to monitor the systems for the exchange of information on applicants and beneficiaries; and to co-operate in the implementation of the social digital card (Tarjeta Social Digital, TSD).[14] Unfortunately, it appears that this body has not acted as an effective co-ordination organ, as there have been no meetings of this committee since its creation.

Regarding data sharing, an established mechanism to co-ordinate the transmission of information on IMV beneficiaries from the central to the regional level is envisaged in one of the articles regulating the IMV. The information shared by the INSS with the Autonomous Regions Information System is transferred through the TSD. The INSS shares case file registries with the AACC on a weekly basis. The data flow includes information on the details of the claimant and the other members of the cohabitation unit, the outcome of the application (status of the benefit, dates of application, start of benefit, amount, supplements), as well as possible variations and relevant information for the recognition and control of the regional benefits in the AACC. Data from the social security office regarding the IMV benefit is incorporated daily through a standardised flat file, sent by Editran, the communication channel used by social security.

However, gaps have been identified in the information provided and in the delivery of information at certain levels. First, the information regarding benefit status includes only resolutions (i.e. approved, refused, rejected, and variations). As a result, no information is provided on applications that are still pending and unresolved. At the regional level, the department that receives the information is the department of each autonomous community that manages the minimum income programmes. Nevertheless, drawing on interviews with regional authorities, information seldom reaches the social service centres in the municipalities. In some cases, regional authorities reported that social workers in local centres get to know the status of IMV applications through the claimants themselves. Access to information on the IMV application status of their users appears to be driven by differences between information technology infrastructure and security protocols existing in each region:

- In Andalucía and Castilla y León, information on the resolutions of processed applications is received weekly; still, social workers do not have access to it. According to Castilla y León, autonomous regions are not able to transfer data to local social services since they are not the owners of the information. The digital social card should be a step forward in this respect, but it has not yet been implemented.

- In Cantabria, social workers can consult the data of the regional administration, and this allows them to automatically adjust the amount of Renta Social Básica (the regional minimum income benefit) if a person starts receiving the IMV or to suspend it, if necessary.
- In Castilla-La Mancha, the INSS files are sent to regional delegations and, from there, to local primary care centres. In addition, the AACC have created a series of documents and held meetings with primary care on the functioning of the IMV. However, co-ordination with social security is deficient, with difficulties in making contact at both local and provincial levels.

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Notes

1. For more details, see https://loentiendo.com/ingreso-minimo-vital/#percentageC2%BFCuanto_se_cobra_en_esta_ayuda.

2. The gap increases to EUR 406 considering Ceuta, with a basic minimum income of EUR 300.

3. These pseudo coverage rates are calculated by dividing the number of beneficiaries based on administrative data by the estimated number of persons living in extreme poverty, based on 2020 survey data.

4. Specific third-sector entities that are part of a mediator registration (Registro de Mediadores) can help applicants by providing certificates requested with the application form.

5. For more details, see https://revista.seg-social.es/-/c%C3%B3mo-realizar-tr%C3%A1mites-en-el-inss-de-manera-telem%C3%A1tica-sin-certificado-digital-ni-cl-ve.

6. The project is implemented by the Spanish branch of the European Anti-Poverty Network (EAPN-ES).

7. Information about XARSE is based on OECD interviews with local entities (2022).

8. The AUNA project is establishing an integrated Management Information System (MIS) for Comunidad Foral de Navarra's social and employment services. It also aims to profiling and refer individuals to the most relevant department and consider their availability for employment.

9. This citation corresponds to a publication before the final design of the work incentives packages was set. In its final design, the benefit starts to phase out when earnings increases are equal to the minimum guaranteed threshold.

10. In the United States, the Earned Income Tax Credit subsidises very low earnings, such that the participation tax rate is negative for very low hours of work.

11. No information could be collected for Extremadura about income assessment documents.

12. In Castilla-La Mancha, it is no longer possible to apply for regional benefits, since the introduction of the IMV. A pilot project is also being implemented in which social workers also have access to evaluations performed by the employment department using SISPE.

13. To learn more about the concept of benefit dependency and the main determinants of dependency on minimum income benefits, see Immervoll (2015[24]).

14. The Social Digital Card (TSD), introduced in 2018 by Law 6/2018, is an information system that integrates social benefits managed by the public administration (central state, AACC and local entities) such as contributory and non-contributory pensions, childcare or the IMV. The TSD aims to: 1) reduce the administrative burden of public services users; 2) for public administrations, improve the security of data exchanges and make the management of benefits and services easier; and 3) improve the overall system and move towards a common taxonomy, data models and processes. For more information, see www.tarjetasocialdigital.es/wps/portal/tsu/TSocial.

4 Best practices in social inclusion across OECD countries: Ensuring adequate monetary support, active inclusion and co-ordinated services

This chapter presents several examples from OECD countries aimed at providing coherent approaches to social inclusion policies. It starts by looking at policies to reduce income poverty by ensuring access to adequate support through minimum income schemes. The chapter also analyses how countries promote active inclusion and facilitate co-ordinated services through co-ordination mechanisms across different policy areas and how they promote more and better service integration.

4.1. Introduction

The effectiveness of a country's social protection system depends not only on the type of services available but also on how these services interact with each other and with their intended beneficiaries. Social services – both cash and in-kind – are usually designed to address a specific need or vulnerability of the population they are intended to benefit. Benefits only work when individuals can easily access them. "Non-take-up" refers to the causes and remedies for individuals who, for any reason, do not access the benefits they are entitled to. Furthermore, services should not exist in isolation, as individuals face complex and multifaceted needs and vulnerabilities and often require multiple social interventions to ensure their well-being. The "co-ordination and integration of social inclusion services" aims to ensure that individuals can access the whole catalogue of interventions they may require. For this reason, this chapter aims to map best practices for improving the effectiveness of the delivery of social inclusion services, focusing on three main areas: 1) tackling non-take-up for established benefits; 2) improving adequacy and promoting active inclusion and/or work incentives; and 3) a better integration and co-ordination of existing services.

4.2. Ensuring comprehensive minimum income schemes in OECD countries

Most OECD countries operate comprehensive minimum income schemes (MIS) for working-age individuals and their families. These safety-net benefits aim to provide an acceptable standard of living for families unable to earn sufficient incomes from other sources. As measures to fight against poverty and social exclusion, MIS reduce income inequalities at the bottom of the income distribution and represent essential components of redistribution policies. This section presents the main purpose and characteristics of MIS from an international perspective. The design and provision of minimum income benefits have been a permanent and high-priority topic of interest for international organisations in the last decades, and even more so during the coronavirus (COVID-19) crisis (European Commission, 2023[1]; Coady, 2021[2]; Immervoll, 2010[3]; OECD, 2020[4]; OECD, 2021[5]).

Cash transfers for working-age people provide a major income safety net in case of unemployment. The main goal of MIS is to provide financial support for low-income families to ensure an acceptable standard of living for people in need, but this is not their only objective. In most OECD countries, MIS also play an essential role in providing work incentives to the long-term unemployed and boosting the labour market and social integration through different policy tools (while keeping the cost of these non-contributory schemes affordable for central or local governments). Aspects like the eligibility rules, compatibility of the MIS with other cash support schemes in the country or with income from work means the level of allowances and duration of the benefit, work incentives, and conditionality can vary significantly across countries. These differences in the design of a scheme result in differences in the provision of it. The next section analyses the most important design aspects of MIS. See Immervoll (2010[3]) for a more detailed discussion on MIS design elements. In addition, the OECD and the European Commission maintain well-documented databases, including descriptions of MIS in OECD and European countries, respectively.[1]

4.2.1. Eligibility

The number of aspects that shape MIS is extensive. One of the reasons for this is that MIS (or, more generally, last-resort benefits) depend on a country's entire social protection architecture and must consider many social risks, including lack of income, material deprivation of children, social exclusion, homelessness and labour market inclusion. This section focuses on three relevant design aspects in this chapter: eligibility criteria, income adequacy, conditionality and other incentives to take up a job.

A large majority of minimum schemes in OECD countries share a number of basic principles regarding their field of application:

- The benefit is awarded to family units, including people living alone who constitute a one-member family unit.
- Any family member can claim the benefit, but income, assets and other eligibility conditions are assessed at the household level.
- The entitlement is determined considering household and single individual characteristics (for example, the basic allowance can be awarded to a household, and a top-up can be added to it because one household member is disabled).

Criteria like **nationality, residence or age** of claimants can also implicitly determine which population groups are included or excluded from the benefit.

Nationality and residence

Almost all European countries have no nationality requirements to receive minimum income benefits. However, several countries mention that non-nationals must hold a residency document. Since the residence condition is not applied to nationals, being a "legal"[2] resident in a country is the most widespread condition to access minimum income benefits,[3] but with more or less stringent rules regarding the duration and type of residence. For example:

- In Austria, non-EU nationals are only entitled to guaranteed minimum resources/social benefits if they have lived legally in Austria for more than five years. In Italy, access to the Reddito di Cittadinanza requires at least ten years of legal residence, two of which on an ongoing basis. Luxembourg requires temporary or permanent residence for European Union/European Economic Area citizens and having resided in Luxembourg for at least 5 years during the last 20 years for other foreigners.
- In Denmark, any person lawfully residing in the country can access minimum income, but the support entitlement depends on time of residence and employment. In Portugal, access to the Rendimento social de inserção needs legal residence for at least one year for nationals of third countries. In Sweden, everyone with the right to stay in the country can access the social welfare system. No permanent residence is required.

Residence conditions do not necessarily exclude some categories like refugees and asylum seekers from public support. The most common approach to protect these populations are: 1) treat refugees or asylum seekers, officially recognised by country authorities or under the protection of international agreements, as resident, and hence consider them eligible for social welfare benefits; and 2) put in place specific benefits for these groups. In general, special provisions exist for these groups in all European countries. For example:

- In Germany, special provisions also apply to persons entitled to benefits under the Asylum Seekers' Benefits Act (AsylbLG). These include asylum seekers, tolerated persons, persons with special humanitarian residence permits and foreigners whose deportation is enforceable.
- In Sweden, recognised refugees are entitled to social assistance on equal grounds as other residents as long as the residence permit is valid. In contrast, asylum seekers are not entitled to social assistance for livelihood support and housing (instead, they receive a different allowance from the State).

Age

Regarding the age of claimants, some general principles can also be identified. The **minimum age** of minimum income benefit claimants is generally set to 18 years, or civil majority if different from 18. However, many countries (Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Ireland, Latvia, Lithuania, Slovenia and Sweden) do not mention a lower age limit to receive the benefit. In Finland, there

is no lower limit for age, but, in practice, minimum income benefits are not directly awarded to minors because parents and responsible adults are obliged to support their children. In Denmark, the general minimum income benefit is awarded to individuals above 30 because a specific subsistence benefit exists for 18-29 year-olds (Educational assistance). A few countries establish a higher age to be eligible, either explicitly (Luxembourg at 25 years, Spain at 23) or because the eligibility rules implicitly exclude many individuals, like in France, where the Revenu de solidarité active [RSA] is awarded to people over 25 and to youth between 18 and 25 if they have worked at least 3 214 hours (i.e. the equivalent of two years of full-time work) during the last three years, which is very restrictive. Finally, exceptions exist in many countries when the claimant is a minor but lives alone, has children or lives with other minors without support from other adults.

Regarding the **maximum age**, the limit depends on whether a specific non-contributory or solidarity benefit for old-age individuals (like the system of non-contributory pensions in Spain) exists in a country. Since these benefits are generally linked to the statutory retirement age, the condition to claim the benefit is around 65 years old. There is no upper age limit in countries with no specific minimum income benefit for old-age individuals.

The existence of age limits does not prevent children or other individuals from receiving benefits when they belong to a household where an eligible person lives and can claim benefits. For example, a 90-year-old person who receives an old-age pension and lives with their working-age relatives does not prevent the household *per se* from claiming the benefit (but the old-age pension will be counted as part of the household income). Most problematic is the situation of poor youth living alone and who are not eligible for the minimum income benefit due to their age. This situation can lead to extreme poverty and severe material deprivation among youth, constituting a strong disincentive for poor, low-skilled youth to start an independent life.

Income and other assets assessment

The **means test** is probably the most important element in the design of minimum income benefits. It includes an assessment of a claimant's household income and, in most cases, financial and real estate assets (this is also the case of the Ingreso Mínimo Vital (IMV) and most regional minimum income benefits in Spain). How countries define household income and the assets included and excluded from the means test is highly variable. In fact, these definitions are a key element of the social protection system of the country (and of regions in federal and semi-federal countries). They can be linked with many other policies, such as the tax system, disability and long-term care benefits, housing policies, family and school and labour market policies. This is not surprising as minimum income benefits are the last resort of social protection and, hence, depend on the eligibility rules and the degree of protection of other, more specific policies. It is then extremely difficult to analyse the means test of minimum benefits in a country without a deeper understanding of large parts of its social protection system, which would be out of the scope of this report.

Most OECD countries refer to the whole family unit in their definitions of income and other assets. Even here, the definition of a family unit can vary across countries (for example, in Finland, in some cases, adults living together can apply for the minimum income benefit independently and consequently, income will also be assessed independently). Also, in a large majority of countries, income considered in the means test is net of taxes and social contributions. Belgium, the Czech Republic, Denmark, Estonia, Finland, Hungary, Lithuania, the Netherlands, Poland, the Slovak Republic, Slovenia and Sweden explicitly mention this. All countries include several deductions and items exempted from the calculation. As mentioned above, the rationale behind these exemptions lies in the design of each country's whole social protection system. Some examples of these deductions can be:

- Rent housing costs and interest mortgage payments.
- Heating, gas and electricity costs.

- Refundable tax credits.
- Income from specific social benefits, especially those related to care (long-term care or money to care for disabled children).
- In some countries, a fixed amount of money or a percentage is deducted from work income.

A similar situation exists regarding **real estate, financial and other assets**. The perimeter of items considered to assess eligibility for the minimum income benefit varies across countries. A few common principles can be identified, however. Among them (with many variants) are:

- Personal dwellings are not always considered as part of the assets:
  - Some countries include the main residence as part of the assets.
  - Others exclude the main residence from the assets.
  - Others consider the size or value of the dwelling.
- Properties other than the main residence, including those belonging to minors, are always considered part of the assets (and eventual rents they produce are part of the income). Again, some variants exist in the way countries evaluate these properties. In some cases, the administration uses the cadastral value, and in others, the market value.
- Regarding movable assets, savings and other financial instruments, those of every member of a household are considered assets but, in many cases, above some threshold (because it is considered that a reasonable amount of savings is necessary to the subsistence of a family and thus it would not be fair to consider it as an asset). Debts other than the interest mortgage payments for the main lodging are generally not considered negative assets, especially when the debt has been contracted recently. The rest of the movable assets, like jewellery, cars, ships and other valuables, are generally included among the assets test except for those objects that are reasonably needed for the normal running of the home (this can include the car, for example).
- Some administrations cross-check the declared assets and income with information from administrative sources and evaluate the consistency between a claimant's declarations and the estimated material status of the household.

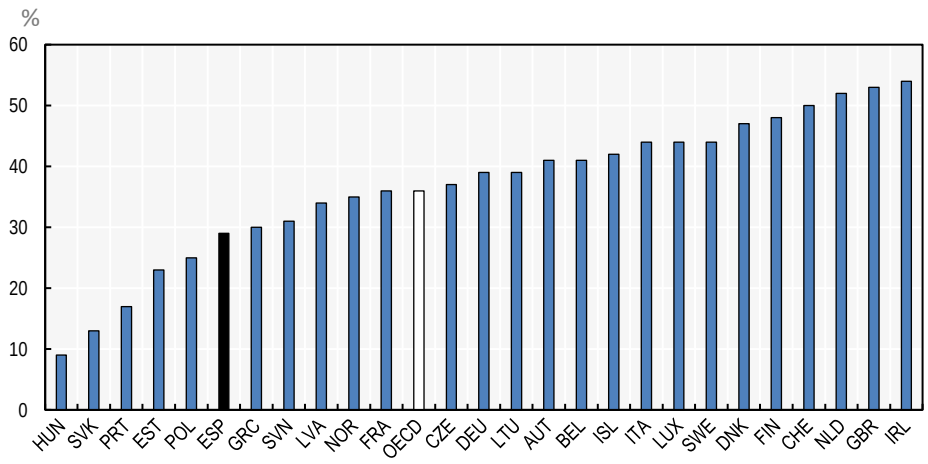
4.2.2. Generosity and coverage

A challenge that makes it difficult to meet the poverty reduction goal of MIS is the mismatch between the support provided by the benefit and a claimant's monetary needs. Income adequacy can be measured by comparing beneficiaries' entitlements with the poverty threshold in the country, by comparing them to the income of low-wage earners (for example, with the minimum wage), or, as is common in less developed countries, by comparing the income support with the value of a "basic needs basket". In many European countries, minimum income benefit levels are significantly below national poverty lines, ranging between 20% and 80% of the national poverty thresholds (European Commission, 2022[6]). In 2018, only two EU countries (Ireland and the Netherlands) provided minimum income benefits above the poverty threshold for some types of households, which implied being above 60% of median household disposable income. In fact, minimum income benefits as a percentage of the poverty line decreased in almost all member states in 2019 (EAPN, 2020[7]).[4] It must be mentioned that in most OECD countries, the cash support provided by minimum income benefits is modulated by the presence (and sometimes age) of children and complemented by cash top-ups or in-kind benefits according to a family's needs (transport vouchers, heating supplements, tickets to buy food, etc.). In those cases, the actual support provided by the minimum income benefit can be significantly higher than the basic statutory amount suggests. However, the equivalent monetary effect of these supplements is difficult to analyse, particularly from a cross-country perspective.

According to the latest available figures (2022), the average amount of statutory minimum income benefits for OECD countries is 38% of the median disposable income, with 13 EU member states below this figure. The highest level of adequacy of provision is still found in Ireland, with 55%. The United Kingdom (53%), Italy (44%) and Germany (39%) are some other countries with higher adequacy than the average (see Figure 4.1). From a comparative perspective, the adequacy of minimum income benefit as a percentage of median disposable income in Spain is below the OECD average. Considering a household formed by a single recipient, the IMV would only cover 29% of the median disposable income, which is quite far from the national poverty line.

Figure 4.1. Gap between the poverty line and minimum income benefit levels in selected OECD countries, 2022

Percentage of median disposable income, single 40-year-olds without children

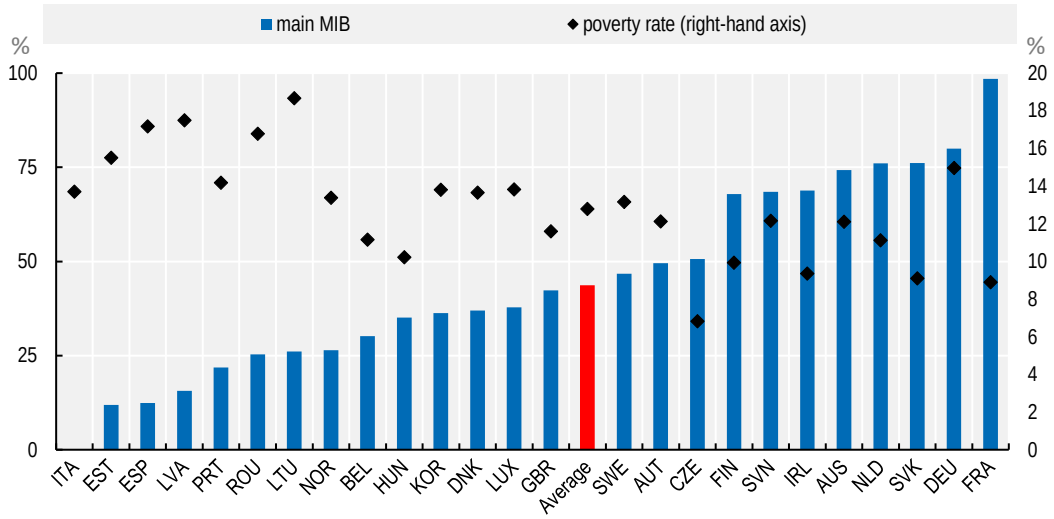


Note: This indicator measures the income of jobless families relying on guaranteed minimum income benefits as a percentage of the median disposable income in the country. Housing supplements are included, subject to relevant eligibility conditions.
The adequacy of minimum income benefits can change depending on family composition. The example of a single person without children is taken for the sake of simplicity.
Source: OECD (2023[8]), "Adequacy of minimum income benefits" (indicator)", https://doi.org/10.1787/dcb819cd-en.

Adequate levels of MIS certainly help poor households *who receive the benefit* but do not guarantee a minimum living standard for all families in a country. Effective access to income support is analysed by Immervoll et al. (2022[9]) and Hyee (2020[10]). On average, less than one-third of poor working-age households across OECD countries received support from MIS in recent years (see Figure 4.2). Recipient numbers in Australia, France, Germany, the Netherlands and the Slovak Republic are close to the estimated number of income-poor households (which does not necessarily reflect the number of households eligible for the benefit). In most other countries, the ratios are 50% or lower and below 20% in Estonia and Latvia. Since Spain introduced the IMV in June 2020, recipients of means-tested benefits in Spain in Figure 4.2 are mostly recipients of Rentas Mínimas.

Figure 4.2. Share of minimum income scheme recipients in selected OECD countries, 2016

Percentage of income-poor working-age households



Note: "Income poor" refers to households with income below 50% of the national median. Recipient numbers refer to the "main" minimum income benefit (MIB) in each country plus specific lone-parent benefits (in Ireland and the United Kingdom) and non-contributory unemployment benefits (in Australia, Denmark, Germany, Ireland, Spain and the United Kingdom). Comparable recipient data were not available for Greece and Poland. A national minimum-income programme was introduced in Italy in September 2016 and was extended subsequently. The denominator for Australia and Ireland is poor working-age individuals, as main MIBs are awarded at the individual level. The ratio of benefit recipients to income-poor households could, in principle, exceed 100% if recipients include large numbers of non-poor households. Lump-sum payments, grants, supplements and refundable tax credits are not included.

Source: OECD (2022[11]), *Social Benefit Recipients (SOCR) Database*, https://www.oecd.org/social/social-benefit-recipients-database.htm; authors' calculations based in EU-SILC for poverty headcounts estimates; OECD (2022[12]), *OECD Income Distribution Database (IDD)*, https://www.oecd.org/social/income-distribution-database.htm; taken from Hyee et al. (2020[10]), "How reliable are social safety nets?: Value and accessibility in situations of acute economic need", https://doi.org/10.1787/65a269a3-en.

Although MIS are targeted to low-income households, not all of them receive support. The reasons behind this "low coverage" are multiple. As mentioned above, being income-poor does not necessarily imply that a household is eligible for the MIS. Eligibility rules might, de facto, exclude some population categories; income thresholds used in the means test may not necessarily coincide with the poverty line (in general they are below it); income-poor households might not be eligible because they have financial or real estate assets; households that would be potentially eligible do not apply to the benefit (non-take-up is discussed below in the Spanish context); and finally, families who apply to the benefit do not receive it for administrative reasons (long delays, sanctions, etc.).

4.2.3. Conditionality in minimum income schemes

Minimum income support systems serve as a safety net of last resort in most developed welfare states. Minimum income benefits should not be seen as an isolated branch of social protection; in most countries, they are closely linked to contribution-financed social insurance schemes (unemployment insurance, contributory pensions) and to social and health services. Therefore, many European countries associate allocating minimum income benefits with behavioural conditions and work incentives. Indeed, to improve the effectiveness of MIS and social and labour inclusion, the European Commission recently launched a Proposal for a Council Recommendation on Adequate Minimum Income Ensuring Active Inclusion.

The type of conditions, how conditionality is implemented, and eventual sanctions if conditions are not fulfilled greatly differ across countries, as do the outcomes. Recent evidence shows that, in general, Nordic

and continental European welfare states with robust social protection systems and MIS show better outcomes in core socio-economic areas, such as poverty and social exclusion risks. However, labour market integration shows some dualisms in continental Europe. MIS are also quite strong in Anglo-Saxon liberal welfare states. In continental Europe and Nordic countries, MIS play an essential role in stabilising income and inclusion, although they are secondary to unemployment insurance systems. MIS are the crucial stabilisation mechanism in the liberal setting (e.g. the United Kingdom and Ireland in Europe, but also in Australia, Canada and, to a lesser extent, in the United States). At the same time, they are less strong in the southern European and post-socialist models (Federal Ministry of Labour and Social Affairs, 2023[13]).

Across OECD countries, several common, or at least very frequent, conditions asked of beneficiaries of minimum income or non-contributory unemployment benefits include the following:

- For working-age unemployed people, the obligation of being registered in public employment services (PES) exists in most OECD European countries. This obligation is at least applied to the benefit claimant. One exception might be Belgium, where one of the conditions for being able to claim the right to social integration (*droit à l'intégration sociale*) is that the claimant must demonstrate his/her willingness to work (which is different from active job search) unless this is impossible for health or equity reasons. The rule can be more or less strict, for example, in Poland, where being registered in PES is a condition, but its application is not strict, and the final decision is left to the discretionary decision of the Social Assistance Centres.
- The obligation, intended as a requirement that might entail sanctions if not fulfilled, of participating in the active labour market programmes proposed by PES and taking up reasonable job offers is also applied in many countries, with differences in the definition of a reasonable job offer. This is the case in Austria, the Czech Republic, Estonia, Finland, Germany, Greece, Hungary, Ireland, Latvia, Lithuania, the Netherlands, Poland, Portugal, the Slovak Republic, Slovenia and Sweden.
- Other conditions not directly related to labour market integration can be required depending on a claimant's characteristics and sometimes on the local context. For example, participation in social integration programmes is often proposed by social services, and since social services are provided at a local level, depending on the municipality or the region where the claimant lives, the availability of these programmes can change. For example, in Austria, a condition might be that the claimant participates in German language courses, but the duration of the course and the sanctions vary across *Länder*. In Belgium, the individual social integration plan is compulsory for persons under 25 years, when granting the right to social integration is subject to continuing studies. In Denmark, a MIS specifically targets youth (Educational Assistance), which is followed by an instruction to be engaged in education as soon as possible and, if not possible, to participate in social programmes aimed at improving the possibility of starting an education. In Latvia, some minimum income beneficiaries might be asked to participate in medical and social rehabilitation measures, among other activation conditions.

Of course, the exemption of active job searches and other conditions listed above exists in all countries and is applied after assessing a claimant's circumstances. The most common examples of exemptions, always subject to careful assessment by relevant authorities, are:

- **Age**: People very close to retirement age or very young.
- **Being engaged** in work, education or training programmes.
- **Health reasons**: In general, a health assessment determines if the person is totally or partially unable to work. Those unable to work are exempted from job-search-related conditions. For those partially unable to work, it depends on other circumstances. For example, in Germany, they are subject to job-search conditions as well.
- **Care reasons**: People who care for young children, sick or disabled adults or very old people are generally exempted from job-search activities.

In some countries, the minimum income benefit is designed as a package composed of a basic or general entitlement and a number of top-ups targeted at specific expenses or social risks. Beneficiaries of the MIS receive, as a minimum, the basic entitlement and, depending on the family's needs and conditions, one or more top-ups. The most widely used supplements are the housing supplement and the child supplement. This kind of design allows policy makers to associate behavioural conditions, which are seldom general, to specific top-ups, without questioning the eligibility for the basic benefit, by definition, of what the family needs to subsist. Two interesting examples of this kind of design are the minimum income benefits in the Slovak Republic and Switzerland (for a detailed description, consult the country policy descriptions of the OECD Benefits and Wages portal at https://www.oecd.org/social/benefits-and-wages/benefits-and-wages-country-specific-information.htm).

In the Slovak Republic, as of 2022, the Assistance in Material Need (Pomoc v hmotnej núdzi) has five components. The Benefit in Material Need (Dávka v hmotnej núdzi) corresponds to the basic entitlement awarded to all beneficiaries. There are four targeted supplements: the protection allowance (Ochranný príspevok), intended to ensure the personal expenditure of a household member who is not able to secure or increase his or her income by working; the activation allowance (Aktivačný príspevok), provided to support the acquisition, maintenance or increase of knowledge, professional skills and work habits for a career; the allowance for a dependent child (Príspevok na nezaopatrené dieťa), designed to support education, training and overall development of a child in the household; and the housing allowance (Príspevok na bývanie). For example, job search and activation conditions apply only to those who receive the activation allowance; also, the allowance for a dependent child is paid only if the child attends compulsory education between the ages of six and 16 years.

In Switzerland, as of 2022, the Guaranteed Minimum Income (Aide sociale, Zurich canton rules) is composed of a basic benefit, which corresponds to the minimum subsistence level for life in Switzerland that is consistent with human dignity and five specific supplements that are allowed that take into account expenses for basic needs as well as other needs depending on individual circumstances. They include housing costs, medical care costs, circumstantial costs (e.g. extra expenses due to an accident or serious illness), integration supplements for persons over 16 (i.e. the activation package), and integration benefits for those who cannot benefit from the integration supplement. In this context, specific conditions exist to access each supplement, and benefits can be reduced if the beneficiary refuses to co-operate or does not make sufficient efforts to integrate. However, the subsistence level remains guaranteed.

Conditionality is widely used to reinforce the effectiveness of social and labour market inclusion programmes linked to allocating minimum income benefits. However, the abuse of conditional benefits can be counterproductive, as excessive obligations and administrative burdens reduce take-up and increase the stigma effect. In addition, some beneficiaries experience more obstacles in fulfilling their obligations (i.e. due to health problems, caregiver responsibilities or lack of means of transport). In this sense, the examples of Germany and the United Kingdom have been selected as practices that encourage conditionality adapted to beneficiaries' circumstances, allowing for flexibility and change of requirements.

Germany: Sustainable integration in the new Co-operation Plan

From July 2023 on, the new Co-operation Plan (Kooperationsplan) of the Citizen's Income will reduce administrative burden, as the number of sheets and legal terms included in the plan has been reduced. Moreover, the conditions to be fulfilled are agreed upon in co-operation with the beneficiary, and the strictness of the conditions for accepting any kind of employment is reduced in favour of a more sustainable integration over time. The plan allows for more participation in the decision of the user's own labour activation measures.

The plan is drafted jointly by the recipient and the case manager or integration officer in job centres. The labour offers and activation measures are discussed in the framework of a participatory agreement, formulated in simple language and adapted to the personal case. The plan also includes a new arbitration

procedure to ensure that beneficiaries and job centres have a balanced level of decision. Thus, in the event of conflicts or disagreement in the drafting of the plan, arbitration allows beneficiaries to submit a claim for a new pact. In addition, the priority of placement has been suppressed. Up to now, the activation of benefit claimants capable of working has focused on active job search and entry into work without delay (or participation in active integration measures). In the new plan, vocational training and further training will be promoted as a higher priority to allow for sustainable integration over time (Hanesch, 2022[14]).

Although the new scheme is far from unconditional, it favours greater user involvement in drafting the activities to be fulfilled. Regarding sanctions, once the co-operation agreement has been drafted, there is a "period of trust", during which only the failure to attend appointments with the job centre will be sanctioned by reducing the entitlement up to a maximum of 10%.

United Kingdom: The Claimant Commitment and conditionality groups

In the United Kingdom, claimants eligible for the Universal Credit (UC) must sign a Claimant Commitment (CC), which sets up a personalised plan of activation measures. The system also establishes conditionality groups with different levels of requirements. This document is a personalised plan setting out the applicant's responsibilities concerning their receipt of the UC. The conditions set out are highly adapted to the beneficiary's situation, which increases the effectiveness of the intervention and makes it easier to fulfil the measures of labour and/or social insertion. For instance, the beneficiary must declare whether he/she is willing to perform job search activities and, if so, commit to a given number of hours of job search as well as the amount of salary and hours available per week to work. Thus, the real options of the beneficiary with his or her expectations for employment are captured in the CC.

Moreover, when applying for UC, applicants are classified into one of four work-related activity groups, more commonly known as conditionality groups, depending on their personal circumstances and barriers to work. In this way, the extent to which beneficiaries must look for work is individualised, and as circumstances change, applicants can also move from one level of conditionality to another. The four categories are the following:

- **All work-related requirements**: The beneficiary actively searches for a job or to increase his/her earnings. This includes looking for jobs, applying for jobs and going to interviews.
- **Work-focused interview and work preparation requirements**: In this scenario, the beneficiary should maintain regular contact with the work counsellor and engage in activities to prepare for work. This includes things like preparing a CV and attending training or gaining work experience.
- **Work-focused interview requirements**: Regular meetings with the work counsellor.
- **No work-related activity requirements**: There is no work-related condition.

In addition, linked to these conditionality groups, applicants may take up one of the six labour market schemes for which UC offers different services (see Table 4.1).

Table 4.1. Groups of conditionality and their labour regimes in the UK Universal Credit

All work-related requirements	Work-focused interview and work preparation requirements	Work-focused interview requirements	No work-related activity requirements
Scheme 1 – Intensive job search: For those able to work but not working or working but earning low incomes. They are expected to take intensive measures to find work or increase their income. Regular job-focused interviews, job search reviews (at least every	Scheme 3 – Work preparation: For individuals who cannot work immediately. Applicants whose capacity for work has been assessed as limited or who are responsible for a child of three or four years of age. They must regularly attend work-focused interviews and undertake work	Scheme 4 – Work-focused interview: For people who expect to work in the future but are currently over-committed to their childcare responsibilities. This includes people who are the primary caregiver for one or more children aged one or two. Only required to attend work-focused	Scheme 5 – No work requirement: For those who are not currently going to work. This includes people with limited capacity to work, those over state pension age, the primary carer for a child under one year old, or a severely disabled person for 35 hours a week or more.

All work-related requirements	Work-focused interview and work preparation requirements	Work-focused interview requirements	No work-related activity requirements
two weeks) and other work-related activities are set up.	preparation activities.	interviews.	
Scheme 2 – Light touch: For those whose income exceeds the administrative threshold of insufficient income. They must commit to getting a better or higher-paid job, but the requirements are less frequent and strict.			Scheme 6 – Working enough: For those earning over the individual threshold or self-employed with a minimum floor income. This means that there may be some out-of-work claimants in this regime. They are not expected to attend work-focused interviews or undertake any work-related requirements.

Source: Department for Work and Pensions (2023[15]), *Universal Credit – Conditionality group and labour market regime policy*, https://www.whatdotheyknow.com/request/366996/response/904624/attach/5/2%20Conditionality%20and%20regime%20Overview.pdf.

4.2.4. Work incentives

Participation tax rates when moving from minimum income benefits to work

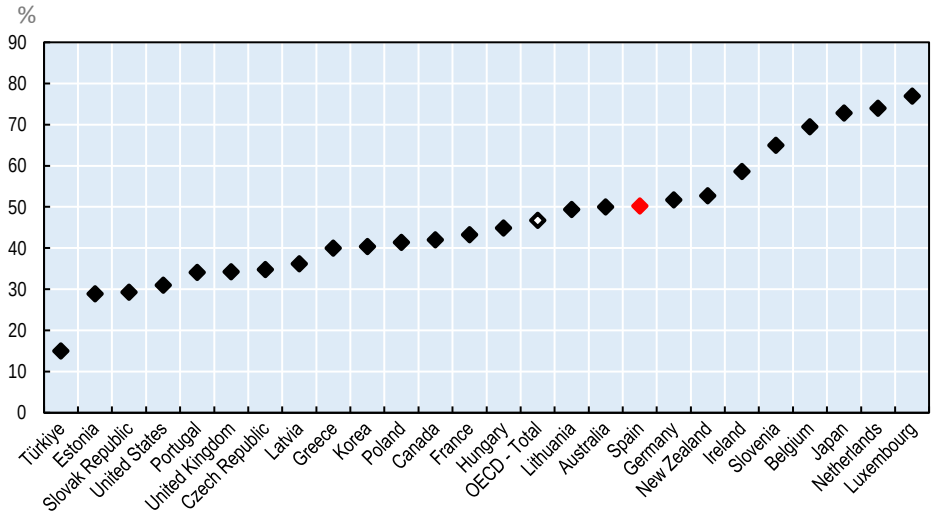
The fight against poverty is not the only objective of last-resort income support schemes. As mentioned, MIS are also aimed at preventing people from social and labour market exclusion. Under the generally accepted assumption that passive benefits constitute a negative (or, at least, not positive) incentive for people to seek and accept work, in recent years, most countries have made access to MIS conditional on job-search activities and participation in active labour market programmes.[5] Therefore, in the design of MIS, there is an underlying conflict between providing adequate income support and ensuring that recipients have sufficient incentives to work. Since most minimum income benefits are reduced or withdrawn completely as someone in receipt takes up a paid job, it is interesting to quantify the extent to which such a move increases the net income of a household.

One of the most widely used indicators to quantify this is the participation tax rate (PTR). The PTR is an indicator of financial work incentives that measures the fraction of gross earnings that a family loses to higher taxes, higher social contributions and/or lower benefits when a family member makes a transition from one employment status to another; for example, from out-of-work to in-work or increasing working hours (e.g. from part-time to full-time work). Higher PTR values mean higher financial disincentives; in other terms, the lower the PTR, the greater the financial incentive to work.

To end this contextual section, Figure 4.3 shows PTRs in 2022 in OECD countries when a person who is in receipt of the minimum income benefit takes a full-time job paid at the statutory minimum wage in the country, that is, at the bottom end of the wage distribution. To simplify the comparison, the figure shows PTRs for a single person without children. Many countries, including Spain, have PTRs between 35% and 55%. In four countries (Belgium, Japan, Luxembourg and the Netherlands), more than 70% of the additional earnings from a new job are lost due to higher taxes and lower benefits.[6] An opposite case is Türkiye, where only 15% of the additional earnings are taxed away.

Figure 4.3. Share of additional gross earnings lost to either higher taxes or lower benefits when a jobless person takes up employment in selected OECD countries, 2022

Single 40-year-old without children



Note: Results correspond to a single 40-year-old person without children who moves from receiving the minimum income benefit to a full-time job paid at the minimum wage. Eventual in-to-work benefits and housing supplements are excluded. The figure shows countries with a national minimum income scheme and a national statutory minimum wage.
Source: OECD (2022[16]), *OECD Tax-benefit Data Portal*, https://www.oecd.org/els/soc/benefits-and-wages/data/.

Income disregards

Including a work incentive component in designing minimum income benefits rather than introducing job search requirements as an absolute condition to receive the benefit is a strategy employed in some countries. This can be done through specific income disregards in the calculation of the available income of claimants or through the implementation of specific work incentive modules, like in the example of modular design found in Switzerland and the Slovak Republic. Modular design allows for the delivery of the basic benefit (which, by definition, must be provided to those who need it to subsist) to be separated from possible supplements that may be conditioned to some specific behaviours or situations.

Another example of income disregard can be found in Estonia in the Subsistence Benefit. This benefit is an aid the government grants to people in need, which the local government pays. The subsistence level is based on minimum expenses for food, clothing and other goods and services covering basic needs. Since 2018, to motivate employment, a proportion of the household's income is temporarily disregarded when calculating the benefit. The income disregard is up to six months, being 100% disregarded during the first two months and 50% the following four months (Ward et al., 2023[17]).

In-work benefits

In-work benefits are another strategy that raises the financial return to working for individuals. Such a strategy consists of benefits paid as a lump sum or for a limited period when the recipient takes up a job. Introducing time limits to the provision of in-work benefits (also known as an into-work benefit) may help attenuate some of the system's drawbacks in terms of possible financial disincentives to move up the wage scale. Moreover, time limits tend to lower the cost of an in-work benefit in contrast to more open-ended benefit schemes (OECD, 2005[18]).

Therefore, the in-work benefit is only awarded if the potential beneficiary takes-up a job. Examples of different ways of implementing in-work benefits include:

- In Italy, for the recipients of the Reddito di Cittadinanza who take up a job, 20% of earnings are disregarded when calculating benefit entitlements. The duration of these disregards applies after the first months of employment until the new household economic condition has been incorporated in the next annual ISEE (Equivalent Economic Situation Indicator) declaration, i.e. within a maximum of 12 months from the in-work transition.
- In France, the Employment Bonus (Prime d'activité) is an into-work benefit targeted at low-income individuals. It is granted to supplement the earnings of people aged 18 and over who work.
- In Lithuania, if the recipient of the minimum income benefit takes up employment, he/she is entitled to an additional benefit (called in-work social benefit). The benefit amount depends on the duration of the payment received: between 1 and 3 months, the new benefit is 100% of the average social assistance received during the last 6 months; between 4 and 6 months, the new benefit is 80% of said average; and between 7 and 12 months, it is 50% of said average.
- In-work benefits can also be provided through the tax system by using non-refundable tax credits. The most emblematic example of this type is the Earned Income Tax Credit (EITC) in the United States. The EITC is a federal tax credit for working people with low and moderate incomes. It boosts the incomes of low-wage workers while offsetting federal payroll and income taxes.

Support to geographical mobility

Support to geographical mobility can often represent a good alternative for jobseekers willing to commute or move to a job in a different city. Measures combining the promotion of labour mobility within a country and assisting jobseekers during the process have been available in some countries to increase the chances of unemployed people finding a job. Relocation assistance and mobility subsidies are some policy instruments that can be employed in this regard (Immervoll and Knotz, 2018[19]).

For instance, the Australian Government introduced in 2014 the Relocation Assistance to Take Up a Job Program (RATTUAJ) to assist eligible participants in relocating to take up an offer of employment. The programme covers the expenses associated with relocating for employment opportunities, including apprenticeships. RATTUAJ can provide up to AUS 9 000 (Australian dollars) to assist the jobseeker with moving and offer practical assistance during the relocation. The payments typically work as reimbursement of justified expenses to the jobseeker. Many jobseekers in the RATTUAJ successfully remained off income support payments or reported earnings 12 months after entering into their relocation agreement. Specifically, 58% of participants under Job Services Australia (JSA) and 63% under Jobactive (the job service substituting JSA in 2015) were no longer reliant on income support (Government of Australia, 2016[20]).

In Romania, the Mobility Package implemented in 2016 aimed at promoting the mobility of unemployed individuals by granting mobility subsidies to those who reside or establish a new residence in areas covered by the package. If someone works more than 15 km away from their home, they receive a monthly bonus for 12 months to cover commuting expenses. Unemployed individuals who found a job more than 50 km away from their original residence and required a change in residence or relocation to neighbouring areas could receive a non-taxable installation bonus. This bonus covers living expenses in the new home and/or family reunification and is provided in two instalments. The new mobility package also supports the relocation of the entire family by providing a supplement if the family members also change their residence (Cerkez et al., 2018[21]).

4.3. Addressing the non-take-up of minimum income

The gap between the number of individuals actually receiving a benefit and the number of individuals fulfilling the statutory eligibility requirements – often called non-take-up of social benefits - undermines a benefit's effectiveness by both limiting its overall reach and by often excluding the most marginal individuals from coverage (Ko and Moffitt, 2022[22]).

Individuals not claiming benefits they are entitled to is a significant problem in social policy making as high rates of non-take-up undermine a benefit's intended effect of poverty reduction and providing a minimum income floor for individuals. It also prevents individuals from connecting to other services often linked with benefit receipt, such as accessing active labour market policies for unemployment insurance beneficiaries. Individuals who do not receive the benefits they need can fall into destitution, become marginalised in society, or suffer from declining health. Lastly, non-take-up can have non-negligible long-term costs. All these factors do not only impose high burdens on individuals but also create additional costs for the health and social systems.

There are many reasons behind non-take-up, which are discussed in more detail in Chapter 3. Most importantly, complex and arduous application and compliance procedures discourage otherwise eligible individuals from claiming a benefit. Other factors include incomplete information on eligibility, stigma associated with benefit receipt, low actual or perceived benefit amounts that make applying for benefits not worthwhile, and low administrative capacity resulting in eligible applicants incorrectly deemed non-eligible (Frey and Richardson, 2013[23]; Ko and Moffitt, 2022[22]). Moreover, there is evidence that reasons for non-take-up differ by both programme type and the characteristics of potential beneficiaries, with, e.g. non-take-up for universally eligible programmes being more often due to lack of information than stigma.

4.3.1. Facilitating the application process for benefits

While online applications, and digitalisation in general, have been utilised more during and after the COVID-19 pandemic, the digital gap and digital barriers can still make it too difficult for certain claimants to submit their applications online. Obstacles in this area may include the lack of a regular Internet connection, electronic devices or knowledge of how to navigate online forms. Providing alternatives to claimants, such as in-person or telephone applications, is key to facing these barriers. The more application channels available for citizens, the easier it is to reach all populations that could potentially benefit from minimum income and social inclusion processes. The extra cost an administration bears can be compensated as the overall process becomes more fluid and transparent for the whole population, notably by reducing the number of consultations and complaints that have a cost for an administration.

This is the case of the basic income for jobseekers in Germany, known as SGB II. The process to apply for the SGBII has been digitalised since the beginning of 2023. Previously, the only option was physically applying for the benefit in person at employment offices.[7] However, to ensure that digital barriers do not prevent claimants from applying, in-person applications with paper forms are still possible at job centres. Combining the physical and online modes streamlines the process for those claimants who have access to electronic devices and/or have impediments to travelling in person to make a claim.

UC in the United Kingdom also provides different alternatives for applicants who may face issues related to digital barriers. UC claimants can apply either online, by creating an online account to apply and manage their application, or via phone in some instances, such as lack of Internet access.

Another example is the case of Luxembourg. Depending on their personal circumstances, claimants can apply for the minimum income (Revenu d'inclusion social, REVIS) in person or by telephone. The standard procedure takes place in person at the Fond National de Solidarité (FNS) offices with the required documents and paper application forms. The application form can be found on the website of both the FNS

and the REVIS page. Claimants can decide whether to fill in the form on line and submit it in paper in person or ask for the paper format at the FNS offices and start the application there. Claimants can be supported in the filling of the form by their assigned counsellor or by an FNS staff member.

A key element common to these examples is the possibility of providing support to claimants, especially those with digital barriers. Enabling the possibility of in-person or phone interactions, where applicants are supported by a professional in the process, can help ensure that applicants are not lost along the way due to administrative complications and burdens.

The readability of application forms is another key element of the process. Clear and simple questionnaires help the user understand the process and be able to complete it promptly. At the European level, the European Council adopted a recommendation on adequate minimum income in January 2023.[8] Among other considerations, the Council recommends member states: 1) put in place transparent and non-discriminatory eligibility criteria to allow all people in need, and especially young adults and women, to access minimum income support; 2) accelerate the treatment of submissions with the objective of issuing a reply on a minimum income application within 30 days of the submission date; and 3) ensure access to user-friendly information on minimum income support, while proactively reaching out to people without sufficient resources to encourage take-up. Research on facilitating the online experience of users has identified a series of elements that can empower online users to navigate a webpage or form (The Behavioural Insights Team, 2020[24]):

- the use of plain, simple language,
- useful guidance through choice settings,
- ease of navigation, and
- personalised content.

All these elements can be found in the online submission form for the UC in the United Kingdom, which provides ease of navigation and useful guidance throughout the process. The online questionnaire also produces personalised content; indeed, as applicants provide information about their work status, health, caring responsibilities or housing situation, the system generates supplementary questions to tailor the form. For instance, if the beneficiary has children, the platform will guide them through further questions about their children. This personalised and guided way of completing an application not only implies better data collection (more complete and individualised) but also avoids users having to read lengthy forms with questions that do not apply to their personal situations. In addition, the form uses simple and plain language, as questions are designed to be readable by anyone. These may include simple questions such as “Do you have children?” or “Do you pay for your housing?”.

Another example of the use of plain and simple language can be found in Luxembourg. The form for the REVIS benefit is only two pages long, with a supplementary annex of the same length for each adult household member. The main form mostly gathers personal data on the claimant and the family unit, while the annex covers supplementary information. Questions in the annex are drafted in simple language, only use “yes” or “no” responses and occupy a maximum of one line in the document. Examples of questions include “Are you registered as a jobseeker?” or “Do you receive unemployment income?”.

Another vital element is the extent to which the comprehensiveness of information gathered in submission forms can facilitate the assessment of claimants’ needs, as well as their later referral to the most relevant administration (most commonly, employment or social services). First, the automatic gathering of information in different areas (employment, education, housing, health) can facilitate the later assessment of needs, reducing the burden of frontline professionals. Second, the information gathered in these areas can allow for automatic referral in cases where vulnerable situations (such as persons with disabilities or victims of gender-based violence) are detected in the submission forms.

The UC form in the United Kingdom is an example of gathering information on a comprehensive set of areas automatically while using plain and simple language. In the UC online application, the applicant’s

needs are thoroughly and comprehensively assessed, including areas such as housing, work, education, family ties and health status. After the submission of the form, professionals verify the collected information by co-ordinating efforts with other relevant authorities. For instance, a professional can contact local authorities to verify the applicant's housing status or health services providers. The income is verified through automated data exchange with other departments of the administration. This verification process is conducted by the case manager or work coach, depending on the area. Consequently, for every applicant, information is gathered on their specific areas of need, allowing for a person-centred approach in subsequent interventions that addresses the specific barriers a given individual faces.

4.3.2. Automatic enrolment – a tool to be considered

Another possible route for improving take-up is to actively look for individuals potentially eligible for a specific benefit and, when possible, to enrol them automatically. Automatic enrolment should not be confounded with the provision of universal benefits. In the latter, the benefit is given to all individuals without conditions, whereas in the former, eligible individuals are identified by an administration and automatically enrolled to receive the benefit.

Automatic enrolment is more frequent for benefits considered as basic by country administrations. This is the case with access to healthcare (for example, in the United Kingdom, all residents are automatically enrolled in the National Health Service) and child allowances (for example, eligibility for the Allocations Familiales in France is quasi-automatic, and the application process is straightforward and can be done online). This section briefly illustrates this kind of mechanism through some concrete examples regarding other types of benefits.

In Belgium, a 2014 law required health insurance providers to actively reach out to individuals potentially eligible for government subsidy for their out-of-pocket expenditures. Belgium operates a means-tested increased reimbursement scheme that covers a share of out-of-pocket healthcare expenditure for low-income individuals. Eligibility for the scheme is determined either through automatic enrolment when receiving other social protection benefits or through direct application at the local health insurance office. However, the scheme had historically had low take-up rates. Prior to the reform, individuals were only referred to the scheme by social workers or by caseworkers at the health insurance office. From 2014, the reform required health insurance providers to actively reach out to potential beneficiaries and invite them to apply, and enabled health insurers to receive data from the tax authority to assess eligibility. An evaluation of the effect of this active outreach on one of Belgium's largest health insurance providers (the National Alliance of Christian Mutualities) found that the intervention increased take-up by up to 15 percentage points. The strongest effects emerged from an intervention combining both outreach by mail and phone calls to households (Van Gestel et al., 2022[25]).

The French Chèque Énergie is an annual means-tested energy voucher that ranges from EUR 48 to EUR 277 (depending on household income and composition) and is earmarked to pay for energy bills or home improvement works that increase energy efficiency. The voucher is sent out in April with the means-test applying to the income in the preceding calendar year. The tax authority automatically assesses eligibility for the benefit. Individuals declaring an annual income below the means-test threshold (EUR 11 000 for a one-person household) automatically receive the voucher by mail and can subsequently redeem the voucher online directly with their energy provider. Households receiving the voucher over multiple years can also have it automatically sent and redeemed with their energy provider, obviating the need for manual transmission each year.

Recent examples of automatic benefit payments include the Austrian Energiekostenausgleich (energy cost compensation) and the German Energiepreispauschale (energy price allowance). Both benefits aim to assist households in dealing with unexpectedly high-energy prices in 2022. Even though both countries have partially automated the payment process, there are some substantial differences between the two benefits.

The Austrian Energiekostenausgleich takes the form of a voucher worth EUR 150 that can be redeemed with a household's electricity provider to directly pay for the household's utility bills. All Austrian households with an annual income below EUR 55 000/90 000 (for single individuals/multiple-person households) are eligible for the voucher. Voucher forms are directly sent to households whose address is registered in the Central Population Register. After that, the potential beneficiary must complete the form with the required information and submit the application electronically or by mail. After verification, the authority administering the benefit forwards the voucher to the household's electricity provider, who credits the household's account with EUR 150.[9]

The German Energiepreispauschale is a lump-sum transfer of EUR 300, also intended to assist individuals in coping with higher energy prices. In contrast to the Austrian benefit, eligibility is limited to pensioners and working individuals who pay taxes. Working-age individuals not in the labour market and those earning too little to pay income tax are not eligible. For dependent employees, the benefit is administered through the employer, whom the government can subsequently reimburse. Pensioners receive an automatic top-up to their pension. Self-employed individuals can claim the benefit ex post through their tax returns. Although no formal means test to determine eligibility exists, the benefit is taxable, allowing for the benefit to be administered easily as well as having a progressive distributional impact.

While the Austrian energy payment benefits all households and reaches the most vulnerable members of society, its income test is effectively not enforceable and relies on individuals complying voluntarily. In contrast, the German benefit has an inbuilt element of progressivity but excludes some of the most vulnerable members of society, such as the unemployed or discouraged workers.

Regarding the situation of the IMV in Spain, coverage is better for families with dependent children. Among the possible reasons is the automatic transfer to IMV that was undertaken by the Instituto Nacional de la Seguridad Social (INSS) for families previously receiving the "Benefit for dependent children" (AIReF, 2022[26]). Such an automatic process included the transfer of 113 000 households in 2020 after verification that they complied with eligibility requirements. The conversion of beneficiaries of regional MIS by application of the regional government and the conversion of IMV beneficiaries to IMV+API (child complement) when eligible is also worth mentioning. However, these examples correspond to a point-in-time automatic conversion campaign following the creation of a benefit (IMV and the child complement, respectively) and not to a permanent automatic enrolment procedure.

Another administrative provision to spur the IMV enrolment process was the creation of mediator registers in 2021, which enables some non-governmental organisations (NGOs) like the Spanish Red Cross and the Spanish Caritas to join in the process. This tool allows NGOs to take over some of the certification and documentation checks needed for the IMV application. For example, NGOs can verify an individual's address or absence thereof for homeless individuals, the presence of children in the household, etc. This allows for streamlining the application process and lowers the barriers for vulnerable individuals to apply.

4.4. Mechanisms and policy interventions for service co-ordination

This section discusses how countries promote co-ordination in the areas of social inclusion. The first subsection highlights some selected examples of assessment and referral, which are the first steps in offering the right services.

4.4.1. Appropriate assessment of needs and referral to services

This subsection covers best practices in assessment in Germany, Lithuania, Luxembourg and the United Kingdom. Employment agencies and PES are commonly the first contact points for minimum income beneficiaries. This means that employment departments are the ones in charge of performing a first assessment and developing individual inclusion itineraries in most cases:

- In Germany, the first contact takes place at job centres. There, the first person in contact with the beneficiary is the personal contact partner in the job placement section (also known as the integration officer). The integration officer interviews the user and verifies the information provided in the application (i.e. level of education, reason for unemployment, barriers hindering the job search). This professional decides if the claimant will be only under his or her responsibility.
- In Lithuania, a pilot for a new comprehensive and co-ordinated approach was tested in 44 municipalities between 2020 and 2022 (it is expected that by 2023, all municipalities in the country will have adopted it). The Model of Employment Promotion and Motivation Services for the Unemployed and Social Assistance Recipients (hereafter, the "Model") aims to increase the social integration of unemployed persons with multiple problems and to restore and increase their social independence and work capacity. The goal is to create sustainable employment, where a person is kept in the labour market for at least six months within 12 months of completing participation in the project. The main entry point to the Model is the local offices of the PES, as beneficiaries should be enrolled as jobseekers. Participants might be referred to the Model by professionals in other administrations (i.e. social workers in municipalities or third-sector entities). This implies that the initial assessment can be performed by employment specialists at employment offices and practitioners in municipalities or NGOs that might detect that a participant fulfils the criteria. The first interview to access the Model is therefore conducted by the professional closest to users. These professionals are also responsible for referring them to the Model; once the user is already a participant in the project, the employment counsellors perform the first assessment in a personal interview. The case managers, who are usually social workers, assess the needs and capabilities and organise a case team to study the case.
- In Luxembourg, the first entry point for REVIS beneficiaries is local employment service offices (Agence pour le développement de l'emploi, ADEM), where a specific desk is allocated to conduct the first interview with beneficiaries. An employment officer performs an evaluation in ADEM following an online application tool for assessment.
- Employment offices are equally relevant as the first point of contact with beneficiaries in the United Kingdom. Receiving the UC benefit entails regular face-to-face interviews in the job centre. During the first one, the user and work coach professional develop a CC, as mentioned above. The professionals involved in the intervention with users have different profiles.

After the claim, beneficiaries are automatically contacted by the administration once they are considered eligible for the benefit. In the first interview, the professional initially assesses the recipient's personal case. This is the case in Germany, Luxembourg and Lithuania, where professionals contact the beneficiaries to conduct the first in-person meeting:

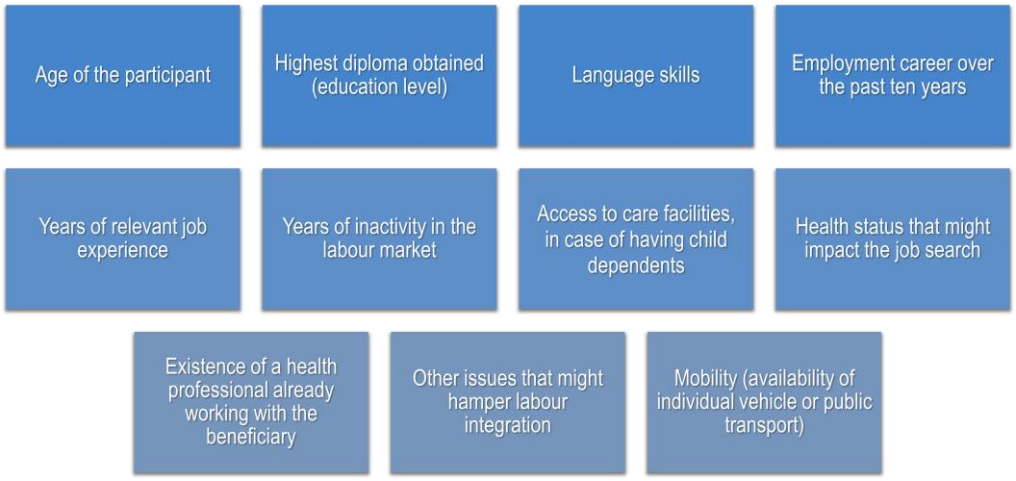
- In Germany, once the application for the German SGB II is checked and the information verified, the job centre invites the person for a meeting to discuss his/her personal situation and preliminary activation decisions within two weeks from acceptance of the benefit. This invitation is automatically sent with the time and date for the first meeting through a postal mail notification.
- In Luxembourg, citizens need to claim the minimum income at the FNS, where an assessment is made concerning an individual's eligibility to receive the REVIS. If they are accepted as potential beneficiaries, they will automatically receive a letter by postal mail with the details of an appointment at a specific REVIS counter at the employment offices.
- Similarly, in Lithuania, case managers are in charge of contacting beneficiaries via the Model. In this way, beneficiaries are contacted directly by the case manager to set the first interview and assess the personal situation and specific barriers hampering integration in the labour market.

During the first interviews that beneficiaries have with the administration, a needs assessment is commonly conducted to evaluate each beneficiary's situation. If the assessment is conducted in a comprehensive and tailored manner, the information gathered will improve the subsequent referral of the beneficiary to the

services that best address his or her circumstances (i.e. employment, social services, or joint action of both services plus others). Systematised assessment practices can be found in Luxembourg, whereas in Germany, Lithuania and the United Kingdom, interviews are the tools used to assess the needs of beneficiaries, with professionals having discretion in deciding on the next steps to take without using a particular assessment tool.

In Luxembourg, all REVIS applicants under 65 years of age and able to work are interviewed by the national PES, ADEM. This interview allows ADEM to decide on the applicant's ability to enter the ordinary labour market. The system for evaluating whether the beneficiary needs social and employment inclusion support consists of an online application that ADEM professionals complete with the beneficiary. Figure 4.4 displays the dimensions covered to decide whether to begin the referral.

Figure 4.4. Dimensions covered in the assessment to refer a claimant for social and employment inclusion support in Luxembourg



Note: Relevant experience directly relates to the job sought or the job the user will most likely find.
Source: OECD interviews (2023).

Referral of minimum income beneficiaries takes place in different ways, as demonstrated in the following selected best practice examples. In Luxembourg, depending on the results of the needs assessment, REVIS recipients either stay at the employment services or are automatically referred to regional social inclusion offices. In contrast, in Germany, Lithuania and the United Kingdom, beneficiaries keep a reference person in the employment services, who are their entry points, and referral to other services is done on a case-by-case basis depending on the needs of individuals.

Focusing on automatic referral, in Luxembourg, REVIS beneficiaries can follow two paths:

- Those who are considered capable of entering the labour market (around 53% of recipients), are registered with ADEM and follow the path of jobseekers.
- Those who are not considered employable are automatically invited to an information meeting at the National Office for Social Inclusion (ONIS), where a declaration of co-operation is signed. ONIS automatically receives information on beneficiaries from the employment services. Afterwards, REVIS beneficiaries are automatically referred to regional social inclusion offices (Agents régionaux d'inclusion sociale, ARIS). During the first meeting with ARIS, an activation plan is established with the beneficiary, defining a social and professional project, specific commitments and the services offered to support the beneficiary. Inclusion pathways are intended to promote

the social inclusion of beneficiaries who are not employable in the first place and work to improve their future chances of integration into the labour market.

For those cases where referral is organised on a case-by-case basis, different processes can be found in Germany, Lithuania and the United Kingdom. All of them are characterised by having a person-centred approach that puts the beneficiary at the centre of the intervention while helping them navigate the specific services or programmes they may require.

- In Germany, after the assessment interview with the integration officer, the following steps might entail the referral of the beneficiary to a case manager. Case managers are the professionals who help beneficiaries navigate the system and provide support with different personal situations (substance addictions, health status, etc.). They are responsible for finding specific support for the beneficiaries, in co-ordination with municipalities, acting as a nexus with local entities. To do so, there is close co-operation between case managers and other service providers: youth offices and youth welfare institutions, childcare institutions, migration advisory centres, debt counselling centres and addiction counselling centres.
- During interviews in the context of this project, Lithuanian officials provided information about a pilot project deployed since 2020 that has had good results and has been progressively extended to most municipalities in the country. However, it has not been fully deployed nationwide yet (see above). After a case manager conducts an assessment and profiling of a beneficiary, a case team is organised to study the case. This case team makes suggestions on the choice, scope and sequence of services to be provided for the recipient. The professionals involved in the case teams in Lithuania vary across municipalities. An example of its composition would be a deputy director of the municipality; workers from the social and employment services, as well as from the social welfare department; a consultant from employment services; a director of the public health office; a local activity group professional; a psychiatrist; and social work organisers from the town. Information they have access to includes information on barriers detected by employment services, information on jobseekers' cards and municipal information on social services and social assistance or participation in NGOs. Considering all this information, the case manager and the team can make a decision on which services and itinerary to follow with the participant. Case managers are then responsible for following up on the participation status, contacting service providers and deciding when the integration agreement should end.
- Finally, in the United Kingdom, work coaches are the professionals in charge of conducting the first interview with UC beneficiaries and planning, together with the recipient, the CC of the UC. If an individual is unemployed, the commitment would imply actively searching for a job (i.e. writing a CV, signing up for job alerts, etc.). The CC is adapted to the personal situation, as it can imply also staying in touch with previous areas of work or interest if the user has health issues and cannot work as usual. Depending on an individual's specific needs, other professionals may be involved, such as a work coach, who ensures that beneficiaries are taking action to return to work, specialists in self-employment or specialists in disability situations.

4.4.2. Co-ordination mechanisms and tools for the integration of social inclusion services

Co-ordination mechanisms across thematic areas/sectors (horizontal co-ordination) and between government levels (vertical co-ordination) are crucial in an area as multidimensional as social inclusion. Horizontal co-ordination across areas is necessary for a comprehensive approach to social inclusion interventions that tackles individuals' different needs and barriers. In turn, vertical co-ordination is key for ensuring the coherence of programmes across government levels and identifying possible coverage gaps or duplicities.

Horizontal co-ordination mechanisms

Given the multidimensional nature of social exclusion and the multiple actors involved in social inclusion policies, adequate horizontal co-ordination mechanisms can be crucial to ensure the co-ordination of measures and avoid potential issues, such as duplicities or lack of coverage. Despite this, interministerial bodies on the specific area of social inclusion are still scarce and only present in seven of the 19 countries in the sample. Moreover, the existence of diverse actors in these bodies does not necessarily entail their direct involvement in the provision of inclusion services. Most of them develop planning and co-ordination functions to ensure the provision of services from other providers (i.e. local entities, NGOs). Co-ordination in the seven countries is as follows:

- In the Czech Republic, strategic planning in social inclusion entails the collaboration of different actors at the national level. More concretely, the current Social Inclusion Strategy was jointly designed by the Ministry of Labour and Social Affairs, the Office of the government (Agency for Social Inclusion/Government Committee for Persons with Disabilities) and the Ministry of Interior (in charge of crime prevention programmes).
- In Greece, the General Secretariat for Social Solidarity and Combating Poverty works to strengthen and develop co-operation and networking between the public and private sectors. For this purpose, the Secretariat established five working groups that meet regularly to discuss topics such as the social protection of children and their families, the integration of disabled people or the protection of persons experiencing homelessness. The working groups aim to improve and guarantee access to benefits and services. The policy axes are: access to cash benefits and income support; health services; education and training services; labour market; affordable housing; and social life within the community. Regarding the participants, actors from the ministries, public entities (such as PES, social welfare centres or the Central Union of Municipalities), and non-profit organisations participate in the working groups.
- In Hungary, a Social Inclusion Interministerial Committee was established in 2010 to co-ordinate governmental activities to improve living conditions and social situations and promote the social inclusion of deprived individuals, with a specific focus on the Roma population. The committee meets at least twice a year, is chaired by the State Secretary for Care Policy within the Ministry of Interior (in charge of social inclusion in Hungary), and is composed of representatives of relevant ministries, the Hungarian Central Statistical Office and the government Commissioner for the Development of Modern Settlements. In addition, the President of the National Roma Self-Government and the Roma National Advocate of the National Assembly have a consultative role. Furthermore, this committee has working groups for specific issues, including one to support the implementation of the National Social Inclusion Strategy and its action plan.
- In Latvia, there is a Council of Three Ministers on Employment, with the participation of the Minister for Economics, the Minister for Education and Science, and the Minister for Welfare. This council meets regularly to ensure the implementation of balanced and mutually agreed policies in the economic, welfare, employment, education and science fields.
- In Luxembourg, a Social Policy Observatory was created in 2019 with representatives from the Ministry of Family and Integration, the Ministry of Work, Employment and Social and Solidary Economy, the Ministry of Social Security and the Ministry of Housing. The objectives of this observatory include the elaboration of research studies in the area of social policy, the development of actions for evaluating social policies and the establishment of international comparisons.
- In Portugal, the Social Services and Facilities Network was set up to facilitate co-operation between the Ministry of Labour, Solidarity and Social Security, the Ministry of Education and the Ministry of Health to integrate a set of facilities and services designed to support children and young people, children at risk, older adults and people with disabilities, reliant on long-term care and/or experiencing mental health problems. Portugal also has an inter-ministerial body in the specific

area of integrating health and social support. The National Continuous Care Network entails a partnership between the Ministry of Labour, Solidarity and Social Security and the Ministry of Health in this area.

- In Switzerland, the Institution of Interinstitutional Co-operation (IIZ) is in charge of a co-ordinated approach in the area of social inclusion, thereby bringing together institutions from the areas of social security, integration and training. The IIZ aims to combat labour market and social exclusion among particularly vulnerable groups.

In addition to inter-ministerial bodies to co-ordinate measures, another critical element of horizontal co-ordination in the area of social inclusion relates to the co-ordination of the financing and budget process. In particular, co-ordination regarding programmes that may tackle similar beneficiaries can be key for an optimal allocation of resources. Most countries, however, do not present specific co-ordination mechanisms in this area, with social inclusion falling under the standard budgeting process in Australia, Colombia, the Czech Republic, Hungary, Latvia and Türkiye. This means that, despite social inclusion being a multidimensional issue, financing decisions are commonly taken in isolation by the different ministries.

Examples of budget co-ordination can be found in Costa Rica, Denmark, Luxembourg and Portugal. In Costa Rica, as part of the annual budget process, a Social Presidential Council brings together the ministers in charge of areas such as social inclusion, social services or minimum income benefits to ensure co-ordination. In a similar line, in Denmark, there is an annual agreement on the implementation of the reserve for social, health and labour market measures (SSA-Reserven). While Luxembourg applies the standard budget cycle to the rest of social inclusion policies, it has inter-ministerial collaboration in relation to the European Social Fund (ESF), with an inter-ministerial composition of the selection committee and monitoring committee. Finally, in Portugal, there is budget co-ordination in the context of the Social Services and Facilities Network and the National Continuous Care Network between the Ministry of Labour, Solidarity and Social Security, the Ministry of Education and the Ministry of Health.

A final element of horizontal co-ordination in social inclusion relates to data sharing between relevant ministries. This practice can be crucial to maximising the information available on common issues and challenges, as well as to making informed decisions and performing adequate diagnostics. While most countries rely on national departments of statistics or national statistics institutes for specific data requests, good practice in data sharing at the national level can be found in Costa Rica. It implemented a National System of Information and Unique Registry of Beneficiaries (SINIRUBE) to reduce the fragmentation of its social programmes. The functions of SINIRUBE include the following:

- creation of an updated database of people who require help and the social assistance programmes of the different public institutions
- creation of an institutional network that allows for a better distribution of benefits
- systematic control of resources mobilised by public institutions to implement programmes aimed at eradicating poverty
- identification of the possible beneficiaries of social aid.

Vertical co-ordination between the national and subnational levels

In addition to horizontal co-ordination, the existence of mechanisms to co-ordinate different administrative levels is also crucial for ensuring the coherence of programmes across government levels, as well as for identifying possible coverage gaps or duplicities. This subsection looks at vertical co-ordination mechanisms, focusing on co-ordination between the national and the closest subnational levels. Table 4.2 presents an overview of vertical co-ordination mechanisms between the national and subnational levels, including the existence of national-regional co-ordination bodies in the area of social inclusion, the

presence of protocols or guidelines from national to subnational levels and the presence of data exchange mechanisms between national and subnational levels.

Table 4.2. Vertical co-ordination mechanisms between national and subnational levels in the area of social inclusion in selected OECD countries, 2022

	Existence of national-regional co-ordination bodies	Protocols or guidelines from national to subnational levels	Data exchange mechanisms between national and subnational levels
Australia		✓	
Canada	✓	✓	
Colombia			
Costa Rica	✓	✓	
Czech Republic		✓	
Denmark			✓
Greece	✓	✓	✓
Hungary	✓	✓	
Latvia	✓	✓	
Lithuania			✓
Luxembourg	✓		✓
Mexico	✓	✓	
Netherlands			
Portugal			
Slovak Republic		✓	
Sweden		✓	
Switzerland			
Türkiye		✓	✓
United States		✓	

Note: The table only includes information concerning bodies, protocols and data sharing across government levels; thus, specific co-ordination mechanisms with third-sector entities are not included.
Source: OECD questionnaires on Service Integration (2022).

While most countries have some kind of standard procedure to co-ordinate the communication between national and subnational levels, the presence of a specific body in the area of inclusion can be vital in ensuring the presence of bilateral communication and the creation of an exchange forum that can enhance co-ordination and lead to a more efficient provision of services. Of the 19 countries for which information is available, six have introduced this kind of body, including:

- In Canada, co-ordination with the province of Ontario takes place through the Service Delivery Consultation Committees (SDCCs). The Ontario Region has three SDCCs in place, that count with the presence of the Ministry of Children, Communities, and Social Services and the Ministry of Labour, Immigration, Training, and Skills Development. SDCCs represent a mechanism of both horizontal and vertical co-ordination in the area of inclusion.
- For the specific target group of minimum income recipients, Luxembourg has a National Office for Social Inclusion (ONIS), created in 2019 and tasked with the co-ordination of the work of regional social inclusion agents on the task of activating those minimum income recipients furthest away from the labour market. Within this framework, regional social inclusion offices called ARIS are in daily exchange with the national office for individual casework supervision and contribute to the work of ONIS in several thematic workgroups. The main tasks of ONIS include the centralised reception of claimants, the supervision of the work of ARIS and the guidance, financing and

evaluation with organisations that ensure intensive and high-quality care for a particularly vulnerable population in the form of activation measures. Activation plans for users are developed at the regional level with guidance from the national level. The social inclusion plan for beneficiaries is designed at the first ONIS meeting with the beneficiary after the first needs assessment. The assessment is shared with the regional social worker so that he/she is aware of the necessary prior information. The individual social inclusion plan is created and validated by ONIS in a common information technology (IT) system. In this way, ONIS directly carries out administrative procedures, enabling social practitioners to focus on direct intervention with beneficiaries in their social inclusion measures.

Another key element of vertical co-ordination relates to establishing common standards from the national to subnational levels. This can take the form of specific protocols on how co-ordination of inclusion services should occur at the regional/local level and minimum standards or softer guidelines. Eleven of the countries analysed have protocols or guidelines that can be considered best practices for the Spanish case. Protocols are present in the Czech Republic, most notably in the form of methodological procedures for the performance of social work (for example, in socially excluded localities) and methodological procedures and quality standards for social services. These methodological procedures are applicable in all levels of intervention and activities performed by social workers. In a similar line, in Latvia, there are basic requirements set in the national regulation (Law on Social Services and Social Assistance and Support for Unemployed Persons and Persons Seeking Employment Law and subsequent regulation) that include the responsibilities, procedures and co-operation mechanisms in the area of social inclusion. Greece has guidelines from the national to the local level in labour inclusion and housing. These guidelines include an Implementation Guide, Frequently Asked Questions, detailed instructions and information material – all of which are drawn up and updated by the Directorate for the Fight against Poverty of the Ministry of Labour and Social Affairs. Finally, for the specific case of children, the Department of Social Legal Protection of Children and Social Guardianship (SPODaSK) in the Slovak Republic has internal standards set by the Central Office of Labour, Social Affairs and Family that include an internal standard-regulating, case-based social work or the procedure of the body for the social protection of children and social guardianship when conducting case-based social work.

A last key element of vertical co-ordination concerns the sharing of data between national and subnational levels, which can enhance adequate policy design and help identify users' needs. Vertical data-sharing systems are still underdeveloped in most countries, but the case of Luxembourg represents a best practice that could be relevant for Spain. In this country, a fully integrated software platform accessible by national and regional bodies was developed in 2018. This platform allows casework by all regional agents (ARIS) and their supervisors (ONIS) in a shared environment for all minimum income recipients considered unable to integrate the labour market without additional support measures, as assessed by the PES (including the first appointment at ONIS, activation plans, activation measures, exchanges with PES, exchanges with the National Solidarity fund, electronic document management, etc.). The internal documentation for this platform, developed by ONIS, contributes to fair and identical treatment in the casework by all regional agents on that platform.

4.4.3. Integrating different policy areas for a multidimensional approach to inclusion

Minimum income beneficiaries

People living in social exclusion often face multiple obstacles that prevent them from reaching a minimum standard of overall well-being. In particular, MIS recipients tend to find difficulties when accessing the labour market due to a lack of skills, lack of years of job experience, or care duties, among others. In this context, service integration can act as an important framework for MIS beneficiaries, offering a broad set of services to cover the multiple barriers recipients face. Fostering integration can also facilitate outreach efforts by creating several referral channels between different contact points. Follow-up efforts are also

made easier, thanks to the effective co-ordination of different service providers. However, in many cases, a reform to develop such a framework would entail the joint work of separate ministries (e.g. employment and social services) and the co-ordination of a great variety of institutions operating at different levels of governance within a country (Scharle, 2018[27]).

In this context, several countries have developed inclusion itineraries combining different policy areas to tackle the multiplicity of barriers faced by minimum income recipients, with the goal of achieving social inclusion for beneficiaries:

- In Portugal, the Social Integration Income (RSI) is a policy measure designed to protect individuals and families. It consists of two components: a cash benefit to ensure the satisfaction of basic needs and an insertion programme that includes a contract (set of actions established in accordance with the characteristics and conditions of a benefit applicant's household) aimed at a progressive social, labour and community integration of individuals and/or members of households. The areas covered by this social integration contract include a range of measures within the scope of social inclusion and labour market services, namely: education, health, social action, daycare for children, housing, employment and professional training.
- In Luxembourg, recipients of the Revenu d'inclusion sociale (REVIS) can go through two different inclusion pathways. For those assessed by the PES as capable of joining the labour market, they follow the same labour inclusion path as other jobseekers. For recipients with specific social and professional activation needs, ONIS refers them to the regional social inclusion office (ARIS), where an activation plan is defined. Activation measures may include stabilisation activities, public works, courses and training sessions, therapeutic programmes, treatments, or other recovery or rehabilitation measures. Inclusion pathways are intended to promote the social inclusion of beneficiaries and, where appropriate, improve their employability to increase their chances of integration into the labour market.
- In Germany, the basic income support for jobseekers (SGB II) acts as a last resort safety net for unemployed individuals over 15 years old with income and assets below the subsistence level. The SGB II is designed to provide monetary support to ensure a minimum subsistence level and as an activation programme to promote the recipient's entry into the labour market. Activation benefits might include a back-to-work allowance, specific subsidies or work opportunities. In addition, complementary services can be offered at the municipal level, including childcare, debt counselling or psychosocial support, providing a comprehensive approach to the social integration of this group.
- Within Spain, the Comunidad Foral de Navarra has implemented the AUNA project, in which workers from social services and the regional PES work together to provide an inclusion pathway for minimum income recipients (both for the regional MIS and the IMV). This programme includes creating a Personalised Plan for Social Inclusion that may include tutoring, designing a personal insertion plan, training or employment opportunities according to specific needs. These actions are performed following an individualised accompaniment of the users, which implies having in-depth knowledge of their context, respecting their change processes and supporting them throughout the intervention process.

Long-term unemployed

Activation of those furthest away from the labour market is a key objective for social inclusion, as participation in the workforce can improve the economic situation of the persons at risk of exclusion and enhance their participation in society, preventing isolation. Still, the activation and inclusion of this collective typically require complementary services on top of existing labour market programmes (e.g. counselling, psychosocial support, health and housing services).

Relevant practices concerning the integration of services for all vulnerable jobseekers include the cases of Australia and Lithuania, while Latvia shows an integrated approach for the specific case of persons with alcohol dependence issues:

- In Australia, employment services such as Workforce Australia (administered by the Department of Employment and Workplace Relations), Disability Employment Services (administered by the Department of Social Services) and the Community Development Program (administered by the National Indigenous Australians Agency) aim to connect jobseekers to employment and help participants overcome barriers to work. A core part of the work of these employment services consists of referring disadvantaged jobseekers to local services as required, including housing, drug and alcohol support, mental health and transport. Many providers also deliver services in-house, such as counselling and psychological support.
- In Lithuania, starting in 2023, a model of employment promotion and motivation services for the unemployed and those receiving social assistance will be implemented in all municipalities in order to increase employment outcomes of people belonging to vulnerable groups to ensure coherence between active labour market policies and social assistance by integrating long-term unemployed into the labour market. The model aims to increase the social integration of unemployed people facing many social problems by restoring and increasing social independence and working capacity, professional competence and the ability to participate in the labour market. At the same time, the model aims to ensure coherence between active labour market policies (ALMP) and social support, to increase the effectiveness of co-operation between institutions and to facilitate the transition of a person from unemployment towards the labour market. This shall be achieved through the provision of individualised assistance, rendered possible through the deployment of case managers and the establishment of case teams composed of representatives of various institutions.
- In Latvia, ALMPs for vulnerable groups among the unemployed are complemented by specific support programmes for persons with alcohol dependence issues, including consultations with psychologists and career counselling.

A last best practice example in this area can be found in the Netherlands, involving the integration of PES and social and mental health services. The Netherlands started an innovative project in 2013 to improve the institutional response for LTU. Aware of the many labour market obstacles faced by this target group, the Dutch PES, along with the social and mental health services, launched a pilot project called "Fit-4-Work". Five municipalities joined efforts to better co-ordinate services across sectors for clients with multiple psychosocial problems (OECD, 2014[28]). The project aimed to support recipients of unemployment, disability or similar benefits whose multiple psychosocial problems excluded them from the labour market. The project's desired outcome was to find a sustainable job for the participants and improve their health status. In order to create synergies among professionals from different sectors (health workers, coaches, social workers, case managers, etc.), teams met weekly to discuss the cases and progress of the participants, with each professional having a specific function in the intervention. For instance, case managers focused on employment-related obstacles. They were responsible, for example, for co-ordinating individual work plans. At the same time, life coaches were social workers aiming to tackle social difficulties (e.g. debt), and employment specialists were responsible for identifying suitable work opportunities in line with participants' abilities. Health professionals (particularly from the mental health sector) were involved at different stages of the programme and co-ordinated their actions with the other coaches/co-ordinators. The programme consisted of four steps:

- **The selection and intake process.** To be eligible, participants needed to be aged 50 or younger, receive any form of benefits, have mental or psychosocial problems and face at least two of a long list of problematic situations (e.g. finances, everyday activities, drug addiction, etc.).

- **The interdisciplinary team works to design a plan, implement it and monitor progress.** In this process, professionals from different fields worked together to provide an integrated response to the participants' multiple obstacles. To do so, Fit-4-Work relied on interdisciplinary consultations (IDCs), which gathered at least four professionals with different specialities: client manager (either the Dutch PES or municipalities), case manager from the re-integration company, employer specialists, mental health expert and sometimes a life coach. The IDC designed an individualised plan in line with the strengths and challenges of each individual, addressing the person's problems holistically.
- **Work experience placement (WEPs) for participants.** This was introduced in the early stages of the programme as a means to alleviate the multiple barriers experienced by the long-term unemployed by creating a routine and supporting the acquisition of general and professional competencies.
- **Constant support during the work placement.** During these WEPs, which lasted three months, coaches (and partly health workers) provided continued support to participants. Job coaches remained in contact with participants throughout their placement, accompanied them to the initial meetings with employers and could also organise coaching during the first working days.

4.4.4. Integration of services on the ground

Strategies for integrating different services vary widely across policy areas and targeted groups. Baxter et al. (Baxter, 2018[29]) declare that existing integration models typically encompass multiple elements aimed at improving integration within and between systems. Elements such as working practices and the role of professionals, the organisation of the agency providing the service, or the design of the intervention model are factors that some countries have modified to incorporate a more comprehensive and integrated approach to social inclusion provision.

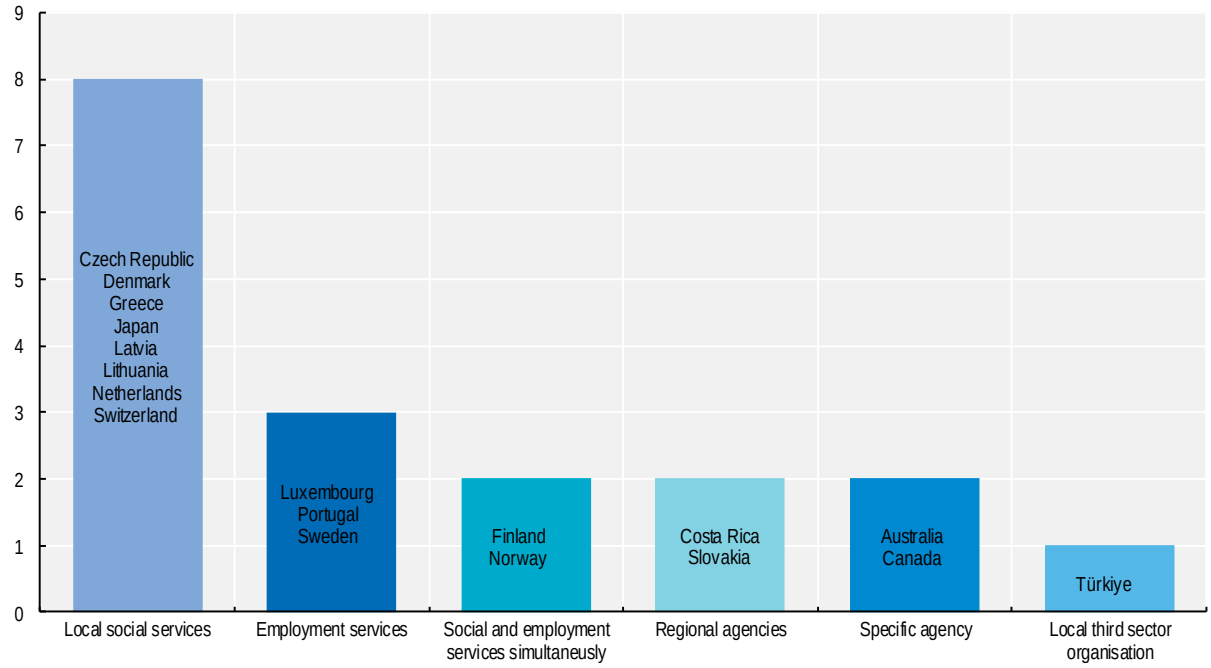
At the same time, some studies (OECD, 2015[30]) highlight the existence of different degrees and levels at which integration can be accomplished. The highest degree of integration happens when different sectors join forces to merge organisational and financial resources. Resources are pooled within a specific structure or through joint programmes with shared objectives between the different parties. Pooled funding has many benefits to finance integrated care. In a pooled funding scheme, each body involved in service delivery contributes to a common fund to be spent on pooled functions or agreed services. Pooling existing funds into one well-defined budget can improve transparency and facilitate the distribution of existing funds in a more effective and efficient manner (OECD, 2015[30]). It can help reduce unnecessary activities, overuse of services, duplication of effort and cost-shifting. A lesser degree of integration entails only co-ordination between different service providers to create mechanisms or strategies to facilitate service delivery (e.g. case management procedures or data-sharing channels). The micro level discussed in this section focuses on co-ordination on the ground, where delivery of services occurs. Therefore, it refers to different professionals collaborating to support and provide care for users (OECD, 2015[30]). This section outlines the entry points for people with social inclusion needs, the different mechanisms and tools for integrating services, the composition and co-ordination of professional teams and the channels for data sharing.

Moving towards single entry points

Social services at the municipal level commonly serve as the main entry point for citizens with different social inclusion demands. In turn, social workers are also the main professional profile responsible for managing user cases and initiating referral processes when the user needs more integrated and comprehensive support. Figure 4.5 shows users' most common entry points in the countries interviewed. In most of them, the main entry point to welfare services is the local centre of social services. This is particularly the case in the Czech Republic, Denmark, Greece, Japan, Latvia, Lithuania, the Netherlands

and Switzerland, where the municipal level plays a vital role in access to social inclusion provision. In second place, Luxembourg, Portugal and Sweden mention employment services as the main entry point for citizens with social demands.

Figure 4.5. Most common entry point for users with social inclusion needs in selected OECD countries, 2022



Note: These are the main entry points according to the countries interviewed, but users access social inclusion services through the other channels mentioned as well. Notably, in all countries, the third sector plays a very relevant role as an entry pathway for citizens needing welfare services.
Source: OECD questionnaires on Service Integration (2022).

Regarding Switzerland and the department in charge of the initial diagnosis, the country differentiates different actors as entry points. For social assistance beneficiaries striving towards social inclusion, the first actor to prepare the initial diagnosis is social services at the communal level. For unemployed users registered at the PES, it is the unemployment insurance branch at the regional level. For people with disabilities striving towards social and/or labour market inclusion, it is the disability insurance at the cantonal level. Lastly, for migrants, the responsible actor is the migration authority at the communal level.

In the Czech Republic, the usual entry points are the local municipality's social services or social department. If the user's case requires further support, social workers contact other welfare services and transfer the important case information to initiate the referral. At the same municipal level, in Greece, the usual entry point for users with social inclusion needs is the Community Centres. These networks of centres are formed by multidisciplinary teams (including social workers, psychologists, educators, mediators, etc.), co-ordinating efforts to provide advice on government allowances and help citizens access a wide range of social support services. Services such as the Guaranteed Minimum Income (GMI), housing benefits, financial and assistance aid for people with disabilities, or the Housing and Work for the Homeless programme can be accessed through these centres.

In some countries, different services are provided by the same agency. Finland and Norway share the same location for social and employment services, and citizens have access to both services

simultaneously. This cohabitation of services makes it easier to access both services at the same time, most crucially during a first appointment. In Norway, the most common contact point for users with social inclusion needs is the Norwegian Employment and Welfare Service agency. This agency merges the PES, the national insurance and the municipal social services by integrating their work and placing these actors under the same location. NAV offices provide information, guidance, and counselling. These services are also delivered in Finland in the one-stop-shop centre, Ohjaamo. It is a service designed for all people under 30 years of age, where different services are brought together under the same roof. Ohjaamo centres support users with finding employment or their study paths, as well as in matters related to everyday life and general well-being.

Australia and Canada operate agencies that act as single-entry points and are responsible for assisting, guiding and supporting the user at the beginning of the intervention. These agencies initiate referrals to other services once the user's situation has been assessed. The service delivery agency Services Australia is a pivotal point of contact for people experiencing vulnerability. This agency provides both face-to-face and remote support for people to access benefits and social programmes across the country. To do so, they offer support in processing benefits either by providing the technological means for users to do it themselves in the office or with the guided assistance of a professional. Also, once they have assessed the user's situation, they refer them to the appropriate services so that the person receives the most tailored and comprehensive care response. For instance, users seeking jobs are first assessed in the agency and then referred to Workforce Australia, where services typically include support for job search or training programmes to improve employability.

Similarly, in Canada, Service Canada provides citizens with a single point of access to a wide range of government programmes, services and benefits. They deliver general information about application procedures and refer citizens to municipal, provincial and territorial services. Through the Reaching All Canadians Community Partnership, multiple service providers can refer clients directly to Service Canada for personalised assistance. These organisations help Service Canada connect with hard-to-reach groups.

Finally, some countries have some specificities in the point of access. In Türkiye, the role of third-sector associations as the closest agents in providing services is highly relevant. Therefore, they act as the first gateway to the social inclusion system. In addition, Greek NGOs providing healthcare services to vulnerable groups also act as an additional entry point for users with social inclusion needs. The role of the third sector as a gateway to social programmes is also noteworthy in Portugal. In Türkiye, the usual entry point for beneficiaries of social assistance programmes are the Social Assistance and Solidarity Foundations.

In some countries, some agencies play an essential role as entry points at the regional level. In Costa Rica, the Mixed Institute of Social Assistance stands out as the primary entry point for different social assistance programmes. Similarly, in the Slovak Republic, the Office of Labour, Social Affairs and Family is the entry point for social support and counselling. The case manager is most frequently a social worker who develops an intervention plan in co-operation with NGOs and other municipal services.

Additionally, some countries have specific entry points depending on the target group of the programme:

- In Türkiye, users with disabilities and elderly citizens can directly access social assistance in nursing homes, social service centres and Social Assistance and Solidarity Foundations.
- In Luxembourg, the entry point to access a social inclusion plan for minimum income beneficiaries is found within the reception service of ONIS. The employment agency profiles every applicant under the age of 65 and able to work. If the applicant fulfils the requirements, the employment agency informs ONIS to invite the MIS applicant for an informative meeting. There, every participant is referred to the regional social inclusion officer to jointly draft an activation plan. The caseload of social workers is a maximum of 100 persons, the average being around 80 users per individual regional officer.

- In Greece, refugees and migrants have specific entries to the social support system. These entries are the Migrant Integration Centres, which function as branches of the Community Centres in the municipalities, as previously mentioned. They provide information, services and counselling and can also refer people to other competent bodies. The working team also comprises several specialities (e.g. intercultural mediators, social workers, psychologists, etc.).

Different approaches to an integrated provision of services

When such reforms are implemented, both service users and providers stand to benefit from overcoming the fragmentation of welfare services. Available literature indicates that applying integrated models of service provision can lead to cost-effectiveness and cost savings and can increase accessibility and the quality of services (OECD, 2015[30]). Table 4.3 shows the mechanisms commonly employed in some countries to co-ordinate the integration of services.

Table 4.3. Co-ordination of multiple services on the ground in the area of social inclusion in selected OECD countries, 2022

	Cohabitation of services	Presence of multidisciplinary teams	Existence of a case manager
Australia	✓	✓	✓
Canada	✓	✓	✓
Colombia		✓	
Costa Rica			✓
Czech Republic	✓	✓	✓
Denmark		✓	✓
Finland	✓	✓	✓
Greece	✓	✓	✓
Hungary		✓	✓
Japan		✓	✓
Latvia		✓	✓
Lithuania	✓	✓	✓
Luxembourg		✓	✓
Mexico	✓	✓	✓
Netherlands		✓	✓
Norway	✓	✓	✓
Portugal	✓		✓
Slovak Republic			✓
Sweden	✓	✓	
Switzerland	✓	✓	✓
Türkiye	✓	✓	✓
United States	✓	✓	✓

Source: OECD questionnaires on Service Integration (2022).

One-stop-shops

Recently, several countries have pursued the establishment of one-stop-shops as a centralised access point for users to overcome the fragmentation of services. These offices allow for the co-location of service providers, making it easier for users to make multiple demands in one place without having to contact a number of different agencies. One-stop-shops can entail different degrees of service integration. A more informal approach to integration occurs when one-stop-shops are limited to the co-habitation of professionals working in independent systems. This case facilitates access to benefits and services for the user but does not entail an integrated perspective on service delivery. A more holistic approach happens

when team members in the one-stop-shop design joint interventions under a co-designed care plan. This kind of intervention makes it possible to approach the barriers to social exclusion more effectively.

An example of a one-stop-shop that only centralises access to various services is the case of the Public Service Offices (Statens servicecenter) in Sweden. This office provides administrative information and guidance on government services to individuals in one central location. Some national organisations that co-operate with these offices are, for example, the Swedish Pension Agency (Pensionsmyndigheten), the Public Employment Service (Arbetsförmedlingen), the Social Insurance Agency (Försäkringskassan) and the Tax Agency (Skatteverket). Besides co-operation with national agencies, the Statens servicecenter also partners with some municipalities. An example is the city of Malmö, where individuals can receive support regarding e-services, forms and applications, and information about their ongoing process with the mentioned agencies.

Examples of best practices in the implementation of one-stop-shops include the following:

- Co-operation between PES and social services providers has increased across countries, sometimes taking the form of one-stop-shops. One successful initiative is the Ohjaamo centres in Finland, acting as one-stop-shops for young people experiencing vulnerable situations. They constitute single entry points for providing a broad range of services, such as housing support, social services, employment and training. These centres simplify social assistance services for young people while also avoiding duplicities in the provision of services. The goal was to reduce unemployment among people under 30 and foster their integration into society, education and the workforce. Some particularities of the team composition are the direct involvement of youth and employment counsellors from PES, social workers from municipalities, psychologists, nurses and specific outreach workers to engage with the target group (OECD, 2021[31]).
- In Norway, a similar practice can be highlighted. In order to provide a comprehensive service to overcome labour-market integration obstacles, the Norwegian Employment and Welfare Service (NAV) agency, as mentioned above, was created. This agency merges the PES, the national insurance and the municipal social services by integrating their work and placing these actors under the same location. The NAV consists of a “state arm” (the Labour and Welfare Service), which acts as the provider of social insurance benefits and employment services to registered jobseekers and the “municipal arm”, providing means-tested social assistance and general social support, such as advice and guidance, temporary emergency accommodation if required and other social services. The responsibility for delivering and funding services remains formally separated between the state (employment services) and the municipalities (social services). NAV users will, in most cases, not be aware of whether they are dealing with a municipal or state employee, and a single manager heads most NAV offices. In this way, the Norwegian Labour and Welfare Administration acts as a one-stop-shop for employment and social support but functions more broadly for a range of other municipal services, including support for migrants, housing services, healthcare and support for older people (Lægreid, 2014[32]).

Multidisciplinary teams

To move toward service integration, adopting multidisciplinary teams in intervention models is a common approach across sectors like health and employment. For instance, in primary healthcare, some OECD countries have encouraged the practice of fully integrated interprofessional teams (IPT) to tailor care plans to the specific needs of complex care patients. In IPTs, the emphasis is placed on time for open communication with participative safety, through which the most appropriate skill mix for the best patient care can be respectfully negotiated at the level of a practice/organisation or network.

In most countries where information is available, teams of different professionals operate to address problems from a multidimensional perspective. These teams are constituted by professionals with expertise in different practice fields, and individuals may receive services in areas as diverse as physical

and mental health, employment, housing or even legal support. Best practices in this area include the following:

- In Finland, the Work Ability Programme has developed and implemented work ability support teams across the social and health services. This co-operation allows for the exchange of experience and expertise of the different professionals to provide the most complete support to users. The members working on these teams meet regularly to agree on the progress of the users and the elaboration and implementation of the joint care plan. Employment, health and social care professionals work together to boost the labour activity of users with partial work ability or the long-term unemployed. The Ministry of Economic Affairs and Employment is responsible for implementing the work capability programme in co-operation with the Ministry of Social Affairs and Health. In particular, the Ministry of Economic Affairs focuses on addressing barriers to employment for people with partial capacity to work and increasing their employability. Measures taken in the administrative branch of the Ministry of Social Affairs and Health develop support services to improve people's ability to work.
- In Norway, service delivery in local welfare offices is organised in different ways depending on the local needs and challenges. Some offices follow a model where the caseworkers are responsible for a broad spectrum of tasks, while other social services offices have multidisciplinary teams with more defined shared responsibilities. These teams might be formed by professionals from healthcare, social work, child welfare and/or the Norwegian Labour and Welfare Administration.
- In Mexico, Integral Residential Care provides specialised care for children and adolescents. Multidisciplinary teams provide comprehensive care to children and young people who are socially disadvantaged due to vulnerable situations. The teams are made up of professionals in psychology, pedagogy, social work, medicine, education and training, as well as legal representatives.
- In Türkiye, the Social Assistance and Solidarity Foundations at the local level develop intervention plans with multidisciplinary teams of social workers, psychologists, sociologists and child experts.

Case managers

Integrated care requires the establishment of new professional roles, in particular, case managers. Case managers are responsible for co-ordinating professionals, the client and the family. Case management has become somewhat of an umbrella term for a wide range of practices based on the simple principle that a case manager – or case managers – takes a comprehensive and individualised approach to assessing and addressing citizens' needs. Case managers are typically responsible for assessing the needs of citizens, developing a care plan, ensuring that the care plan is executed and maintaining contact with the citizen. Case management models typically aim to improve outcomes, maintain engagement with services and reduce overall costs (Dieterich, 2010[33]).

An example of particular practices of case management for labour market integration can be found in Switzerland. Case managers act as guiding professionals in the transition between school and an apprenticeship or vocational education in the Swiss Service Centre for Vocational Education and Training. Also, for jobseekers, case managers are assigned through the IIZ in the canton of Zurich. The network IIZ is based on co-operation between institutions in social security, integration and education. The Office for Economy and Labour, the Social Insurance Institution, the Cantonal Social Welfare Office, the Office for Youth and Career Guidance and the social services of the municipalities co-ordinate their services. The co-ordination is carried out by the office IIZ, and case managers from the IIZ are placed on these agencies to ensure that jobseekers gain access to the labour market.

In Lithuania, case managers are in constant communication with employment services, social services and other entities such as NGOs. Thanks to this co-ordination with the network of municipal services, the case manager can take an informed decision on which services and itineraries are best adapted to each case.

The case manager first interviews participants to collect information regarding their needs. A meeting is organised with the case team, after which a joint decision is made on the services best tailored to the user's needs. In addition, case managers also contact the service providers and prepare and sign the agreement for labour market integration with the beneficiaries, deciding when the agreement should be finalised. The agreement might include social services, legal or health services, etc. Regarding data sharing, most information is available for the case managers through the public employment database. The next step in this project is to work on the collection and transfer of data between the municipalities participating in the model. There is currently no system in place for automatic exchange of data between different participants.

A similar practice can be found in Germany. Beneficiaries in Germany with major barriers are assigned to a case manager who helps them navigate the assistance system and the intervention process. Case managers in the job centres assist with labour market integration and social integration services in case of need. Integration services might include childcare, long-term care, debt counselling and psychosocial counselling (Hanesch, 2015[34]). In this way, they are responsible for finding specific support for beneficiaries in co-ordination with the municipalities acting as a link between users and local authorities. For instance, for health problems, the case manager would put them in contact with a doctor or health centre for treatment and follow-up. As mentioned in previous sections, the benefit in Germany is jointly funded by the federal state and the municipalities. To facilitate co-ordination and data exchange between the centres, a shared basic structure for all employment offices allows for basic compatibility and comparability of crucial data. This allows for some basic data sharing between municipal and mixed job centres, between municipal job centres, and full compatibility between all mixed job centres (Scharle et al., 2018[35]). However, case managers only have access to the information of the users in the application forms and the personal information in the interview with the beneficiary.

Data-sharing mechanisms emerging across countries

Another area that facilitates service integration is data sharing between different pillars and actors of welfare systems. The European Union highlights the benefits of having a unified information system (for example, in the 2013 Social Investment package), which requires all entities to "speak the same language" (European Commission, 2017[36]). The EU Commission Peer Review on Social Protection Information provides examples of overcoming potential emerging issues. Indeed, the information-sharing system must comply with data protection regulations, for which legal frameworks might need to be adapted.

While many countries have co-ordination mechanisms, data-sharing practices are scarcer. In almost all EU member states, reforms to improve the integration of employment services have been promoted and have highlighted that data sharing and interoperability platforms play a crucial role (Red de Inclusión Social, 2019[37]). Many public authorities are looking further at integrating health and social care data and social services and employment. Yet, often the data are held in silos by the organisations collecting them, and many OECD countries lack a co-ordinated public policy framework to guide data use and sharing practices, so as to protect privacy, enable efficiencies, promote quality and foster innovative research. In addition, different areas of social services tend to use different operational tools, and IT infrastructure lacks possibilities to exchange data with other systems.

Of the 22 OECD countries that replied to the Questionnaire on Service Integration in 2022, fewer than half (10 countries) had formal channels for data sharing across policy areas (see Table 4.4).

Table 4.4. Practices on data sharing mechanisms in OECD countries, 2022

	Formal channels of data sharing between policy areas	Formal channels of data sharing only in specific programmes	Case-by-case informal data sharing	Formal channels of data sharing between public and third-sector entities
Australia	✓			✓
Canada		✓		
Colombia		✓		
Costa Rica	✓			
Czech Republic			✓	
Denmark	✓			
Finland	✓			
Greece	✓			✓
Hungary			✓	
Japan		✓		
Latvia				
Lithuania		✓		✓
Luxembourg		✓		
Mexico	✓			
Netherlands	✓			
Norway				
Portugal	✓			✓
Slovak Republic		✓		✓
Sweden	✓			
Switzerland			✓	
Türkiye	✓			
United States		✓		

Note: The first "formal channels" column shows the countries with a mechanism for sharing data between several departments. The second shows countries with data-sharing mechanisms only in specific projects or target groups (i.e. families, minimum income beneficiaries, violence victims, etc.).
Source: OECD questionnaires on Service Integration (2022).

There are several relevant examples of registries gathering data from different services or departments:

- In Finland, Kanta is an entity of digital services that brings benefits to citizens, pharmacies and the social welfare and healthcare sectors. From 2023, the Finnish Institute for Health and Welfare (THL) will collect key social welfare client and service data into a new register for monitoring social welfare (Sosdata). The data will also be used to monitor social welfare data to improve service quality. The government also proposes to reform the regulation on the processing of client data in healthcare and social welfare and to enact a new Act on the Electronic Processing of Client Data in Healthcare and Social Welfare for this purpose. The act is due to enter into force on 1 January 2024. The long-term objective is to gradually dismantle overlapping and separate data collections, automate the work stages of data production and utilise common practices.
- In Australia, a Memoranda of Understanding can be used to support data-sharing arrangements between different departments. Services Australia has established partnerships with key federal and state government departments, which include bilateral agreements that support the exchange of data (both ingesting and releasing) to improve customer experiences and outcomes. The agency has dedicated business areas that provide a consistent and centralised entry point for external requestors seeking data on Services Australia's Centrelink, Medicare and/or Child Support programmes for business improvement, policy or research purposes. Robust policies are in place to manage risks around the release of information and to ensure compliance with appropriate legislative requirements and adherence to government policies relating to the safe use and

disclosure of agency data. In addition, the Multi-Agency Data Integration Project (MADIP) is a partnership between Australian Government agencies to combine information on Australians to create a resource for cross-sectional policy analysis and research. MADIP integrates data from the Australian Bureau of Statistics, the Australian Taxation Office, the Department of Education, Skills and Employment, the Department of Health, the Department of Social Services, and Services Australia.

- In Greece, there is a data-sharing mechanism referred to as the National Mechanisms' IT platform (Law 4445/2016), which is composed of three distinct registries: beneficiaries, entities and programmes. The beneficiaries' registry includes details of the beneficiaries of non-contributory social benefits, such as AMKA (social security number), value-added tax (VAT) number, surname, name and gender, date of birth, demographic data, type and amount of welfare benefit. The Private Entities registry includes the data of private bodies that provide social care services. The Public Entities registry includes data on public bodies (Social Welfare Centres and their branches) that provide social care services and information about their establishment, organisation and operation, employee data and financial data. The programme's registry includes information about actions and welfare programmes implemented at national and local levels and financed by national and European resources. In addition, for the GMI, there are data-sharing mechanisms and the PES platform. Available data on GMI beneficiaries include the number of registered unemployed, time/duration of registration as unemployed, the drawing-up or renewal of an Individualised Action Plan with an Employment Counsellor and the number of GMI beneficiaries participating in employment programmes.

Beyond integrated registries, countries can also have co-operation agreements between different agencies, allowing associated institutions to access each other's files easily, implying a harmonisation of their IT systems. One positive example is the German Jobcentres, which use systems that can output comparable and compatible data, allowing for a shared monitoring system by the Federal Ministry of Labour and Social Affairs. Another positive example is the modification of the IT systems of the Austrian social welfare agencies and federal employment services that allows a once-monthly data synchronisation and the use of an online portal for direct access to the data from the social security system, the PES and the population and property registries, allowing social workers to easily access necessary information. In Norway, integrated services and data-sharing channels are being created for life events such as having a child, bereavement, death and inheritance, seriously ill children, etc. Users will automatically gain access to the services they need based on their situations thanks to the co-ordination of digital tools.

Only three countries report having case-by-case informal data sharing. In Switzerland, for instance, data can be exchanged with the consent of the persons concerned and on a case-by-case basis between the social partners involved in cantonal projects, such as, for example, in the canton of Argovia (https://www.kooperation-arbeitsmarkt.ch/de/home), in the canton of Solothurn (https://so.ch/verwaltung/departement-des-innern/amt-fuer-gesellschaft-und-soziales/interinstitutionelle-zusammenarbeit-iiz/mitteilungen/) or in the canton of Vaud (https://www.lausanne.ch/vie-pratique/travail/aide-demandeurs-emploi/unite-commune-orp-csr.html). In Hungary, because multi-professional teams are involved in social inclusion, all necessary data are made known to other professionals, but there are no special protocols. Another interesting example is the Electronic Social Record, implemented by the Lombardy region, in Italy (see Box 4.1).

Data-sharing provisions with the third sector appear uncommon across OECD countries since only five reported such practices. Portugal does not have a specific tool for data sharing with the third sector, but co-ordination with the third sector is regulated through the Permanent Committee for the Social and Solidarity Sector (Comissão Permanente do Sector Social e Solidário) under Decree Law No. 120/2015, which establishes the type of contracts or protocols that can be made. Other countries, like the Slovak Republic, have regulations for the submission of statistical reports from third-sector providers, similar to what is done in Spain. In Australia, organisations receiving programme funding are contractually

required to report de-identified client data on a monthly basis. As an example, the Department of Social Services (DSS) uses the Data Exchange (DEX) platform and funding Arrangement Managers (who manage DSS grants) use DEX to monitor and assess performance reporting in funding agreements. Over 200 active data exchanges supporting Centrelink programmes are third-party organisations, such as financial institutions. The majority of providers in Workforce Australia are not-for-profit agencies. Quality assurance and contract monitoring require them to report their activities with jobseekers on a quarterly basis. Similarly, the impact of any referrals made by providers to third parties needs to be reported.

Box 4.1. Cartella Sociale Informatizzata (Electronic Social Record) in Italy's Lombardy region

In order to harmonise processes and facilitate data sharing, the Lombardy region in Italy implemented an operational instrument known as Cartella Sociale Informatizzata (CSI) or Electronic Social Record. The CSI is an IT solution capable of providing functions at the professional level to social workers and the administrative-managerial level to the agencies planning and co-ordinating social interventions. This IT tool is useful for establishing shared protocols where all procedures and actors involved are clearly defined. To facilitate the spread of the tool across local agencies, some guidelines were created to achieve a uniform development of the Electronic Social Record. The shared guidelines enabled more homogenous and efficient management of social services and simplified both the production and the transfer of data between different authorities.

The process underlying the implementation of the CSI in service delivery has five phases: access and orientation, assessment of need, intervention design, service delivery and final evaluation. Within each phase, the activities, the required documents and data to be managed by the CSI are described in detail.

In this way, the Electronic Social Record allows user information to be collected in the dataset. Thus, the record contains the user's personal data, including his or her family history and even the characteristics of the neighbourhood or context where the individual lives. Moreover, it enables all professionals to document each phase and event of the social assistance itinerary in which the social service is being delivered. At the same time, access to the Minimum Social Income is also integrated into the workflow of this instrument as it follows the same procedure as the user's demand for other social care services.

All in all, the Electronic Social Record enables the:

- automation of unified procedures
- management of information at the level of care delivery and across the network of services
- collaboration between different actors through the integration of professionals
- interchange of data with external stakeholders
- analysis of data to analyse the outcome of its implementation and draft reports to improve service delivery and the governance system.

Source: Azienda Regionale per l'Innovazione e gli Acquisti (2019[38]), *Linee Guida: Cartella Sociale Informatizzata*.

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Notes

1. See the OECD Tax-Benefit Portal at http://oe.cd/TaxBEN and the European Commission MISSOC database at https://www.oecd.org/social/benefits-and-wages/benefits-and-wages-country-specific-information.htm.

2. The term "legal" refers to the situation in which the person holds an official document allowing him/her to live in the country, permanently or for a limited period.

3. In many countries, nationality and residence conditions to access minimum income benefits derive from general conditions in place to access to the welfare system.

4. Which is not, per se, a bad sign. In general, minimum income statutory amounts do not decrease in nominal value and the ration minimum income amount to poverty line decreases because the poverty line moves up (in nominal terms). Since the poverty line is a parameter that depends on the income distribution, the interpretation of this ratio should carefully analyse the changes in the income distribution, in particular in lower deciles, changes in real wages and inflation, especially the one of low- and very low-income consumption profiles.

5. Unlike contributory unemployment benefits, several exceptions to this conditionality can exist, notably for those who are not able to work or have justified reasons (e.g. care) to not to take up a job.

6. This may suggest that, in these countries, taking a minimum-wage job does not pay a lot. However, these countries also have a dynamic labour market, and many jobs pay wages higher than the minimum wage.

7. As for the new scheme, the Citizen's Income, the process has not yet been digitised, so citizens must go to local job centres to submit their applications.

8. See https://www.consilium.europa.eu/en/press/press-releases/2023/01/30/council-adopts-recommendation-on-adequate-minimum-income/ for more information.

9. Interestingly, the government does not formally verify the income test requirements. Instead, the voucher application form asks households to only declare if their income falls below the stated thresholds. While the tax authorities would theoretically be able to cross-check application forms with administrative records on individual incomes, there are no explicit plans to do so.

5 An improved monitoring and evaluation framework for social inclusion in Spain

This chapter discusses the advantages of developing a monitoring and evaluation (M&E) framework for Spain's new social inclusion model for the beneficiaries of the national minimum income scheme (Ingreso Mínimo Vital, IMV). The chapter outlines a high-level framework and examines the human resources necessary for conducting M&E, both in terms of staff requirements and the use of external resources. It also discusses the data requirements. Ideally, the framework should be developed and implemented in co-operation with relevant stakeholders. The chapter also provides specific examples for implementation regarding both the national-level framework and regional-level pilots.

5.1. A general framework for the monitoring and evaluation of Spain's new social inclusion model

This section aims to provide insights for Spain in its efforts to introduce a monitoring and evaluation (M&E) framework for a new social inclusion model (SIM) for the national minimum income (Ingreso Mínimo Vital, IMV) beneficiaries, focussing on the national-level dimensions of such a framework. It first discusses the concept of M&E frameworks from a theoretical perspective and provides some background on institutional set-ups and practices of implementing similar frameworks in Spain. Next, the chapter outlines previous evidence generation on IMV beneficiaries and their social and labour market integration. It proposes a new systematic approach to monitor and evaluate the SIM of IMV beneficiaries, putting forward considerations for objectives, indicators, methodologies, human resources, co-operation requirements and data needs for such a framework. These various dimensions aim to guide Spain in finetuning a more specific action plan to develop the new M&E framework, taking into account the feasibility of co-operating with the Autonomous Communities of Spain (Comunidades Autónomas de España, hereafter "AACC") and other ministries in this process and linking the M&E framework into a broader accountability concept and evidence-based policy making cycle.

5.1.1. Objectives and premises

This subsection defines M&E activities and explains their objectives, importance and general design. Next, the section looks at the practices and institutional set-up of M&E frameworks in Spain, focusing above all on the policy fields of social security, social services and employment.

What M&E frameworks are

The policies and programmes developed under the new SIM must be introduced in a setting where transparency and accountability are promoted and effectiveness and efficiency are analysed. Evidence-based policy making needs to be systematic and integrated into a coherent cycle that includes policy and evaluation design based on available knowledge, implementation, M&E, generation of new knowledge/evidence from M&E results, dissemination of that knowledge, and a process of continuous feedback for ongoing improvement based on the evidence generated.

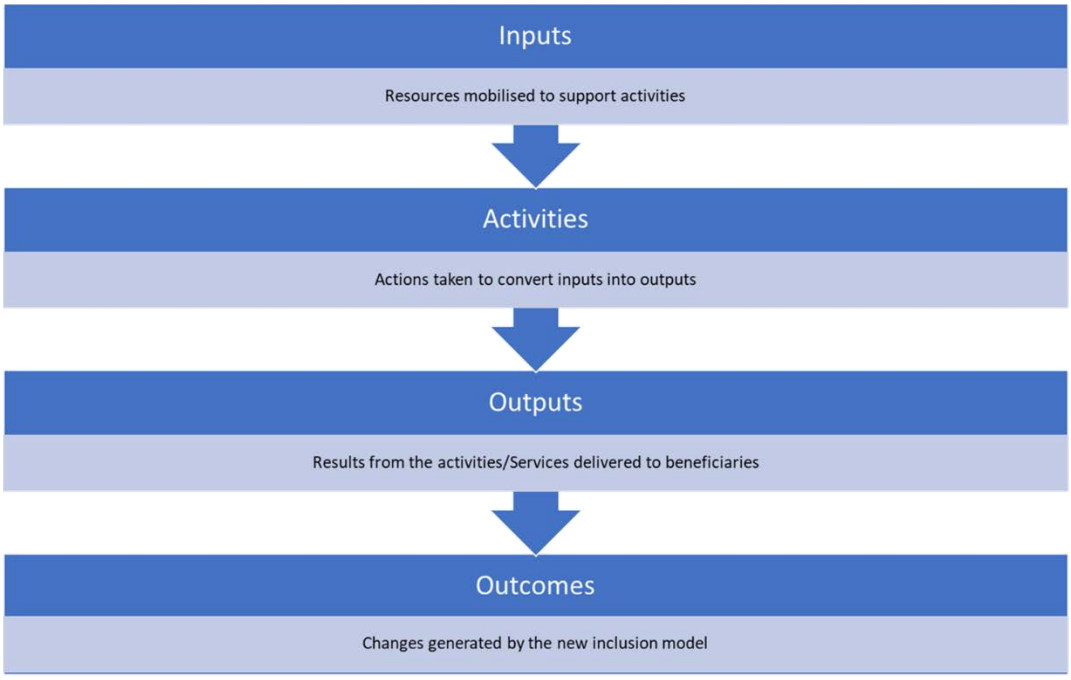
The M&E framework is thus a critical component of the policy-making cycle as it provides objective evidence for policy makers to make informed decisions and adapt policies to achieve better outcomes. The design of the M&E system should be developed simultaneously with the design of the new SIM. It is essential to consider the implications of variables to be included in data collection, data collection mechanisms, staff and skill requirements and possible evaluation methodologies in advance to make the later M&E activities feasible. This way, performance indicators and evaluation criteria are established in advance, enabling immediate and ongoing assessment of the model's execution. The M&E system thus serves as a quasi-real-time feedback mechanism, making it possible to assess the success of the new SIM and to improve its implementation process in a timely manner.

M&E are two complementary pillars for generating evidence to determine whether a programme has met its intended results. Monitoring is an ongoing process of gathering and analysing information about a programme to assess its implementation and development over time while tracking performance against expected results. In contrast, evaluation activities focus on determining how effectively the programme has been implemented, whether it meets its objectives, whether there are causal links between the programme and its results, and whether its benefits outweigh its costs.

The M&E framework uses a theory of change (or intervention logic) to describe how policies or programmes are designed to generate desired outcomes (or impact). The theory of change guides the selection of indicators, data collection methods, and data analysis necessary for identifying and measuring

impact. Often presented as a results chain, it outlines the steps required for a programme to achieve its goals. The results chain typically encompasses four stages: inputs, activities, outputs and outcomes (Gertler et al., 2016[1]). Inputs refer to the resources required for programme execution. Activities involve specific actions to implement the programme, transforming inputs into outputs. Outputs represent the immediate results of these activities, whereas outcomes are the long-term changes or impacts the programme intends to achieve. Outcomes can be categorised into intermediary outcomes, which support the attainment of ultimate objectives, and final outcomes, which represent the ultimate objectives themselves. The first step in establishing an M&E framework for the new SIM is to identify its results chain (see Figure 5.1). This exercise is also pertinent when planning the pilots of the different elements of the model (see Section 5.2).

Figure 5.1. The results chain framework



Source: OECD internal methodology.

By obtaining credible evidence on the effectiveness of the new SIM through a robust M&E framework, the Spanish Ministry of Inclusion, Social Security, and Migration (MISSM) can effectively convey its significance to the public and policy makers alike, thereby attracting and retaining the necessary resources.

The current framework and practices of evidence generation on social and labour market integration in Spain

The absence of a unified and structured M&E framework that spans national, regional and local levels has resulted in an inadequate system of evidence-based policy making. This leads to a lack of systematic evidence on the efficiency and effectiveness of inclusion policies and an incomplete feedback process. Even when evaluations are conducted, their findings are seldom disseminated and rarely inform policy-making decisions. The implementation of the new Law on the Institutionalisation of Public Policy Evaluation aims to address these existing gaps and has the potential to promote evidence-based policy making in the context of the new SIM.

National-level institutional set-up for M&E

In Spain, Law 27/2022 on the Institutionalisation of Public Policy Evaluation, approved in December 2022, establishes the legal framework for M&E[1] of public policy. The law aims to create a transversal and systematic M&E approach by implementing basic organisational structures and planning mechanisms at the state level. To that aim, the law introduces many key features. It introduces a common set of indicators for all public bodies, departmental co-ordination units to oversee the M&E activities within each ministry, and a requirement for public policies to be evaluated by a team external to the body responsible for implementing the policy. Specific training plans on public policy evaluation will be designed for public employees, and a state agency will be created to oversee evaluation teams and their activities.

The law also establishes two instruments for public policy evaluation: a four-year government Strategic Evaluation Plan at the central state level and a biennial departmental evaluation at the ministry level. Both instruments include ex ante and ex post evaluation obligations for policies with significant budgetary, economic and social impacts. Institutions responsible for public policies must report on whether they adopt the evaluation report recommendations and justify their decision.

The law is not functional yet, and so far, Spain lacks a common M&E framework. At the national level, the Independent Authority for Fiscal Responsibility (Autoridad Independiente de Responsabilidad Fiscal, AIReF) has extensive and transversal experience in ex post evaluation. The Spanish Government periodically commissions AIReF to carry out an in-depth analysis of public spending – the "Spending Reviews" – and other specific evaluations, such as the evaluation of the IMV (AIReF, 2019[2]). AIReF can also carry out evaluations at the request of the AACC in areas such as healthcare, active labour market policies (ALMPs), education and other public-resource-related areas. Additionally, other ministries and units have performed ex post evaluations on an ad hoc basis, and the National Agency for Evaluation and Quality (Agencia Estatal de Evaluación y Calidad, AEVAL), which existed until 2017, performed some evaluations of public policy at the national level. In specific public activity sectors, the Sectoral Conferences, which are the bodies in charge of establishing multilateral co-operation between the ministry in charge of that sector at the level of the state and the AACC ministries responsible for the same area, could adopt joint plans to commit to joint actions. In that context, the agreement approving the plans must detail, among others, the mechanisms for M&E.

National-level knowledge generation in the field of social and labour market inclusion before the introduction of the new national minimum income scheme

Regarding inclusion policies, the MISSM does not have a common framework for M&E. The M&E frameworks in Spain are defined only through national strategies focusing on specific populations and objectives. For instance, the National Strategy for Preventing and Fighting Poverty and Social Exclusion 2019-23 (overseen jointly with the Ministry of Social Rights and Agenda 2030, MIDSA) includes an M&E framework that defines the quantitative and qualitative indicators to be monitored and foresees an impact evaluation to retrieve the causal impact of the different actions included in the strategy.

The production of statistics, analysis and evaluations in the fields of labour and social affairs under the Ministry of Labour and Social Economy (MITES), MISSM and MIDSA has largely taken place in silos for different policy areas, such as employment services, social services and social security measures (OECD, 2020[3]; 2022[4]). As such, it has not been possible to monitor and evaluate different social and labour market integration pathways comprising different types of support and services. A similar lack of comprehensive cross-policy knowledge tends to be present in most OECD countries (OECD, 2021[5]).

The focus of data analytics in labour and social affairs in Spain has been mainly on producing descriptive statistics on different policy interventions to disseminate general knowledge on take-up and socio-economic characteristics of beneficiaries of the policies. The tables to disseminate statistics (generally not in interactive format but in PDFs [portable document format] and sometimes Excel) on the

dedicated websites of the relevant ministries and sub-units are supported by analytical reports that aim to summarise and discuss the regular statistics, as well as occasionally present complementary or in-depth statistics, as well as compare with international statistics (e.g. from Eurostat) when feasible. Generally, the reports provide similar information from one period to the next and are simply updated with the newest available data.

Still, the statistics and analyses produced by the many dedicated units under the three main ministries for labour and social affairs in Spain serve some monitoring purposes. The statistics make it possible to observe some progress in the implementation of services and measures over time, particularly related to outputs and, to some degree, inputs.

Nevertheless, the statistics production on most of the measures and services cannot be considered fully-fledged monitoring frameworks for these measures and services, as in most cases, there are no specific lists of monitoring indicators agreed upon between the relevant stakeholders in Spain. Furthermore, no target levels are set (e.g. expected performance results). The link between the statistics results and policy design tends to be weak. Finally, the statistics only address limited segments of the policies' result chains (broadly overlooking the intermediary and final outcomes of policies).

The monitoring framework has been somewhat better established for employment services and ALMPs than in the other policy fields related to social and labour market integration in Spain. Royal Decree 3/2015[2] and other related regulations have set the co-ordination instruments of the national employment services system, facilitating data exchange between the AACC and the Spanish public employment service (SEPE) and agreements on shared objectives and indicators. In addition to usual indicators on policy take-up, client satisfaction has been observed among the monitoring indicators for employment services and other ALMPs, such as training. As employment data from the social security register (Social Security Treasury under MISSM, TGSS) are linked with jobseeker data in the information technology (IT) system of SEPE (SISPE), the monitoring framework for employment services also has the potential to include outcome indicators. Yet, this potential has not been fully realised for monitoring or evaluation purposes.

It has been more challenging to produce comprehensive national-level statistics and set a monitoring framework regarding the provision of social services in Spain (OECD, 2022[4]). The statistics on social services entirely funded by the AACC (such as specialised social services) are particularly problematic as these services are not regulated by national laws or agreements setting out obligations for producing the relevant statistics. The integration of data from the AACC IT systems into national-level IT systems (the Information System of Autonomy and Care System for Dependent People [SISAAD] and the Information System of the Users of Social Services [SIUSS]) has been cumbersome due to a lack of common taxonomies; difficulties interpreting and implementing the General Data Protection Regulation; lack of resources to implement data exchanges; and, at times missing unique personal identities (Fernández, Kups and Llena-Nozal, 2022[6]).[3]

Although some references to evaluation appeared in Spanish regulations before Law 27/2022 on the Institutionalisation of Public Policy Evaluation, ministries' evaluation activities relative to the labour market and social inclusion have been limited. The reasons for limited evaluation activities are broadly similar to those affecting the implementation of monitoring frameworks, such as challenges in data exchange across governance levels; limited data exchange across national level registers; difficulties in interpreting and implementing data protection regulation to enable M&E activities; modest capacity; skills and experience of the units for data analysis in the ministries to conduct evaluations; and a less developed policy evaluation culture than in some other OECD countries.

The three ministries in charge of policies related to social and labour market integration in Spain do conduct some ex ante and ex post evaluations of policies and legal acts (OECD, 2020[3]; 2022[4]), particularly when new policies are introduced. However, these evaluations focus primarily on statistical trends and not on more advanced econometric methods and largely address budgets and take-up numbers (input and output variables), not the policies' ultimate objectives (outcomes). As such, advanced evaluations, like

counterfactual impact evaluations and process evaluations, are not conducted systematically but only occasionally in co-operation with external partners [see, e.g. an advanced impact evaluation of a digital tool for employment counsellors conducted by the OECD in the context of a technical support project by the European Commission's Directorate General for Structural Reform Support (OECD, 2022[7])].

Regional and local-level practices of M&E social and labour market inclusion

As highlighted in Chapter 2, M&E approaches in social and labour market inclusion vary significantly across AACC. Regarding social inclusion plans, nine AACC foresee a comprehensive evaluation, while four assess each social inclusion programme individually. Within AACC, at a local level, M&E predominantly involves annual reports that collect information on user profiles, programme activities, objectives and performance indicators. Overall, evaluations tend to focus on outputs, with impact evaluations and user experience monitoring largely absent.

The expertise in M&E among municipalities and regions has improved over the past years, largely due to the European Social Fund (ESF), which requires all projects financed through the ESF to adhere to a specific M&E framework that calls for conducting ex ante, intermediary (The National Strategic Evaluation Plan for the ESF 2014-20)[4] and ex post evaluations of the programmes. This framework also establishes common performance indicators to be monitored, encompassing aspects such as participants, entities, intermediate results and long-term outcomes.[5]

5.1.2. Methodology

This section discusses the M&E activities that MISSM has conducted since the introduction of the new IMV scheme and puts forward actionable guidelines to develop a new concept of a systematic M&E framework for the SIM of the IMV beneficiaries.

National-level M&E introduced with the new minimum income scheme

As practices of linking data across policy fields for M&E purposes were relatively modest when preparations for the IMV started (see the previous section), MISSM had to make considerable efforts to access sufficient data to conduct ex ante evaluations of this new benefit scheme. As a result of these efforts, it was possible to use considerably elaborate datasets for the ex ante evaluations, involving micro-level data from the Tax Agency (Agencia Tributaria, AEAT), the National Statistics Office (Instituto Nacional de Estadística, INE) and the Income and Living Conditions Survey from 2018 regarding País Vasco and Comunidad Foral de Navarra, covering in total 16.3 million households in Spain. The datasets were prepared jointly by the AEAT and INE and were provided to MISSM to ensure reliable data on the target population of the IMV scheme.

The ex ante evaluation of MISSM centred mainly around the first of the two objectives of the IMV scheme, which is income redistribution with a focus on poverty eradication. The evaluation was meant to inform the design of the IMV scheme and, as such, various thresholds of the main design elements (like income and wealth thresholds) were tested to understand the potential take-up numbers, benefit amounts, total financial costs and the changes in poverty rates (extreme poverty, high poverty, moderate poverty, income improvements), i.e. the objective of the new scheme. The datasets used by MISSM included data on household composition, which facilitated designing the new scheme, as well as evaluating the indicators by household types (the number of adults and children in a household).

The second objective of the IMV scheme, which was to address social inclusion and labour market participation, was not included in the ex ante evaluation of the scheme, partly due to the difficulties in designing the specific policy elements related to social and labour market inclusion and the devolved competencies on this matter, but partly also due to limited data available to MISSM. The dataset available

for analysis only enabled the examination of different types of income of the households, including identifying households without any income from labour, i.e. jobless households.

The indicators developed within the ex ante evaluation have been used internally in MISSM to monitor the IMV scheme. Some elements of the policy design, such as the associated work incentives, have changed somewhat since the scheme's introduction (also drawing on the monitoring results), making comparing the current scheme's results and the indicator values from the ex ante evaluation difficult. In addition, a few other variables are monitored to understand whether and how the scheme functions, such as the non-take-up rate, the number of people receiving MIS that were assumed not to meet the eligibility criteria according to the AEAT-INE database used for ex ante evaluations, time duration between application and granting or rejecting the benefit.

MISSM currently publishes the cumulative number of IMV beneficiaries and is considering publishing some of the monitoring indicators of the IMV scheme in the future, creating a better understanding of how the scheme functions and meets its objectives. In addition, some indicators on the IMV scheme are already published by AIReF in its evaluations, looking at somewhat similar indicators as MISSM, such as take-up, coverage and the effects of the outreach campaigns (AIReF, 2022[8]; 2023[9]).

MISSM aims to further develop its internal framework of variables to better understand, for example, the issue of non-take-up of the main IMV benefit and the child component to be able to finetune the benefit scheme further in the future. However, no specific indicators have been explored yet to better understand social and labour market inclusion.

A considerable hurdle for MISSM to further develop the monitoring framework for the IMV and social and labour market integration has been the limited access to (linked) administrative data. Although the legislation adopting the IMV scheme also introduced regulation to access all relevant data for ex ante and ex post M&E activities, the data that MISSM accesses currently are similar to those available before the scheme's introduction. These include regular updates on a dataset, including, for example, AEAT data and employment history data on IMV recipients, but no adaptions for the specific purposes of monitoring the IMV scheme or data from SEPE on labour market interventions to monitor labour market integration pathways.

High-level monitoring framework

The OECD defines monitoring as an ongoing function using systematic data collection on specific indicators. This provides key stakeholders indications on progress toward objectives and the use of allocated funds. The key components of a monitoring framework are the predefined indicators, which can be quantitative or qualitative variables to provide simple and reliable instruments to measure achievement, reflect changes caused by a policy or assess performance (OECD, 2002[10]).

The objective of setting up a monitoring framework for the new SIM of the IMV recipients should be to enable MISSM and other stakeholders to operatively ensure that the resources to support the IMV beneficiaries are available, the steps necessary to integrate this group are made, and the different related interventions are successful. Such a monitoring framework would make it possible to swiftly identify whether there might be some specific challenges in the different elements within the design and implementation of SIM and address these promptly. The monitoring framework needs to be complemented by systematic evaluations to have credible evidence on the integration model's impact, causality and cost-effectiveness and support strategic decisions on policy design and implementation (see the next section for more details).

Ideally, the monitoring framework for the SIM in Spain should be set up in co-operation and consultation with all relevant stakeholders (MISSM, MITES, MIDSA, SEPE, AACC and potentially others). A jointly agreed framework would ensure that all relevant dimensions of the social integration framework would be sufficiently reflected in the monitoring framework; increase the accountability of the stakeholders to

implement the inclusion model; raise awareness of the importance of their roles for the success of the model; and indeed facilitate reacting promptly in case of emerging challenges reflected in the monitoring results. If a jointly agreed monitoring framework would not be feasible, MISSM would still benefit from it by having greater knowledge of the functioning of the SIM and its challenges. Acting on the identified challenges would be somewhat more limited.

A monitoring framework needs to be sufficiently systematic and comprehensive to support key stakeholders with the necessary operational knowledge. This is why using the theory of change in the form of a results chain (as depicted in Figure 5.1) is often used as the backbone of a monitoring framework, including a thorough set of relevant indicators for each link in the chain. It means that the monitoring framework for the SIM should ideally cover these key aspects of providing services and measures for the IMV beneficiaries. However, introducing some of these elements might be challenging at the AACC level, and agreeing on a harmonised and granular enough methodology might take time:

- resources necessary to implement the inclusion model (budget and staff for social, employment and potentially other services relevant to integrating IMV beneficiaries, as well as resources for co-ordination across service providers, their outreach activities, etc.)
- activities necessary to be carried out by the different service providers (promotion, outreach, co-ordination activities, etc.)
- beneficiaries of the interventions of the service providers (e.g. recipients of training or social housing)
- intermediary steps towards social and labour market integration (e.g. improved skills and employability of IMV beneficiaries)
- integration into society and the labour market (e.g. sustainable employment).

Indicators in the monitoring framework should ideally involve quantity and quality aspects in implementing the SIM for a full comprehension of progress in supporting IMV beneficiaries. Indicators addressing quantities generate knowledge on issues like budgets spent on social services or take up of training by IMV beneficiaries. Quality indicators support quality management of the SIM and help make it possible to understand the reasons behind gaps between budgets and expenditures, gaps in take-up rates of integration pathways or high drop-out rates from specific interventions. Monitoring quality aspects of the outcome indicators helps, for example, ensure that the SIM would support IMV beneficiaries in moving to good quality jobs and not push them into low value-added employment. To include quality aspects in the monitoring framework, using survey data in addition to administrative data becomes particularly relevant (see also Section 5.1.4).

As IMV beneficiaries can face very different obstacles to social and labour market integration and need different types of services and measures to overcome these obstacles, the indicators along the results chain should be monitored by the relevant types of support to detect which components might need to be strengthened. To further understand the mechanisms of integration, it might be relevant to study some support measures in further detail (e.g. not only training provision generally but key types of training individually). Furthermore, monitoring the different (sub)interventions by participant subgroups would ensure that policies reach and support the target groups without discrimination or creaming.[6]

Ideally, a narrower set of key performance indicators (or “royal” indicators) should be identified within the overall monitoring system to enable stakeholders to quickly comprehend whether the overall social integration model delivers the main expected results or not. The wider set of detailed monitoring indicators would then serve as a broader background for the key performance indicators to identify the exact implementation challenges and finetune these aspects, if necessary, to improve the overall performance results. Thus, easily accessible (e.g. via dashboards) and understandable key performance indicators are crucial for the strategic management of the social integration pathways, particularly by the higher level officials, and can serve as the main accountability framework for the inclusion model. Ideally, the key

performance indicators should have a focus on measuring final outcomes and have assigned (anticipated) target levels (such as "SMART" targets: specific, measurable, achievable, relevant and time-bound), as well as a framework to address challenges in case of under-achievement and encourage over-achievement. The key performance indicators would have particularly high value-added to drive the performance of implementing the SIM should they be agreed upon between all key stakeholders implementing the SIM.

It should be noted that such agreements would need considerable good will and efforts from all sides in the current set-up in Spain. While some key performance indicators could be developed based on national-level administrative or survey data, some might need to be developed based on AACC data. For this, agreed harmonised methodologies are essential. The evaluations of SIM (discussed in the next section) would complement the key performance indicators within the overall accountability framework with further credible evidence on the model's performance. However, they would be less timely and frequently available, as conducting evaluations takes more financial resources, skills and time.

A matrix for a high-level monitoring framework for the SIM is proposed in Table 5.1, providing specific examples of possible relevant indicators. The matrix proposes a systematic approach to considering different relevant aspects of monitoring. However, not all dimensions might be needed or feasible in the Spanish case, e.g. due to the governance model and the exact objective of the monitoring framework that still needs to be agreed upon by the stakeholders. When developing the new monitoring framework, MISSM needs to establish indicators for further relevant interventions, sub-interventions and subgroups of the IMV beneficiaries to be included in the framework in consultation with the other stakeholders. Feasibility in terms of data, reliability and timeliness of the indicators should also be considered. Ideally, the exact monitoring framework should be discussed with the different stakeholders while agreeing on the design of SIM. In addition, it might be relevant to increase the coverage of the monitoring framework (in the future) to further policy fields relevant in supporting IMV beneficiaries, such as health, education or housing measures.

Table 5.1. High-level monitoring framework for the social inclusion model of IMV beneficiaries

Examples of possible indicators to monitor social services and ALMPs using the theory of chain approach

Results chain	Inputs	Activities	Outputs	Intermediary outcomes	Final outcomes
General definition	Resources for the policy	Actions to convert inputs into outputs	Services, measures and benefits provided	Results of the policy to support the ultimate objectives	Ultimate objectives of the policies
Definition for the social inclusion model of IMV beneficiaries	Resources to implement the social inclusion model	Activities of the various stakeholders to organise the delivery of services and measures	Services and measures provided for IMV recipients to help them integrate	Progress in removing IMV beneficiaries' social and labour market obstacles	Social and labour market integration of IMV beneficiaries
Indicators for labour market integration (quantity)	Active labour market policies (ALMPs) expenditures Expenditures on training Number of counsellors	Assessing skill needs in the labour market and organising respective training courses	Number of IMV beneficiaries receiving job counselling Number of IMV recipients receiving training	Increased job search Increased skills	Rate of IMV beneficiaries entering employment Rate of former IMV beneficiaries who re-apply to the IMV after an employment spell
Indicators for labour market integration (quality)	Competencies of counsellors	Assessing skill needs on the labour market using credible labour market information	IMV recipients' satisfaction with training	Increased skills meeting labour market needs	Employment quality (labour income, sustainable employment, career progression)

Results chain	Inputs	Activities	Outputs	Intermediary outcomes	Final outcomes
Indicators for social integration (quantity)	Expenditures on social services Number of case workers	Organising procurements to provide specific social service	Number of IMV recipients benefitting from care services	Decreased time spent on care responsibilities	Reduced social exclusion Increased social relations Increased physical and mental health
Indicators for social integration (quality)	Competencies of case workers	Training case workers to identify social integration obstacles	IMV recipients' satisfaction with care services	Higher self-esteem and motivation for social integration	Increased life quality (well-being and life satisfaction)
Indicators for co-ordinated service provision (quantity)	Expenditures on co-ordinated and mixed interventions	Co-ordination meetings between social and employment services	Number of joint assessments by social and employment services Number of joint individualised inclusion plans	Combined indicators for the labour market and social integration above	Combined indicators for the labour market and social integration above
Indicators for co-ordinated service provision (quality)	Competencies of the multi-professional teams	Quality of co-ordination meetings	Quality of joint individualised inclusion plans	Combined indicators for the labour market and social integration above	Combined indicators for the labour market and social integration above

Note: Additional policy areas, subinterventions and subgroups might need to be monitored. The exact methodology of indicators will need to depend on data availability. Some indicators will need to depend on survey data (e.g. satisfaction or well-being) or assessing samples of administrative data (e.g. some of the quality indicators).
Source: OECD internal methodology.

High-level evaluation framework

Types of evaluation

As detailed in the previous section, monitoring is essential to ensure that inclusion programmes are progressing as planned; that activities have been implemented and deadlines respected; that participants and staff are satisfied; and that objectives are being met. Such monitoring makes identifying problems, reacting quickly, and providing appropriate solutions easier. In tandem with monitoring, evaluations serve as a systematic review of an ongoing or completed project, programme or policy, encompassing its design, execution and outcomes (OECD, 2002[10]). They demand a higher investment of time and resources than conventional monitoring indicators but are nonetheless critical to ensuring inclusion programmes' efficacy. Evaluations measure the success of a programme using distinct evaluation criteria.

The OECD evaluation guidelines, widely accepted as standard, were updated in 2019 following a global consultation process. The revised guidelines encompass six distinct criteria: relevance, coherence, effectiveness, efficiency, impact and sustainability (OECD, 2020[11]). Given these criteria, a fitting evaluation method can be selected. Although numerous evaluation types exist and they can be classified in multiple ways, one proposed categorisation is as follows:

- **Formative evaluations:** Ex ante assessment of whether a programme or intervention is feasible, appropriate, and acceptable before it is fully implemented. It is mostly appropriate to assess the evaluation criteria "relevance".
- **Process evaluation**: Determines whether programme activities have been implemented as intended. Conducted to assess the "coherence" criteria. As part of this evaluation, user experiences could be incorporated to better understand the effectiveness of programme implementation from the perspective of those directly involved.

- **(Intermediate) outcome evaluation**: Measures intermediate programme effects in the target population by assessing the progress in the outcomes or outcome objectives the programme aims to achieve.
- **Impact evaluation:** Assesses programme effectiveness in achieving its ultimate goals.
- **Cost-effectiveness and cost-benefit evaluation**: Examines the programme's outcomes (cost-effectiveness) or impacts (cost-benefit) in relation to the costs of implementing the programme and, if possible, the opportunity costs for beneficiaries (e.g. foregone earnings) as well as indirect costs for non-beneficiaries (e.g. negative externalities).

While all types of evaluations provide valuable insights, impact evaluation – and specifically counterfactual impact evaluation – holds a unique position within the evaluation toolkit. Its importance will be examined in subsequent sections.

Counterfactual impact evaluations and the different methodologies

Determining the impact, or causal effect, of inclusion programmes on participants is a fundamental aspect of evaluating the new SIM. Indeed, understanding the true effects of the different elements of the new model is fundamental to deciding whether and how these elements should be modified and if it is relevant to pursue them and implement the model at a large scale.

Evaluating the causal impact of inclusion programmes poses several methodological challenges. Mainly, it is not sufficient to measure the employment rate (or other outcomes) of beneficiaries and compare it to that of non-beneficiaries. Beneficiaries are often "selected", meaning they do not have the same characteristics as non-beneficiaries and are therefore not comparable. To isolate the causal effect of inclusion programmes, it would be necessary to be able to compare the outcomes of its beneficiaries with the outcomes that these same individuals would have obtained if they had not participated. Obviously, it is not possible to observe what would have happened to the beneficiaries in the absence of the programme. To overcome this challenge, counterfactual impact evaluations (CIEs) aim to compare the outcomes of programme participants (the treatment group) with those of a set of individuals as similar as possible (the control group (OECD, 2020[3]; 2020[12]). The only difference between the treatment and control groups is that the latter did not participate in the programme. The control group, therefore, provides information on "what would have happened to the individuals receiving the intervention if they had not been exposed to it": the counterfactual case.

Two types of methodologies can be distinguished among CIEs: experimental evaluations, also known as randomised controlled trials (RCTs) and non-experimental (quasi-experimental or observational) evaluations. In an RCT, the treatment and control groups are selected randomly from a given population. If the selection process is truly random, the characteristics of the individuals in the two groups do not differ on average: the groups are therefore statistically equivalent. Thus, comparing the outcomes of these two groups at the end of the programme enables the isolation of the programme's causal effect. While RCTs are an ideal framework for evaluating public policies, they are not always feasible. They require substantial financial and logistical resources; they can raise ethical concerns; and programmes are often designed without following an experimental protocol. However, there is still a need to evaluate such programmes, and to this end, non-experimental methods can be considered. Those methods essentially attempt to mimic the randomisation process described above by constructing a control group as close as possible to the treatment group so that they are statistically equivalent ex ante. For more details on CIE, its different methodologies and the framework for CIE at MISSM and MITES in Spain, see OECD (2020[3]). Concrete examples of the use of these different methodologies in the context of the new SIM can be found in Section 5.2.

Recent experience in evaluating social inclusion programmes at MISSM

Prior to 2020, CIEs were scarcely conducted at MISSM. However, the Resilience and Recovery Plan (RRP) implemented in response to the coronavirus (COVID-19) pandemic, specifically Investment 7 under Component 23, which aims to promote inclusive growth by linking inclusion policies to the IMV, provided MISSM with the opportunity to develop innovative inclusion policies and promote the use of impact evaluations for evidence-based policy making. MISSM became the first public body in Spain to initiate a large-scale pilot programme using RCTs for public policy impact evaluation. The project's primary objective is to foster the development of inclusion itineraries to support the transition of IMV beneficiaries and other vulnerable groups at risk of social exclusion towards social and labour market integration. The evaluation, considered since the design phase of the programmes, aims to provide evidence of the programmes' efficiency and to facilitate mutual learning and informed decision making on whether to expand the most effective programmes (the "best practices") countrywide.

A total of 34 pilot programmes were launched in collaboration with various partner institutions: 16 with AACC, 4 with municipalities and 14 with third-sector institutions. MISSM and its partners had distinct and well-defined roles in the pilots. MISSM provides continuous support to partners in the design of the intervention and its implementation and is responsible for designing the impact evaluation (i.e. RCT technical elements) and conducting the impact assessment (i.e. data processing and analysis). To ensure flexibility and adaptability to the diverse realities and challenges across the Spanish territory, partner institutions were given some autonomy in the choice and design of the intervention. They determined the activities to be conducted, the target population, the duration of the intervention and the specific geographical location in collaboration with the MISSM. As a result, the interventions encompassed a wide range of content, including social integration, labour market integration, education, housing and digitalisation. Partner institutions were responsible for estimating pilot programme costs and managing their implementation (e.g. organising and contacting participants). Additionally, they were responsible for collecting the necessary data for analysis and sharing it with MISSM.

By employing RCT methodology in the pilot programmes targeting IMV beneficiaries, MISSM established a robust foundation for evidence-based decision making. This experience can serve as a starting point for reflection when constructing the evaluation framework for the new inclusion model and inclusion policies in general.

Although evaluations must be systematically conducted, it is essential to determine the appropriate evaluation types for specific contexts. In the pilot programme experience, RCTs were preconised as the methodology to be deployed, and the partner institutions designed the interventions. Some partners opted for already existing programmes, recognising an opportunity to showcase their effectiveness and potentially expand them across the territory. However, established programmes might benefit from alternative evaluation methods, especially those whose design is not compatible with RCTs. Finding a suitable control group can be challenging, and ethical concerns may arise due to the difficulty in justifying the exclusion of a portion of the population from an established programme solely for evaluation purposes. Conversely, other partners chose to test innovative approaches to address priority issues (e.g. tackling child poverty in Galicia). These interventions often involved multiple components and posed delivery complexities, further challenging the RCT methodology. This underscores the importance of designing evaluations in tandem with intervention design and implementation.

To maintain transparency, potential pilot programme participants were informed about the RCT methodology, their participation in an evaluation, and the possibility of not benefiting from the programme. However, this set-up may have led to unintended behavioural effects, such as the Hawthorne effect, where individuals change their behaviour simply because they know they are part of the treatment group, or the John-Henry effect, where control group individuals alter their behaviour due to feeling excluded from the programme. To increase the likelihood of obtaining necessary data for evaluation, individuals in the control group were often given incentives to complete online questionnaires.

Additionally, RCTs can be expensive and time-consuming, and their results may not always be generalisable. Alternative evaluation methods, such as quasi-experimental designs or observational studies, may be more fitting for evaluating established or complex programmes. However, non-experimental methods remain largely unexplored in the evaluation of inclusion policies in Spain.

In summary, the RCT pilot experience represents a significant first step towards producing reliable evidence to inform policy making in Spain, as outcomes are evaluated rigorously and objectively. The experience showcased a unique example of collaboration across various institutional levels (state, regions municipalities and third sector). It heightened the awareness of various stakeholders regarding the importance of evaluations for evidence-based policy making while also providing training on the design, implementation, and management of impact evaluations. To ensure this experience is not an isolated event, it is vital to establish a systematic evaluation framework for social inclusion policies, taking into account lessons learned in determining when RCTs are the most appropriate evaluation method and how to execute them efficiently. With a comprehensive understanding of past experiences, establishing a systematic evaluation framework for social inclusion policies can be effectively pursued. Additionally, non-experimental CIE methods should be consistently employed, particularly when budgets are constrained, RCT rigour is compromised, or ethical concerns arise.

5.1.3. Necessary human resources

This section discusses the requirements for staff and skills in MISSM to be able to introduce a systematic M&E framework for the SIM, as proposed in the previous section. In addition, this section outlines how the work of the M&E unit in MISSM could be further strengthened by co-operating with external researchers.

Staff requirements

Before the introduction of the IMV scheme, the different units for statistics and analysis in the policy areas of labour market and social security (around 100 staff members across 7 units in MISSM and MITES) were generally not equipped to apply more advanced econometric methods and conduct policy evaluations (OECD, 2020[3]). About one-half of human resources in these units went on preparing and linking data for statistics and analytical purposes (validating, structuring and cleaning data, running quality controls), and only less than half of staff were actually producing statistics and analysis, essentially being able to cover only the critical needs for statistics.

A considerable challenge for the statistics units within labour and social security fields in Spain has been somewhat outdated IT infrastructure and sometimes missing solutions for data analytics (although the situation varies across registers and units). As such, producing statistics and analysis has required more human resources, and as the number of civil servants in the Spanish public sector has been tightly capped, ministries have struggled to have resources for evaluation activities. Also, the skill composition in the units has reflected these challenges, as while staff in statistics and analysis have been generally highly qualified, the skills were, for example, particularly strong regarding Query Languages and MS Excel but low in terms of software packages for statistics and analysis (such as STATA, SAS, R, etc.). The few attempts over the years to introduce dedicated evaluation units within the relevant ministries (such as to evaluate ESF programmes or ALMPs) have not been successful, partly related to constrained hiring policies, salary attractiveness and opportunities in the public sector.

Aiming at evidence-based policy making regarding the introduction of the new IMV scheme, MISSM set up a new dedicated unit to support the IMV design and implementation with analysis and evaluation activities, the Deputy Directorate for Inclusion Indicators and Objectives (Subdirección General de Objetivos e Indicadores de Inclusión, SGOII) in the General Secretariat for Inclusion (Secretaría General de Objetivos y Políticas de Inclusión y Previsión Social). The SGOII was explicitly mandated to conduct ex ante and ex post impact evaluations of inclusion policies and build such capacity relatively quickly.

The hiring plan for SGOII aimed at creating a unit in which all staff will have training and experience in conducting analytical work, including designing policy experiments and pilots and other types of CIEs. By 2023, SGOII has developed into a strong, motivated team with a good theoretical understanding of impact ex post evaluations and some experience in conducting ex ante evaluations and designing RCTs. The SGOII team has been able to increase their expertise on impact evaluations within the short time since their creation, as well as support AACC, municipalities and third-sector organisations in designing and implementing the pilot programmes targeting IMV beneficiaries (see the previous section), thus also building the analytical capacity among other stakeholders.

The SGOII team might need to increase staff to be able to fully implement the M&E activities of the SIM outlined in this report, particularly as, in addition to the actual analytical activities, tight engagement with the different stakeholders is necessary. In addition, it would be beneficial for SGOII to further build its experience in CIE, including in terms of applying quasi-experimental methodologies. As the design of the IMV scheme and the related SIM would be more homogenously implemented across Spain in the future, it might not be as feasible to evaluate the different aspects by using RCTs. Thus, the skills to apply other methodologies would become more relevant. Should the SGOII team outsource such evaluations (or e.g. only be conducted by AIReF), it would be important for SGOII to be well familiarised with the different methodologies to drive the evaluation and evidence-based policy-making processes, identify credible evidence and pinpoint gaps in the available evidence.

Regardless of SGOII being a good practice example of swiftly building good analytical capacity and evidence-based policy making, the successful development of the M&E framework for the SIM will depend on the staff capacity of other stakeholders as well. For example, the M&E framework will need good data from other registers (see Section 1.4), such as from the social security registers, AEAT and SEPE, as well as AACC registers. So far, establishing these data exchanges has not been entirely successful, as these also require human resources in addition to establishing appropriate legal and technical solutions. Staff from the different organisations need to discuss which data could be exchanged to meet the objectives of the M&E framework the best. The data protection officers need to find legal solutions for the data exchange to be compatible with data protection regulations. The IT specialists need to establish the most efficient technical solutions for the data exchange. All these discussions would benefit from the staff across the relevant institutions being more aware of why evidence-based policy making is important and how establishing data exchanges could support this process.

Co-operation with external researchers

Tapping into the expertise of external researchers could facilitate SGOII in advancing in developing the M&E framework for the SIM and building its analytical capacity. Co-operating with external researchers on evaluation or outsourcing some evaluation activities entirely would enable SGOII to make more human resources available for these activities and thus tackle the challenges of the public sector hiring policies. In addition, such co-operation would enable SGOII staff to learn about the evaluation design and methodology during the evaluation process and gain the relevant expertise, building their capacity for the future.

The SGOII team has already started co-operating with external researchers with considerable success. SGOII has been able to put in place a bilateral agreement with the Center for Monetary and Financial Studies (CEMFI) to conduct the evaluations of the pilot programmes targeting IMV beneficiaries (see Section 5.1.2) without additional financial burden. Further building a network of experts with whom to co-operate more regularly could foster SGOII's M&E activities, even if the co-operation would only be in terms of discussing different topics related to M&E. Such co-operation partners could be INE, AIReF, the Bank of Spain, researchers in academia, as well as international experts and researchers.

A way to increase researchers' interest in supporting SGOII in evaluating social integration models would be establishing data availability for such evaluations in SGOII and making these data securely available

for researchers. In addition to enabling the commissioning of analytical work to third parties, facilitating access to administrative data allows researchers to engage in activities that can overlap with the evaluation needs of SGOII. This can represent a win-win situation for SGOII and the research community, as the empirical research activity on social integration models can grow, building the evidence base for policy making without additional cost. Generally, this has also been the main channel that made the current co-operation between SGOII and CEMFI possible. However, in the current set-up, evidence will be only generated temporarily and by one organisation. Nevertheless, SGOII has initiated mapping the metadata concerning the data relevant for the ongoing pilots, which will enable sharing of the pilot data in the future with other researchers in addition to CEMFI. In addition, SGOII needs to develop specific, clear and transparent guidelines and processes for external users to request and receive these data in collaboration with the data protection delegates to ensure data exchange practices comply with data protection regulations.

However, it is unlikely that only "free" collaboration with researchers and evidence produced by other public sector institutions (above all, AIReF) will be sufficient to sustainably cover all the needs for evidence on social integration models. In addition, conducting all M&E only internally in SGOII might not be sufficient to ensure objectivity and credibility of the results among other stakeholders. As such, MISSM needs to establish systematic public procurement processes to generate additional evidence on some of the key dimensions of SIM for the IMV beneficiaries and allocate sufficient funding for these activities. This means that MISSM needs a broader strategy for the M&E framework beyond a system of indicators, methodology and data. The strategy also needs to guide the aspects of funding the system and the related procurement processes.

5.1.4. Data needs and sources

M&E efforts, including CIEs, heavily rely on data availability. Identifying and obtaining information on programme participants and accessing information to select a control group among non-participants are necessary steps in the evaluation process. Furthermore, tracking individuals over time and observing their social and labour market integration outcomes is an essential component of effective M&E (see Table 5.2).

Table 5.2. Data needs for the M&E of inclusion programmes in Spain

Data needs	Description	Example
Treatment status	Data to identify individuals who participate and those who do not participate in the programme to be evaluated	Data to identify who an IMV recipient is for the evaluation of IMV
Individual characteristics	Data on socio-demographic characteristics and other individual-level variables to ensure that treatment and control groups are comparable	Data on demographic characteristics, such as gender, age, education, residence, nationality and civil status; household-level characteristics, such as family composition and characteristics of family members; history of (un)employment, benefits, etc.
Activities/intermediary outcomes	Data to identify the specific activities individuals undertake during the intervention to be evaluated or as a result of it	Data on the specific ALMPs or social programmes undertaken in the context of the evaluation of inclusion itineraries
Outcomes	Data on the final outcomes of interest for both programme participants and non-participants	Data on labour market integration (e.g. employment and its quality) and social inclusion and well-being (e.g. children's education, self-esteem or health outcomes) to evaluate the new inclusion model

Source: OECD internal methodology.

Administrative data serve as the most relevant data source, encompassing the majority of the information outlined above. This type of data is collected, used, and stored primarily for operational purposes but can also be used for research purposes without incurring significant additional costs (OECD, 2020[12]). Administrative data offer the advantage of covering nearly all individuals relevant to a given study, thereby

reducing the potential non-response bias present in surveys. Moreover, administrative data can be more accurate than survey data when measuring complex or difficult-to-remember individual characteristics (e.g. the end date of the last unemployment episode, benefit amounts).

In Spain, there is considerable variation in microdata ownership and access across AACC and municipalities, with no comprehensive and unified national system in place for inclusion services and their users (Fernández, Kups and Llena-Nozal, 2022[6]). However, a substantial amount of administrative microdata on individuals and programmes related to social and labour market inclusion is collected by various institutions for operational purposes and could be used for evaluation purposes.

SIUSS is the closest approximation to a unified national data system for social services. SIUSS is an operational tool used at the municipal level in the daily work of the primary care social services teams. It records data on users, diagnoses, social interventions, activities performed by professionals, reports, appointment management, etc. SIUSS enables homogeneity for statistical analysis across the municipalities that use it through a common classification and taxonomy of services. However, its adoption varies considerably across municipalities due to its voluntary nature (Fernández, Kups and Llena-Nozal, 2022[6]). Regarding the data needs for M&E presented in Table 5.2, SIUSS mainly provides data on activities and intermediary outcomes related to social services usage, individual characteristics, and, to a lesser extent, treatment status (depending on whether the programme to be evaluated is part of the registry or not).

Another promising development, the Single Social History (Historia Social Única, HSU), is still in its early stages and has only been adopted by a few AACC. HSU aims to compile all information on the social care received by each person, utilising a digital tool accessible to both professionals and beneficiaries. In particular, it will enable the collection of information on programmes, services and benefits available and received by users through public services as well as third-sector and private providers. Additionally, HSU will expand the information available on social services users by tracking not only the services they receive but also their needs in terms of social care. It may also integrate information from other systems, such as health systems. This could provide a more comprehensive view of target individuals' characteristics (e.g. their needs and health status) and their activities related to social care (e.g. all programmes they request and the ones they benefit from).

When considering employment services, the situation appears more promising. The Information System of Public Employment Services (SISPE) serves as a unified national data system. SISPE integrates information related to the management of unemployment benefits and ALMPs implemented by PES at both state and AACC levels. As such, data on jobseekers' characteristics and the various services and programmes they use, as contained in SISPE, are received through interfaces with operational databases of the AACC (i.e. initially inputted by employment counsellors). Notably, the time lag between data collection and availability for use is minimal, with SISPE providing near-live data. SISPE also houses data on exits from unemployment and employment contracts (including occupation, contract type and duration). In relation to the data needs for M&E detailed in Table 5.2, SISPE includes all necessary data for evaluating employment-related interventions. Additionally, if the new SIM specifically targets IMV recipients, SISPE should facilitate the identification of the relevant population, as IMV recipients must register as jobseekers at regional public employment services. Compared to SIUSS, SISPE provides information on individuals' characteristics and activities and intermediary outcomes and measures final outcomes. However, SISPE lacks data on social services received by individuals beyond those overlapping with ALMPs, and it does not include information on household composition or other household members, which could be very relevant for categorising beneficiaries.

The National Strategy for the Prevention and Fight against Poverty and Social Exclusion (2019-23) envisions integrating SIUSS and SISPE to streamline actions, benefits and services from both protection systems in fostering inclusion. This enhancement would consolidate most of the required data in one location, not only simplifying the generation of evidence for social inclusion programmes, such as

through CIEs, but also facilitating effective monitoring of these programmes as tracking progress, identifying areas for improvement, and measuring the effectiveness becomes substantially more efficient.

Additional data sources could also be explored to enhance the evaluation of Spain's new SIM. For example, the National Social Security Institute (INSS) collects extensive data on IMV claimants through registration forms. This dataset comprises numerous unique variables related to social inclusion, such as housing, family composition, disabilities, dependency and victimisation due to gender violence, as well as socio-demographic characteristics and employment status and earnings. Data on employment history from INSS is also a valuable resource that can further enrich the analysis. These data could be shared with other institutions, alleviating the burden of multiple organisations collecting similar information. Tax data from the AEAT may also be relevant, as it collects income, wealth and tax variables, along with other derived information, for all taxpayers in Spain. Consequently, this data source could help in gathering information for constructing a comparable control group and obtaining final outcome variables, such as income and wealth, thereby enabling the estimation of material deprivation and poverty levels.

To complement these administrative data sources, survey data could also be collected to evaluate the different elements of the SIM, including outreach, conditionality, referral and assessment, and others. Survey data would provide valuable information on individuals' behaviours, attitudes, or perceptions that are not typically captured in administrative data. For instance, survey data may be more appropriate when evaluating the impact of a programme on individuals' subjective well-being or job satisfaction. Notably, the pilot programmes targeting IMV beneficiaries do include this type of survey data in their evaluations, demonstrating its relevance and utility in the assessment process.

Building upon these existing information systems and data sources, it is vital to strengthen the data exchange infrastructure and data integration mechanisms (Fernández, Kups and Llena-Nozal, 2022[6]; OECD, 2020[3]). This is particularly necessary at subnational levels to provide a comprehensive view of social and labour market services. Ideally, a well-designed M&E framework should use digital solutions to produce and distribute results. Data warehouse and data lake solutions can help effectively prepare data from diverse registers for analytics. Business intelligence tools play a crucial role in this context. They provide capabilities such as setting up pre-defined queries, which allows for an efficient, systematic production of monitoring indicator values. Additionally, these tools offer visualisation functionalities that significantly speed up understanding trends and comparisons across various subgroups. Moreover, creating tailored dashboards within business intelligence tools serves to channel information appropriately according to the specific needs of different user groups. This approach optimises the data delivery process and enhances overall efficiency in monitoring and evaluating social services.

Having explored the general framework for M&E of the new SIM, including its objectives, methodology, necessary resources, and data needs, the next section will discuss the practical aspects of implementation. It serves as a roadmap for the pilot implementation of various components of the new SIM, such as referral and preliminary assessment, as well as exploring the conditionality rules involved.

5.2. Roadmap for pilot implementation of selected components of Spain's new social inclusion model

This section outlines the primary steps to conduct a CIE of two key components outlined in Chapter 6: the assessment and referral protocol and the conditionality within the new SIM. The conditionality aspect is illustrated with the example of compulsory schooling for IMV beneficiaries' children. The section defines the outcomes of interest, the results chain, the method, the necessary data and the action plan for conducting the evaluation.

5.2.1. Referral and preliminary assessment

One of the main challenges for social inclusion in Spain is the absence of efficient referral protocols (see Chapters 3 and 4). Currently, there is no systematic assessment or referral procedure for individuals who receive IMV benefits, which leads to many individuals not benefiting from services and itineraries adapted to their needs. To address this issue, the new inclusion model outlined by the OECD proposes to develop a comprehensive assessment and referral protocol that directs IMV recipients to an assessment and referral unit. There are various options for setting up this unit, including a multidisciplinary team comprising employment experts and social workers. This unit will be responsible for assessing the needs of IMV recipients and determining which services would benefit them most. For example, they could be directed towards a labour itinerary, a social itinerary or a socio-labour itinerary. Generating evidence on whether and how setting up a comprehensive and structured referral and assessment protocol leads to better inclusion pathways is crucial to building a new and well-performing SIM.

The conceptual framework and the outcome variables to be assessed

This section first explains how constructing a conceptual framework can help structure the understanding of the objectives of the new assessment and referral protocol. It then describes the outcome variables of interest for its evaluation.

The results chain

To clarify the evaluation questions, it is essential first to understand the causal logic behind the new model's referral and preliminary assessment protocol: from identifying available resources to defining the results to be achieved. More specifically, it involves determining the inputs, activities, outputs and outcomes of the referral (Gertler et al., 2016[1]). The "results chain" can be defined as follows:

- **Inputs:** The resources available for the referral. The funds, the human resources related to the staff in charge of the assessment and referral, assessment tools, administrative resources, facilities and materials (computers, paper forms, etc.), etc.
- **Activities:** Actions that transform inputs into outputs, including all aspects of assessment and referral, such as identifying individuals' needs and determining the most suitable ones.
- **Outputs:** Tangible goods and services generated by referral activities, such as the number of individuals participating in the referral, the number approaching advised services, and following recommended itineraries, etc.
- **Net outcomes (impacts):** The effects produced by the referral protocol on the target population after exposure, accounting for the counterfactual outcomes of participants had they not participated. These effects can be measured along different dimensions; those of interest for this evaluation are detailed in the next section.

Inputs, activities, and outputs comprise the implementation phase, which is usually the responsibility of the stakeholders in charge of implementation (AACC). Consequently, CIEs primarily concentrate on identifying the net outcomes. The central question is whether any observed changes can be causally linked to the referral process. By evaluating this causal impact, it becomes possible to determine if the referral protocol objectives within the new inclusion model have been met. The subsequent section outlines the outcome variables that can be used to measure the referral's impact.

Definition of the outcome variables of interest

The primary objective of the assessment and referral protocol within the new inclusion model is to enhance participants' social and labour market integration. As a result, the main outcome variables analysed will naturally relate to social and labour market integration. However, depending on data availability (see

Section 5.1.4), a counterfactual evaluation may offer an opportunity to determine whether the intervention affects other dimensions and help understand the mechanisms at play. In this regard, secondary and intermediate outcome variables may also be investigated.

Suggested main outcome variables related to social and labour market inclusion can be categorised into the following categories:

- **Employment/labour market integration**: This variable indicates whether individuals are employed (self-employed or employed) at a specific point in time or during a specific period (e.g. number of days employed in the six months after exiting unemployment or employment status one year after the initial interview with the referral team). It measures whether participants in the new referral process are more likely to find employment due to their participation (and are thus more likely to be employed) than if they had not participated. Participation in a training programme may also be considered a step towards labour market integration, reflecting an aspect of enhanced employability, and is thus included in this variable.
- **Quality of employment**: Beyond determining whether individuals have increased access to employment, it is essential to assess the quality of the jobs found. Several variables can be measured, such as wages, contract stability (permanent, fixed-term, temporary, etc.), contract duration, individual's job satisfaction, etc.
- **Income and wealth**: This category encompasses wages and other revenue types. Income and wealth variables are commonly used to measure social exclusion, as they help identify whether individuals or households fall below a specific poverty threshold and are at risk of material deprivation. If data allow, disposable income, which accounts for potential debts individuals incur, can also be explored.
- **Housing**: An individual's housing situation is crucial to their broader social integration process. Outcomes in this category should measure the quality of housing, evaluating aspects like living conditions, safety and access to utilities, and housing stability, which considers the frequency of moves or periods of homelessness.
- **Social integration**: This aspect focuses on the path towards complete societal inclusion. It reflects outcomes such as access to social services, availability of social connections, improvement in social skills and participation in community activities.
- **Health**: Variables in this category should encompass both physical and mental health. For example, it may be valuable to track individuals' likelihood of having a physical injury, a common disease, a mental health disease or an alcoholism or drug addiction issue.

Additional secondary outcome variables related to inclusion can be explored if data allow. These may include measures of subjective well-being, such as individuals' confidence and satisfaction levels; children's education, including school enrolment, days of absence and grades, etc.

Furthermore, intermediary outcomes should be explored to understand the mechanisms behind the main outcomes' effects within the context of the new referral procedure. These may include:

- **Information on take-up**: Are participants in the new referral protocol approaching services/itineraries advised more frequently?
- **Job search tools**: Do participants use a broader range of tools/resources while looking for a job?
- **Number of applications submitted and job interviews conducted**.
- **Autonomy**: Are participants less reliant on others to act and make decisions?
- **Degree of recipient dependency on IMV**: How long do they stay in the scheme?
- **Cognitive and non-cognitive skills** targeted by the itineraries (e.g. digital skills).

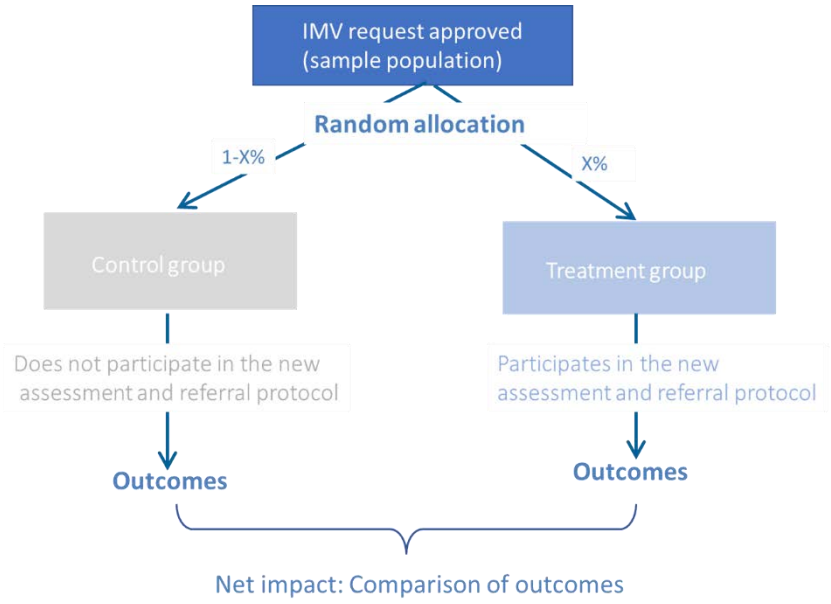
An RCT to evaluate the impact of the new assessment and referral protocol

As discussed in Section 5.1.2 – and in greater detail in OECD (2020[3]) – RCTs are the most straightforward method for measuring a policy's causal impact (Duflo, 2007[13]; Abdul Latif Jameel Poverty Action Lab, n.d.[14]). They are particularly valuable for piloting policies prior to large-scale implementation.

Piloting the new assessment and referral protocol through an experimental approach appears to be the most accurate choice for evaluation. Setting up the new referral protocol may require substantial resources that could be limited in the short term. Most importantly, human resources needed for assessment and referral units may be scarce. As a result, providing all IMV recipients with the new referral protocol in the short term seems unrealistic. An oversubscription design, where potential participants exceed programme capacity, justifies conducting an RCT since it can be implemented without major ethical concerns and because accurately measuring the referral protocol's impact is crucial before committing significant resources to it.

The new referral protocol may intervene immediately after the IMV claimant's request has been accepted. The more straightforward way to proceed is thus to randomly allocate individuals to participate in the referral protocol among the pool of individuals with an accepted IMV request. Figure 5.2 illustrates how the RCT could be conducted. First, a specific proportion of IMV recipients are randomly allocated to the treatment group, while the remaining recipients constitute the control group. The treatment group then participates in the new assessment and referral protocol, while the control group does not. Finally, after the intervention, outcomes for both groups are compared to determine the causal impact of the new protocol. It is important to note that the proportion of individuals assigned to treatment depends on capacity constraints (i.e. the number of referral units that can be set up and the number of individuals they can assist) as well as power calculations that provide information on the necessary sample and treatment size to have sufficient statistical power to detect the expected effects.

Figure 5.2. Diagram of the evaluation of the new assessment and referral protocol through an RCT



Source: OECD internal methodology.

Data requirements to conduct the evaluation

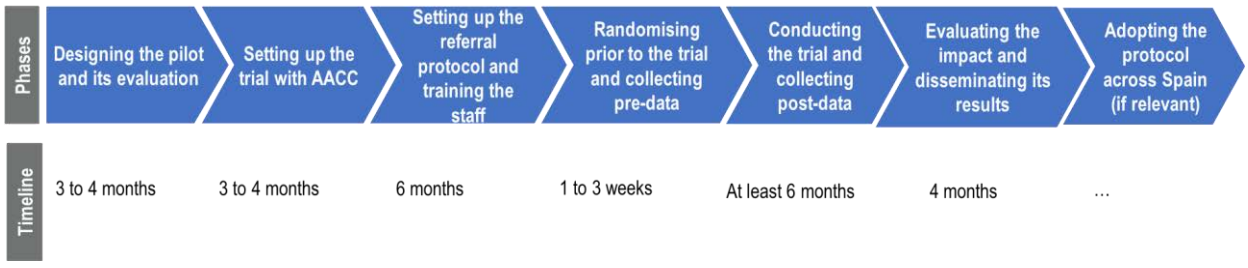
To conduct a rigorous evaluation of the new assessment and referral protocol through an RCT, specific data are crucial. The evaluator should be able to identify individuals in the treatment and control groups, ideally through a unique identifier, and have information on their key characteristics, like level of education, gender and family composition. This information is important mostly to check the balance between the two groups and verify that the random assignment was properly conducted. However, exhaustive data on socio-demographic characteristics or employment history is not as vital in an RCT. The design ensures the groups are statistically equivalent, minimising the need for extensive control variable adjustments. Thus, the primary focus is to collect data on the primary outcomes of interest.

Since IMV recipients are mandated to register at regional PES, SISPE seems to be the most natural primary data source for this evaluation (see Section 5.1.4). Both control and treated individuals can be identified, and their main observable characteristics are recorded (socio-demographic characteristics, unemployment history, etc.). Furthermore, employment-related outcomes are tracked over time for both groups, including intermediary outcomes, such as the use of ALMPs, and final outcomes, such as the likelihood of finding a job and the details of the job found (type of contract, number of hours, sector, etc.). However, these data lack information on outcomes related to social inclusion. Therefore, linking SISPE data with either SIUSS or HSU is needed to assess the effect of the assessment and referral protocol on individuals' social integration. This process should take into consideration the harmonisation and comparability of data. Furthermore, additional data collection could occur at the AACC level as some of them have experience in collecting non-administrative data through surveys for evaluation purposes through recent pilots.

Action plan for pilot implementation

To successfully implement the pilot, several key phases should be followed (see Figure 5.3). The phases could take about 25 months in total. The first phase involves designing the pilot and its evaluation. This initial phase involves the elements discussed in previous sections: determining the results chain and outcomes of interest; selecting the evaluation method while taking into account ethical considerations; identifying the eligible population for the treatment and comparison groups; and determining the appropriate sample size through power calculations. Data needs must also be assessed, and a data collection plan should be developed. Additionally, an evaluation team should be established, and potential risks of the evaluation, such as selective survey attrition and spillover effects, should be assessed.

Figure 5.3. Action plan for the implementation of the new assessment and referral protocol



Source: OECD internal methodology.

Since the evaluation of the new assessment and referral protocol takes place at the level of the AACC, the second implementation phase is to set up the trial with the AACC. This phase involves ensuring that regional stakeholders, such as regional PES and social services, fully understand the process and evaluation needs. Co-ordination is crucial to implementing the referral protocol and collecting data

effectively. After this, the assessment and referral protocol can be set up. This entails establishing all necessary elements for the referral protocol to be functional, such as designating a physical space, hiring or allocating required staff and training staff to conduct the assessment and referral protocol (for instance, familiarising them with the tools to be used to assess the needs and allocate individuals to the different itineraries). It is also essential to raise awareness among staff about the evaluation design and protocol.

Once the assessment and referral protocols are established, randomisation should be conducted before the intervention. The evaluation team can work with MISSM and the AACC to carry out randomisation. Balance checks must be conducted to validate that the treatment and control groups are statistically equivalent before the intervention. It is essential to conduct the randomisation quickly, as newly registered IMV beneficiaries should not wait too long before participating in the referral protocol; otherwise, the efficiency of the protocol could be compromised. At this stage, data collection can take place simultaneously, including baseline observable characteristics and outcome variables prior to the intervention.

The intervention can then be implemented, with individuals in the treatment group participating in the referral protocol while controls do not. The intervention must last long enough for its potential effects to become visible, with six months conventionally being the minimum amount of time required before measuring social and labour market outcomes in this type of intervention. Intermediary outcomes could be tracked before this time horizon. Data collection also takes place during the intervention phase and at the end of it.

After the intervention, the analytical work can begin. The survey or administrative data need to be cleaned and its quality verified. The data can then be analysed descriptively, and subsequently, empirical regressions should be run to retrieve the causal effect of the referral protocol. Robustness checks can be conducted to validate the results. The findings should be compiled in a report and disseminated first internally and then externally. Depending on the results, expanding the assessment and referral protocol to all IMV beneficiaries in Spain could be foreseen.

5.2.2. Conditionality: Compulsory schooling for the children of IMV beneficiaries

In Spain, prior to the implementation of the IMV, regional minimum income schemes (MIS) (Renta Mínima de Inserción) were in place (see Chapter 3). Both the IMV and the MIS share the common goal of providing income to meet the basic needs of individuals or family units. However, the MIS imposes certain requirements, which, despite slight regional variations, generally include residency in the application region, an age range of 25 to 65, prior application for eligible benefits and pensions (e.g. unemployment benefits) and mandatory schooling for dependent minors. Conversely, the national IMV was introduced with no requirements other than the income threshold. This absence of conditionality may have led to unintended consequences, as some individuals might have opted for the IMV over regional schemes to bypass these requirements. Therefore, revisiting some of the conditionality rules is a critical aspect of the new SIM (see Chapter 6). Regions that enforce compulsory schooling for children within their MIS are concerned about the absence of such a requirement for beneficiaries of the IMV. Stakeholders in the education sector have expressed their apprehensions, citing an increase in dropouts among the most vulnerable children. Reinstating this condition could help prevent children from falling into social exclusion that may negatively impact their long-term integration outcomes. Assessing the effects of such a conditionality rule is crucial not only to providing evidence of its importance but also to emphasise the broader significance of schooling for the future integration of vulnerable children in Spain. This section presents a roadmap for evaluating the potential introduction of this conditionality rule.

The conceptual framework and the outcome variables to be assessed

The results chain

The causal logic behind imposing conditionality on IMV beneficiaries to enrol their children in school differs considerably from that of the assessment and referral protocol (see Section 5.2.1). The objectives of these initiatives target different dimensions and individuals and require different resources. For the conditionality rule of enrolling children in school, the "results chain" can be defined as follows:

- **Inputs**: The resources available for putting in place and enforcing the conditionality rule. Mainly the funds and human resources necessary to monitor the fulfilment of the conditionality.
- **Activities**: Enforcing the conditionality rule, thus making sure that the children of IMV beneficiaries are enrolled in school.
- **Outputs**: The number of children of IMV beneficiaries enrolled in school, their attendance rate, their test scores, their future social and labour market integration, etc.
- **Net outcomes (impacts)**: The effects produced by the implementation of compulsory schooling on IMV beneficiaries' children after exposure, accounting for the counterfactual outcomes of IMV participants had they not been subject to the conditionality rule. Net outcomes can be measured along different dimensions; those of interest for the impact evaluation of the conditionality rule are detailed below.

Definition of the outcome variables of interest

The primary objective of mandating schooling for children of IMV recipients under the new inclusion model is to prevent school dropouts among vulnerable children and improve their future social and labour market integration. As a result, the main outcome variables to be analysed will focus on the children of IMV recipients rather than the recipients themselves. They can be divided into short-term and long-term outcomes. Furthermore, spillovers from this policy on integration outcomes of IMV recipients themselves can also be explored.

Regarding the short-term effects of the conditionality rule on children, the suggested main outcome variables can be divided into two categories:

- **Education-related outcome variables**: This first category includes outcome variables such as the probability of IMV beneficiaries' children enrolling in school, the number of days they attend school, their test scores and their likelihood of failing a subject. These variables measure the policy's intended first-order effect, which is whether the children of IMV beneficiaries participate in compulsory education and the results they achieve through their participation.
- **Other well-being-related outcome variables**, **including those for both objective and subjective well-being**:[7] In addition to assessing whether children have increased their school participation, evaluating other dimensions that affect their well-being and quality of life is essential. Objective well-being variables include children's physical and mental health status, such as the likelihood of being sick, having a chronic illness or nutritional indicators (overweight, underweight, stunting, etc.). They can also include other dimensions, such as access to necessities, housing quality and stability, and time spent on leisure activities. Subjective well-being could be measured through friends and family relationships, loneliness, feeling safe at school, happiness, motivation, etc. (OECD, 2013[15])

In the long term, research has shown that additional years of schooling can lead to better integration into the labour market and better pay over the life cycle (Heckman, Lochner and Todd, 2008[16]; Bhuller, Mogstad and Salvanes, 2017[17]). Thus, to assess the long-term effects of the conditionality rule, variables such as enrolment and achievement in higher education can be explored, as well as the main outcome

variables related to social and labour market inclusion described in Section 5.2.1 (e.g. employment and income at a given point in adult life).

Furthermore, the enforcement of sending children to school also affects IMV recipients' outcomes directly, which can be analysed through different dimensions. Financial outcome variables, such as investments made in children's education (e.g. textbooks), the impact on IMV recipients' income and wealth, and household task allocation, can be considered. Additionally, the social integration outcomes for parents, resulting from the enrolment of their children in school, may also be explored. For example, they may benefit from interacting with other parents and expanding their social networks.

Method to evaluate policy impact

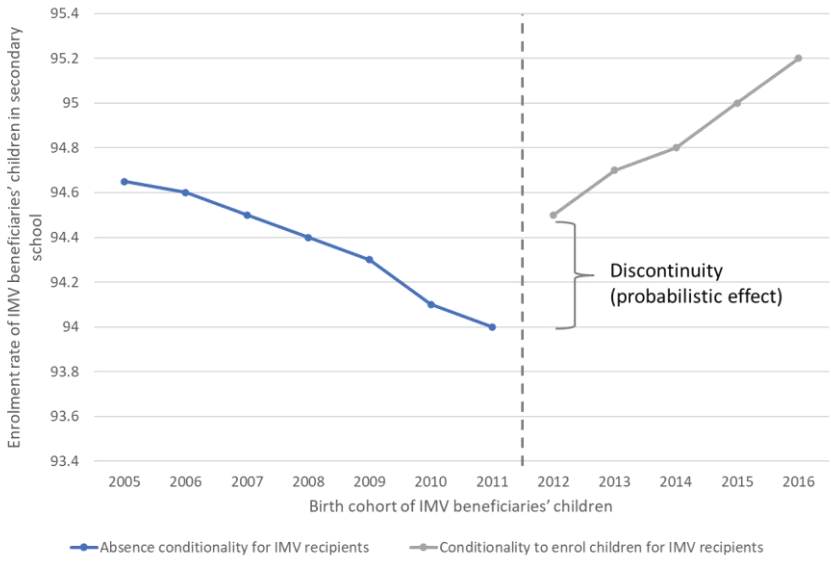
In contrast to the evaluation of the referral and assessment protocol discussed in the previous section, experimental evaluations are not appropriate for assessing the impact of mandating compulsory schooling for children of IMV beneficiaries or any other change in eligibility criteria. The main reason for this includes both ethical and legal concerns. Ethically, randomly assigning individuals to a new conditionality rule raises questions, as it hinders access to a vital resource and a right to a specific subgroup of the population, potentially exacerbating inequalities and causing irreversible negative consequences. Legally, eligibility requirements cannot differ at random, further constraining the feasibility of using experimental evaluations in this context.

The conditionality rule must then apply to all IMV beneficiaries once implemented. This setting requires the use of quasi-experimental methods for evaluation, with regression discontinuity design (RDD) being particularly well-suited. Although the conditionality rule is put in place simultaneously across the Spanish territory, it creates a natural cut-off point in time. Consequently, the degree to which children of IMV recipients are affected by the rule depends on their age (or birth cohort). RDD exploits this cut-off point by comparing individuals just below and above it (Cattaneo, Idrobo and Titiunik, 2019[18]; Angrist and Rokkanen, 2015[19]). Individuals on either side of the cut-off are assumed to be sufficiently similar in observed and unobserved characteristics to approximate a random allocation.

The Spanish education system has six years of primary school (from ages 6 to 12) and four years of compulsory secondary education (from ages 13 to 16). This evaluation could focus on compulsory secondary education for simplicity and because children in this age range are more likely to be removed from school for household tasks or work. Additionally, the evaluation should only occur in AACC where existing regional MIS also impose conditionality on enrolling children in school; otherwise, the observed effect could be confounded by strategic decisions to switch from the national to the regional scheme to circumvent this constraint.

IMV was introduced in June 2020 without requiring beneficiaries to enrol their children in school, unlike some existing regional schemes. If the hypothetical date for introducing the new conditionality rule is set to June 2024, all children of IMV beneficiaries of the age to enrol in secondary education from 2020 to 2024[8] (birth cohorts from 2005 to 2011) would not fall under the new compulsory schooling rule for their parents for at least a year. In contrast, all children of IMV beneficiaries starting secondary school from 2024 onwards (birth cohorts starting from 2012) would be subject to the new rule mandating compulsory schooling. These two groups (treatment and control) can be compared to assess the effect of the conditionality through an RDD (refer to Figure 5.4 for a practical illustration of the methodology). It is important to highlight that the cohorts impacted by the initial lack of a schooling conditionality rule have different levels of exposure. For instance, children from the birth cohort of 2008 were exposed during their entire secondary education, while the 2005 and 2011 cohorts were only exposed for one year. Therefore, it could be beneficial to explore using a continuous treatment variable rather than a binary one to determine the effect of one additional year of exposure to the conditionality.

Figure 5.4. Illustration of a hypothetical RDD setting for evaluating the mandatory schooling conditionality rule



Note: This figure illustrates a hypothetical RDD setting in which the conditionality rule to enrol children in school is imposed on all IMV beneficiaries as of June 2024. This means that children of IMV beneficiaries having the age to start secondary school as of this point in time might be affected; these are children born as of 2012.
Source: OECD internal methodology.

Data requirements to conduct the evaluation

In the context of an RDD or other quasi-experimental or observational evaluations, data requirements are more extensive than in experimental evaluations. In fact, these methodologies attempt to approximate an RCT setting under specific assumptions. To test these assumptions and verify the validity of the methodology, it is crucial to gather a significant amount of data.

The main assumptions in an RDD context are: 1) individuals cannot manipulate the assignment variable; and 2) individuals are equivalent at either side of the cut-off, implying that other variables do not change discontinuously at the cut-off. To assess the plausibility of this assumption, the most common test involves examining whether observed characteristics have identical distributions on either side of the cut-off, meaning no discontinuities should exist in the observables.

Therefore, data on observable characteristics are highly valuable. As detailed in Section 5.1.4, comprehensive socio-demographic and economic characteristics of IMV recipients and their households are collected through registration forms by the INSS. Comparable data could also be obtained from SIUSS, HSU or SISPE sources. Although this information concerns IMV beneficiaries rather than their children directly, it provides ample insight into the children's environment, resources and living conditions, allowing for testing the absence of discontinuity on observable characteristics and thus for the similarity between treatment and control groups.

However, gathering data on the outcome variables of interest presents more challenges. The data described in Section 5.1.4 allow for evaluating social inclusion programmes and policies on their direct target group. In the case of the conditionality rule for enrolling children in school, the main outcomes of interest concern children, not the IMV beneficiaries. In Spain, education policies are highly decentralised. For example, the Spanish Government determines the general characteristics requirements of tests to ensure national standards, but regional governments are responsible for the final design and implementation. Consequently, no national evaluations exist, and education-related data are collected and

stored regionally. To evaluate the conditionality for IMV beneficiaries to enrol their children in school, efforts must be made to link educational (and other) data on children to the data on IMV recipients, which may require co-ordination with the education ministries of regional governments.

Surveys can also be conducted to collect the necessary data, including information related to subjective well-being. However, as this is a long-term evaluation (see the following section), gathering survey data may be costly and challenging. Issues such as attrition, if participants cannot be tracked, or recall bias, if participants provide inaccurate information when reporting past events or experiences, must be considered.

Action plan for the evaluation

Similar to the RCT presented in Section 5.2.1, the action plan's first phase should focus on preparation. This involves designing and planning the CIE and includes key steps, such as determining the theory of change; identifying outcome variables of interest; selecting the appropriate CIE methodology while addressing ethical concerns; assembling an evaluation team; and planning data collection. The latter aspect is vital for assessing the conditionality rule, as potential data sources are numerous and are not yet linked for any other purpose. Therefore, significant co-ordination efforts and investments may be necessary.

Following the evaluation design and identification of data sources, the conditionality rule can be implemented. In contrast to experimental evaluations, there is no need to construct control and treatment groups ex ante or train staff on the evaluation methodology. However, to maximise the conditionality rule's potential effects, efforts should focus on making the policy as binding as possible. This entails monitoring the enforcement of the conditionality rule throughout policy implementation.

After the conditionality rule implementation, evaluations can be carried out. Since the primary variables of interest relate to children, a mid-term evaluation may be conducted one or two years after implementation. A second, long-term evaluation could be performed after the first cohort of children is expected to complete secondary school, which would be at least four years post-implementation. Ideally, this evaluation would take place even later, when high-school, higher education, and labour market outcomes can be thoroughly analysed. Reports containing the results from the analysis may then be drafted and disseminated.

5.2.3. Conclusion

This chapter has presented the main steps to conduct a CIE of two key components within the proposed SIM: the assessment and referral protocol and the conditionality of compulsory schooling for IMV beneficiaries' children. The distinct nature of these components requires different evaluation methodologies and timelines.

For the assessment and referral protocol, using an RCT for its evaluation is considered appropriate. This method will accurately measure the protocol's impact before committing significant resources to it, given the considerable human and financial resources needed to establish an assessment and referral unit. It is also worth noting that an extensive amount of data, particularly on the treatment and control groups, is required for such an RCT, underlining the need for data collection mechanisms.

As for the conditionality aspect, given its ethical implications, an RDD is selected as the most appropriate evaluation method. This methodology will allow for an ethically justifiable analysis of the potential impact of introducing compulsory schooling as a condition for receiving IMV benefits. In this case, a comprehensive set of data, not only on IMV recipients but also on their children, is necessary, emphasising again the essential role of data in informing such evaluations.

Despite the different approaches and timelines, these two components should be considered in parallel. Each addresses different aspects of the social inclusion model, and together they can provide a

comprehensive picture of its effectiveness. It is essential to acknowledge that collecting data, especially on social services, is a long-term effort that will require substantial resources and co-ordination. However, such an effort will undoubtedly pay off by supporting the SIM's continuous improvement, thereby enhancing its ability to effectively address social exclusion in Spain.

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Notes

1. Ley 27/2022, de 20 de Diciembre, de Institucionalización de la Evaluación de Políticas Públicas en la Administración General del Estado (https://www.boe.es/eli/es/l/2022/12/20/27).

2. Further reformed with the new Employment Act adopted on 28 February 2023.

3. The integration of data from the AACC IT systems has been somewhat more successful regarding SISAAD, but very problematic concerning SIUSS. The new national law on social services will likely include an agreement on common taxonomies and more reporting requirements for AACC. However, this draft law is currently on hold.

4. Plan Estratégico Nacional de Evaluación del FSE 2014-2020 (https://www.mites.gob.es/uafse/ficheros/evaluacion/planestrategico-fse/planestrategico_nac_evaluacion.pdf).

5. See EU Regulation No. 1304/2013 (https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32013R1304).

6. Creaming occurs when support is provided to those people who integrate into society and the labour market quickly in any case, while those who need the support the most are not able to access it.

7. See OECD's "Child well-being drivers" at https://www.oecd.org/els/family/child-well-being/data/drivers/.

8. Careful consideration is needed for children who were in secondary school in 2020, particularly due to the impact of the COVID-19 pandemic and the resultant school closings in the last quarter of the 2019-20 school year. These unprecedented circumstances may have affected various outcomes, including

students' grades and their subjective well-being. Since this specific cohort could introduce distortions in the RDD analysis, it is advisable to include a robustness check that excludes this group. Doing so will help mitigate any potential biases or inconsistencies in the evaluation.

6 Policy directions: Avenues for the future of social inclusion in Spain

This chapter suggests policy directions for Spain to improve its social inclusion policy framework. The chapter starts with recommendations to improve the take-up and adequacy of minimum income benefits. It also provides ideas on how to improve the assessment of needs and co-ordination of services to provide comprehensive and personalised inclusion itineraries for those who require them. Finally, the chapter discusses possible improvements in work incentives for individuals receiving a minimum income benefit and introduces a monitoring and evaluation framework to assess the outcomes of reforms in social inclusion.

6.1. Introduction

The introduction of the national minimum income scheme, Ingreso Mínimo Vital (IMV), in 2020 in Spain aimed to ensure a common, accessible income floor that promotes social inclusion across the country. Prior to this introduction, different Autonomous Communities of Spain (Comunidades Autónomas de España, hereafter "AACC") operated minimum income schemes (MIS) (Rentas Mínimas) with different durations, amounts and eligibility conditions, making it challenging to transfer such rights across the country. The IMV reform is expected to possibly free up resources in the regions from the decentralised provision of MIS run by each AACC toward broader investment in support for social inclusion, which is the responsibility of the regions.

At the same time, improving social inclusion in Spain would require establishing several elements that are not yet entirely in place. First, there needs to be adequate income for those at risk of social exclusion. Currently, minimum income coverage rates of people at risk of social exclusion remain low in many regions, both for national IMV and regional programmes, which limit the impact on poverty reduction. Second, not all regions develop inclusion itineraries for the regional minimum income beneficiaries or IMV recipients. Recipients are not always assessed holistically in terms of support needs and referred to appropriate services. Third, there is a lack of a multidimensional approach to social inclusion that covers the most relevant interventions and policy areas.

In recent years, there has been a move towards enhanced co-ordination between social and employment services, which can be seen in the development of multiple pilot projects throughout the Spanish territory. While this is a positive step forward, which has led to a more integrated vision of inclusion, the analysis has also detected that other areas that are also key for the inclusion of vulnerable individuals, such as housing, health or care policies, are much less integrated with the actions and programmes developed by social services.

Finally, many European countries condition the allocation of minimum income benefits to behavioural requirements ("conditionalities") and work incentives that seek to facilitate and reward labour market integration. Activity-related eligibility conditions and work incentives vary significantly across the regional MIS, indicating the need to reconsider how policies can best support recipients' transitions towards active inclusion.

The recommendations below build upon the previous chapters of this report on the current barriers to social inclusion, the strengths and weaknesses in social inclusion and minimum income policies in Spain (Chapters 2 and 3) and upon Chapter 4 on good practices in other OECD countries, as well as the analysis in Chapter 5 with respect to the possibilities of introducing a monitoring and evaluation (M&E) framework. The recommendations are intended to highlight directions for reform based on elements of policies and programmes from other countries that can be appropriately adapted and integrated into the overall Spanish policy landscape.

Given the decentralised nature of responsibilities for inclusion, as well as the wide range of policies needed to address barriers, there is a need for broad consultation. Spain should establish a process of wide consultation with a range of stakeholders at the national level to involve different ministries responsible for areas related to social inclusion, the Institution of Social Security, public employment services (PES) and regional stakeholders to generate consensus on the way forward.

6.2. Improving eligibility for the minimum income benefit and reducing non-take-up

The national minimum income (IMV) in Spain is a means-tested benefit for those whose income in the previous year is below a certain threshold, depending on their household situation. Proof for the household

requires that it has been the same for at least six months, living in the same address with a legal proof of residence. The benefit is available for Spanish citizens or foreigners with a legal residence in Spain for a minimum of one year, over 23 years old or above 18 if they have dependent children or have been in a public residential home the three years prior to turning 18.

While the IMV has been a welcome instrument to reduce poverty and generate equality of access and conditions throughout Spain, several studies highlight that it is not delivering according to expectations (see Chapter 3). First, the design features of the benefit exclude some people in situations of poverty or social exclusion. Such features have been designed to reduce the risk of fraud but contribute to not reaching all those at risk. Second, the IMV currently suffers from incomplete take-up, with estimations indicating that only 42% of eligible beneficiaries are actually receiving the benefit (AIReF, 2022[1]). Spain could improve a range of features of the IMV rules and the application process. It could also promote more exhaustive information to the general public to increase the take-up among eligible people and decrease the rate of rejected applications. In addition, Spain should also seek deeper knowledge of the reasons for non-take-up to feed into the policy design.

6.2.1. Adapt the eligibility criteria to be more aligned with good practices

- **Consider modifying income tests to replace the income in the previous fiscal year (which, in most cases, is not representative of the claimant's actual situation) with a timelier measure of income**. In the medium run, Spain should promote more up-to-date information on people's income from different sources, like the social security system, the tax agency and the information contained in the Social Digital Card. Spain should also consider changes in the IMV Law to define income in a different way. In the short run, in the absence of a reliable and consolidated source, Spain could request alternative proofs of income in terms of justification, such as currently done in Cataluña, Castilla y Leon and Comunidad Foral de Navarra, as well as in other EU countries. In order to not to slow down the approval process and guarantee the automatic assessment of the means test, this measure should be accompanied by adjustments in the access to relevant information and data processing. It is already possible to apply for the IMV and request that the means test be performed with the current year's income, as declared by the applicant, highlighting that this recommendation is feasible. This is for the cases called "sudden poverty", i.e. people who experience a significant loss of income in the current year. Spain could also make the requirements to justify household composition more flexible.
- **Work with regional authorities to improve the complementarity between IMV and regional MIS**. Spain should work on extending the protocol with regions so that regions other than Cataluña, Aragón and Principado de Asturias participate in the support of those regional income beneficiaries requesting the IMV. Spain could also consider other arrangements with regions if deemed appropriate. Currently, Comunidad Foral de Navarra and País Vasco have signed an agreement for devolved management of the IMV, while other regions have expressed interest in such a formula. This is foreseen in the IMV legislation.
- **Consider amending benefit rules that currently exclude significant groups experiencing or at risk of poverty, such as refugees, asylum seekers, migrants and young people (18+)**.[1] Spain could reconsider the age criteria for eligibility based on practices from other countries since, in Europe, 15 countries have no age criteria and 12 target individuals aged 18 and above. Spain could also consider alternative proofs than legal residence for foreign-born populations to be eligible for the IMV. However, such a measure should be analysed with care from a legal perspective and, if implemented, should be co-ordinated with strong social (and legal) integration pathways to avoid some foreign-born populations falling into a benefit dependency trap.
- **Ensure that the assets test does not exclude from access minimum income families that need urgent cash support and consistency between what is included in the IMV means test**

and other benefits (especially the non-contributory ones). Spain could consider exempting a minimum reasonable amount of savings from family assets.

6.2.2. Improve the application process

- **Improve the readability and user-friendliness of the application process.** Spain should improve the application process for the IMV by enhancing the use of plain, simple language. Good guidance through choice settings would also be helpful for applicants (both for paper and hybrid application methods).
- **Provide a range of options for the application to avoid penalising those with fewer digital skills or access while ensuring that the workers processing the claims are not overburdened**. Spain should consider the possibility of greater availability of phone support for the applications and the possibility of a walk-in completion without appointments at National Social Security Institute (INSS) offices with sufficient capacity.
- **Consider partnerships between local INSS and social services in providing information on claims through supporting local social services offices**, possibly through additional personnel and training to help potential beneficiaries in the administrative process.
- **Automate some of the validation checks on the justification for the application process**.
- **Consider implementing time targets for the verification and resolution process and monitor its evolution over time and across the country**. Spain should set time targets for the IMV to avoid claimants going destitute or applying for regional benefits while waiting to receive the IMV (and therefore increasing the administrative burden within regions and the INSS). Given that many AACC currently have a resolution period of two to three months, an initial target with such a maximum might be a good starting point, as it seems that 80% of IMV claims are solved within that period. In the medium term, consider aligning with the European Union recommendation of replying within 30 days.

6.2.3. Expand outreach and knowledge on the IMV

- **Consider sending information to potential beneficiaries based on tax declarations and/or pre-filling application forms**. The tax authorities and the INSS could automatically assess eligibility for the IMV with income, wealth, and household composition data and send a pre-filled form to potential claimants. Results of the current pilot with tax authorities could be useful to verify whether this measure has proved effective or whether automatic enrolment is possible based on income and age, which could be subject to final verifications and processing after the rest of the information has been provided.
- **Promote the information on the national minimum income to improve the knowledge of the population about its conditions**. Spain should promote national information campaigns on IMV on general media and social media and include explanations about the possibility of cumulating IMV with employment or unemployment benefits. Spain should also improve the online simulator for IMV entitlements, asking people for more information about their possible prerequisites and giving them a more accurate amount of what they should receive.
- **Consider improving the existing system to share of information about IMV beneficiaries and amounts paid between the central government and regional authorities**. Spain should better analyse the complementarity and subsidiarity of IMV and regional MIS by having detailed micro-data about individuals who are receiving both, only the IMV, and regional benefits, exclusively.
- **Improve transparency with respect to decisions**. Spain should include the possibility of resubmitting information within a certain period in the case of a negative decision concerning the

application, possibly through a meeting with a claims officer to understand the reasons for the initial rejection.

6.3. Promoting assessment and referral of minimum income recipients to personalised itineraries

Following the introduction of the IMV, Spain has funded pilot projects in several regions and in partnership with the third sector, aiming to reach one in four beneficiaries of the benefit to offer itineraries to promote social inclusion (see Chapter 3). While not all recipients of the IMV require help in the area of social inclusion, it is possible that some do, and others would need to be offered support to find a job. Establishing appropriate mechanisms for needs assessment and referral to the appropriate agency would be important. At the same time, the division of competences between the central government, which funds the IMV and the regions, which are responsible for social inclusion, does not guarantee the continuation of such pilots unless structured pathways are designed and agreed upon with the regions. Not all regions currently offer such services to the beneficiaries of their own minimum income benefits (as discussed in Chapter 3). Discussions with regional stakeholders would thus need to build consensus on the best ways to promote inclusion.

6.3.1. Facilitate the assessment of employment and social needs for recipients of minimum income benefits

- **Ensure the applicant is asked about all possible dimensions affecting active inclusion.** Spain could design profiling methods using the information provided on the application for minimum income benefits to determine whether a person is employable and can search for work, whether a person requires specific activation or support in their job search, or whether that person has other needs prior to employment.
- **Implement a broader data-sharing process from INSS on various relevant dimensions for inclusion with regions, for example, by expanding the range of information in the Social Digital Card.** Spain should share information on the beneficiaries' related inclusion characteristics with the regional authorities in charge of social services and the PES. This is key for pre-filling the information ahead of any assessment and for the design of the inclusion itineraries.
- **Suggest to regions examples of ways to automate the assessment process so that information provided during the application is directly included in the assessment tool**. Spain could facilitate the process with regional stakeholders on adapting the assessment tool for another region or consider tools tested in recent pilots or suggested by the Social Inclusion Network (Red de Inclusión Social). Spain could also discuss with regional authorities and work with them on standardising the assessment of the inclusion programmes best suited for the claimant within a region when this is not already the case.

6.3.2. Establish appropriate referral mechanisms to the right services

- **Consider the feasibility of a joint assessment between employment and social services to design personalised itineraries for minimum income recipients**. Spain should build on the experience of Comunidad Foral de Navarra and several pilot projects to assess the effectiveness and opportunities for implementing a joint assessment on a sustainable basis. For such purposes, Spain should consider having social workers included within the regional and local PES to facilitate the assessment process if this is appropriate in the regional context.
- **If a joint assessment is not deemed feasible, determine the best agency to perform the initial needs assessment and the case management process**. Spain should monitor the assessment

process results to ensure that the first interview of the referral process rests with the appropriate agency. In this sense, collecting statistics on the percentage of employable and non-employable beneficiaries remains essential. Spain should also ensure that case managers responsible for the individualised itineraries have well-established channels for referrals to other services.

6.4. Developing a more co-ordinated approach for personalised inclusion pathways

Research cited in this publication shows that individuals at risk of exclusion in Spain typically face more than one barrier in their inclusion process, such as monetary, labour, health and housing barriers (Chapter 1). However, the co-ordination of social inclusion services and benefits is still insufficient in most AACC, with social services commonly being the main, and sometimes only, entry point for persons with inclusion needs (Chapter 2). The combination of multiple barriers with insufficient co-ordination between policy areas can lead to a lack of comprehensive service offers when designing pathways for inclusion.

Horizontal co-ordination across levels of governance and between thematic areas (between services such as employment or social services) is a crucial factor for the inclusion process of those who benefit from minimum income support. Co-ordination mechanisms at a general administrative level, such as the existence of a collaborative network to improve integrated services or to constitute interdepartmental bodies or the existence of protocols and joint actions between services at regional/local levels, favour a comprehensive intervention addressing different needs and barriers faced by the beneficiaries and their households. Likewise, gaps in co-ordination between institutions at national, regional and local levels are detected in the transfer of information regarding IMV claimants and beneficiaries. This can lead to challenges in the co-ordination with the regional minimum incomes and starting itineraries since the application of regional minimum income requires that claimants have applied for the national scheme in advance.

The barriers faced by the most disadvantaged groups should be addressed through collective, integrated service provision, with a special focus on reaching the most vulnerable groups so their access to social inclusion is guaranteed.

6.4.1. Improve co-ordination across institutions

- **Ensure that there is a more intense and better use of the existing dialogue structures between the central government and regional authorities for discussions regarding the IMV and the regional MIS.** Spain should ensure that the IMV Monitoring Committee (established to discuss and make decisions about future improvements in the provision of the IMV) is used effectively to co-ordinate the IMV with the regional MIS and for related social and labour market inclusion pathways.
- **Work with regional and local stakeholders to build a consensus on the general principle that all IMV and minimum income recipients should be entitled to a personalised inclusion plan if they need it.** Recognising that regions have the exclusive competence in the design and operation of social inclusion programmes, the central government should exchange with relevant stakeholders to make sure that actions are put in place to ensure that the personalised inclusion plan is person-centred and guarantees access to interventions across different services.
- **Consider appropriate funding solutions for co-ordinated interventions**. Spain should design joint funding solutions between the central, regional and local levels to allow for the uniform delivery of social inclusion services for IMV recipients, as it promotes co-operation with the municipal services closest to citizens.

- **Facilitate the development of the information technology (IT) infrastructure, allowing data sharing between national, regional and local levels and explore interoperability solutions**. Spain should promote the implementation of a common national registry (accessible to both INSS and regional authorities) and the systematic use of data exchange platforms.

6.4.2. Promote better co-ordination of services

- **Develop an approach to establishing and sharing guidelines for social service provision with the regional stakeholders through the appropriate co-operative structures in order to ensure a co-ordinated approach to minimum income recipients to ensure consistency and quality**. Spain could develop service guidelines and strategies adapted to the regional context to outline the general social services principles that apply to all clients. Furthermore, the guidelines could establish clear processes for social workers to follow in terms of referrals to and co-operation with other organisations and service providers if this is agreed upon with regional stakeholders.
- **Discuss with regions to implement case management as a permanent practice for a comprehensive and co-ordinated service delivery to minimum income beneficiaries.** Spain would need to ensure that the roles and responsibilities of case managers are clearly defined and that there are supportive processes in place to lower the administrative burdens faced by case managers, such as clear referral pathways and processes or agreed co-ordination mechanisms.
- **Promote a long-term approach to establishing structured referral mechanisms for co-ordinated action or joint interventions at the regional and local levels**. Spain should promote the implementation of a framework for co-operation across public service providers, particularly employment and social services, and offer tailor-made and comprehensive measures, as it brings together the different care services under the same umbrella of intervention. Spain should also strengthen co-ordination with other areas, such as health, education and housing, in order to address the circumstances of minimum income beneficiaries in a multidimensional approach since protocols among social and employment services are already in place in some regions. Spain could also favour joint interventions of professionals from different services.

6.5. Enhancing incentives for active inclusion and finding sustainable employment

A number of elements present in the Spanish inclusion framework provide incentives for active inclusion. For instance, transition to employment programmes for minimum income recipients is present in many regions, and the new work incentive for IMV beneficiaries makes taking up work significantly more attractive, particularly for very low earnings and for families with children. Conditionality strategies in some regions prioritise the personal circumstances of recipients over their immediate participation in activation programmes. Moreover, the introduction of behavioural unconditionality in some modalities of the regional benefits is a strong step towards a full income guarantee system (conditional only on insufficient income).

On the other hand, several weaknesses exist in the incentives for inclusion. In some regions, the focus on conditionality linked only to employment may result in the level of support from services not matching individual needs. The lack of activation policies (such as job search support or counselling) accompanying the IMV employment incentive and time-limited grants can hamper beneficiaries from finding a full-time job. The IMV benefit may retain beneficiaries who work in low-wage or part-time jobs because of the means test on earnings and the indefinite duration of the benefit. Finally, not all regions provide personalised itineraries for inclusion nor provide incentives for recipients to seek support. Spain could further incentivise both inclusion and work incentives.

6.5.1. Incentivise benefit recipients to participate in actions that promote inclusion for themselves and their households

- **Find solutions for reinforcing and encouraging participation in itineraries and/or activation measures**. Spain should promote a discussion with regional authorities on ensuring that active participation in support measures is well adapted to the beneficiary's personal circumstances and avoiding a mismatch between activation measures (such as a strict job search) and the needs of the beneficiaries, which may result in conditionality not encouraging a job search. Regarding the use of active inclusion for IMV recipients, modifying the legislation to include explicit conditionality requirements appears challenging given the constitutional and governance structure whereby regions are competent and responsible for inclusion itineraries. Spain could develop agreements with regions to ensure that IMV recipients are also registered as regional MIS beneficiaries.
- **Consider working with regional authorities on the possibility of active inclusion being a measure at the household level, in particular for the children of IMV beneficiaries to attend school**. Spain should work with local authorities to ensure that this does not introduce overly burdensome requirements in terms of the checks they need to perform and improve the communication channels and IT infrastructure before introducing such principles.
- **Consider the combined effect of national and local in-kind benefits when considering inclusion incentives.** Some regions provide supplements and open access to other services to minimum income recipients, such as wider support for healthcare, additional childcare and transport. Spain should work with regional stakeholders to ensure that such "secondary" benefits are contemplated in the active inclusion measures, as they can provide additional incentives for inclusion and work.
- **Future revisions should consider further adjustments to the work incentive measure introduced for IMV recipients.** The work incentive introduced by Royal Decree 789/2022 in 2022, which entered into force in 2023 and allows IMV recipients to cumulate the benefit with income from work, has a substantial impact on the incomes of claimants taking on very low-paid work (i.e. those who work few hours at a low wage) and those with children. The incentive is lower for full-time workers. The biannual reviews of the programme foreseen by the Royal Decree will provide an opportunity to analyse the impact of the work incentives package on households whose members have the opportunity to increase the number of worked hours, notably on potential second earners.

6.5.2. Support exit benefits and finding sustainable employment

- **Consider broadening the eligibility requirements for common activation programmes jointly developed by regions and the national employment service to IMV recipients**. Spain could encourage IMV beneficiaries to benefit from activation policies to find sustainable employment if an assessment recommends it.
- **Consider incentivising geographical mobility for IMV recipients to encourage mobility within the country when job opportunities emerge in other territories through national public employment**. Spain should ensure appropriate financial compensation for the mobility of jobseekers who are IMV beneficiaries. Spain could assist IMV recipients with post-placement support and relocations, co-ordinated by regional and local PES.

6.6. Developing a monitoring and evaluation framework in the area of social inclusion policies

When the preparations for the new IMV scheme started in 2020, the practices of linking data across registers for analytical purposes within social and labour market affairs were fairly modest. Spain had to make considerable efforts to access sufficient data to be able to conduct ex ante evaluations of this new benefit scheme. The ex ante evaluation centred mainly around the first of the two objectives of the IMV, which is income redistribution with a focus on poverty eradication. The second objective of the IMV scheme, furthering social inclusion and labour market participation, was mostly neglected in the ex ante evaluation of the IMV, partly due to the difficulties in designing the specific policy elements related to social and labour market inclusion. It would be paramount for Spain to design the M&E framework simultaneously while designing new models of social inclusion to ensure that the relevant data are collected from the start and the future evaluation needs are taken into account. In order to introduce an M&E framework for the new social inclusion model for IMV beneficiaries, Spain could consider the following actions.

6.6.1. Set up the monitoring and evaluation framework for social inclusion

- **Draw up a broader strategy for the monitoring and evaluation (M&E) framework** that outlines the ultimate objective, stakeholders and funding scheme for designing and implementing such a system, in addition to guiding the framework of specific indicators, methodology and data.
- **Consider the implications for the new M&E framework in terms of variables to be included** in the data collection, data collection mechanisms, staff and skill requirements and possible evaluation methodologies while designing the different elements of a new social inclusion model or models (SIM).
- **Set the M&E framework for the SIM in co-operation and consultation with the responsible national authority and all relevant stakeholders** (ministries in charge of employment and social services, national PES, AACC and potentially others).

6.6.2. Design the monitoring framework for social inclusion

- **Set the objective of the monitoring framework for the new SIM of the IMV recipients as a tool for national authorities and other stakeholders**. Spain should use the framework to ensure that the resources to support the IMV beneficiaries are available, the steps necessary to integrate this group are made, and the different related interventions are successful. Spain should monitor the different (sub-)interventions by participant subgroups to ensure that policies reach and support the target groups without discrimination or “creaming”.
- **Include indicators to monitor the SIM implementation in terms of quantity and quality to fully comprehend the progress in integrating IMV beneficiaries**. Spain should aim at indicators with a harmonised methodology across Spain, regardless of whether national-level data or subnational data are used. Spain should include indicators along the entire results chain and for different types of support to facilitate insights on which policy components might need to be adapted or strengthened. Spain could also establish a narrower set of key performance indicators (or “royal” indicators) within the overall monitoring system to enable stakeholders to quickly comprehend whether or not the overall SIM delivers the expected results.

6.6.3. Design the evaluation framework for social inclusion

- **Develop a comprehensive and systematic evaluation framework for inclusion policies**. Spain should draw insights from pilot programmes that made use of randomised controlled trials (RCTs) to evaluate social inclusion programmes to develop the framework. Spain should consider

a framework that incorporates various types of evaluations, such as formative, process, outcome, impact (notably including policies' impact on poverty reduction and on employment), and cost-effectiveness evaluations. It is crucial that the evaluations not only examine objective results but also include users' experiences. The framework should be designed to ensure that evaluation is a continuous and integral part of policy implementation, and the evaluation methods chosen should be tailored to the needs and context of the specific policies and programmes.

- **Broaden the scope of evaluation by incorporating non-experimental counterfactual impact evaluation methods**. Spain should consider a range of evaluation methods, especially when RCTs are not feasible due to budget or time constraints, compromised rigour or ethical issues. These methods can be particularly valuable for evaluating established or complex programmes.
- **Promote collaboration and knowledge sharing for the evaluation**. Spain should maintain and expand the collaboration established during ongoing RCT pilot programmes across various institutional levels between state, regions, municipalities and third-sector institutions. Knowledge sharing and training on the design, implementation and management of impact evaluations should be systematically carried out to enhance the capacity of all stakeholders involved.

6.6.4. Ensure data availability for the M&E framework for social inclusion

- **Strengthen the use of administrative data through an interoperable national system**. Spain should continue to leverage administrative data for research and evaluation purposes. These data are relatively cost-efficient and can reduce potential non-response bias compared to survey data. This process could be achieved through the development of a comprehensive and inoperable national system for inclusion services and their users, involving the integration of existing data systems like the System of Users of Social Services (SIUSS) and the Information System of Public Employment Services (SISPE), and encouraging their uniform adoption across municipalities and AACC.
- **Encourage greater adoption of harmonised existing tools and databases** across the country while also emphasising the importance of embracing a common taxonomy and data models. Enhancing the accessibility and usage of tools like the SIUSS and the Single Social History (Historia Social Única, HSU) can promote homogeneity in statistical analysis across the AACC and provide a comprehensive view of individuals' needs and use of social services, leading to more effective M&E of inclusion programmes.
- **Leverage technologies like data warehouses, data lake solutions and business intelligence tools**. Spain could use such additional technologies to efficiently prepare data for analytics and create tailored dashboards for various user groups. Spain could also make use of visualisation functionalities to quickly understand trends and comparisons across various subgroups, enhancing the overall efficiency in the M&E of inclusion services.

6.6.5. Strengthen staff capacity to implement the M&E framework for social inclusion

- **Consider the needs and scope for increasing staffing levels tasked with M&E activities regarding the IMV**. Spain could add capacity in terms of staff, which would support the timely design and implementation of key analytical activities and strengthen links with different stakeholders as necessary.
- **Raise awareness among staff managing external registers on the importance of evidence-based policy making** and support this process by establishing data exchange between registers.

6.6.6. Enhance co-operation with external researchers

- **Build a network of external experts to co-operate regularly to foster M&E activities**. Spain could leverage external experts, for example, through a community of practice or by discussing M&E challenges and solutions.
- **Increase researchers' interest in evaluating social inclusion by making data available via a secure data-sharing mechanism for research purposes**. Spain should facilitate data access for synergies between the evaluation needs of the national authorities and evaluation activities carried out by researchers. It could also establish systematic public procurement processes for generating additional evidence on some of the key dimensions of inclusion for the IMV beneficiaries and allocate sufficient funding to these activities.

References

AIReF (2022), *Primera Opinión AIReF Ingreso Mínimo Vital*, Autoridad Independiente de Responsabilidad Fiscal, Madrid. [1]

Notes

1. The IMV is accessible to some emancipated minors and under-23-year-old individuals under some circumstances. But these remain exceptions, and the general rule does not allow them to apply.

Boosting Social Inclusion in Spain

IMPROVING PATHWAYS AND CO-ORDINATION OF SERVICES

Spain has a high share of the working age population at risk of poverty or social exclusion and a high incidence of child poverty. While Spain has introduced a minimum income at the national level, social inclusion policies are the responsibility of the regions. At present, the coverage of the minimum income remains low and there are many differences in the design and implementation of social inclusion policies across regions, especially as a number of regions do not develop social inclusion strategies. There is also a lack of a multidimensional approach to social inclusion. This report develops options for new inclusion models that address current challenges and help formulate a coherent inclusion strategy. It also sets out a blueprint for developing a monitoring and evaluation framework. The recommendations aim to increase the effectiveness of minimum income policies and strengthen the co-ordination between social services, employment, health and housing.

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