

## Social Services Europe

### Proposal to DG EMPL for a Social Services Action Plan (Updated 30.06.24)

#### 1. Background/Setting the scene

Social Services Europe (SSE) would like to propose to DG EMPL and the European Commission the elaboration and implementation of a Social Services Action Plan which could be linked to broader work on Services of General Interest. It should contain initiatives and activities spanning the next mandate of the European Commission (and of the European Parliament), i.e., the years 2024 to 2029.

**Social services**<sup>1</sup> support millions of people across Europe in various stages in life, such as children, older persons, persons with disabilities, people at risk or experiencing poverty and social exclusion, homeless people, migrants and asylum seekers and other vulnerable groups<sup>2</sup>. When done well, they provide **tailored support to individuals with specific needs over the life course**.

A number of studies and reports (see below “Resources”) as well as feedback from the ground have helped to identify the **main common challenges for social services** across Europe:

- the organisation and financing of integrated service delivery (in the context of health, care, housing, training and employment policies),
- the task to ensure the availability, accessibility, affordability, and quality of the social services in a way to live up to rights, expectations and aspirations of the users and to realise the general interest orientation of social services as part of the national social protection systems, and
- structural underfunding (including cuts in public budgets, lack of access to social investments),
- price-based competition (in “standard” public procurements) instead of quality-based cooperation and partnerships and socially responsible public procurement (alongside alternative models to public procurement),
- staff shortages and effective recruitment (including recruitment from the EU and beyond) and retention policies, lacking or non-adapted qualifications, skills, and competences, and/or (physically and mentally) demanding working conditions with below-average pay levels,

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<sup>1</sup> They offer care, (personalised) support, guidance, work integration and (vocational) education and training services. Their aim is to improve the living conditions and well-being of individuals, to reduce poverty and social inclusion, to address social and economic vulnerabilities, to enable them to exercise their social and human rights and to empower the people needing them. Social services are thus essential for social inclusion and cohesion. Solidarity and equal access constitute key principles for their design, operation, and financing.

<sup>2</sup> With the growing demand for social services, the social services sector has become one of the most rapidly growing economic sectors, generating about 7% of total economic output in EU28. This rate has remained stable even after the financial crisis of 2008, with an increase of 1.7 million jobs between 2008 and 2015., in a sector employing in 2018 over 11 million people and with has seen an increase of the workforce of more than 10% between 2013 and 2018. From 2010 to 2018 in this sector about 2.9 new jobs were created, in a period characterised by one of the most serious economic crises Europe has ever faced.

- responding to increasing costs linked to inflation, cost of living crisis, increase in energy bills and the recovering from the COVID-19 pandemic<sup>3</sup>.
- to get investments to better seize the opportunities of the digital and green transitions.

Across Europe **social services are undergoing a redesign to better tackle the above mentioned existing or emerging short- to long-term challenges** in view of their organisation, regulation, delivery, financing and monitoring and to adequately live up to the (social and human/fundamental) rights, expectations and aspirations of their users (and their family members, including, e.g., informal carers).

These reforms are framed at EU-level by a number of **policy frameworks**<sup>4</sup>. They are often supported by **EU funds**<sup>5</sup>, all setting certain conditionalities for the use of EU money. Key **EU-level legal frameworks** for social services are those on state aid and public procurement, but also those on minimum wages, equal treatment/non-discrimination and health and safety at the workplace.

In addition to reforms within EU Member States, **for SSE it is important that the EU-level legal and policy frameworks are further developed as social services of general interest** and in a way to better and more effectively address the challenges set out above. EU laws and policies should, thus,

- support their redesign to **become more user-oriented, person-centered, enabling, empowering and allowing the users to fully exert their rights**, with both adapted regulation and financially, and
- promote **solidarity, equal access, equal opportunities and non-discrimination** for social services to become **powerful vehicles for social inclusion and societal cohesion** for all who need them.

## 2. Towards an EU-level/European Social Services Action Plan/Initiative

This **SSE proposal** for a Social Services Action Plan/Initiative is **inspired by the positive impact of the Social Economy Action Plan (SE AP) (2021)**, which put a **focus on cross-cutting priorities and challenges** which concern the whole social economy (or at least large parts thereof), e.g. state aid, public procurement, and access to funding/finance (and a cooperation between different DGs).

Such an **EU-wide/European Social Services Action Plan/Initiative would also go beyond the initiatives launched by the Commission** in the context of the EPSR and stemming from the EPSR AP<sup>6</sup>. They **lack focus on challenges common to the whole sector**. They also have **left important gaps**, e.g., when thinking about short-term/emergency services or services built around social work and tend to **give insufficient attention to social services provided by local and regional authorities**.

<sup>3</sup> The COVID-19 pandemic forced providers to adapt and to develop new ways of delivering their services online. The sector in many countries lacked the capacity, medical equipment and personal protective equipment to adequately respond to the demands of the crisis. Key lessons learnt were to develop the sector in the face of new social risks by improving its resilience and preparedness to deal with future economic, health and societal crises, to shift investments to better manage the digital and green transitions and to address a number of structural weaknesses of the sector which restrict its ability to function effectively.

<sup>4</sup> For SSE the most important are: European Pillar of Social Rights (and the related Action Plan), the Child Guarantee, the Youth Guarantee, the Platform on Combating Homelessness, the Strategy for the Rights of Persons with Disabilities (including Disability Employment Package and EU Framework on Services of Excellence for Persons with Disabilities), the Social Economy Action Plan, and the European Care Strategy.

<sup>5</sup> ESF+, ERDF, and Recovery and Resilience Facility linked to the European Semester and European Green Deal.

<sup>6</sup> The EPSR contains at least 10 principles relevant for social services. They have an exclusive focus on sub-sectors of social services or on specific target groups (children; persons with disabilities; homeless persons/persons at the risk of housing exclusion; persons at the risk of poverty and social exclusion). Such initiatives are important. They, however, tend to deal with cross-cutting topics and challenges in an insufficient and non-systematic way.

The **SSE Proposal for a Social Services Action Plan** is also **responsive to the Declaration of La Hulpe** insofar as social services are essential to enabling

- “well functioning labour markets”; for instance through work integration and training services for long-term unemployed and other disadvantaged groups, as well as improving access to employment for informal carers
- “robust health systems”; insofar as improving access to quality community-based social services can prevent the use of and reduce overreliance on more expensive hospitalization measures
- “inclusive social protection” measures; insofar as social protection measures and social services play a key role in tackling poverty and social exclusion rates
- Access to affordable and quality Public Services and Services of General Interest; firstly, as social services are services of general interest and secondly as social services play a key role in connecting excluded people to mainstream public services, housing and other essential services.

The Proposal is also in line with the findings made by the **Enrico Letta in his Report “Much more than a Market”**; particularly as social services are essential in the well-functioning of the single market, particularly in terms of the “right to stay”, Services of General Interest, the Social Economy, the resilience of healthcare and social investment.

**Social Services Europe and its members** would like and can offer to partner up with the European Commission in the design, implementation, monitoring, and evaluation of this initiative, in coordination with other key actors, such as the sectoral social partners and the local and regional authorities/governments and Public Employment Services<sup>7</sup>. A European Action Plan for Social Services could be part of a broader initiative around Services of General Interest but would still necessitate targeted measures for Social Services given their specificities.

We **propose** below **some elements, not yet or not yet adequately covered by other initiatives, that should form part of such an initiative**. It should **benefit both the social services users and providers**.

**A) Supportive legal, financial, economic, and social framework conditions (at EU-level) for quality social services**

- Elaboration and promotion of guidance for social service providers for **improved access to state aid** used to support social inclusion and labour market inclusion of vulnerable and disadvantaged groups and persons and to support a transformation towards inclusive societies and enterprises/organisations, as is highlighted in the Letta Report (p. 106). The elaboration and promotion of the guidance could be done in a similar way as initiatives by the EC to promote Socially Responsible Public Procurement This initiative should build on the insights from the Study (2023) [“Impact of State Aid on the Development of the Social Economy and on Service Providers for Persons with Disabilities”](#), commissioned by EASPD, and from the forthcoming (2024) “Study on State Aid for access to finance for social enterprises and for the recruitment of disadvantaged workers in the form of wage subsidies”, commissioned by DG EMPL.
- Offering and updating toolkits and technical guidance for **improved access to EU funds supportive of social policy and social services reforms**. This initiative should build on the outcomes and deliverables (such as toolkits, technical guidance, MOOCs, good practice collection, policy recommendations) of the [Social Services Helpdesk](#) and similar initiatives (e.g., in the field of social and affordable housing, coordinated by Housing Europe) through a second Helpdesk initiative.
- **Ensure that procurement regulations support rather than hinder** the delivery of high-quality

<sup>7</sup> SSE would like to see further developed models of trustful cooperation and partnership between not-for-profit social service providers and governments or public authorities on different administrative levels which ensure solidarity-based, accessible, affordable, community-based high-quality social services being close to the needs, expectations, and aspirations of the service users.

and affordable social services (Letta Report, p. 45): 1) Elaboration of an (e.g.,) interpretative communication by the EC to underpin a full (legal) recognition of alternative models to public procurement – e.g., authorisation or licensing procedures, reserved markets, or user-led funding models such as personal budgets – which promote cooperation and a partnership culture between public authorities, social care providers, service users and other stakeholders; 2) Promotion of socially responsible public procurement (SRPP) in the area of social services as the “standard procedure” if national legislation prescribes its use, building on existing EC publications and the Study (2023), commissioned by the Employment Committee of the European Parliament. As highlighted in the La Hulpe Declaration “the directives on public procurement could be evaluated and, if needed, further steps could be taken” (40.), to improve their sustainability.

- Working jointly with providers of social services and other stakeholders on the identification of tailor-made and adequate programmes or instruments to **mobilise social investment in integrated, person-centred, rights-based, and community-based social services** and tools to make them accessible to social services providers (even of smaller or medium size). This initiative should be backed up by national regulatory frameworks which uphold the rights of persons needing care and support and ensure the societal value of social services.

**B) Support for the social services workforce and for effective social dialogue and industrial relations Support (and co-funding) of initiatives coordinated by the EU-level sectoral social dialogue partners** – in the framework of the Sectoral Social Dialogue Committee for Social Services which had its inaugural Plenary Meeting on 12 December 2023 and beyond – 1) to better address the root causes behind staff shortages (including lacking funding), 2) to improve the rolling out of effective recruitment and retention policies, 3) to help adapt professional qualifications, skills, and competences and 4) to reduce exposure to physically or mentally demanding working conditions.

- **Guarantee the full involvement of social service providers** in those initiatives – in their double role as employers and providers and across all phases – and access to the related funding streams.
- **To respond to the training needs in social services** (La Hulpe Declaration 28., Letta Report, p. 79), **support the development of Partnerships for Skills for social services or in new areas not covered by the existing Partnership for Skills in Long-Term Care** – in which SSE is already involved in –, **for instance, in early childhood education and care.**

**C) Ensuring service quality and the rights, quality of life, wellbeing, and participation of users**

- **Elaboration of a Council Recommendation on social services quality principles** based on the European Voluntary Quality Framework for Social Services of General Interest (2010) **as a general quality assurance reference framework for social services**<sup>8</sup> by engaging with all relevant stakeholders, including SSE.
- Elaborate and financially support **initiatives** – such as, e.g., a database with a collection of good practice and mutual learning events – **for the integration of care services with services from the health, mental health, housing, and employment sectors** for the benefit of users (and funding agencies), by involving national, regional, and local actors and by promoting promising practices and their advantages as to costs, effectiveness, efficiency, etc.
- Elaboration of toolkits, etc. with **success factors for a social service design starting from the needs, capacities, expectations, and aspirations of their service users** in line with the principles of co-production, empowerment, autonomy, user rights, etc.

<sup>8</sup> This is an approach adding value compared to the status quo. It permits to adequately take into account a number of specific features of the social services sector, its users, as well as of the aims and values of social services. However, it does not go down to the level of indicators measuring outcomes and impacts of social services for their users. Such indicators cannot (yet) be realised at EU-level due to lacking legal competences and insufficient detailed comparable data in the different sub-sectors.

- **Continuation or deepening of work on existing sub-sector initiatives/EU Policy Frameworks:**
  - **Long-Term Care (LTC) & Early Childhood Education (ECEC):** 1) Make full use of the Council Recommendations on Long-Term Care and Early Childhood Education and Care<sup>9</sup>; 2) Better use the EU Care Guarantee to adequately addresses care demands from a life-cycle perspective.
  - **Elderly Care & Childcare & Support for/Care of Persons with Disabilities (PwD):** 1) Definition of a basic set of quality indicators on EU-level to measure the effectiveness, outcomes, and social impact focused on quality-of-life principles. These indicators should be adequate to help monitor progress in the related EU-level Policy Frameworks and in the context of the European Semester; 2) Support a number of initiatives in selected EU MS and sub-sectors to define sets indicators for a better measurement and evaluation of improvement in terms of access, accessibility, affordability and quality for users.
  - **Short-Term/Emergency Services**, such as for homeless people, persons with addictions, person with mental health conditions, services for refugees and asylum seekers, social-work-based social services: Elaborate and implement targeted initiatives for these fields, too. This comprises investment in services supportive of social and affordable housing and the promotion of promising models, e.g., Housing First, supporting integrated approaches.
- EU Communication recommending a Council Recommendation on the take up of technology and digitalisation in social services as a way to improve quality, working conditions and sustainability of such services, as is indirectly highlighted in the Letta Report (p. 79).

**D) Full recognition of the specificity and added value of not-for-profit social and health care service providers in view of their contribution to social inclusion, social cohesion, local economic development and inclusive societies**

- Recognise the key role of not-for-profit and social economy social services, and their specificities, in any initiative on Services of General Interest.
- DG EMPL to (co-)finance a **“Social Services Gateway”** (like the Social Economy Gateway) which can be mainly realised and updated by SSE, in cooperation with DG EMPL and other key stakeholders, including the EU-level sectoral social partners in the field of social services, ESN, Eurocities, CECOP, ENSIE, RREUSE, etc. The Gateway could showcase promising practices and policies, research, guidance on the correct use of state aid, procurement and taxation policies and advice to relevant stakeholders on access to EU Funds.
- Develop a legal framework to **formally recognise the public benefit orientation of the not-for-profit social services** sector (and more generally of the public-benefit oriented social economy) in their own right/due to their values and specific missions. It could showcase the essential role of the not-for-profit social services sector in enabling “freedom to stay” (Letta report. P91), territorial coverage (Letta report. P98) and development of local communities. This framework would contribute to the completion of the internal market for the public good/general interest – by also building on the (future?) Directive for European Cross-Border Associations. This recognition could cover the area of taxation and tax advantages for (i.a.) associations, building on the EC Guidance a) on relevant taxation frameworks for social economy entities and b) on clarifying existing rules on the tax treatment of cross-border public benefit donations affecting foundations and associations.

<sup>9</sup> An EU Care Strategy should ensure access to quality and affordable social care for everyone whenever it is needed, particularly for persons in vulnerable situations. Moreover, an EU Care Guarantee would complement other initiatives such as the child and youth strategies. It would also help to deliver high quality services and enabling framework conditions for social care services across Europe and equally support upward convergence amongst Member States’ care strategies. Also, as part of the Care Guarantee, Member States could adopt care schemes allowing workers wishing to exit their current job to provide care for relatives to receive poverty-proof wages. This should be in combination with adequate education and training opportunities for the carer.



## Resources

- EASPD (2023a): Study [“Impact of State Aid on the Development of the Social Economy and on Service Providers for Persons with Disabilities”](#) (November 2023)
- EASPD (2023b): Report [“Socially Responsible Public Procurement \(SRPP\) for the Employment of Persons with Disabilities”](#) (October 2023)
- EASPD (2022): Discussion Note [“Developing Alternatives to Public Procurement in Social Services: what legal options exist?”](#) (December 2022)
- Eurodiaconia (2023a): Position Paper [“Reserved contracts in public procurement – A tool for social integration”](#) (November 2023)
- Eurodiaconia (2023b) Report [“Alternative Models of Financing Social Services”](#) (January 2023)
- Eurodiaconia (2021): Report [“The Future of Social Services. Report of the High-Level Group on Social Services”](#) (January 2021)
- Eurofound (2023): Report [“Social services in Europe: Adapting to a new reality”](#) (October 2023)
- European Economic and Social Committee (2023): [EESC Opinion “Public subsidies/health and social services of general economic interest”](#) (INT/1016) (27 April 2023)
- European Parliament/Employment Committee (2023): [The social impact of public procurement: can the EU do more?](#) (October 2023)
- Social Services Europe (2023b): [SSE Reaction on the Council Recommendation on developing social economy framework conditions](#) (10 October 2023)
- Social Services Europe (2023a): [SSE Contribution to the Call for Evidence on the revision of the SGEI de minimis Regulation](#) (1 June 2023)
- Social Services Europe (2022a): [SSE Contribution to the EC Consultation on exemptions for small amounts of state aid \(de minimis aid\)](#) (20 July 2022)
- Social Services Europe (2022b): [SSE Submission to EFTA Court on Case “Stendi-Norlandia Care vs. Oslo Municipality”](#) (28 June 2022)
- Social Services Europe (2022c): [SSE Proposals for the Implementation of the Social Economy Action Plan - From Ambition to Implementation](#) (28 April 2022)
- Social Services Europe (2022d): [SSE Contribution for the EU Care Strategy](#) (18 February 2022)
- Social Services Europe (2021): [SSE Statement on the EC Guide “Buying Social”](#) (6 December 2021)
- [Social Services Helpdesk Project](#) (2024): [Technical Guidance and Policy Recommendations on Effective Interventions in Social Services](#) (author: Social Services Europe) (16 February 2024)