

EU-CHINA SOCIAL PROTECTION REFORM PROJECT

COMPONENT 3

**PROCESSES AND ACTIVITIES OF
POLICY TRANSMISSION AND IMPLEMENTATION
CARRIED OUT AT CENTRAL AND LOCAL LEVELS
OF SOCIAL ASSISTANCE**

VOLUME ON 2016 RESEARCH

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3.1.3 Processes and activities of policy transmission and implementation carried out at central and local levels of Social Assistance

Assessment report

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ACRONYMS

JM: Jiangmen (a city of Guangdong Province)

MoCA: Ministry of Civil Affairs

MoF: Ministry of Finance

NPC: National People's Congress

ZB: Zibo (a city of Shandong Province)

Public policy making does not necessarily mean that the mission and objectives can be reached naturally, in fact, policy implementation is even more critical than policy making. Currently in China on account of the reforms that have broken the traditional highly centralized political and centralized management, more and more important issues are falling within the scope of policy implementation, or are more closely related to policy implementation. Central to the desired policy objectives and policy effects of a series of comprehensive economic and social policies, is whether they can have extensive recognition and support, and then vigorously be implemented by the government.

Policy implementation itself is a complex and diverse process. In China, public policy implementation needs to go through five levels of government and involves a lot of adaptation to local policies, supporting documents or implementation measures. This process could be summarized as "to implement the policy through policies" which is usually conducted step by step, finally at the grassroots level. Social assistance policy is no exception.

This report first provides a brief overview of the legal framework of social assistance (including the issuing bodies and policy effects) at the national level (including laws, regulations, regulatory documents). The second, third and fourth chapters explore how social assistance policies are implemented by provincial, city, county, town and grass-root organizations after legal or normative documents are issued at the central level, how governments develop, transfer, forward, advocate, and implement policies delivered by the next higher level government. Chapter 5 summarizes the challenges of policy delivery and implementation, Some policy recommendations are also discussed.

This study uses expert interviews and workshops to collect first-hand data as well as the use of literature research, statistical analyses, case analyses and other research methods. Considering the uneven development of the regions of China and the different status of the development of the Chinese social assistance system, this study selects to carry out research in Guangdong and Shandong provinces. Guangdong is located in the coastal area of southeast China. It is always the bridgehead of China's reform and opening up. It has a higher level of economic development. In particular, Guangzhou is very advanced in terms of its concept of social assistance. Shandong Province is located in the eastern part of China, it has advanced developed cities, like Qingdao and other coastal cities and some developing cities, like Zibo and Liaocheng. In Shandong the author travelled to the Civil Affairs Department of Shandong Province, Zibo City Civil Affairs Bureau, Gaoqing Department of Civil Affairs whilst in Guangdong Province, the Guangzhou Civil Affairs Bureau and the Jiangmen City Civil Affairs departments were visited to conduct interviews and local visits. The qualitative data greatly enhances this study with important first-hand information.

1. AN OVERVIEW OF THE STRUCTURE OF POLICY FRAMEWORK AND ITS DECISION MAKERS AT THE NATIONAL LEVEL AND RELEVANT LAWS AND REGULATIONS

This Chapter provides an overview and analysis of the legal and regulatory framework and the relevant laws and regulations of social assistance policies and their issuing bodies (the State Council, the Ministry of Civil Affairs and other central departments). This chapter lists the different categories of social assistance laws and regulations, and analyzes their publishing body, file type, grade and influence.

1.1 Legal framework of China

In China, a "law" generally refers to a regulatory document formulated by the National People's Congress and signed by the President, usually named like "Criminal Law", "Civil Law", "Marriage Law", "Citizen's Immigration Control law" etc. The legal effect of a law is only second to the status of the Constitution. According to who makes a law and its legal effect, laws can be divided as follows: the Constitution (modified by the NPC), a Law (formulated by the NPC and its Standing Committee, second only to the effectiveness of the Constitution) and its administrative regulations (developed by the State Council), local regulations (by the Provincial People's Congress or its Standing Committee of the NPC and its Standing Committee approved for the development of a large city), etc., which have direct legal effect in court and, administrative processes at all levels of law enforcement authorities. It can be directly referenced¹.

At present, China has basically formed a "unified and multi-level" legislative system and a socialist legal system with Chinese characteristics. China's socialist legal system includes the Constitution, laws, administrative regulations, departmental rules and a local regulation system, as well as the rule of law related to the CPC Central Committee, the State Council administrative regulations and departmental rules and functions of the government agencies, especially requiring government departments to develop a "policy and regulations". Therefore, there are four categories within the legal framework: the CPC Central Committee document, the CPC Central Committee and the State Council document, the NPC and its Standing Committee law, the State Council and government departmental policies and regulations.

"Regulation", as normative documents, are lower than the Constitution and a law in terms of their effectiveness. "Regulations" have the following three forms: first, the administrative rules and regulations developed by the State Council and relevant departments in accordance with the Constitution and laws enacted, also known as administrative regulations; second, local regulations which are formulated by the National People's Congress of provinces, autonomous regions and municipalities, in accordance with specific administrative area's actual situation and their needs; third, local regulations (must be reported to provincial, autonomous regional people's congress for approval) which the capital of the Provincial People's Congress enacts. "Regulations" are often entitled as "Regulations", "Rules", "Measures", such as "Joint Ventures' Labor Regulations," "City Vagrants and Beggars Aid Management "and so on.

"Regulations" refers to the administrative organs which have the power to make rules and regulations, which are formulated in accordance with legal procedures and are published in a statutory manner and have the status of generally binding normative documents. The normative document in a broad sense refers to the general terms of a non-legislative document, which includes laws, regulations, rules and regulations, and other non-legislative documents which are generally binding on the state organs and the organizations authorized by the laws and regulations. In a narrow sense, the normative

¹ Chinese Communist Party is the ruling party so many policies will be established by legislation in the form of a legally binding law, which has political force.

documents refer to the administrative documents of non-legislative documents drawn up by the organs of the People's Republic of China.

Overall, the government's policies could be implemented through policy documents and legal documents. According to the latest amendments of the "Legislation Law" in 2015, the National People's Congress National People's Congress Standing Committee exercises the legislative power to make laws². The State Council Administrative Regulations are under the Constitution and laws. Provincial people's congresses and their standing committees may formulate local regulations. Various Ministries, Commissions, the People's Bank of China, the Audit Commission and affiliated institutions have administrative functions that can be developed within the purview of regulations in their own sector. Provincial, municipal and people's governments may also formulate rules. In addition, so as to implement the Party's and State policies, Government Agencies usually issue public notices, opinions (guidance) and other documents to announce important issues or legal matters, as well as insights on important issues and the approaches proposed.

The administrative regulations should follow the "Ordinance of Administrative Regulations Procedure"; administrative regulations can only be called in the name of the "Regulations", "ordinance", "approach", "Provisional Regulations" or "Interim Provisions". The procedures for the development of general administrative normative documents should follow the 2012 "Regulations of Managing Public Document of Party and Government", and are usually entitled "resolution", "decision", "command", "announcement", "notification", "advice", "opinions" and other names³.

1.2 The legal framework of social assistance at the central governmental level

At the central level, the State Council is the highest organ of state administration. Based on 18 authorities given by the Constitution, the State Council can lead the central ministries, and local governments at all levels. According to the Constitution and laws, the State Council formulates administrative regulations. Various Ministries, Commissions, the People's Bank of China, the Audit Commission and affiliated institutions also have administrative functions. They could formulate decisions and orders within the purview of the department, in line with the laws and administrative regulations of the State Council. In the State Council and its component departments, the Ministry of Civil Affairs is the key ministry to undertake social assistance work and to co-ordinate the national social assistance system. The Ministries of Civil Affairs, Health Planning, Education, Housing and Urban Construction, Human Resources and Social Security, in accordance with their respective responsibilities play a role in the management of social assistance.

The main responsibilities of the Ministry of Civil Affairs include the "preparation of civil affairs and development planning policies, drafting of related laws and regulations, formulation of regulations, and organization of their implementation, supervision and inspection." In the area of social assistance, the Ministry of Civil Affairs is responsible for "the preparation of social assistance programs, policies and standards, improving the urban and rural social relief system, and is in charge of the urban and rural minimum living allowance, medical assistance, and temporary assistance. Therefore, Ministry of Civil Affairs directly formulates many laws and policies, or participates in the policymaking process of relevant laws and regulations.

Currently, the Constitution, laws, administrative regulations, local regulations, the State Council department regulations and local government regulations have formed the regulation-based legal

² National People's Congress, Legislation Law, 2015, Retrieved from http://www.npc.gov.cn/npc/dbdhhy/12_3/2015-03/18/content_1930713.htm

³ The General Office of the CPC Central Committee and the General Office of the State Council: "Regulations on Handling Official Documents by Party and Government Organs", Retrieved from http://www.pkulaw.cn/fulltext_form.aspx?Gid=1510139627

system of social assistance. Since China is not a federal state, local government has limited legislative power. The central government has the right to decide policies and regulations. Mainly in this section I will cover the main types of central government policies, regulations and structural characteristics. Currently in the field of social assistance, regulations issued by the State Council departments are the most authoritative and most commonly used.

The departmental rules and regulations shall be promulgated by order of the departmental heads. From a quantitative point of view there are comparative laws, administrative regulations and departmental rules and regulations. Of the three, the State Council department rules the largest in number and are the main policy. The basic characteristics of departmental rules and regulations are that they cover specific problems, have clear objectives, wide coverage, practical operation and management.

Relevant regulatory documents mainly include "Regulations" and "measures"; and normative documents usually including "notification", "advice" and "guidance" etc. Currently, effective social assistance policies and regulations mainly are the departmental regulations issued by the Ministry of Civil Affairs, regulatory/normative/ explanatory documents released by the Ministry of Civil Affairs, normative documents issued by the Ministry of Civil Affairs and other ministries jointly, plans and programs issued by the CPC Central Committee and State Council. A variety of social policies and regulations constitute the reunification of China as do multi-level policies and regulations.

Table I and Table II lists the social assistance regulatory documents and normative documents. In terms of policy force, a regulatory document's policy force is generally higher than that of a normative document. The policy of the enacting body must also determine the nature and degree of force: a law needs to be formulated by the NPC and its Standing Committee; the State Council mainly establishes administrative regulations; provinces and large cities of the NPC and its Standing Committee establish local regulations, the constituent department of the State Council of departmental issue regulations; provincial and local regulations are issued by the city government.

Currently, social assistance regulations documents mainly include the "Regulations" (such as "urban minimum living security regulations"), the "measures" and "Interim Measures" (such as the "Interim Measures for Social Assistance"), in the form of the decrees of the State Council. Because normative documents, including "notification", "advice" and "guidance", have the nature of governing and regulating people's behavior they are named as normative documents. Social assistance normative documents are usually issued by the Ministry of Civil Affairs, and sometimes, the "notification" and "opinion" are jointly issued by various ministries. Among them, the "opinions" applies to opinions, measures and approaches proposed for some important issues; "notice" means to publish, transfer some requirements to a lower level of government/organization. A Notification is usually made on specific issues instructions and may belong to large areas of the law and may be a specific administrative act. Advice and guidance are usually weaker than regulatory documents.

The most important political fact of the Government is the coercive force of the policy. From the degree of coercive force the hierarchy is laws and regulations, policy documents, regulations, methods and advice and guidance. The main body of the policy also determines its nature and coercive force: the law needs to be formulated by the National People's Congress and its Standing Committee; the State Council mainly enacts administrative regulations; Departments are mainly responsible for the formulation of departmental rules and regulations; provincial and some municipal governments develop local regulations.

The implementation process, in which regulations and policies are passed down gradually, will be affected by many factors with the emergence of a variety of policies to implement the results. Hereinafter, this report will analyze the social assistance policy of transferring, delivering and implementing, in the order of provinces, cities, counties, grassroots government and its local authorities.

Table 1: Social Assistance Regulations at the Central Level

Issuing body and File Property	Issuing date	Title
People's Republic of China State Council Order No. 649	2014-02-27	Interim Measures on Social Assistance
People's Republic of China Ministry of Civil Affairs Decree No. 37	2010-10-29	Rural Five Guarantees Service Management Approach
People's Republic of China State Council Order No. 456	2006-01-21	Rural Five Guarantees Regulations
People's Republic of China State Council Order No. 271	1999-09-28	The Urban Minimum Living Standard Security Regulations

Table 2: Social Assistance Normative Documents at the Central Level⁴

Issuing body	Issuing date	Title
The State Council issued circular	2007-08-14	"State Council Notice on establishing the national rural minimum living standard security system"
The State Council issued a circular	2016-04-16	Ministry of Civil Affairs Notice on Implementing the "CPC Central Committee and State Council decision to win the fight against poverty"
Joint policy (Ministry of Civil Affairs with other ministries)	2015-09-06	The Ministries of Civil Affairs and Finance issued a Circular on "2015 Annual provinces (autonomous regions and municipalities) minimum living security work performance evaluation index and standards"
Joint policy (Ministry of Civil Affairs with other ministries)	2015-08-26	Ministry of Civil Affairs Circular to carry out investigations into the case to support extremely difficult people
Joint policy (Ministry of Civil Affairs with other ministries)	2011-04-27	Ministry of Civil Affairs notice on determining "the first national urban household economic status check demonstration unit"

⁴ In the order of the State Council---Multile ministries---MOCA.

Ministry of Finance (General Office)	2009-06-11	Ministries of Civil Affairs, Health and Human Resources and Social Security on further improving the urban and rural medical assistance system
Ministry of Civil Affairs	2015-06-04	Ministry of Civil Affairs comments on the guidance to village (neighborhood) committees in assisting in the work of social assistance
Ministry of Civil Affairs issued a notice:	2010-11-11	Ministry of Civil Affairs Guiding Opinions on Further Regulating the Rural Minimum Living Standard Security Work

1.3 “Using policies to implement policies”

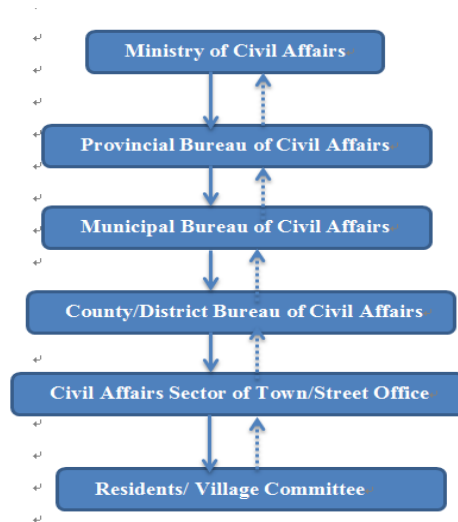
China's government system is a very large, quasi-pyramid management system and it operates in accordance with its own principles. In this huge management system, **“using policies to implement policies”** is a common policy execution mode. The order can be described as: central policy → provincial policy (implementation of the views of the Central Policy) → municipal policy (central and provincial policy implementation opinions) → county policy (central, provincial and municipal policy to implement the views) → township policy (opinions central, provincial, municipal and county policy).

The Government and its civil affairs departments should forward, transfer and implement superior documents. In this process, the local civil affairs departments need to assess the actual situation to develop new or complementary policies. For example, under the recent "Social Assistance Interim Measures," temporary relief, medical aid and other policies and regulations, the civil affairs department of the provincial government will follow the central document, and integrate the realities of the province into it in order to develop its methods and measures. Similarly, the civil affairs department of the municipal government will follow the provincial document and integrate the realities of the city to develop its methods and measures.

Most social assistance policy formulation and promulgation need to go through the government approval process of normative documents. This top-down, stepwise refinement and transfer of policies, is able to provide a stronger basis and guidance for the supplementary subordinated policies. This reduces conflicts and modifications and improves the regulatory documents' efficiency.

“Using policies to implement policies” has the following characteristics. Firstly, it has duality. At certain levels it is policymaking undertaken by the government. However, for the higher level of government it is policy implementation. Secondly it is normative. Through the development policy of the organization implementing the higher level policy and, subject to legal procedures, confirmed by legalizing the formation of normative documents, the policy cannot be arbitrarily modified. The third is its flexibility. The superior spirit of the policy and the local reality allows for innovation and adaptation, particularly in implementation at the grassroots level which can be affected by the actual situation. The policy implementation process is highly flexible its nature. Fourth, operability. Generally higher level policy principles are broad and abstract. It can be difficult to operate and direct the implementation of a policy. When there are specific and detailed objectives and tasks and measures are clear, policy is easy to operate and carry out.

Figure 1: Multi-level governmental structure in China



2. AN OVERVIEW OF THE POLICY TRANSMISSION AND IMPLEMENTATION OF SOCIAL ASSISTANCE AT THE PROVINCIAL LEVEL

Within the five levels of government, provincial governments are the only ones which have both significant and decision-making functions. They play a central role in the process of “using policies to implement policies” as it localizes the central policies and has a very significant influence in implementing the centrally developed policies. It is very important to study Government policy implementation within provincial governments.

This chapter mainly focuses on how, after receiving the central government (including the State Council and the Ministry of Civil Affairs and other central departments) social assistance regulations and policies, would the provincial government respond, deliver, transfer and implement policies? This chapter examines social assistance policies and the internal mechanisms of provincial governments and their constituent departments.

2.1 Policy limit and authority of provincial governments

The provincial government has significant policy decision-making authority. Under the "Legislation Law", people's congresses of provinces, autonomous regions and municipalities and its Standing Committee may establish their local regulations in accordance with the specific conditions and actual needs of the administrative region under the Constitution, laws, administrative regulations municipalities and autonomous regions, municipalities and districts, autonomous prefectures and the people's government, according to laws, administrative regulations and the province, autonomous regions and municipalities directly under the local laws and regulations, may formulate rules. Provinces and large cities of the NPC and its Standing Committee enact local regulations. The effectiveness of laws issued by the NPC and its Standing Committee are higher than the administrative regulations, local regulations, and rules. The effect of administrative regulations is higher than that of local regulations and rules. The effectiveness of local regulations is higher than the present level and lower-level local government regulations. Between departmental rules and regulations there is the same effect as between departmental regulations and local government regulations.

2.2 The modes by which a Provincial Government transfers and implements policies: the case of the Interim Measures of Social Assistance

According to the administrative structure and characteristics of the Chinese government, in principle, the provincial government and its Bureau of Civil Affairs need to transfer and implement all documents issued by the State Council and the Ministry of Civil Affairs.

The most common method for Provincial Governments to convey policy include adapting the province's actual situation to develop new policies and regulations or forwarding the policy directly to the municipal level of government. Of the two it is relatively rare to forward policies directly. This is usually applied to those policies which have already been completed and are detailed. However, due to the regional differences in China, the central departments of social assistance files will leave some space for the regions. So a provincial government needs to implement the central policies in accordance with the province's actual situation. This means that they need to interpret the existing policy file and add appropriate supplementary terms to develop a "provincial version".

The "Interim Measures for Social Assistance" (dated February 21, 2014 - People's Republic of China State Council Decree No. 649) is the highest social assistance law to date. The file includes general principles, a minimum living allowance, social assistance to support destitute persons, medical assistance, education assistance, housing assistance, employment assistance, temporary assistance, social participation, supervision and management, legal liability and supplementary provisions. There are 13 chapters and 70 articles. The effective date of implementation was May 1, 2014. Under "the Measures", the Government and Departments bear the prime responsibility for social assistance. From the central level to the local level, different departments need to perform their duties under social assistance.

After the "Interim Measures" was issued, most provinces followed the "Interim Measures" relatively quickly to issue a corresponding provincial program of local social assistance laws and regulations. E.g:

- ü "Zhejiang Social Assistance Ordinance" (Zhejiang Province People's Congress Standing Committee Bulletin No. 18 /2014.07.31 release /2014.11.01 implementation)⁵;
- ü "Sichuan Provincial Social Assistance Implementation Measures" (Sichuan Provincial People's Government Decree No. 286 / currently valid /2014.12.30 release /2015.03.01 implementation)⁶;
- ü "Henan Social Assistance Implementation Measures" (Henan Provincial People's Government Decree No. 92 / force in /2014.12.18 release /2014.12.20 embodiment)⁷
- ü "Jiangsu Provincial Social Assistance Measures" (Jiangsu Provincial People's Government No. 99 /2014.12.17 release /2015.02.01 implementation)⁸;

⁵ Zhejiang Provincial People's Government: "Zhejiang Province, social assistance regulations," July 31, 2014 release. Retrieved from http://www.songyang.gov.cn/zwgk/fzdt/zcwj/201412/t20141212_169824.htm

⁶ Sichuan Provincial People's Government: "Sichuan Province, the implementation of social assistance measures", December 31, 2014 release, retrieved from <http://www.sc.gov.cn/10462/10883/11066/2015/1/1/10322412.Shtml>

⁷ Henan Provincial People's Government: "Henan Province, the implementation of social assistance measures", December 18, 2014 release, downloaded from <http://www.henan.gov.cn/zwgk/system/2014/12/29/010516358.shtml>

⁸ Jiangsu Provincial People's Government: "Jiangsu Province, social assistance measures", December 17, 2014, downloaded from http://www.jiangsu.gov.cn/jsgov/tj/bgt/201412/t20141231_467015.html

ü "Shandong Province Social Assistance Measures" (Shandong Provincial People's Government No. 279 /2014.09.26 release /2014.11.01 implementation)⁹;

ü "Hubei Provincial Social Assistance Implementation Measures" (Hubei Provincial People's Government No. 374 /2014.09.10 release /2014.11.01 implementation)¹⁰;

These local regulations generally follow the "Interim Measures" combining it with provincial realities by including certain additions, interpretations and deletions. For example the "Henan Social Assistance Implementation Measures" has 12 chapters and 81 articles. The most obvious change is that in their "Interim Measures" Chapter 12 on "Legal Responsibility" and Chapter 11 on "Regulation" are merge, and a final chapter, "Annex" is added. The focus on the "Henan Social Assistance Implementation Measures" is the division of tasks and having a clear set of social relief affairs. These were added by the provincial government and various departments and agencies directly under the composition of the lead unit and assistance units. In Shandong Province in the "Social Assistance Interim Measures" 8 + 1 "" there is established, on the basis of an increase in Chapter 11, the "Social Assistance Household Economic Status Check" (total 5). Under this the institution of the family economic status checking mechanism and its information platform are officially written into the legislation. While in Chapter 14, the "Annex" defines the important concepts of family subsistence allowances and poor people, low-income families and poor staff support agencies.

Some provinces and cities are advanced than others as they have been ahead of the central government in issuing a "social assistance measure," or even "social assistance regulations". Guangdong Province, for example, based on the "Guangdong Social Assistance Ordinance (Revised 2010)" (the Standing Committee of People's Congress of Guangdong Province /2010.07.23 release /2010.07.23 implementation) and "Interim Measures", issued a "Guangdong Province Implementation of the Social Assistance Interim Measures program of work. Shanghai based on its "Approach to the Shanghai Social Assistance (amended 2010)" (the Shanghai Municipal People's Government No. 52 /2010.12.20 release /1997.01.01 implementation) and the "Interim Measures", issued a "Shanghai Municipal Government issue about the City's implementation of the "Interim Measures on Social assistance" opinions notice. "

These provinces and cities to state that their relevant objectives are to fully implement the "Interim Measures for Social Assistance," to further improve the provincial social assistance policies to improve the level of social assistance and establish and improve social assistance coordination mechanisms to achieve an inter-sectoral social assistance information connection. To form a concerted effort to ensure that the beneficiaries relief are identified accurately and scientifically, social assistance policies maintain fairness and openness and give full play to the maximum use of financing to fund benefits. They established a "one accepted, collaborative management" platform to enhance the social assistance capacity of public services to ensure that the social relief policy is handled effectively and ensures that the masses get the necessary help. Smooth social participation and supervision channels achieve "sunshine relief" to jointly create the bottom line of emergency rescue and sustainable social assistance work in a new situation.

⁹ Shandong Provincial People's Government: "Shandong Province social assistance measures", September 26, 2014 release, download at http://www.shandong.gov.cn/art/2014/9/30/art_285_6646.html

¹⁰ Hubei Provincial People's Government: "Hubei Province, the implementation of social assistance measures", released on September 10, 2014, download at http://3y.uu456.com/bp_2lwx8333u62p7v540men_1.html

2.3 Patterns of Provincial Governments' policy transfer and delivery

With the development of China's economic reform, the central government has recognised the regional imbalances of the natural environment, economic and social development. Accordingly it gradually given economic and social decision-making powers to local areas.

After reform of the taxation system, local government has a certain level of expenditure autonomy allowing it to be more active in innovating policies so that the implementation of central policies now depends, in part, on local financing and preferences. Chinese provincial governments are an intermediate layer between the central government and local grass-roots governments. They play a pivotal role in transferring policy and the process of implementation. Therefore, how a provincial government delivers the process of implementation and its manner and behavioral characteristics should be the focus of policy research.

This section focuses on the process methods and influencing factors of how provincial governments deliver the central policy files to lower level governments. The provincial government and its constituent departments to deal with the central mode of social assistance policies include the following:

1) Policies developed from the Central Government documents: "Interim Measures of Social Assistance" as an example

The Provincial Civil Affairs Departments are usually very active and assiduous in implementing important laws and regulations in a timely manner. In most cases, Provincial Governments and Provincial Civil Affairs Department do not simply forward the original central government policies, rather, they would conduct policy identification, filtering, and analysis. They will then issue policy documents or supporting documents to implement the central government policies.

For example, after the promulgation of the "Interim Measures of Social Assistance" in 2014, the civil affairs system held a conference in Changsha to promote policy implementation. At the conference it was stated that provincial-level policy transfer of the "Interim Measures of Social Assistance" would be the only one-vote veto item for the provincial civil affairs bureau's work performance evaluation. This meant that, at the provincial level, without an "Interim Measures" policy delivery and support document, the province's Civil Affairs Department could not be rated as good or excellent. This was a reason for them to pay close attention to actively implement "The Measures".

Taking Shandong Province as an example, the provincial Civil Affairs Department reported on the meeting in Changsha and then it quickly set up a joint investigation team. Shandong Province drafted its social assistance approach with the goal of introducing the supporting documents across the province by the end of 2014. Shandong provincial government attached great importance to this work, and quickly held a joint meeting of the various departments. This can happens when the governor is the former Deputy Minister of Civil Affairs who attached great importance to this work. It was clearly stated by the Legislative Affairs Office that civil affairs should finance a coalition of research groups to research the issue as soon as possible and develop the materials.

On the basis of the Interim Measures for Social Assistance, Shandong Province added Chapter 11, "Checking the Economic Situation of Families' Relief". The Shandong Civil Affairs Department believes that the assistance needs to be precise. If the assistance beneficiary is not eligible then the greater the assistance the more that mistake will result in a waste of resources. In fact, under traditional methods it is difficult to ensure that the assistance is correct. The current social environment, home visits and inquiries alone can not fully capture the information on the respondents. Therefore, the Shandong Provincial Civil Affairs Department believes that the family economic status check system is very critical. It is the basis of accurate assistance.

For important documents, especially those documents issued by the State Council, the provincial level will usually be through the development of its supporting documents to facilitate

implementation. The provincial government and the composition of the province will be combined with reality to seriously digest and understand the working group's rapid joint deliberations and to promulgate the province's supporting documents.

2) Forward policies/ Policy transfer

Provincial governments and their composition departments need to implement a large number of central policies, so they have to selectively allocate human and material resources. One easy way is to forward central policies to municipal governments. However, even if it is only a policy transfer, the provincial government needs to add their own instructions which states clearly some of the critical items (specifying the criteria, method, and timelines).

For example, the Ministry of Civil Affairs and the Ministry of Finance jointly formulated the Measures for the Evaluation of the Performance of the Minimum Living Standard Security System (No.21 [2014] of the Ministry of Civil Affairs of the People's Republic of China), and the Performance Evaluation Criteria and Evaluation Criteria for the Minimum Living Standard Security in the Provinces (autonomous regions and municipalities) Shandong [2014] No. 8), the Civil Affairs Department of Shandong Province and the Shandong Provincial Department of Finance will be forwarded via No. 20 document of Shandong Civil Affairs Bureau. In the forwarding process, the relevant departments of the provinces responsible for the implementation of the document put forward further requirements. For example, "by the end of the year, the province will form a joint working group on the city's minimum living guarantee for performance evaluation and evaluation acceptance." Then, in 2015, on the basis of the above documents, through the local pilot and its analysis, the Shandong Provincial Civil Affairs Department and the Shandong Provincial Department of Finance promulgated the Notice "on the issuance of the 2015 annual minimum living guarantee performance evaluation indicators and evaluation criteria".

Provincial governments and departments will measure the importance of the guidance documents issued by the higher authorities and implementation and determine the supporting resources necessary to take appropriate action. For example, the Ministry of Civil Affairs, the China Insurance Regulatory Commission and the National Aging Office issued "Work guidance on the promotion of old-age insurance liability insurance" ([2014]47). The Shandong Provincial Civil Affairs Office, the China Insurance Regulatory Commission Bureau, Shandong Province and the Office of Elderly Work forwarded the document to the Civil Affairs Bureau of Shandong Province, the Office of the Aging, Qingdao Insurance Regulatory Bureau and the Yantai Insurance Bureau. They requested the various departments to "Please combine local reality and do a good job of implementation". The document states: "These statements are generally very constructive, but they are very principled and abstract, which means they are not very practical."

Promoting the responsibility insurance of old-age insurance institutions is an important part of constructing the risk-sharing mechanism of the old-age service industry. This is conducive to safeguarding the legitimate rights and interests of the elderly and the old-age care institutions as well as maintaining social harmony and stability. All localities should fully understand the importance of promoting the work of liability insurance for pension institutions, select some areas or part of the pension agencies to first conduct a pilot and then gradually implement. In the pilot process you should mobilize a wide range of pension agencies, insurance companies and insurance brokers to participate in the initiative. The insurance companies should collect data and conduct research and development to adapt their insurance products. Relevant local departments of the insurance companies to carry out the work of the end of the pilot to provide support for pension agencies and actively coordinate the financial sector through premium subsidies for pension insurance for the insurance liability insurance to give financial support. The pilot will be included in the pension insurance comprehensive evaluation. They should be, encouraged to explore. The establishment of local economic and social development and the

level of old-age care services should adapt to the pension insurance system, and comprehensively enhance the old-age care service management level. ---- Work guidance on the promotion of old-age insurance liability insurance

These statements on the whole are very positive, but also very principled and guiding. They are not strong operationally.

3) Policy innovation: pilot areas

For provincial governments, it is sometimes necessary to provide policy privileges in some areas and to establish pilot sites to provide policy innovation, in accordance with the guidance of the central government, or for local development considerations. At this stage, the central policy may be relatively broad and only a guide. More specific policies will need to be developed by the provincial government or by the provincial government directly authorizing city and county governments to develop them.

2.4 Influencing factors: Policy making and implementation by Provincial Government

The provincial governments' policy implementation mode is mainly affected by the policy types, who issued the policy, the higher the degree of government attention and urgent implementation of the policy, the actual situation of the province, the degree of attention and the reasons for the other provincial leaders to take a joint decision.

First, within the main body of the file released, the provincial government and the composition generally will follow how the central government issues the policy.

If the superior document is issued by the State Council, accordingly, the provincial government will also publish it through the provincial government office. Usually the grade of the files issued by a government office is higher than one the civil affairs department issues. If several ministries of the State Council jointly issue a document the policy will be jointly issued by the corresponding authorities at the provincial level.

If multisectoral departments jointly issue a document at the provincial level, the municipal government will have fewer obstacles. This will be more conducive to policy implementation. For example, in practice, the staff found that if the civil affairs departments and financial departments jointly released policy is more effective than the provincial government office's policy. Because if there is no provincial Department of Finance, the Municipal Finance Bureau may not recognize the Office of the province mentioned in the document nor the financial-related content and requirements, This will result in difficulties with policy implementation. Once the provincial Department of Finance issued document requiring participation, then the municipal finance bureau has the responsibility to coordinate and execute it.

Secondly, within the the provincial Civil Affairs Department the decision on how to treat central policy is largely determined by the attitude and the impact of the higher authorities. The provincial civil affairs department will carefully study the statement and documents of the relevant officials, the annual assessment criteria and content received from the Ministry of Civil Affairs, from which it will extract relevant parts for the given period of focus and determine their own priorities. If MOCA did not include the main points or an assessment of the content, the provincial department will consider itself to be superior and will naturally ignore or place a low level of importance on the instruction. For example, Shandong Province, Housing and Urban Construction Department of Shandong Province Civil Affairs Department of Shandong Provincial Department of Finance transmitted the "Ministry of Civil Affairs and Ministry of Housing and Urban Construction Notice on working on housing assistance" but the file is more of a tutorial nature. Follow-up efforts did not carry out a pilot and there is no higher level to monitor and review performance. So in the real world, its implementation by the civil affairs department was not a priority.

For the provincial Civil Affairs Department, the Ministry of Civil Affairs' assessment mechanism is an important beacon. In general, the provincial Civil Affairs Department attaches great importance to the results of its annual performance appraisal, strives for excellence and aims for minimal criticism. So to pay attention to the work of the Ministry of Civil Affairs the main points of study will also focus on the provincial government and its Civil Affairs Department.

Third, the actual situation of the province, such as its economic and social development, regional differences, issues related to job performance and other historical factors will also have a combined effect of the provincial government's policy response to the higher level and its implementation.

After the introduction of the "Interim Measures for Social Assistance" Shandong Province accordingly issued a notice of interim relief. The notice was issued jointly by the Shandong Provincial Department of Civil Affairs and its Department of Finance, primarily to address the fact that effectiveness of the civil administration was not enough and there was a problem in the matching funds. This indicated that in practice work has begun to fulfill their functions. The State Council issued a notice of interim relief (2014) but Shandong Province could not issue the supporting documents because the State Department file was more specific. The scope of the relief for beneficiaries', personal assets and application processing aspects have to proactively identify what had previously been a passive approval request. The approval process, the path to assistance and relief and other aspects of the standards and the original content required some refinement, so the file could not be covered by the Home Office of the State Council document content. In 2015 the Home Office republished Shandong Provincial People's Government notification document "on the implementation of the National Development to establish and improve the temporary assistance system [2014] No. 47" (Lu Zheng Fa [2015] No. 5), to implement the State Council document.

Fourth, political factors. The political climate discourse system and the emphasis of national leaders and provincial leaders will greatly affect the implementation of social assistance policies. As "precise poverty" is the current focus of the work of governments at all levels, it has a higher priority. Therefore the recent efforts to promote a smooth level of social assistance have increased.

3. AN OVERVIEW OF POLICY TRANSMISSION AND IMPLEMENTATION OF SOCIAL ASSISTANCE AT THE MUNICIPAL LEVEL

In China's administrative system, due to its large hierarchical system, the public policy delivery model is based on the gradual transfer from hierarchies based on hierarchical progression. These are generally based on public policy documents, phone calls, meetings and other top-down methods. Therefore, the municipal government is the hub to connect the provincial government and district governments. This chapter aims to answer the question of how, after a municipal government has received a provincial government policy text, does it deploy and deliver? In other words, how does a municipal government deliver and implement provincial policies?

3.1 Discretion of policy making at the municipal level

This section focuses on how the municipal government forwards the provincial government's documents, as well as how the actual situation of the city is combined into the development of new, complementary policies.

The main policy privilege of municipal governments is to forward and implement the provincial government's documents and manage the county governments' implementation. After the provincial government issues a document, it usually requires the municipal governments and relevant departments to implement it. Because municipal governments also need to interpret and digest policy files and to refine them on the basis of local conditions to make provisions refinement, it is not enough to simply forward them and execute them. In the field of social assistance, policy transfer and implementation is also included in the content of the provincial municipal assessment so if the

municipal government does not attach much importance or policies are not implemented, then the assessment does not count.

However, only the "Interim Measures for Social Assistance" requires the provincial civil affair bureau to issue a policy document accordingly, or else they will receive a veto in the performance evaluation, the other central policies usually do not explicitly require supporting policy texts at the provincial level. But for the actual work in the provinces, the general requirement of municipal governments is to refine the text, which embodies their attitude, and can effectively improve the implementation effort. And in fact the municipal level government needs to further refine the policy for its implementation. For example, Shandong Province required all towns to establish "a collaboratively accepted for" platform, cities and counties opened a 12349 hotline. The State Department did not require this but because of the specific requirements of the provincial government and the Department of Civil Affairs, the Civil Affairs Bureau and municipal governments needed the introduction of the appropriate documents to ensure its implementation.

3.2 Modes of Policy Making and Implementation

Municipal governments play a pivotal role between the provincial government and county/district governments. When the municipal government and relevant departments are interpreting the Interim Relief and the Interim Measures, they are focusing on how hard it is to operate, how to guide the lower-level implementation, more specifically, how to make the policy explanation more realistic and more reasonable. The Civil Affairs Bureau is quite stringent in supporting the policy making process. The Civil Affairs Bureau of the State Council and the province will propose a document, based on a draft document, and if necessary the final file will be countersigned between the departments, then sent to the municipal government, and finally through to the mayor's office for study and review by the Legislative Affairs Office.

Case of Shandong: In 2014, Shandong Province, Department of Civil Affairs, Department of Finance, Human Resources and Social Security Department, Shandong Province Federation of Trade Unions and the Shandong Province Disabled Persons' Federation issued the "Shandong Minimum Security Measures" (Lu Man [2014] 81 number). Its content has been so detailed that basically municipal the civil affairs bureaux would substantially forward the original policies. Meanwhile, the central and provincial documents are relatively vague in respect of medical aid and temporary relief, and therefore, the Civil Affairs Bureau would start from the city's actual situation and make some appropriate changes within the scope of the principle of the original file.

The reasons why Municipal Government departments make the "big change" is mainly due to the scope of the document being unclear, difficult to implement, and sometimes even out of touch with reality.

"I think a lot of State Department documents are out of touch with the local situation. Such as the special hardship support documents, the proposed loss of ability to work and some of the incapacity to work in homes for the elderly, but the elderly institute are mostly old cottages build in 1980s and 1990s. Moreover, personnel and facilities are far from enough. File content and reality are more removed. It must be amended".

- ZB Municipal Bureau of Civil Affairs staff

3.3 The Process of Policy Making and Implementation and the Influencing Factors

When compared to the provincial government, the policy making process of the municipal government is also very standardized, rigorous and their policy autonomy is greatly reduced. To be precise, municipal governments and their departments would issue carefully worded documents, strictly in accordance with the central and provincial governments' documents. And city-level government agencies, such as the Legislative Affairs Office and other relevant units will base their

instructions on the original documents of the higher levels of government with some adjustment for the local municipal situation.

“Now the municipal government is quite careful when issuing a document. If one word more than the original file is written, the Legislative Affairs Office will ask you what that relates to. The countersign unit will ask you where are the words, is there any rationale/evidence from the superior file? Especially when it comes to money, involving human resources and the financial sector, we are basically following the higher level files or it would be quite difficult to have it passed”.

---ZB Municipal Bureau of Civil Affairs staff

In this case, the municipal government innovation policies will be very difficult. Basically they cannot leapfrog "innovation" or autonomous policy changes. But municipal governments need to take into account the national and provincial policies and react. Therefore, in the existing policy implementation system, the municipal government on the one hand needs to take greater responsibility for implementing the policy and its transfer. The room for the development of innovative space policy would be quite limited.

“If you want policy innovation, you must bear extra responsibility, so we usually tend to cautious and conservative”.

---ZB Municipal Bureau of Civil Affairs staff

If the policy is very clear and detailed, then the county government does not have to be innovative, and they will strictly follow the existing policies, rather than proactively try to achieve a breakthrough. If the superior general file does not have a clear policy basis, then the county government will be fearful of accepting responsibility. Therefore the policy will be difficult to implement.

Therefore, the implementation of the policy from top to the bottom has formed a pattern: the central government (the State Council and component departments) have more emphasis on policy direction and principles; and the composition of the provincial government departments tend to further refinement and innovation; municipal governments make further explanation, and probably a slight innovation ; district and county governments are mainly responsible for the implementation of the specific policies. However, not all policy implementation is so smooth or ideal.

3.4 District/county level government’s response to the policies from the higher-level government

According to the "Legislation Law", it is stipulated that: People's Congress local laws and regulations of the provinces, autonomous regions and municipalities and its Standing Committee are formulated in the other larger cities by the people's congresses of provinces, autonomous regions and the Standing Committee (larger City refers to the provincial, autonomous regional people's government of the city location, cities in Special Economic Zones and the State Council approved larger cities).

The Provincial People's Government and the State Council approve the larger Municipal People's Government. It is the seat of government of the Provincial People's Municipal Government. The general level city government and county (city) people's government decided to wait for the rules, regulations, administrative measures to be formulated. Autonomous counties (banners) people's government in accordance with the provisions of Regional Autonomy, formulate local regulations. Government at district level has no authority to develop local regulations.

Most district-level governments generally forward documents directly to municipal government. In some cases they will be combined to include the actual situation in the region to develop the new and complementary nature of the policy. There are factors relating to the geographical and administrative framework. There are differences in policy and reform projects and other factors.

First, the administrative structure and geographical factors. China has four municipalities and 15 sub-provincial cities / municipalities that are higher than the base normal levels of a city. Correspondingly, its district levels are also higher and the policy authority is greater. There is usually more policy development/introduction of work in their supporting documents.

Second, explaining the type and guidance of normative documents. Some social assistance files have been quite clear, detailed with specific details. The district and county governments do not need to deal with these. They can be directly executed. And some regulatory documents related to administrative affairs notwithstanding the provisions, but more related to principles need to be refined and interpreted. In such cases the county government needs to introduce rules or supporting documents.

Third, in some cases there is a need to issue some regulatory documents. Some counties will be listed as a pilot/ Piloting requires constant exploration and innovation. The relevant administrative regulations have not yet made provision for certain matters. Therefore, the need for administrative management and policy development requires a lot of work. A pilot county usually has the right to develop operational rules, obligations and normative documents.

According to the regulations, people's governments above county level should include social assistance into their national economic and social development plan. They should establish and improve the leadership of the government. For the departments concerned with social assistance coordination mechanisms for social participation and improving social assistance funds and materials to protect their mechanism, the government will arrange social assistance funds and their work.

In the process of passing down the central policy, policy distortion and implementation problems inevitably arise. Public Policy Transition distortion, refers to public policy in the transfer process due to various interference factors. The eventual emergence of the information does not accurately reflect the true policy of the state. Mainly this is on account of interception policy, policy distortions, additional policies and policy lag. Transfer policy is the direct consequence of the distortion of the deviation of policy implementation. First it is difficult to achieve policy goals. Second is the implementation of policy distortions. Third is the problem of slow policy implementation. The main reason for its own shortcomings include public policy, lack of knowledge and transfer of self-interests in the policy, imperfect delivery channels, fragmentation of government coordination mechanisms, government financial resources and the capacity to configure imbalances, inadequate policy monitoring mechanisms and so on.

The level of local economic development (financial) and administration capacity will greatly influence social assistance policy. In the survey we found that, at present, political will is an important factor, namely whether local governments attach importance to poverty alleviation. If so social assistance will greatly impact the policy effect. The key to its emphasis is the local government's attitude.

3.5 Policy publicity and promotion

Policy advocacy is an indispensable part of policy implementation. Policy advocacy consists of two parts. The first is training and promotion for civil affairs officials and community staff. The second is policy publicity and its popularity among the people.

The Provincial and municipal government's process of transferring policy included training and publicity. According to the feedback from the Shandong Provincial department of Civil Affairs and Zibo Municipal Civil Affairs Bureau, each time a new document is issued the Municipal Civil Affairs Bureau and the provincial Civil Affairs Department will be equipped with an appropriate basic training policy. In addition, some people close to the interests of the policy where there is low urban and rural popularity will organise media attention and publicity, Some regions will produce brochures to increase policy knowledge to a wider audience.

“I think this should also include the transmission inside the policy on advocacy. In recent years we do a lot of promotional work. For every document issued, we have a corresponding training camp. The provincial city is engaged in training. For example for the minimum subsistence allowance the province organised a training session in Laiwu for the city for all staff - low-level cadres and grassroots civil assistants. There were more than 200 people at the training. There was one on one training. So I think that when the policy is passed in our city there needs to be policy advocacy. We have to let the implementation units and the people know the new policy. We have also done a lot of policy brochures, publicity, etc., so that the people understand.

- Zibo City Civil Affairs Bureau staff

Now, especially after the "Sunshine subsistence allowances", the implementation of the policy content is very detailed. The public is also very interested about the policy. So until now social assistance and in particular the implementation of the system has had a very low specification level. But deviations will be inevitable because there are always special circumstances that cannot match exactly to any one, grass roots policy. It can only be judged in accordance with the broad principles and its implementation.

4. POLICY DELIVERY AND IMPLEMENTATION OF SOCIAL ASSISTANCE: GRASS-ROOT GOVERNMENT¹¹ AND ITS AGENCIES¹²

This chapter will focus on the status of policy implementation at the grassroots level. The bottom-up policy implementation model is one of the two models of implementation of research. The theoretical model of policy research has a significant impact. The main point of this model is that the policy decisions of the most important activities take place in the organizations of the lower levels.

The model is that policy is not controlled by laws and rules, but among the Organization (members) bargaining process. Therefore, the project task should be to reflect the thoughts and opinions of the lower officials, or at least reflect the idea of junior officers in their behavior patterns. This model assumes that the policy will eventually be corrected by those junior officers, in order to comply with their thoughts and opinions.

In China, the overall government system includes 7,315 city streets, 591,000 villages and 84,000 communities. Towns, streets, village and residents' committees, as agencies of the People's Government, have no policy-making authority.

At the central, provincial, district and county level, social assistance mainly refers to policy transfer and the delivery of information. However, relief work in town and village is dealing directly with recipients. Township governments and neighborhood offices are responsible for receiving applications for social assistance and auditing their payment. The specific work is undertaken by the social assistance agencies and/or professional personnel while the villagers' committees and residents'

¹¹ Townships, nationality townships and towns people's government, not divided into districts, municipal districts people's government, not divided into districts, municipal districts people's government agencies.

¹² "Urban Residents' Committee Organization Law and the relevant provisions of the" Village Committee Organization Law, "for further judgment. Urban Residents' Committee Organization Law "Article 2, paragraph 2:" not divided into districts, municipal districts people's government or agency of the residents work of the Commission to give guidance and support to help residents of the Commission, assist in the work of municipal districts people's government or its agency ", "village Committee organization law "Article 4:" townships, nationality townships and towns of the people's Government of the villagers' committee to give guidance, support and help, but must not interfere with legal matters within the scope of the villager autonomy. Villagers' committee assist the township, nationality township or town people's government work. "these two provisions of Article 111 of the Constitution make clear the "the relationship between the residents and villagers committees with the grass-roots political power".

committees are needed to help in the implementation of social assistance work (The governmental structure is shown in Figure 1 on page 13).

4.1 Street office & town government and residents'/ villagers' committee

Township (neighborhood), and community (village) government does not have any policy-making authority. They usually follow the orders of the municipal level and district/county level rather than comply with the central policy directly. The municipal and county governments often organize various forms of training and meetings to explain new policies. For example, they will conduct training and even on-site examinations and other means. Grass-roots civil affairs staffs are usually more cautious, because they are the ones most directly responsible. If policies and regulations to control the work are unclear and cause any errors, they are the ones who have to take responsibility.

Q: Would you receive training for new policies? And in what form?

A: Usually we will get training or have meetings to study new policies. The directors of District/county civil affairs are quite familiar with the policies. They must study quite hard in advance, or they would bear the responsibility of not being able to deliver the policy correctly. Similarly, we need to study quite hardy as well, as we need to deal with these specific cases.

-----Street-level civil affair staff

However, in recent years, the civil affairs system has introduced more new documents and new measures. Some of them have coincided with existing documents and some have made great innovations. Grassroots personnel feel more passive and confused. They even feel that they are an extra burden. There is no performance appraisal of their work. They need to take responsibility for any errors they make. In the "fine lazy but not reward ground" mode, some grass-roots staff lack any enthusiasm for work. At the same time, under the constraint mechanism of superior examination, low assurance audit and the eight stipulations, although effectively ensuring the discipline of grassroot government staff, it also imposes great restrictions and is not conducive to encouraging the staff's enthusiasm for the work. But in the real world, there are a variety of cases beyond the provisions of the document. There is a need for staff to conduct specific analysis based on specific circumstances and to use their discretion.

Street-level civil affairs staff also mentioned that policy implementation is quite complicated in the real world. They will follow the rules strictly. However they would also consider the reality and then make their decision. They consider stability and harmony as extremely important. Sometimes, they would not totally follow the policy documents if they needed to handle some special cases.

My work is based on the principle of regulations, but stability comes first. For example, when I am approving a Dibao case, I do not only look at income, but I also consider the status of the claimant's labor, health, property, children and so on. It is possible to calculate income accurately for rural household, and we do not want to have any complaints. As a result, as long as the villagers accept the approved results, everything is fine. If I completely follow the policy then we would get absolutely nowhere.

-----Street-level civil affair staff

4.2 Behavioral modes in policy delivery and implementation

Promotion and implementation is quite important for grass-roots government in deploying and implementing the important process of policy and local implementation of specific policies and important content. Promotion and implementation include breaking down and interpreting the policy, the formation of specific operational procedures, the use of clear and concise text and finally the government will spread the policies through brochures, verbal communication and other ways. It is

critical for street and town administrative agencies and related institutions to have enough supporting resources to transmit and implement policies.

A lot of new policies are introduced rapidly

Rapid development of policy is reflected not only in the accelerated speed at which the central government and the Ministry of Civil Affairs issue new policies, but also in the pressure on provincial and municipal governments to transfer and implement the policy quickly.

In recent years, the scope of social assistance has been expanding rapidly, the coverage is enlarging, and the benefit level is improving. A number of novel policies designed to protect people's livelihood and improve their quality of life have been issued very quickly. But some of these regulations/normative policies lack clear rules for their operation. This brings about confusion and difficulties for the grass-root government and its agencies.

Sometimes, the policy is not good because the policy is not clear enough, such as the policy on deserted children. What kind of children are deserted? How long do they have to be left alone for? There are also some ambiguities in the work with the very poor. This new aid policy is the most difficult to implement. It is not very clear.

- JM City XX District Civil Affairs Bureau staff

Some social assistance work is campaign-style.

After the promulgation of the Interim Measures for social assistance, the central government will basically issue at least one new policy every year. Interim relief was released last year. This year it is "severe disease". Policies are being developed too quickly. Because they require a quick transfer and implementation, provincial and municipal governments need to transfer and interpret the policies quickly to support their tight schedule. However, if the documents of provincial and municipal government are not operational, for example, if they do not state clearly the human and financial resources, we cannot really execute them.

I think they need more time for a full investigation.

And sometimes slogans and talk move faster than a policy. If implementation is too quick, then we will not be able to follow it.

---- County Civil affair staff in Guangdong

Some interviewees mentioned that this may be a short-term issue. With the development of the social assistance system, these challenges may be gradually solved. Policy implementation is to attach some operational code along with the regulations.

The fundamental reason is that social assistance system is still relying heavily on some soft policies, e.g. opinions, notification and other normative documents issued by the Ministry of Civil Affairs and local government. Grassroots agencies face great ambiguity and have discretion. This is good when it comes to the implementation of a standardized policy. A social assistance law is greatly needed to resolve social assistance policy transfer and implementation issues.

Avoiding responsibility

When policy is not clear, the front line staff are more inclined to complete the labor of duty on the basis of protecting themselves. They will not handle sensitive issues as far as possible. They will even avoid policy innovation so as to avoid errors. In short, in front of their superior, the staff hope to avoid violation of discipline and regulation. In front of the masses, the staff try to avoid public petitions.

We are more inclined to protect ourselves from the mistakes and petitions. At least we need to be evidence-based and free of responsibility.

--- County Civil affair staff in Guangdong

Some of the respondents reflected that a policy is not to protect and support grassroots civil affairs cadres. Frontline practitioners hope policy documents could make clear the business division of labor. They can further define resources and equipment, performance standards and a range of issues such as responsibility to facilitate the work of grassroots cadres.

The civil affairs department is not that strong among all the departments and bureaus. If we do not have the protection and guarantee from the policies document, we cannot do our daily work.

--- County Civil affairs staff in Shandong

Resources and capacity

Provincial and district government grass-roots government staff mentioned the shortage of human resources and matching funds. Resource limitation is an important factor restricting policy advocacy and implementation. Due to various constraints, it is very difficult to work with grassroots policy implementation and innovation. They hope that the central and provincial documents can refine, explain or quantify the policies. In particular, it will be very helpful to clearly indicate the supporting resources in the document.

Right now, the situation is that when a policy comes out, it only states what we should do, without mentioning the human resources and the budget. I think provincial and municipal government need to explain that. We cannot cook without rice.

— County Civil affairs staff in Guangdong

In the "2011 Statistical Yearbook", the data shows that at the end of 2010, there are 89,000 civil affairs administrative organs at all levels, 50,000 township assistants and 620,000 million civil affairs institutions staff. Accordingly there are about 0.9 million people working in the civil affairs system¹³. Of these only some of the staff are directly dealing with social assistance matters. A large part of the staff responsible for other civil affairs. Contrast this to the huge number of social relief services. The number of urban subsistence allowances recipients is about 17 million people. The number of rural subsistence allowances recipients is about 49 million. Traditional relief/extreme difficult is delivered to 63.8 million people. In addition, there are 2.9 million recipients of direct medical assistance and 6.5 million receiving temporary relief.¹⁴ As a result, a relatively limited number of civil servants have delivered relatively complex social assistance services.

A shortage of staff is the first factor that influences the work that needs to be carried out. Currently the human resource plan of civil affairs department is compiled by the Commission Office and the Government. MOCA cannot decide the quota of human resources. Therefore, the Ministry of Civil Affairs has an operational guidance role for Civil Affairs Bureaux, but the provincial and municipal provision cannot follow the MOCA guidance precisely, at least in terms of manpower and resources. The grass-root level civil affairs department and agencies are generally faced with a shortage of staff. The grassroots manpower shortage is the first reason that the file can not enter into force and policies can not be effectively implemented.

There is an example, File 45, 2012, said the grass-roots civil power to be filled, the province out of No. 23, when the text said, with more than 50,000 people, with 50,000 people with

¹³ Notice of the Ministry of Civil Affairs on Printing and Distributing the National Mid- and Long-Term Development Plan for Civilian Personnel (2010-2020), retrieved from <http://www.mca.gov.cn/article/zwgk/fvfg/zh/201110/20111000185430.shtml>

¹⁴ Ministry of Civil Affairs of the People's Republic of China, Statistical Communiqué on Social Services Development, 2015, Retrieved from <http://www.mca.gov.cn/article/sj/tjgb/201607/20160700001136.shtml>

the number of people, which is the policy to promote a great breakthrough. But in turn, if these things were not written in the provincial policies, the city if the proportion of equipment, the Legislative Affairs Office will ask where to go, based on where. And even if the province to write clearly, is not with the compilation of the difference between a large difference. Now with the national reduction, compiled without documents, the implementation is very difficult.

Compilation is the implementation of other people to do the instructions. They do not listen to us. Civil Affairs is relatively weak. It is too difficult to coordinate the various departments.

——County Civil affairs staff in Guangdong

Asymmetry of two-way information exchange

In the process of policy formulation and implementation, there is a two-way information asymmetry (top down and bottom up). Based on the national situation and strategic planning, the central government continues to promote the reform of civil affairs, through the introduction of new policies or revised policies. Due to the huge regional differences and China's large population, the central policy is difficult to take care of in every region and in every household.

In the process of policy implementation, the grass-roots workers need to effectively implement the policy documents. They face a wide range of cases, other than just processing documents. Therefore, in the implementation process, there is a bottom-up information asymmetry. Although grass-roots civil affairs departments can call or meet to reflect pass on their comments and difficulties to the higher level, it is a time-consuming, formal process to revise policy document since this involves multiple departments. Only when the policy implementation is quite difficult, and many problems arise will there will be some temporary notice, additional explanations or other normative documents.

Grassroots staff cannot always hope that the higher level will revise the policy document. In line with the existing rules, they tend to lower the cost of implementing the policy. Thus there will emerge bottom-up "reverse asymmetric information"---- grassroots cadres and the civil administration try to avoid unnecessary trouble, complete their work and have a outstanding performance rank. In a word they will tend to whitewash and hide the problems and difficulties if necessary.

Brief conclusion on the top-down policy implementation from the central to the local

Policy transfer is essential to achieve the expected results of policy plans. Therefore, public policy making must take into account the loss of bureaucracy which may appear in the transfer process. As an authoritative allocation of social values, all policies must go through actual policy implementation, and policy implementation is a very complex process which is often subject to many factors and constraints.

From the process perspective, the influencing factors of policy execution mainly appear in the two stages of policy making and implementation. The rationality of the policy making includes clarity, coordination, stability and fairness¹⁵.

The main factors affecting the implementation of policies can also be divided into three categories:

The first is the degree of difficulty of the problem, including 1. Technical difficulty 2. Differences in the behavior of the target group 3. The proportion of the target population to the total population 4. The extent to which the behavior is required to be changed The second mainly refers to the ability to control the policy implementation process, 1. Accuracy and importance of objectives 2. Logicity of

¹⁵ Ding Huang. Policy Implementation Mechanism and Countermeasures [M]. Beijing: People's Publishing House, 2002: 256-258

the cause and effect theory 3. Initial allocation of financial resources 4. Degree of integration within or between implementing agencies 5. Decision-making rules of the implementing agencies 6. Policy enforcement officials 7. The degree of legal recognition. The third mainly includes the non-legal factors affecting the implementation of policies, including 1. Socio-economic status and technology 2. Public support 3. Attitude and resources of followers 4. Leaders 5. Executive officers' dedication and leadership skills.

From the reality of the policy implementation, there are five types of Policy Implementation Models: the traditional bureaucratic type, decentralized command, bargaining type, command experimental and bureaucratic interpreted.

- 1) Bureaucracy believes policy and administration is separated. Policy makers state policy. Administrative staff implement policies. Therefore there will be no fundamental issues relating to policy implementation.
- 2) The command dispersed model believes policy-makers formulate policies and administrative staff implement policy partially.
- 3) Bargaining process suggests that for the implementation of a policy, the policy makers and the policy implementers should bargain together to achieve the goals of the process.
- 4) Command experimental model believes policy-makers develop a broad framework and policy enforcement officers have discretion in setting these objectives.
- 5) Bureaucratic interpreted model believes that the policy enforcement personnel operate from their own policies in the implementation process.¹⁶

Currently, in the field of social assistance, the traditional bureaucratic model can be called an ideal type. Also the other four types decentralized command, bargaining, command and bureaucratic explanations experiment co-exist.

Overall, social assistance is a top-down policy implementation model. However, there is a business mentoring relationship between the Ministry of Civil Affairs and the Provincial Department of Civil Affairs, between the Provincial Department of Civil Affairs and the Municipal Bureau of Civil Affairs, as well as between the Municipal Civil Affairs Bureau and the district/county Civil Affairs Bureau. The Provincial Department of Civil Affairs is directly led by the provincial government, the Municipal Civil Affairs Bureau is directly under the municipal government, the District Civil Affairs Bureau is directly led by the district government, and at the grass-root level, town government, street office, residents committees and village committees are greatly restricted by their human resources, departmental cooperation, facilities, political will, and financial resources. Thus, according to our observation, decentralized command, bargaining and the command experimental model of policy implementation and interpretation of the bureaucracy coexist.

5. CONCLUSION TO THE POLICY TRANSMISSION AND IMPLEMENTATION AND RECOMMENDATIONS

In principle, delivery and implementation of public policy will produce departures and distortions in the process. Policy makers will find these problems and correct them in a new round of policy-making process. The original policy may not be perfect or applicable. This means that the process of policy implementation must reserve a certain flexibility and space for policy implementers. Ideally, the interaction among policy makers, implementers and recipients jointly changes and improves the implementation of public policies. However, it is in the public policy implementers' own interest and preference, so that public policy implementers may use discretion to conduct profit-seeking behavior

¹⁶ Li Zhao. On Factors Affecting Its theoretical model of policy implementation [J]. Journal of Party College of Ningbo, 2003 (4): 61-66.

(DUP) - rent-seeking in the process of policy implementation. Under this condition, the complexity of the implementation of the public policy process will greatly increase.

In the process of delivery and execution of Social Assistance policy, inevitably there will be distortion of information. This will cause policy distortion and implementation deviation and other adverse effects. The bias in social assistance policy transfer and implementation mainly refers to the policy block and interception, policy distortions, additional policies and policy implementation lag. The main reason is that the policy itself is flawed, the delivery channel is not smooth, policy implementation is impacted by staff's lack of understanding of the policy, of the compromise with the multi-stakeholder game, fragmented government coordination mechanisms, an imbalance between government financial resources and workload and inadequate policy monitoring mechanisms¹⁷.

Appropriate countermeasures must be taken to tackle the risk factors arising in the execution of social assistance policies. In specific, so as to enhance the risk awareness of policy implementation, reduce policy execution risks and improve the efficiency of policy implementation, major policy suggestions include enhancing the policy design and effects and strengthening the supervision of public policy implementation.

To summarize, the strategy to promote effective governance of assistance policies would be "Push from the highest level - source control – Multi-level Governance – Interdepartmental Management - Configuration of Power & Resources - Monitoring feedback governance" - a "Six in One holistic governance framework"¹⁸.

From central to local, the process of policy implementation is actually a part of the whole policymaking cycle. It would involve an interactive, innovative, complex process of adaptation. In line with the decisions from the higher level, implementing organizations would view issues from their own perspective and formulate lower-level policies which are more applicable. In China, provincial and municipal (district and county) governments, who have the policy-making power, would formally transfer or issue similar policies to the next higher government, sometimes together with supplementary policies. Grassroots organizations which directly deal with social assistance work would interpret the policies and turn the policies into fact. As part of this process they need to judge, explain, and decide specific cases with their knowledge and discretion. Therefore, in fact, the process of policy-making is a complex two-way process. This should involve both a top-down process of implementing the policy and a bottom-up policy-making process. In the policy cycle, policy implementation at a lower level probably triggers the beginning of a new round of policymaking at the higher level: from agenda setting to policy planning and public policy decisions. For some non-rigid implementation of public policies, this process is necessary.

Specific issues arising in the implementation process of Social Assistance will be discussed, and some policy recommendations will be offered.

5.1 Multi-level government policy transfer and the implementation

As China's administrative system is huge and hierarchical, public policy delivery tends to be a bureaucratic hierarchy based propulsion mode, generally in the form of documents, phone calls, meetings and other top-down sequential transmissions. The public policy delivery channel is single, one-directional, narrow and lacks feedback. It might lead to overloading of policy, the policy of monopoly and policy lag.

¹⁷ Ding, H. Policy Implementation Blocking Mechanism and Its Countermeasure [M]. Beijing: People's Publishing House, 2002: 256-258

¹⁸ Li, W. The Influencing Factors of Policy Enforcement and Its Theoretical Model [J]. Journal of The Party School of Ningbo, 2003 (4): 61-66.

Specifically, on the one hand, multi-level public policy delivery channel exacerbates the "Branch Loss" of policy transmission. In terms of government structure setting, the majority of countries have three levels of government. In contrast, the organizational structure of the Chinese government is multi-level. Between the five levels of the central government, provincial government, prefecture-level government, county government and township government, there are vice provincial, prefecture-level deputy, deputy multiple levels at the county level, which together form a large, complex, hierarchical system that makes policy transfer difficult. This multi-level nature is exacerbated by "bureaucracy loss of" public policy delivery.

Policy transfer issues will directly bring a negative impact on social assistance policy effects. Multi-level sectoral bargaining and compromises will cause policy deformations, delay the implementation and other issues. During the discussions and interviews at grassroots level, the staff pointed out that social assistance policies need to be passed down from the central level to the community level. This long implementation process will inevitably generate great communication and execution costs. Therefore, they recommended that, for smaller prefecture-level cities, one level can be eliminated either at the municipal level or the district level government and civil affairs departments. This would shorten policy delivery and the implementation process.

5.2 Frequent policy changes pose great challenges to policy implementation

Rapid development policy is reflected not only in the accelerated speed at which the central government and the Ministry of Civil Affairs issue new policies, but also in the pressure on provincial and municipal governments to transfer and implement those policies quickly.

In recent years, the scope of social assistance fields has been expanding rapidly, the coverage is increasing and the benefit level is improving. A number of novel policies designed to protect people's livelihood and improve their quality of life have been issued very quickly. But some of these regulations/ normative policies lack clear rules for their operation. This brings about confusion and difficulties for a grass-root government and its agencies. Of course, this may be a short-term issue. With the development of the social assistance system, these challenges may be gradually solved. The policy implication is to attach some operational code along with the regulations.

5.3 The lack of comprehensive legal framework

At present, the Chinese social assistance legal system has includes laws, administrative regulations, local regulations, departmental rules and a series of legal documents. It is far from perfect. The highest social assistance law is the "Interim Measures of Social Assistance" (2014). Although it is a comprehensive regulation which enables the integration of the social assistance system it is not good enough in terms of its effectiveness, legal force and coverage. The social assistance system is still relying heavily on some soft policies, e.g. opinions, notifications and other normative documents issued by the Ministry of Civil Affairs and local government. Grassroots agencies have great ambiguity and discretion. This is good when it comes to the implementation of a standardized policy. A social assistance law is greatly needed to resolve social assistance policy transfer and implementation issues.

5.4 Capacity building: lack of finance and human resources

Social assistance policy implementation needs administrative costs and adequate human resources. Grassroots organizations covering social assistance work are subject to great work pressure with limited resources. There is a mismatch between their workload and their resources. Public policy is essentially a kind of social behavior to make selective institutional arrangements. Therefore, it is necessary to provide human resources, facilities and budget to deliver and execute policies effectively. However, sometimes, the central government introduces a new policy without supporting resources. The cost of policy implementation is transferred to local governments which is a "Central Government orders - Grassroots pays" situation.

Due to the imbalance between the financial authority and the responsibility of local governments, local governments are faced with many challenges. Because local governments cannot afford the cost of implementation appropriate policies, so they will use their own financial resources to selectively to implement public policy.

Specifically, under the current taxation system, our grass-roots governments' "financial authority and powers are upside down" phenomenon is getting worse. From a revenue perspective, reform of the tax system so that there is a further concentration of financial power has arisen. Local government general budget rights are progressively shrinking and they have declining autonomy in terms of financial budgets and revenues.

From the perspective of government spending, the central government has concentrated financial power, meanwhile it has continued with the decentralization of powers. A breakdown of expenditure from this point of view shows that in addition to the exclusive powers of the central and local governments bear most of the almost expenditures of local governments have born most of the expenditures in education, health and other fields. Rated from a financial point of view, the central government progressively delegates powers but ultimately county governments are bearing larger responsibility, so their expenditure pressure is too large. Between the central government and local government financial authority and powers we are seeing a "step by step move on property rights, a step by step reduction in powers". The reverse operation states that the central government public policy implementation costs are tending to be "transferred" to regions, resulting in a local Government financial power that is not matched and leading to a serious shortage of financial resources for local government to implement public policy.

As a consequence, due to personnel and financial restriction in the course of policy transfer, local government selectively passes, transfers and amends central policies. This may cause social policy transfer distortion. Accordingly, in order to improve the effectiveness of social assistance, we must strengthen grassroots capacity building, in particular to provide support resources for implementation.

5.5 Inter- and intra- governmental relations: Enhance Civil Affairs' function and power in the social assistance system

There is a business mentoring relationship between the Ministry of Civil Affairs and the Provincial Department of Civil Affairs, between the Provincial Department of Civil Affairs and Municipal Bureau of Civil Affairs, as well as between the Municipal Civil Affairs Bureau and the district/county Civil Affairs Bureau. The Provincial Department of Civil Affairs is directly led by the provincial government, the Municipal Civil Affairs Bureau is directly under the municipal government, the District Civil Affairs Bureau is directly led by the district government, and at the grass-root level, town government, street office, residents committees and village committees are greatly restricted by their human resources, departmental cooperation, facilities, political will, and financial resources.

The organization should strengthen the integration of implementation. Sound public policy should pass between the main interests of coordination and integration mechanisms. The role of the civil system of social relief work should be strengthen to promote cooperation in other sectors. Also the use of modern information tools should be used to promote open government information, to build a scientific and rational transmission of information systems and information systems to crack the inspection efficiency of government information distortion problem, in order to achieve effective social relief and to enhance the process of proper government.

CASE STUDY: GUANGDONG

Case Study of Guangdong province (Guangzhou & Jiangmen)

Background:

This case study refers to the basic contextual information on the institutional framework of social assistance, and policy transferring and implementation of social assistance.

Purpose:

The primary purpose of this study is to develop an enhanced understanding of how social assistance policies are forwarded/transferred and implemented.

It should be noted that it is not the intention of this study to evaluate the success or failure of social assistance programs.

Key Findings:

Major findings from the local visit:

1. China's government system is very large, quasi-pyramid management system, and operates in accordance with its own principle. In this huge management system, **“using policies to implement policies”** is a common policy execution mode. The order can be described as: central policy → provincial policy (implementation of the views of the Central Policy) → municipal policy (central and provincial policy implementation opinions) → county policy (central, provincial and municipal policy to implement the views) → township policy (opinions central, provincial, city and county policy).
2. Provincial governments is the only one which has both the significant executive functions and decision-making functions, it plays a central role in the process of “using policies to implement policies” as it localizes the central policies and has a very important influence in implementing the central policies.
3. The municipal government is the hub to connect the provincial government and district government. The main policy privilege of the municipal governments is to forward and implement the provincial government documents and manage county government. After the provincial government issues a document, usually it requires the municipal government and relevant departments to implement.
However, different cities may have different level of policymaking power. For example, Guangzhou, which is comparatively rich and innovative, have issued a lot of concrete policies based on the “abstract instruction” from the civil department at the central and provincial level. Therefore, in certain areas, Guangzhou is doing even better than Guangdong province. At the same time, JM, a small city in Guangdong, tends to follow and forward the policies issued by Guangdong Provincial government and civil affair department. They try to avoid unnecessary policy innovation unless they are being required.
4. Township governments, neighborhood offices are responsible for receiving applications for social assistance, audit investigation. The specific work is undertaken by the social assistance agencies or and professional personnel; while, the villagers

'committees, residents' committees need to help implement the relevant social assistance.

5. Local bureaucrats reflected that: Township (neighborhood), and community (village) government does not have the policy-making authority, they usually follow the orders from the municipal level and district/county level, rather than comply with the central policy directly. The municipal and county governments often organize various forms of training and meetings to explain new policies, for example, they will take training, and even on-site examinations and other means. Grass-roots civil affairs staffs are usually more cautious, because they are the most directly responsible, if policies and regulations to control the work of unclear cause there are any errors, they have to take responsibility.

Major Challenges:

1. In recent years, the scope of social assistance fields has been expanding rapidly, the coverage is enlarging, and benefit level is improving. A number of novel policies designed to protect people's livelihood and improve people's quality of life are quite issued very fast. But some of these regulations/ normative policies lack of clear rules for the operation, which bring confusion and difficulties to the grass-root government and agencies.
2. As policy is not clear, the front line staffs are more inclined to completes the labor of duty on the basis of protect themselves, not to simply handle sensitive issues as far as possible, even avoid policy innovation so as to avoid errors. In short, to the superior, the staff hope to avoid violation of discipline and regulation, to the masses, the staff try to avoid public petitions.
3. Resource limitation is an important factor restricting policy advocacy and implementation. Due to various constraints, it is very difficult to work with grassroots policy implementation and innovation.
4. In the process of policy formulation and implementation, there is a two-way information asymmetry (top down and bottom up). Based on the national situation and strategic planning, the central government continues to promote the reform of civil affairs, through the introduction of new policies or revised policy. Due to the huge regional differences and a large population in China, the central policy is difficult to take care of every region and every household in specific.

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3.1.3 Processes and activities of policy transmission and implementation of Social Assistance carried out at central and local level

EU best practice report

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ABBREVIATIONS

MoLFPSE = Ministry of Labour, Family, Social Protection and Elderly

NAPSI = National Agency for Payments and Social Inspection

CAPSI = County Agency for Payments and Social Inspection

MIS = Minimum Income Schemes

GMI = Guaranteed Minimum Income

FSA = Family Allowance

HB = Heating Benefit

AT = Austria; BE = Belgium; BG = Bulgaria; CY = Cyprus; CZ = Czech Republic; DE = Germany;

DK = Denmark; EE = Estonia; ES = Spain; FI = Finland; FR = France; EL = Greece; HU =

Hungary; IE = Ireland; IT = Italy; LT = Lithuania; LU = Luxemburg; LV = Latvia; MT = Malta;

NL = The Netherlands; PL = Poland; PT = Portugal; RO = Romania; SE = Sweden; SK = Slovakia;

UK = United Kingdom

WWB = Work and Social Assistance Act

1. DEFINITIONS

*Public policy*¹⁹ can be defined as “a principle that no person or government official can legally perform an act that tends to injure the public”. In other words, it is a general, well-settled public opinion relating to the duties of citizens to their fellow citizens. So, a public policy manifests the common sense and common consciousness of the citizens as a whole that extends throughout the state and is applied to matters of public health, safety, and welfare. Therefore, a public policy enters into, and influences, the enactment, execution, and interpretation of legislation.

The foundation of public policy is national constitutional laws and regulations. Further substratas include both judicial interpretations and regulations, which are generally authorized by legislation. A public policy is considered to be strong when it solves problems efficiently and effectively, serves justice, supports governmental institutions and policies, and encourages active citizenship.

Public policy-making²⁰ is a complex process that involves many participants with different roles, interests and resources. The study of public policy is the study of who gets what, why and what difference it makes. Governments control about one-third of the economy and employ about one in every six workers.

Since societies have changed in the past decades, the public policy making system changed has too. Today, public policy making is increasingly goal-oriented, aiming for measurable results and goals, and decision-centric, focusing on decisions that must be taken immediately. Furthermore, mass communications and technological changes have caused the public policy system to become more complex and interconnected. The changes pose new challenges to the current public policy systems and pressure them to evolve in order to remain effective and efficient.

An important role in designing public policies arises from non-governmental organisations (NGOs). They through the process named “advocacy” can involve a number of activities such as awareness-raising, mobilisation of public opinion, providing expert advice, networking and lobbying²¹. These activities may influence a decision which the government makes, by trying to convince political-

¹⁹ <http://legal-dictionary.thefreedictionary.com/Public+Policy>>Public Policy

²⁰ <http://web.csulb.edu/~msaintg/ppa590/intro.htm>

²¹ <http://www.urd.org/Strategies-used-by-international>

decision makers, either through organizing or participation in technical work groups, or special committees, or by analysis and expert knowledge, or by forcing the government to enter into public debates, with a confrontational approach.

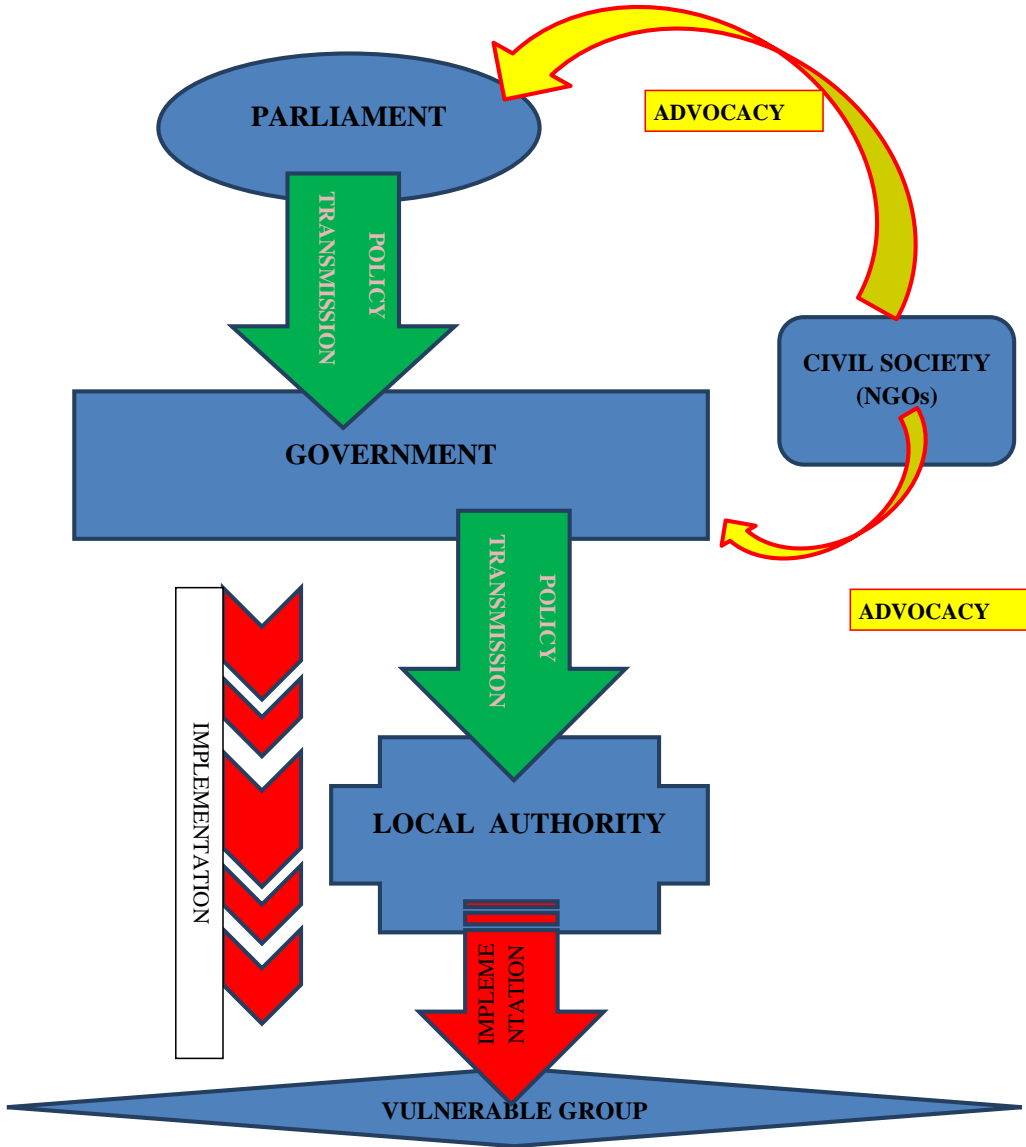
Another actor on this scene is the local level. It is involved in such debates and consultations to the extent that the public policy is targeting them on a large scale. Their involvement is done either through specific bodies (such as associations of counties, or associations of communes, or associations of cities), or by including their representatives in the groups of specialists working on the design of the public policy.

Governance refers to the “establishment of policies, and continuous monitoring of their proper implementation, by the members of the governing body of an organization. It includes the mechanisms required to balance the powers of the members (with the associated accountability) and their primary duty of enhancing the prosperity and viability of the organization”²². It relates to the processes of interaction and decision-making among the actors involved in a collective problem that leads to the creation, reinforcement, or reproduction of social norms and institutions.

Governance is the way the rules, norms and actions are structured, sustained, regulated and held accountable. The degree of formality depends on the internal rules of a given organization and, externally, with its business partners. As such, governance may take many forms, driven by many different motivations and with many different results. For instance, a government may operate as a democracy where citizens vote on who should govern and the public good is the goal, while a non-profit organization may be governed by a small board of directors to pursue more specific aims.

One of the efforts to create an internationally comparable measure of governance and an example of an external assessment is the Worldwide Governance Indicators project, developed by members of the World Bank and the World Bank Institute. The project reports aggregate and individual indicators for more than 200 countries for six dimensions of governance: *voice and accountability*, *political stability and lack of violence*, *government effectiveness*, *regulatory quality*, *rule of law*, *control of corruption*. To complement the macro-level cross-country Worldwide Governance Indicators, the World Bank Institute developed the World Bank Governance Surveys, which are country-level governance assessment tools that operate at the micro or sub-national level and use information gathered from a country’s own citizens, business people and public sector workers to diagnose governance vulnerabilities and suggest concrete approaches for fighting corruption.

²² <http://www.businessdictionary.com/definition/governance.html>



POLICY TRANSMISSION AND IMPLEMENTATION CARRIED OUT AT CENTRAL AND LOCAL LEVELS OF SOCIAL ASSISTANCE

2. EU POLICY FRAMEWORK

2.1. Governance arrangements - policy decisions - who decides what & how in EU?

In EU countries, the social assistance system is ruled by a specific law which is adopted by the Parliament, usually at the proposal of the Government (by the line ministries in charge):

- BG: Law on Social Assistance - 1998

- ES: Social Security General Law - 2015
- FR: Social Action and Family Code -2012
- DE: Social Code – 2003
- EI: Social Welfare Consolidation Act 2005
- PL: Law on Social Assistance – 2004
- SW: Social Services Act - 2001
- UK: Social Security Contributions and Benefits Act – 1992; Welfare Reform Act - 2013

So, for the public policy which is enforced by the above mentioned specific framework laws regulating the whole social assistance system, applicable as such, and for the whole country, most social assistance policy formulation and promulgation needs to go through the government approval process of normative documents.

At regional and or local level, the central law may be completed with regional/local norms, thereby adding the specificities of the region/province/county.

So, at this stage, of policy-making, the rules of designing a public policy apply, and the local level as well as the civil society are involved as mentioned above, through consultations, working groups, analysis etc.

As far as the Minimum Income Schemes (MIS) are concerned, most of them are **national schemes** with rules that apply throughout the country. For instance:

- In Belgium the ‘right to social integration’, formalised by the law of 26 May 2002, covers all aspects from eligibility conditions to governance arrangements.
- In the Netherlands, the national authorities are responsible for, among other things, general benefit levels, implementation of national integration policies and WWB (Work and Social Assistance Act = Wet werk en bijstand = WWB) execution.
- In the UK, the social assistance scheme is a national scheme and all the rules apply to every country in the UK.
- In Sweden, the MIS is regulated nationally via the Social Service Act.

There are, however, a few EU countries where there is some devolution of responsibility for policy decisions at the local level and eligibility conditions for social assistance. For instance, in Hungary, local governments have freedom to define some of the eligibility criteria themselves

2.2. Financial arrangements

For the Minimum Income Schemes, as they are considered to be the last resort safety net in any country, provided to people to avoid poverty, the way by which the scheme is financed becomes crucial, for two reasons. The first is because of the source of financing (who is paying?) and the second for the amount effectively paid to a person/family (how much?).

Being a social assistance benefit, for all EU Member States, *the source* is the same: taxes as social assistance schemes are the non-contributory schemes of last resort. The difference among the states

comes from *who is paying*, meaning the level of the administration in charge to guarantee the necessary amounts²³:

- RO = from central level
- BE, DE, DK, FI, LU, NL, PL = a shared responsibility between the central level and local level
- AT, ES, LV = local or regional authorities who finance the system

2.3. Implementation mechanisms

The most common approach in EU Member States²⁴ is to devolve responsibility for delivery and coordination to the local level. For instance:

- In Belgium efficient delivery is guaranteed by the municipal Public Centres for Social Welfare.
- In the Netherlands the national authorities have assigned the implementation of the WWB and related regulations to local authorities and the municipalities, on the basis of shared administration. Municipality responsibility includes the provision of tailor-made benefits, *support for people entitled to a supplementary benefit and support for people trying to regain their financial independence*. The way a municipality provides support is laid down in the regulations with accompanying policy rules.
- In Sweden, the MIS is administered by the municipalities.
- In Poland, most benefits for poor households are paid out through the “one stop shop” of local social assistance centres with the exception of unemployment allowances, which are paid by local labour offices.
- In Portugal, great emphasis is placed on creating partnership structures to deliver the minimum income scheme

Box 1: Local coordination in the Netherlands

In the Netherlands Locations for Work and Income (Locaties voor Werk en Inkomen) have been established to take care of intake and provide (initial) job seeking assistance for both the WWB and the Unemployment Insurance Act (WW). At these locations, the municipalities work together with the public employment service UWV-WERKbedrijf.

²³ “Best practice in EU on guaranteed minimum income schemes (GMIS) report” – Lăcrămioara Corcheș, social protection expert for EU-China SPRP

²⁴ <http://www.businessdictionary.com/definition/governance.html>

Box 2: Coordinated local delivery in Portugal

At the local level, Local Insertion Units have been created by law and they have a territorial scope that corresponds to the “concelhos” (local territorial units at the municipal level). These local level horizontal coordination structures comprise representatives of the four areas essential to the integration process: Social Security (which is responsible for administering the measure and granting the benefits and which also includes the social (or welfare) action services which are essential for the social integration of beneficiaries), Education, Health and Employment. Local Units may also include the local authorities, private welfare institutions, employers and trade union groups as well as other non-profit-making organisations.

However, in some countries the picture is more complicated and they deliver minimum income schemes through a range of different agencies. For instance, in the UK administrative responsibilities differ between the different benefits and this may lead to problems with delivery such as a lack of coordination and lack of capacity at local level.

But, at the same time, there are a lot of countries implementing the MIS at central level: BE, BG, CZ, ES (PREPARA), FR, IE, MT, PT and SK.

And, there are other schemes of implementation, where the responsibilities are shared: DE, LU, NL and RO, where the central level and the regional or local level assume each of them a part of the implementation. *Usually, the eligibility is firstly established at the local level of the community, based on the fact that the main characteristics of the family are better known in the community. In this way, the asymmetry of the information is diminished, and thus, the chances of error in eligibility are lower.*

In terms of implementation of Minimum Income Schemes (MIS), the role of civil society, through NGOs is limited. These organisations defined their field of action by providing social services, usually by complementing the social aid delivered in cash by the central or local government. In the EU, every citizen, especially the most disadvantaged, is entitled to receive social assistance either in cash or as social services such as early childhood education and care, long-term care for the elderly, long-term care for people with disabilities, social housing, training and employment services. The cash component is implemented by governmental bodies, either from the central or from the local level, as shown above whilst the social services component is mainly provided by NGOs. Currently, the EU countries are facing some challenges: a rising demand for social services, an increasingly diverse demand (users want better-quality, more user-friendly empowering social services and they want a say in how they are provided), a pressure on the funding of social services due to the economic and financial crisis, and last-but-not-least, an inconsistency between providers of cash benefits and of social services providers.

The policy response to these challenges is a document adopted by the European Commission in 2013, the Social Investment Package (SIP)²⁵. This gives guidance to Member States on adopting more efficient and effective social policies in response to the significant challenges they currently face. These include high levels of financial distress, growing inequality, increasing poverty and social exclusion, and record unemployment, especially among young people. These are combined with the challenge of ageing societies and smaller working age populations, which test the sustainability and adequacy of national social security systems.

²⁵ <http://ec.europa.eu/social/main.jsp?catId=89&langId>

The SIP has offered Member States extensive guidance on investing in children, active inclusion, health and long term care, homelessness and social policy innovation. It stresses the crucial role of social services and of civil society in providing help to the most vulnerable citizens.

2.4. Information asymmetry

Asymmetric information²⁶, as the adjective indicates, refers to situations, in which some agent in a trade possesses information while other agents involved in the same trade do not. Recognizing that the presence of information asymmetries could be the source of large economic inefficiencies, focus is put on the characterization of mechanisms or institutions that could alleviate the information asymmetry. The economics of information has opened new venues for research and policy in the social sciences, which surely contributed to a better understanding and management of our economic and social environment.

We may use these economic findings, related to the asymmetry of the information in the social field, especially when we need to establish if a social expenditure is efficient and effective. All social benefits are granted based on some eligibility criteria, which are previously assessed for each beneficiary family. Usually, the assessment is done by specialized people, namely, social workers. Then, once the eligibility is set, benefits will flow. But what if the social worker or any assessor does not get all the necessary and/or correct information from a potential beneficiary? We are in a classic situation of asymmetry of information. The case could lead either to an error, or fraud or even corruption. And, all the time, we definitely are in an asymmetry of information situation for each and every individual defined as eligible or non-eligible!

On the other hand, at state and governmental level, World Bank researchers have developed a series of indicators to classify countries according to their governance quality by gathering data from multiple available sources. Global indicators of governance (the Worldwide Governance Indicators - WGI) corroborate perceptions of many corporations, citizens and experts who participated in the research in almost 200 industrialized and developing countries. The indicators are based on 340 indicators produced by more than 30 individual sources of data by a variety of research institutes, think-tanks, NGOs, international organizations and private and public sector companies and households. The indicators, defined by Kaufmann et al, 2008, have are 6 groupings as follows:

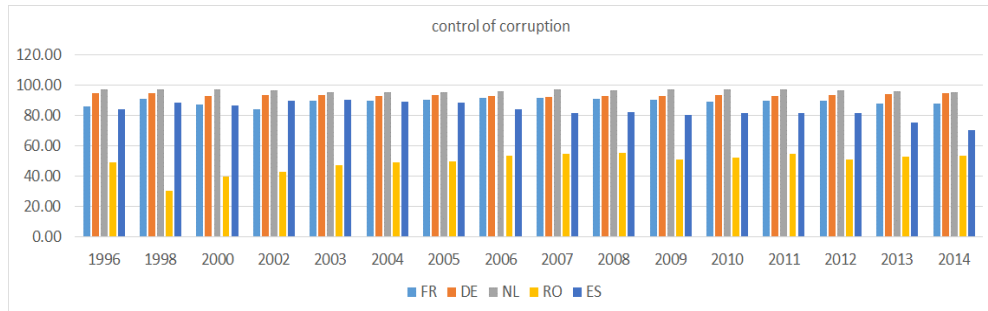
- ▶ *Voice and Accountability (VA)* measures the perception of a country's citizens to participate in choosing their government, freedom of expression, freedom of association and a free media.
- ▶ *Political Stability and Absence of Violence (PV)* measures the perception of the chance that a government can be destabilized or overthrown by unconstitutional or violent means, including political violence and terrorism.
- ▶ *Government Effectiveness (GE)* measures the quality of public services and the degree of independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
- ▶ *Regulatory Quality (RQ)* measures perceptions of the government's capacity to formulate and implement sound policies and regulations that allow and promote private sector development.
- ▶ *Rule of Law (RL)* is an evaluation of the perceptions regarding the extent to which agents have confidence in, and abide by, the rules of society and in particular the quality of contract enforcement, the police, the courts and the likelihood of crime and violence.

²⁶ http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003.pdf

- *Control of Corruption (CC)* is the analysis of perceptions regarding the extent to which public power is exercised for private gain, including petty and grand forms of corruption and "confiscation" of the state by elites and private interests.²⁷

Analyzing these indicators for 5 France, Germany, the Netherlands, Spain and Romania shows:

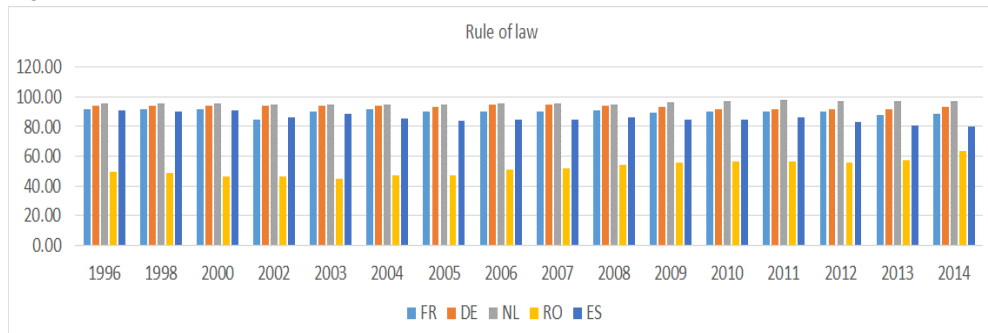
Figure 1: Control of corruption



Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

The perceptions regarding the extent to which public power is exercised for private gain, including petty and grand forms of corruption, and "confiscation" of the state by elites and private interests are lower in Romania and in Spain, which means that the corruption is higher in these two countries, compared with the France, Germany and the Netherlands (best in terms of corruption control).

Figure 2: Rule of law

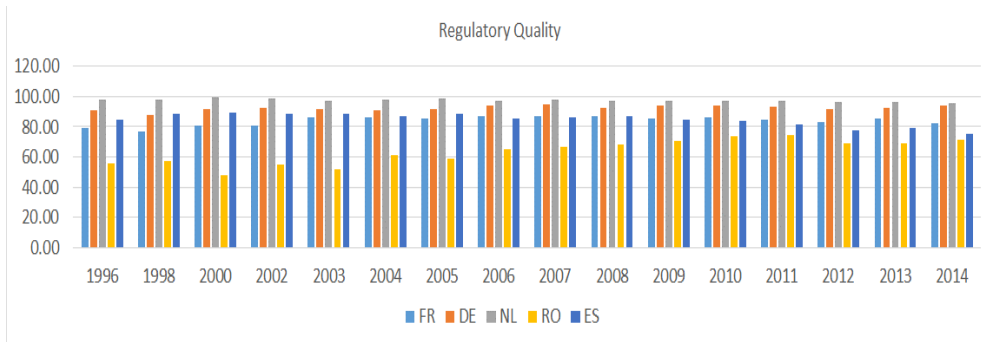


Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

The extent to which agents have confidence in and abide by the rules of society, in particular the quality of contract enforcement, the police and the courts and the likelihood of crime and violence are lower again in Romania and in Spain showing their citizens are not very confident in the powers of the justice and police.

Figure 3: Regulatory quality

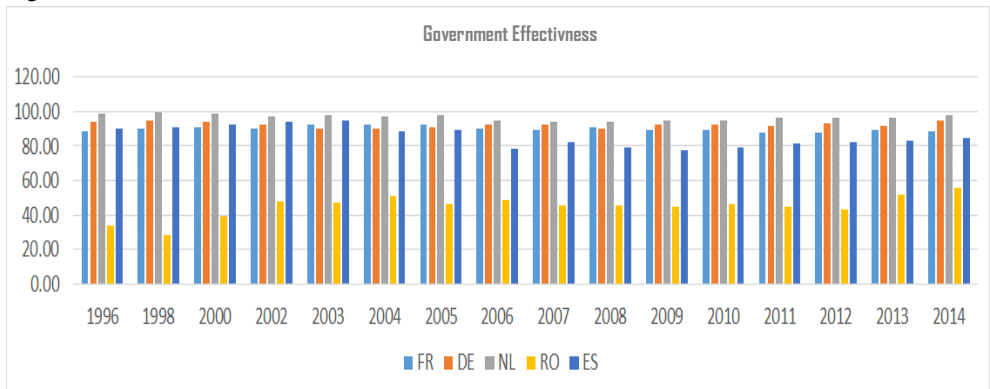
²⁷ Kaufmann, Daniel; Kraay, Aart and Mastruzzi, Massimo (2007c). Governance Matters VI: Aggregate and Individual Governance Indicators for 1996-2006. World Bank Policy Research Working Paper No. 4280. Washington, D.C.



Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

The perceptions of the government's capacity to formulate and implement sound policies and regulations that allow and promote private sector development are, again, lower in Romania and Spain showing that these governments are weak in sustaining the private sector through real and effective policies.

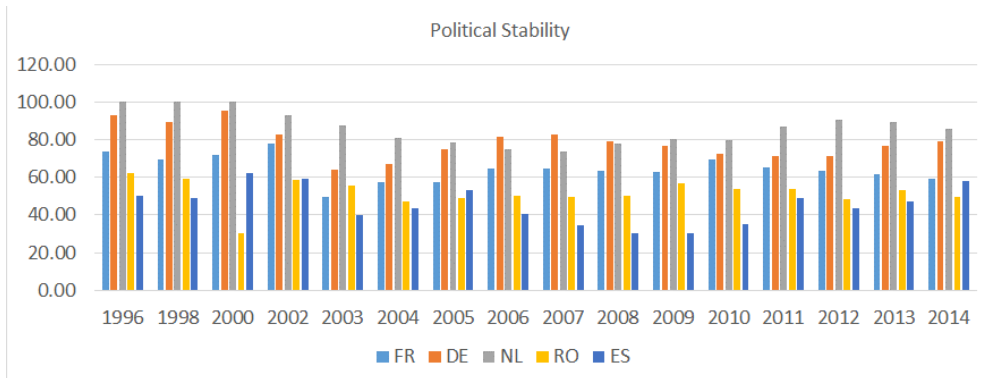
Figure 4: Government effectiveness



Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

As far as the capacity of the governments to fulfil their obligations and to achieve the goals they assume, we see a small gap for NE, DE, ES, FR and a positive trend for RO in 2012-2014.

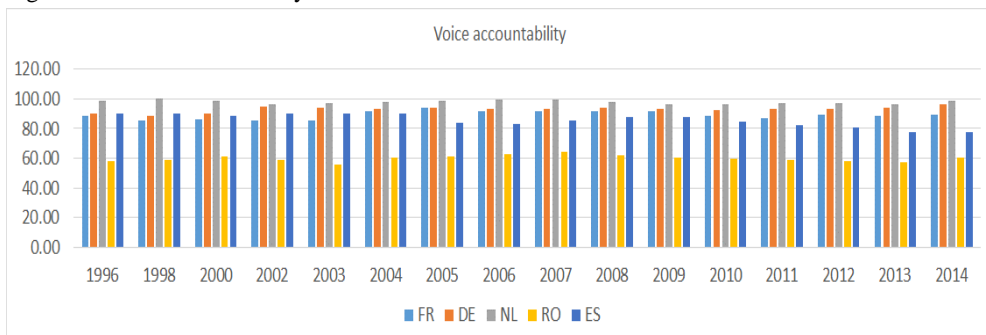
Figure 5: Political Stability



Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

The perceptions of the chance that the government shall be destabilized or overthrown by unconstitutional or violent means, including political violence and terrorism has generally increased in the last years for all the countries except RO.

Figure 6: Voice accountability



Source: http://siteresources.worldbank.org/DEC/Resources/84797-1114437274304/Asymmetric_Info_Sep2003

After the 2007-2008 crises, we notice a general downward trend in the perception of a country's citizens being able to participate in choosing their government, freedom of expression, freedom of association and a free media, for each country.

CONCLUSION

Taking into account the above charts, we conclude that the informational asymmetry is much higher for Romania and Spain under each indicator. This means on one hand that its citizen's trust in the powerful and omnipotent state is very low and, on the other hand, the state has less access to information and the exchange of information with its citizens is weak.

Coming back to social policies, being far away from citizens due to the centralized management of the social assistance system (at least in terms of financing, for Romania) is leading to bad labelling, and furthermore to information asymmetry. In other words, we get weak applicability of the eligibility criteria for the selection of the beneficiaries of social assistance/social benefits.

In order to improve this situation, a solution might be to go down the ladder and perform the assessment process as close as possible to the citizens, together with the management of the financial resources. And this is optimal done by decentralising the processes, downing to the grass-roots level.

Therefore, coming back to the above examples, speaking about the implementation of government policies, in Romania and Spain, there is a need to have a stronger decentralization of the decision - making processes, in order to diminish this asymmetry.

As consequence, if the decision-making process of granting social assistance is made at grass-roots level (or any other low level, as close as possible to the citizen), then have a better documented decisions. So, the probability of error or fraud is lower and there is an efficient and effective expenditure of the money in the social assistance system.

3. EU EXPERIENCE – CASE STUDIES

Most EU countries have some form of minimum income scheme (s) for people of working age designed to ensure a minimum standard of living for individuals and their dependants when they have no other means of financial support. These vary widely in their coverage, comprehensiveness and effectiveness. They can be loosely divided into four broad groups²⁸.

- 1) AT, BE, CY, CZ, DE, DK, FI, NL, PT, RO, SI, SE > relatively simple and comprehensive schemes, open to those with insufficient means to support themselves.
- 2) EE, HU, LT, LV, PL, SK > simple and non-categorical schemes, but with rather restricted eligibility and coverage of people in need of financial assistance often on account of the low level at which the means test is set.
- 3) ES, FR, IE, MT, UK > complex network of different, often categorical, and sometimes overlapping schemes which have built up over time but in effect cover most of those in urgent need of support.
- 4) BG, EL, IT > very limited, partial or piecemeal arrangements which are in effect restricted to quite narrow categories of people and do not cover many of those with the most urgent need of income support.

Eligibility conditions vary significantly across countries. The most common eligibility conditions relate to *age, residence, lack of financial resources and willingness to work*²⁹. There often cover homeless people, undocumented migrants, refugees and asylum seekers.

In many countries beneficiaries of MIS can also receive assistance for other needs. The most common highlighted by experts are housing costs, fuel costs, benefits in relation to children and school costs and additional financial assistance for those with special dietary needs. Many EU countries also have a system of supplementary or emergency assistance.

One of the strongest trends across EU is to link income payments with employment support and activation measures. Making payments conditional on agreeing to some sort of insertion contract is becoming increasingly common. Several countries also have arrangements to ease the transition into work by tapering out benefits and/or topping up benefits to lift people out of working poverty.

ADEQUACY

²⁸ “Best practice in EU on guaranteed minimum income schemes (GMIS) report” – Lăcrămioara Corcheș, social protection expert for EU-China SPRP

²⁹ “Best practice in EU on guaranteed minimum income schemes (GMIS) report” – Lăcrămioara Corcheș, social protection expert for EU-China SPRP

The inadequacy of most countries’ levels of payment is a key issue, and so, for most family types, social assistance alone is not sufficient to lift the beneficiaries out of poverty. In countries like BG, EE, EL, HU, LT, LV, PL, PT, RO, SI, SK the level of payments is considered to be very inadequate, but, even so, this level has a very important role in reducing the intensity of poverty.

In the following table there is a synthesis of the EU Minimum Income Schemes’ characteristics, for each country³⁰:

- Coverage: How extensive is the coverage of people in need?
- Up rating: Is there a clear mechanism for periodic review of MIS levels?
- Time duration: To what extent are MIS payments time-limited?
- Rights basis: To what extent are payments paid on a rights basis (i.e. fixed criteria) or on a discretionary basis?
- Level of governance–policy decisions: At what level are policy decisions (e.g. eligibility, level, time duration) relating to MIS taken?
- Level of governance– delivery: Which level is responsible for organizing/ implementing the delivery of MIS?
- Link to employment: To what extent do the MIS cover people in employment as well as those out of work?

Table 1: Minimum Income Schemes

Coverage How extensive is the coverage of people in need?	Fairly comprehensive		Partial	Very limited
	AT, BE, CY, CZ, DE, DK, ES, FI, FR, HU, IE, LU, NL, PT, RO, SE, SK, UK		BG, MT, PL, SI	EE, EL, IT, LT, LV
Up rating Is there a clear mechanism for periodic review of MIS levels?	Yes, there is a clear mechanism and it is:			No, it is arbitrary
	Regular	Fairly regular	Irregular	

³⁰ SYNTHESIS REPORT on Minimum Income Schemes Across EU Member States - EU Network of National Independent Experts on Social Inclusion On behalf of the European Commission DG Employment, Social Affairs and Equal Opportunities, Hugh Frazer and Eric Marlier

	BE, CY, DE, DK, ES, FR, FI, HU, IE, LU, LV, NL, PT, RO, SE, UK	CZ, MT, PL, SI, SK	BG, LT	AT, EE, EL, IT
Time duration To what extent are MIS payments time-limited?	No time limit	Periodical reassessment but not necessarily limitation in time	Time limited	
	CZ, DE, DK, EE, EL, FI, FR, HU, IE, LU, LV, NL, SK, UK	AT, BE, CY, ES, LT, MT, PL, PT, RO, SE, RO	EL, IT, SI	

Rights basis To what extent are payments paid on a rights basis (i.e. fixed criteria) or on a discretionary basis?	Strictly rights based	Predominantly rights basis but with some discretionary elements	Substantial discretionary elements
	BG, DK, EE, FR, HU, IT, LU, MT, NL, RO, SK	AT, BE, CY, CZ, DE, EL, ES, IE, LT, LV, PT, SE, SI, UK	FI, PL
Level of governance – policy decisions At what level are policy decisions (e.g. eligibility, level, time duration) MIS taken?	Exclusively or almost exclusively national	National and regional/local jointly	Exclusively or almost exclusively regional/local

	BE, BG, CY, CZ, DE, DK, EE, EL, FI, FR, HU, IE, LT, LU, LV, MT, SI, SK, UK	DE, ES, PL, PT, RO, SE	AT, IT, NL
Level of governance – delivery What level is responsible for organizing/implementing the delivery of MIS?	Exclusively or almost exclusively national	National and regional/local jointly	Exclusively or almost exclusively regional/local
	FR, MT, SI	DE, EL, ES, IE, LU, PT, RO, SK, UK	AT, BE, BG, CY, CZ, DE, DK, EE, FI, HU, IT, LT, LV, NL, PL
Link to employment To what extent do the MIS cover people in employment as well as those out of work?	Out of work only	Almost exclusively out of work but in some very specific cases in-work as well	In and out of work
	DE, IE	AT, BE, BG, DK, EL, HU, MT, SI, SK	CY, CZ, DE, EE, ES, FI, FR, IT, LT, LU, LV, NL, PL, PT, RO, SE, UK

Source: SYNTHESIS REPORT on Minimum Income Schemes Across EU Member States - EU Network of National Independent Experts on Social Inclusion On behalf of the European Commission DG Employment, Social Affairs and Equal Opportunities, Hugh Frazer and Eric Marlier

3.1. Germany

In international comparisons,³¹ Germany stands out for its specific type of federalism and its tradition of local self-government. The German Federal Republic consists of sixteen states (Länder) bound together by a governance arrangement of "co-operative federalism" (Scharpf 1976). In practice, this means that the federal government and the governments of the sixteen Länder have to work together in every respect - politically, as well as administratively. Thus, there is a smooth division of labour between the federal, sub-national (Länder), and local governments. County and local governments, generally, are responsible for policy implementation, whereas decision-making is the prime tasks of the federal government acting in close co-operation with Germany's Second Chamber, the Bundesrat, which constitutes the representative forum of the German Länder. However, the Länder as well as

³¹ "Local welfare systems as part of the German Welfare State: Housing, employment and child care"-Adalbert Evers and Benjamin Ewert, Maren Meißner, André C. Wolf and Annette Zimmer - WILCO Publication no. 08.

local communities have room to maneuver with respect to policy implementation. Finally, Germany remains noteworthy for its neo-corporatist governance arrangement (Schmitter 1974) in which "associations" traditionally play a key role in the policy process by providing avenues for bridging the different levels of governance (local, sub-national, and federal).

Germany has always had a remarkable municipal as well as a sub-national and federal element of governance (Manow 2004). Yet, today German municipalities are embedded into a complex system of administrative regulations, inaugurated by the Länder and the Federal Government. According to German Basic Law, there are certain policy fields in which local governments have to act as if they were "sub-contractors" of the Federal Government, amongst the most prominent is the provision of services in the area of schools, social assistance and parts of child-care. The municipality is by law obliged to guarantee the service (compulsory tasks; "Pflichtaufgaben"). There are other policy fields, such as sports or culture, where local governments might be active but they are not by law obliged to take action (voluntary tasks "freiwillige Aufgaben").

When it comes to the federal states ("Länder"), there are some policy areas in which they exclusively cooperate with the municipalities. These are the policy fields of education, culture as well as the financing and planning of the school system. The Länder coordinate the basic guidelines and regulations of co-financing with the municipalities. In the field of housing and urban planning, the competences of the Federal Government were restricted to some basic arrangements concerning legal aspects and procedures, related to urban zoning, to the creation of special national funds or tax relief systems as well as to the encouragement of private housing investments.

In recent decades, there are strong indicators for a smooth and steady undermining of local self-governance. From the 1980s onwards, in several key-areas of welfare arrangements, the traditional rather decentralised system of divided responsibilities among the different levels of governance came under pressure. The municipalities have been then evermore integrated into a system of increased central power.

The minimum income schemes in Germany are based on four strands³²:

- 1) A social benefit for employable people,
- 2) A social benefit for unemployable people or for those, who are no longer asked for being employed because they have reached retirement age,
- 3) A social benefit for asylum seekers and,
- 4) An indemnification for an impairment occurred during military or civil service respectively for victims of violence.

In addition to that, there are tax exemptions for the minimum income and social security payments in case of the loss of income (most notably: unemployment pay I, reduced hours' compensation, sick benefit, pensions).

The minimum income schemes (MIS) are a comprehensive system; in principle, every person has a legal claim to one of these benefits, unless he came to Germany for the sole purpose of receiving them. An increasing number of welfare institutions were established, which provide people in need with food and clothes free of charge or for extremely low prices. Meanwhile more than 800 "Tafeln" ("food banks") have been established in Germany.

The schemes "unemployment pay II" (Arbeitslosengeld II) and "social money" (Sozialgeld) (on the legal basis of the Social Code, Book II) are not only covering the largest group of people (around 5

³² "Analysis of the situation in relation to minimum income schemes in Germany" - A Study of National Policies Ernst-Ulrich Huster, Jürgen Boeckh, Kay Bourcarde, Johannes Daniel.

million persons), but are designed to connect cash benefits and social services by preparing employable people for a professional life and helping them to find a job. Furthermore, they give advice on how to claim for services such as childcare, psychosocial support, debt counselling etc.

Problematic is the support of youths and young adults. This is because the distinction between the jurisdiction of Social Code, Book II (unemployment pay II) and Book VIII (youth welfare) is not clear enough. Both laws deal with the integration of youths and young adults into the labour market.

The lawmakers have reformed the minimum income schemes and the social services including the measures for the integration of those who are furthest from the labour market. Thereby some people have won and some have lost.

Unemployment Benefit II (Arbeitslosengeld II) / Social Benefit (Sozialgeld)³³

All persons capable of work and eligible for benefits can receive unemployment benefit II (Alg II) from the age of 15 years until the legally stipulated age limit between 65 and 67 years. Persons not capable of work can receive social benefit. Alg II and social benefit are benefits to secure a livelihood. Legislation determines what each individual is entitled to in the so-called "normal requirement" (Regelbedarf).

IMPLEMENTATION

(1) Normal benefit

The normal requirement globally covers the costs of food, clothing, household energy (without heating and warm water generation), personal hygiene, household effects, needs of everyday life, as well as, to a reasonable extent, relations to the environment and participation in cultural life.

Singles, single parents, as well as adults with a minor partner are entitled to the full amount of normal requirement.

Since 1 January 2016, the level of the benefit is EUR 404 for all of German citizens throughout the country. The normal requirement for adult partners is EUR 364. Children younger than 6 years receive EUR 237. Between 6 and including 13 years of age this is EUR 270. Children and young persons between 14 and 17 years receive EUR 306. For young adults from 15 years and below 25 years, who live with their parents or who moved without the positive assertion of the municipal authority, this is EUR 324.

Young adults who are 25 years and older must file their own application for (Alg II), regardless of the fact of whether they live in their own flat or with their parents.

Persons living in their own household form a separate benefit community (BG) if they are at least 15 years old.

(2) Social benefit

Persons not capable of work but in need of assistance receive social benefit, if a least one person capable of work but in need of assistance lives in their benefit community.

(3) Accommodation and heating

The costs of accommodation and heating are, if they are reasonable, borne to the amount of the actual expenses.

If you own a house or a flat, the costs of accommodation include the costs connected with it, however, not the amortization payment for credits.

³³ <https://www.arbeitsagentur.de/web/content/EN/Benefits/index.htm>

Persons below 25 years who want to move out of their parents' home only receive a refund of the costs of accommodation and heating, if the municipal authority agreed to the move. This agreement can be obtained from the contact persons responsible for their benefits. Agreement needs to be obtained if

- The persons concerned cannot live with their parents for "severe social reasons",
- The move is necessary for integration into the labour market or
- Another severe reason exists.

(4) Non-recurring benefits

Beyond the normal requirement one can receive non-recurring benefits as credit, cash or non-cash benefit for:

- Initial equipment of the flat including household devices,
- Initial equipment for clothing (also for pregnancy and birth) and
- The acquisition and repair of medical devices and the rental of therapeutic devices.

At Lander level, there are other benefits and we may see the difference between a benefit community (Bedarfsgemeinschaft/BG) and a household community (Haushaltsgemeinschaft/HG).

A benefit community consists of a least one person capable of work and who is eligible for benefits, his/her partner, and their unmarried children under 25 years living in the household. Children are, however, only considered for the benefit community, if they cannot meet their requirements through their own income or funds themselves.

A partner is defined as a spouse who does not permanently live separated or a person who lives with the applicant in a relationship similar to a marriage or a registered partnership.

The household community includes everyone living in a household regardless of sex, age and family relations.

All the benefits are implemented by the local authority.

The first two, Normal Benefit Requirement and Social Benefit are funded from federal budget, while the later two, Accommodation and heating and Non-recurring benefit and are from the local budget.

3.2. The Netherlands

In the Netherlands, the focus of minimum income is for people of working age who are able to work. This is mainly covered by the Work and Social Assistance Act (Wet werk en bijstand, WWB). The Act, introduced in 2004, not only includes a minimum income but also assistance for exceptional expenses, reintegration facilities and subsidised work.

The main characteristics of WWB (Wet Werk en Bijstand)

In short, the WWB grants a minimum income to anyone legally residing in the Netherlands who has insufficient means to support him/herself. For most groups the amount of social assistance benefit is related to the minimum wage. People who receive social assistance are required to accept generally acceptable labour. The client base consists of a relatively high proportion of older people, members of ethnic minorities, women and the lowly educated.

The implementation of WWB is assigned to the municipalities. They receive two budgets from the national authorities to execute the Act: one budget for benefit payments and one for active labour market measures.

From the beginning of the 1990s the emphasis was increasingly shifted towards getting people on benefits back to work and on full (financial) responsibility of the municipalities. In 2005 almost half of the social assistance population (146,000) was participating in a reintegration programme.

IMPLEMENTATION:

- The Ministry of Social Affairs and Employment is responsible for setting the general benefit level, for the implementation of national integration policies and for enforcing the Work and Social Assistance Act (WWB, 2004)
- The WWB is financed from national tax revenues and the budget is distributed to the local authority using a national allocation model (with two budgets from the national authorities: one for benefit payments and one for active labour market measures)
- Local authorities (municipalities) are responsible for the implementation of the WWB and related regulations. Local responsibility includes the provision of other tailor-made benefits, and this requires that the municipality/local government issues regulations and policy rules.
- 20 Dutch cities plan to roll out guaranteed basic income for residents in 2016. Recently, in September 2016, in the Netherlands, following some interventions from different parliamentarians³⁴, for the first time in the nation's history, a debate on unconditional basic income was held in the Dutch Parliament. This debate, which took place in the meeting of the Committee of Social Affairs and Employment, is crucial in determining the direction and timeline for the future of unconditional basic income in the Netherlands. The country's upcoming experiments will focus only on a selection of the population of those dependent on social welfare; thus, what they are testing is more like a reform of the welfare system, incorporating some aspects of basic income, than a full-fledged universal basic income.

³⁴ In January this year, Member of Parliament Norbert Klein of the Cultural Liberal Party (Vrijzinnige Partij) wrote a 'note of initiative' ("initiatiefnota") to the Dutch Parliament, asking for a serious and open debate about the idea of a basic income for all above 18 years of age (who have lived in The Netherlands for more than 10 years). He also asked Parliament for further research on the topic and a reaction to his letter by the government, a coalition between the left-wing Labour Party (PvdA) and the right-wing People's Party for Freedom and Democracy (VVD). The latter request was fulfilled in May of this year. The Minister of Social Affairs and Employment, Lodewijk Asscher (PvdA) answered in writing: "The introduction of an unconditional basic income is not a realistic or economical achievable goal." However, there might still be a chance to further investigate the option of an unconditional basic income. This is one topic to be discussed and debated during the Committee meeting on September 19th.

Twenty Dutch cities are making an unconventional attempt to combat poverty. Officials in these municipalities are rolling out a program to provide equal monthly payments to small groups of citizens, no questions asked. The capital grants are a form of “basic income” meant to provide a measure of financial security that frees people from the worries of survival and allows them to follow their dreams. The radical concept will be rolled out on a date yet to be determined to a small number of claimants in the hope that they can escape the ‘poverty trap’ and contribute to a more prosperous society.

The payments in Utrecht, one of the largest cities in the Netherlands, will equal from 900 € to 1300 € per month. Those funds will be issued without any means testing, allowing recipients to use the money however they wish. Recipients of the grants will have the option to work – either part- or full-time – without having the amount of their grant reduced based on the income they earn. Currently, many benefits claimants receive subsidies, only to lose some or all of that assistance when they gain employment. Those jobs tend to end after just a short stint, forcing people to return to subsidized forms of income and trapping them in an endless loop. It’s hoped that, by freeing people from the vicious cycle of ill-suited jobs, long-term employment figures could improve once basic needs are covered.

3.3. Romania

As presented in the paper “Best practice in EU on guaranteed minimum income schemes (GMIS) - Report” - EU-CHINA – “Social Protection Reform Project” - Component 3.2.1. – Lacramioara Corches – December 2015, currently, the social assistance system in Romania is regulated by Law no.292/2011 on Social Assistance, the third *general* legal framework in the last 15 years. This framework law is accompanied by secondary legislation, specific for each benefit type. Thus, the main regulated benefits in the fight against poverty are:

- ▶ **GUARANTEED MINIMUM INCOME:** by Law no.416/2001, with the methodological norms and specific regulations embedded in Governmental Decision no.50/2011;
- ▶ **FAMILY ALLOWANCE:** by Law no.277/2010 with the methodological norms and specific regulations embedded in the Governmental Decision no.38/2011;
- ▶ **HOUSING BENEFIT:** Emergency Ordinance no.70/2011, with the methodological norms and specific regulations embedded in Governmental Decisions nos.920/2011 and 57/2012

Periodically, and according to the policy promoted by the governing party, all these laws were adapted and modified.

Basically, all of them, the Law no. 416/2001, the law no.277/2010 and Emergency Ordinance no. 70/2011 contain these main chapters;

- ✓ Eligibility criteria Governmental Decision
- ✓ Threshold levels
- ✓ Amount to be received by the beneficiary
- ✓ Responsibilities for implementation

Similarly, Governmental Decision nos.38/2011, 50/2011 and 920/2011 contain details related to:

- ✓ Methodological norms for implementation
- ✓ The Who, How and When the Eligibility Assessment

- ✓ Who decides the enrolment
- ✓ Who pays the benefit and how and when it is paid.

IMPLEMENTATION

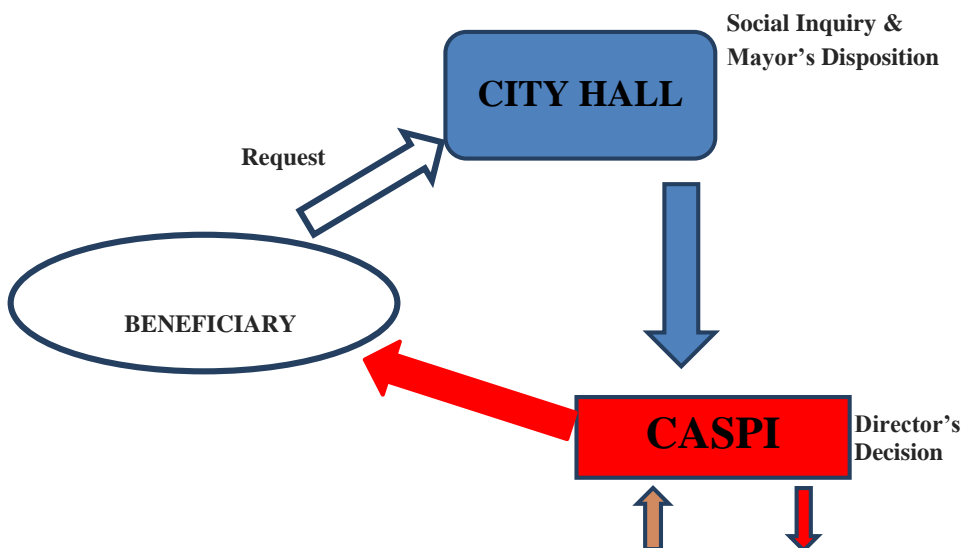
As stipulated in the above-mentioned laws and rules, the financing of the social benefits paid in cash is centralised in Romania.

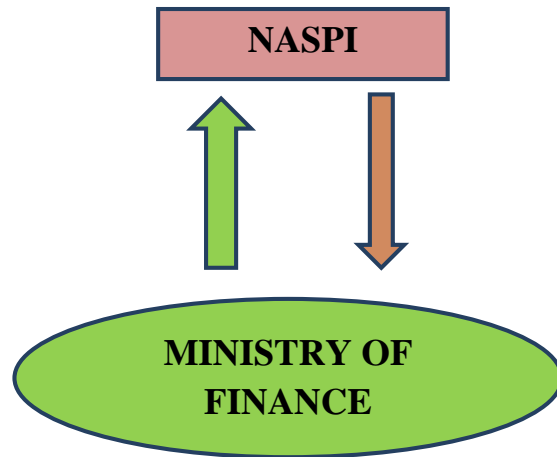
A person or family wanting to benefit from a form of social assistance should fill out a Request and send it accompanied by documentary proof to the City Hall.

At Township/Village Level responsibilities for implementation are as follows:

- The assessment of the eligibility for each family is carried out by a social worker, on a special form, named “Social Inquiry”. This contains a lot of information regarding the composition of the family, the incomes of every member of the family and the house/land/livestock. The assessment is done a maximum 30 days after the date on which the Request was received.
- Once the family is declared eligible, the mayor signs “The *Disposal of Granting a Benefit*”.
- Regularly, every 3 months, the family is obliged to declare if something has changed in its status (composition, incomes etc)
- Then, the file with request is sent to the County Agency for Social Payments and Inspection (CASPI), where the director issues, within 5 days, the Decision for payment.
- The money is requested from the National Agency for Social Payments and Inspection (NASPI), who will make the payment to the beneficiary through its local representative, CASPI.
- Then, CASPI will paying the amount into the account of each beneficiary

The scheme is presented below:





Source: author Lacramioara Corches

KEY MESSAGES FROM EU EXPERIENCES

- a) ALL the Social Assistance Systems are regulated by LAWS (general system law/code + specific laws for specific problems)
- b) The Laws are adopted by Parliament
- c) The Government has an executive role, so this level is responsible for issuing the specific legislation (governmental decisions, ministerial orders, instructions etc) with the methodology for implementation the law that is binding. A breach can be challenged in court
- d) The Local authorities decide who is entitled to receive a benefit

At European Union level, where, in the social field we apply the Open Method of Coordination³⁵. Each Member State designs its own policies and schemes to provide social protection for its citizens. What all the countries have in common is the rule of law: this is the policy maker should deliver a public policy which finally should be adopted by the parliament (the legislative power). This is translated into framework laws and/or social codes comprising the general policy.

Then, the government (the executive power) is obliged to find the best ways to implement that public policy. Thus, the government draws up specific norms and regulations and finds the necessary financing methods for each and every benefit (State Budget in the case of social assistance). These regulations, many of them being high-ranked (law level) and compulsory and usually refer to the eligibility criteria and financing. Norms and methodologies are also the domains of the central level in regulating. Breaches of them are punished with a fine and/or challenge in court.

³⁵ The open method of coordination (OMC) in the European Union may be described as a form of ‘soft’ law. It is a form of intergovernmental policy-making that does not result in binding EU legislative measures and it does not require EU countries to introduce or amend their laws. The OMC has provided a new framework for cooperation between the EU countries, whose national policies can thus be directed towards certain common objectives. Under this intergovernmental method, the EU countries are evaluated by one another (peer pressure), with the Commission’s role being limited to surveillance. The European Parliament and the Court of Justice play virtually no part in the OMC process. The OMC takes place in areas which fall within the competence of EU countries, such as employment, social protection, education, youth and vocational training. (http://eur-lex.europa.eu/summary/glossary/open_method_coordination.html)

Downwards, usually, the policy is transmitted to the local level, for implementation. The local authorities, based on some specific application and applying the eligibility criteria set in the laws, are deciding who is entitled to receive the benefit.

But, on top of these rules, for their specific local authority, pending the availability of local funds, this level may establish its own rules and criteria and deliver a new benefit.

4. KEY MESSAGES ON CHINESE SOCIAL ASSISTANCE PROCESSES AND ACTIVITIES

Below is an overview of the policy transmission and implementation of Social Assistance from Central level at Provincial and Municipal levels and at Grassroot/County Level

Table 2: China’s making of laws and regulations

	Examples	Who exercises the legislative power to make the document?
Constitution		CPC Central Committee
Laws	"Criminal Law", "Civil Law", "Marriage law", "Citizen Immigration Control law"	National People's Congress Standing Committee laws
Administrative regulations: "Regulations", "ordinance", "approach", "Provisional Regulations" or the "Interim Provisions"	departmental rules "Rules", "Measures", such as "Joint ventures labour regulations," "City vagrants and beggars aid management "	State council and relevant departments, in accordance with the Constitution and laws enacted (Ministries People’s Bank of China, Commissions, Commissions, Audit Commission)
Local regulation		National People's Congress of Provinces;

Source: author (Lacramioara Corches based on Guo assessment report)

China faces big challenges with policy transmission and implementation due to its specificities, given by its population, area, and geography.

In Social assistance field, there are resource limitations, especially human and financial with a lack of specialized personnel being almost generalized

But, by starting an “aggressive” two-way program - on one hand, training for civil affairs officials and for the community staff and, on the other hand, using media for policy publicity and popularity among the people, results may appear at the shortest time.

Having in mind that the level of development varies throughout China’s provinces with the needs of the population diverse, the local authorities’ attitude and its implication for financing and implementation social assistance schemes, especially in anti-poverty schemes, is crucial.

5. ANNEXES

1. France

In France, there are many indemnities, categorical, made to alleviate poverty for certain vulnerable groups. All of them are stipulated either in the Labour Code (Code du travail), or in the Social Action and Family Code (Code de l'action sociale et des familles), as follows:

- Active solidarity income (revenue de solidarité active, RSA): Social Action and Family Code (Code de l'action sociale et des familles), Articles L. 262-2 et seq. Allowance for disabled adults (allocation aux adultes handicapés) (AAH): Social action and Family Code (Code de l'action sociale et des familles), Articles L. 821.1 et seq.
- Supplementary disability allowance (allocation supplémentaire d'invalidité) (ASI): Social Action and Family Code (Code de l'action sociale et des familles), Articles L. 815-24 et seq.
- Solidarity allowance for the elderly (allocation de solidarité aux personnes âgées) (ASPA): Social Action and Family Code (Code de l'action sociale et des familles), Articles L. 815-1 et seq.
- Allowance of specific solidarity (allocation de solidarité spécifique) (ASS): Labour Code (Code du travail), Articles L. 5423-1 et seq.
- Temporary waiting period allowance (allocation temporaire d'attente) (ATA): Labour Code (Code du travail), Articles L. 5423-8 et seq.

In terms of French public social policy design, as shown above, the role of state is predominant. In the Social Action and Family Code, adopted by the Parliament, all the regulations are included and they apply uniformly all over the country.

For the RSA, the responsibility of organising the implementation belongs to the central level, even if from the beneficiary point of view, he/she may apply for the benefit at local level to different institutions, as shown below.

The active solidarity income (RSA) provides minimum revenue.

RSA is a social aid that has existed since 2009 and allows its beneficiaries to obtain a minimum income or additional income. The RSA has replaced the RMI/ API/ some temporary aids such as aid for returning to employment. It has covered all active persons since 2010, including 18 to 24 year olds, who may benefit from the RSA in some cases. The conditions and amounts vary according to individual circumstances.

The RSA base is distributed by departments to persons who meet the conditions provided by law (number of children, income ...).

This assistance aims to help low-income workers, while encouraging the unemployed to return to work. The amount of RSA varies according to the situation of each family.

IMPLEMENTATION

It is possible to address a request for RSA to several organizations, all situated at local level:

- ▶ CAF = Caisse d'Allocations Familiales
- ▶ General Council
- ▶ Social Action Community Center
- ▶ Allowance Center
- ▶ Fund for agricultural workers

The application is made via a form which can be directly downloaded and fill out on-site (service-public.fr). Any potential beneficiary may use this site to calculate their eligibility. The RSA base is attributed to persons belonging to a home that has no earned income.

It depends on the number of children and the situation of adults calling home. In some cases, the RSA can benefit a home that already has an activity aid. RSA is then computed as an additional income to reach the guaranteed minimum amount.

The amount of the RSA is the difference between the guaranteed minimum and the home activity aid.

The guaranteed minimum amount is equal to the sum of:

- 62% of household income activity
- RSA and the base corresponding to the composition of the household

Consider a couple with two children who earn 1180 Euros per month. Their activity is calculated as:
- Guaranteed minimum = $(0.62 \times 1180) + 1100.74$ (RSA for a couple with 2 children)

= EUR 1832.34 less Salary received of 1180

There the amount of RSA Activity is 652.34 Euros

FINANCING THE RSA

RSA is currently distributed by family allowance funds (CAF) acting on behalf of the departments. However, some departments have difficulty in financing this aid. Currently, 40 departments can no longer finance the RSA. They call a recovery to 100% funding of the allowance against two-thirds now.

Funding difficulties have arisen because from 2009 to 2015 the number of beneficiaries increased by 44%. In addition, in 2015, spending on the RSA was 10 billion, including 4 billion to the charge of departments. The situation was such that on March 2, 2016, the departments of Euro and Alpes-Maritimes attacked the State for their financial loss due to the transfer of their RSA. On March 14, 2016 other departments said they could do the same.

Faced with this situation, Manuel Valls, the French Prime Minister, met with leaders of the Assembly of France (ADF) on 25 February 2015. He cited centralization of RSA from the 1st of January 2017. However, this idea was not received unanimously. So, Eric Ciotti, the head of the Alpes-Maritimes department denounced the proposal in March 2016 as a bad affair. „This tense financial situation could worsen. Indeed, each year, 5 billion Euros of RSA are not claimed by potential beneficiaries. A study released last March by the government also shows that if the RSA recognition rate is 90%, only 51% of French people know whether they are eligible. Faced with the ever-increasing cost of RSA, some departments want to condition the delivery of aid. Thus, last February, the county council of Haut-Rhin has chosen to pay of the RSA base for the performance of seven hours a week for work like volunteer. The department has chosen to take this initiative as part of the free administration of local authorities. The next day, Marisol Touraine, Minister of Social Affairs said that this solution was prohibited. However, the debate on the award of the RSA conditions is far from over. February 2016, Eric Ciotti, president of the General Council of the Alpes Maritimes suggested to permanently suspend the RSA for persons who refuse two reasonable offers of employment. Last April, Bruno Le Maire, the party's candidate for the Republicans primary expected to control the bank accounts of potential beneficiaries of the RSA.³⁶

³⁶ <http://www.journaldunet.com/management/salaire-cadres/1159725-rsa/>

2. Spain

Over the last thirty years, Spain has woven a web of social service safety nets³⁷ with peaks of growth and consolidation occurring in the wake of Spain's entrance into the European Union (the Europeanisation of social policies) and of the strengthening and decentralisation of the Welfare State (minimum insertion incomes).

This net, "security mosaic" or "minimum income programmes" may be regarded as being almost universal, if as yet incomplete due to differing access requirements, forms of protection and rates of success in reducing poverty. The system as it stands is the outcome of applying, in different measures, three interrelated logics: the need for universal cover of low protective intensity; the labour-oriented logic of the social security system which selects protection in line with the degree of integration in the labour market, and the institutional logic which generates different levels of protection depending on whether Social Security, the State, or the Autonomous Regions are involved.

The economic crisis and the continued existence of a segregated labour market have had a profound impact on poverty and social exclusion. First, there is a new type of poverty³⁸ associated with the loss of employment and long-term unemployment, which entails the risk of entering an aggravated and chronic situation whose solution largely depends on finding a decent job. Second, the unfavourable economic situation worsens the employment opportunities for those persons and groups who are the most vulnerable and excluded from the employment market in a greater proportion than the general population. In the last decade, poverty has increased and diversified. Non-traditional types of poverty have appeared, such as the "working poor", linked to the weakness of the Spanish labour markets, who have joined the already existing groups of those at risk of poverty and social exclusion. These changes mean that there is a danger of a temporary situation caused by the insufficiency of income, i.e. economic poverty, becoming a structural problem of social exclusion.

Spain is a highly decentralised country. Social inclusion policies, which include a minimum income scheme, vary greatly from one Autonomous Community to another. These differences in scope, extension and regulation help explain the issues of coordination and the inequalities among vulnerable groups, based on their place of residence.

For the Minimum Income Schemes, Spain has a public policy design of shared responsibility between the central level and the local level. Both levels have responsibilities for implementing and financing local schemes, as shown in the table below for different there benefits too.

Non-contributory benefits "PREPARA"

The PREPARA Programme came into existence in 2011 as the "last safety net" for 6 months, for those unemployed persons who had exhausted all possible benefits and allowances.

This assistance consists of a subsidy of 2,400 or 2,700 Euros per unemployed person. It is received in 6 payments of 400 or 450 Euros per month, in exchange for the person in receipt of the benefit agreeing to attend training courses. However, the lack of budget has resulted in such courses being replaced by brief sessions providing employment guidance and PREPARA has become a social benefit for six months for those unemployed persons who no longer receive any other allowance.

Applicants under the "PREPARA" scheme must fulfil one of the following two conditions:

- 1) Be a long-term unemployed person, registered as seeking employment in at least twelve of the last eighteen months.
- 2) Have family responsibilities.

³⁷ "Assesment of Minimum Income Schemes in Spain" - Gregorio Rodríguez Cabrero.

³⁸ EMIN - "Report on minimum income schemes IN SPAIN". Graciela Malgesini Rey, October 2014.

In addition, the following requirements must be satisfied:

- Have exhausted an unemployment benefit or allowance and applied under the Prepara Programme before two months have elapsed from that date.
- Not be entitled to extend the benefit or the allowance, or to benefit from any other unemployment assistance. PREPARA is the last possible assistance available.
- Not have previously received any similar extraordinary assistance, such as the PRODI, the previous Prepara Programme, Agricultural Income Support, or Active Inclusion Income (RAI).
- Have no or very low income. The income of the claimant must not exceed 75% of the National Minimum Wage (SMI), which was 483.98 euros/month in 2014.
- Although the claimant has no income, if he/she lives with his/her parents or with children under the age of 26, or those over this age who are disabled, or minors in foster care, the income of all persons must be added together and then divided by the number of persons in the family unit. The result must not exceed 483.98 Euros per month per member.
- Activation: the claimant must sign an agreement with the employment adviser from the public employment services, undertaking to participate in a Personalised Integration Itinerary (IPI). The adviser is the person who validates the training and attendance on courses and is the link between the public authority and the unemployed person.
- The requesting party must show that he/she has actively looked for work for at least 30 days since the loss of the other benefits during the period in which the request is made, in order to strengthen the monitoring of the commitment to work. This obligation remains in force throughout the programme.

Active Inclusion Income

Active Inclusion Income (RAI in its Spanish initials) is special assistance for those persons with great difficulties in finding work and in a situation of economic need. It is the last of the possible benefits under the Public Employment System, when there is no longer any other entitlement. To receive this assistance, the claimant must come within one of the following four categories:

- 1) Long-term unemployed over 45 years old
- 2) Returning emigrants over 45 years old
- 3) Victims of gender-based or domestic violence
- 4) Persons who are at least 33% disabled

In all four cases, the following general requirements must be complied with:

- Be unemployed and registered as seeking employment and sign the “activity commitment”.
- Be under 65 years old.
- Not have their own income in excess of €483.98 per month. The total monthly income obtained by all members of his/her family unit (the claimant, his/her spouse, and his/her children under the age of 26 or over this age where they are disabled, or foster children), divided by the number of persons in said family unit must not exceed €483.98 per month per member.
- Not have received RAI during the 365 calendar days prior to the date requesting admission to the programme. With the exception of victims of gender-based or domestic violence and disabled persons, who are entitled to request RAI for three successive years, the biggest group

of claimants (long-term unemployed of more than 45 years old and returning emigrants) cannot claim RAI two years in a row.

Not been a beneficiary under three previous RAI programmes. RAI can be claimed for a maximum of three years. This rule has very strict requirements. For example, a claimant cannot work for more than 90 days per year, or travel abroad.

Allowance for persons over 55

Before the last legal reform of March 2013, what is now an allowance for those over 55 could be claimed from the age of 52 (and not 55). The conditions for claiming this benefit have also been tightened. These requirements are as follows:

- Be unemployed.
- Have reached 55 years old when contributory and non-contributory unemployment benefit runs out.
- Be registered as looking for work for at least one month.
- Not have rejected offers of work, or training courses, during this time.
- Sign the "activity commitment".
- Not have income in excess of 75% of the National Minimum Wage (SMI in its Spanish initials), excluding the proportional part of bonus payments. "Income" includes that of all members of the family unit (spouse, sons and daughters of less than 26 years old, disabled children over the age of 26 or foster children). Thus, for the purpose of calculating income, that of all family members is added together and then divided by the number thereof. Those who have already been awarded this benefit do not have to comply with this new requirement.

In addition, potential claimants must satisfy one of the following conditions:

- Have paid unemployed contributions for at least 6 years of his/her working life.
- Have received or exhausted the non-contributory benefit.
- Have exhausted unemployment benefit and not have received the allowance, due to a failure to satisfy the maximum income criterion or not having family responsibilities.
- Having been declared fully "incapacitated" or "partially disabled" as a result of a review due to a revision of a situation of near-total, absolute or total disability for the claimant's usual profession.
- Be a returning Spanish emigrant, without being entitled to unemployment benefit.
- Have been released from prison, without being entitled to unemployment benefit.
- Be unemployed and not be entitled to any non-contributory allowance, due to not having paid unemployment contributions for at least 12 months, although the claimant is required to have paid (at least) three months' contributions. As regards the amount, this is 80% of the Public Income Rate of Multiple Effects (IPREM in its Spanish initials), which is 426 Euros per month. If the claimant has worked on a part-time basis, he/she will receive an amount in proportion to the hours worked. This allowance is received until the claimant reaches retirement age. This is normally 65, although if, at the age of 61, a recipient of unemployment benefit already satisfies all of the requirements to access the contributory pension under the social security system, he/she must retire. The allowance must be renewed annually, on production of the most recent income tax declaration. As can be seen in the following table, the number of persons in receipt of these benefits, whether contributory or non-contributory,

has fallen. By contrast, an increase in those receiving Agricultural Income Support and the Active Inclusion Income can be detected.

Relationship between unemployment benefits and minimum income

Those persons who do not have any income, have never worked or have exhausted their unemployment benefit, both contributory and non-contributory, may take advantage of the minimum income schemes that operate in all of the Autonomous Communities in Spain, if they comply with their requirements. According to the definition of the Madrid Autonomous Community, minimum income is an economic benefit, composed of a basic monthly allowance plus a variable supplement, depending on the number of members of the household, in order to satisfy the latter's basic needs, when this cannot be done via work, pensions or social protection allowances.

Unlike the situation in other countries, these support systems are not compatible. Income that the family may receive for part-time and other work that the family may have, for example child maintenance payments, is deducted from the minimum income.

The system of income protection depending on the Spanish Ministry of Employment and Social Security in 2014 (National level) and Minimum Income Schemes (Regional level) Minimum income schemes run by the Autonomous Communities Homogenous conditions throughout the country as regards applying for and being granted benefit.

Table 3: Social policy responsibilities of public administration levels in Spain³⁹

	Income maintenance	Health care	Education	Social care	Labour market integration
Central	Full responsibility for pensions and unemployment benefits	Basic regulations and guidelines	Basic regulations and guidelines	Regulation of minimum levels	General framework and coordination of regional services
Regions	Minimum income programmes (not compulsory)	Health care provision and specific regulations	Provision of education and specific regulations	Main responsibility for social services, together with municipalities	Main responsibility for active labour market policies

³⁹ "Local welfare policies in Spain: Employment, housing and child care"-Manuel Aguilar, Anna Escobedo and Teresa - WILCO Publication no. 06

Provinces				Supporting local councils, provision (especially when municipalities are too small, but not only)	Voluntary provision
Districts				Provision (especially when municipalities are too small)	Voluntary provision
Municipalities		Voluntary provision of supplementary services	Voluntary provision of supplementary services	Provision of social services (compulsory if over 20K inhabitants)	Voluntary provision

The distribution of responsibilities is basically established and regions are in charge of most fields of social policy, except pensions and unemployment benefits. The regions, under some basic regulations and guidelines set by the central government, run education, health care, social care and active labour market policies.

The main source of conflict is financing. Regions collect some taxes, but most of them (including VAT and income tax) are collected by the central government, except in the Basque Country and Navarre. Regions get directly from the central government 50 per cent of the income tax and VAT collected in their territory but a complex system of compensations tries to address some of the inequalities and specificities of regions, with unclear results. The underfunding of social policy programmes in some regions may have to do with dysfunctions in the compensation system. Regions tend to blame the central government for keeping too large a share and central government tends to blame regions for inefficiency. The separation between the responsibility for providing and managing services and the responsibility for collecting taxes doesn't help to encourage efficiency nor trust.

There are economic benefits that supplement the minimum income schemes in 7 out of 19 Autonomous Communities and Cities. These other cash benefits are used to cover basic emergency needs, within the regional social services framework. They are, in general, one-off fixed amounts, destined to provide financial support to families “who have to face unforeseen situations”, or those persons who need them to meet specific expenditure on a regular or extraordinary basis, provided that they are used to cover basic needs.

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3.1.3 Processes and activities of policy transmission and implementation of Social Assistance carried out at central and local level

Policy recommendation report

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1. Social assistance policy transferring and implementation: Using policies to implement policies

China's government system is very a large, quasi-pyramid management system, and operates in accordance with its own principle. In this huge management system, "using policies to implement policies" is a common policy execution mode. The order can be described as: central policy → provincial policy (implementation of the views of the Central Policy) → municipal policy (central and provincial policy implementation opinions) → county policy (central, provincial and municipal policy to implement the views) → township policy (opinions central, provincial, city and county policy).

Government and civil affairs departments should forward, transfer, and implement, superior documents. In this process, the local civil affairs departments need to integrate the actual situation to develop new or complementary policies. In policies such as the recent "Social Assistance Interim Measures," temporary relief, medical aid and other policies and regulations, the civil affairs department of the provincial government will follow the central document and integrate the reality of the province in developing methods and measures. Similarly, the civil affairs department of the municipal government will follow the provincial document and integrate the realities of the city into documents to develop methods and measures.

Most social assistance policy formulations and promulgations need to go through the government approval process for normative documents. This top-down, stepwise refinement and transfer of policies, is able to provide a stronger basis and guidance for the supplementary subordinate policies, to reduce conflicts and modifications and to improve the regulatory documents' efficiency.

Of the five levels of government, provincial governments are the only ones which have both a significant executive function and a decision-making function. It plays the central role in the process of "using policies to implement policies" as it localizes the central policies and has a very important influence in implementing the central policies. It is very important to study the way Chinese provincial governments implement policy.

The provincial government has significant policy decision-making authority. Under the "Legislation Law" and other people's congresses of provinces, autonomous regions and municipalities and its Standing Committee, in accordance with the specific conditions and actual needs of the administrative region under the Constitution, laws and administrative regulations contradict the premise may establish their local regulations. Municipalities and autonomous regions, municipalities and districts, autonomous prefectures and the people's government, according to laws, administrative regulations and the province, autonomous regions and municipalities directly under the local laws and regulations, may formulate rules. Provinces and the large cities of the NPC and its Standing Committee enact local regulations; the composition department of the State Council of departmental regulations; provincial and local regulations were part of the city government. The effectiveness of the NPC and its Standing Committee in respect of laws is higher than the administrative regulations, local regulations, and rules. The effect of administrative regulations is higher than local regulations and rules. The effectiveness of local regulations is higher than the same level and lower-level local government regulations. Departmental rules and regulations have the same effect as between departmental regulations and local government regulations.

The main policy privilege of the municipal governments is to forward and implement the provincial government documents and manage county governments. After the provincial government issues a document, usually it requires the municipal government and the relevant departments to implement the policy. Because municipal governments also need to interpret and digest policy files, to integrate them with local conditions to make provisions for refinement, it is not enough to simply forward them and execute them. In the field of social assistance, policy transfer and implementation is also included

in the content of the provincial municipal government's assessment. If the municipal government does not attach much importance or policies are not implemented, its assessment will be low.

The provincial (municipal) governments' policy implementation mode is mainly affected by the policy types and the issuing body. The higher the degree of government attention and the urgency of implementing the policy, the actual situation in the province (city), the degree of attention and other provincial (municipal) leaders and others will be reasons impacting the decision.

Most district-level governments generally forward directly on municipal government documents. In some cases they will be combined with the actual situation of the region to develop a new and complementary nature of the policy. There are factors of geography and administrative framework. There are also differences in policy and reform projects and other factors.

At the central, provincial, district and county level, social assistance mainly refers to the policy of transferring and delivering information. However, relief work in towns and villages requires dealing directly with the recipients. Township governments and neighborhood offices are responsible for receiving applications for social assistance conducting audit investigations. The specific work is undertaken by the social assistance agencies and/or professional personnel; while, the villagers' committees and residents' committees need to help in the implementation of social assistance work.

Promotion and implementation is quite important for grass-roots government in deploying and implementing the important process of policy and the local implementation of specific policies. Promotion and implementation include breaking down and interpreting the policy, formulating specific operational procedures and using clear and concise text. Finally, the government will spread policies through brochures, verbal communication and other ways. It is critical for street, town, administrative agencies and related institutions to have enough supporting resources to transmit and implement policies.

"Using policies to implement policies" has the following characteristics. Firstly, it has duality. At certain levels it is policymaking undertaken by the government. However, for the higher level of government it is policy implementation. Secondly it is normative. Through the development policy of the organization implementing the higher level policy and, subject to legal procedures, confirmed by legalizing the formation of normative documents, the policy cannot be arbitrarily modified. The third is its flexibility. The superior spirit of the policy and the local reality allows for innovation and adaptation, particularly in implementation at the grassroots level which can be affected by the actual situation. The policy implementation process is highly flexible its nature. Fourth, operability. Generally higher level policy principles are broad and abstract. It can be difficult to operate and direct the implementation of a policy. When there are specific and detailed objectives and tasks and measures are clear, policy is easy to operate and carry out.

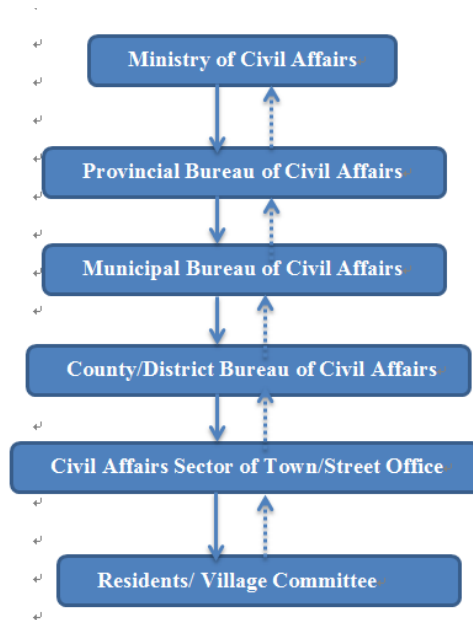


Figure 1: Multi-level governmental structure in China

2. Challenges faced with policy transferring and implementation

2.1 Asymmetry of two-way information exchange

In the process of policy formulation and implementation, there is a two-way information asymmetry (top down and bottom up). Based on the national situation and strategic planning, the central government continues to promote the reform of civil affairs, through the introduction of new policies or revised policies. Due to the huge regional differences and China's large population, the central policy is difficult to take care of in every region and in every household.

In the process of policy implementation, the grass-roots workers need to effectively implement the policy documents. They face a wide range of cases, other than just processing documents. Therefore, in the implementation process, there is a bottom-up information asymmetry. Although grass-roots civil affairs departments can call or meet to reflect pass on their comments and difficulties to the higher level, it is a time-consuming, formal process to revise policy document since this involves multiple departments. Only when the policy implementation is quite difficult, and many problems arise will there will be some temporary notice, additional explanations or other normative documents.

Grassroots staff cannot always hope that the higher level will revise the policy document. In line with the existing rules, they tend to lower the cost of implementing the policy. Thus there will emerge bottom-up "reverse asymmetric information"---- grassroots cadres and the civil administration try to avoid unnecessary trouble, complete their work and have a outstanding performance rank. In a word they will tend to whitewash and hide the problems and difficulties if necessary.

Policy transfer is essential to achieve the expected results of policy plans; therefore, public policy making must take into account the loss of bureaucracy which may appear in the transfer process. As an authoritative allocation of social values, all policies must go through actual policy implementation,

and policy implementation is a very complex process, the effect is often subject to many factors and constraints.

From the process perspective, the influencing factors of policy execution mainly appear in the two stages of policy making and implementation. The rationality of the policy making includes clarity, coordination, stability and fairness⁴⁰.

The main factors affecting the implementation of policies can also be divided into three categories:

The first is the degree of difficulty of the problem, including 1. Technical difficulty 2. Difference in behavior of the target group 3. The proportion of the target population in the total population 4. The extent to which the behavior is required to change; the second mainly refers to the ability to control the policy implementation process, 1. Accuracy and importance of objectives 2. Logicality of cause and effect theory 3. Initial allocation of financial resources 4. Degree of integration within or between implementing agencies 5. Decision-making rules of implementing agencies 6. Policy enforcement officials 7. The degree of legal recognition; the third mainly includes the non-legal factors affecting the implementation of policies, including 1. Socio-economic status and technology 2. Public support 3. Attitude and resources of followers 4. Leaders 5. Executive officers' dedication and leadership skills.

From the reality of the policy implementation, there are five types of Policy Implementation Models: the traditional bureaucratic type, decentralized command, bargaining type, command experimental and bureaucratic interpreted.

1. Bureaucracy believes policy and administration is separated. Policy makers state policy. Administrative staff implement policies. Therefore there will be no fundamental issues relating to policy implementation.
2. The command dispersed model believes policy-makers formulate policies and administrative staff implement policy partially.
3. Bargaining process suggests that for the implementation of a policy, the policy makers and the policy implementers should bargain together to achieve the goals of the process.
4. Command experimental model believes policy-makers develop a broad framework and policy enforcement officers have discretion in setting these objectives.
5. Bureaucratic interpreted model believes that the policy enforcement personnel operate from their own policies in the implementation process.⁴¹

Currently, in the field of social assistance, the traditional bureaucratic model can be called an ideal type. Also the other four types decentralized command, bargaining, command and bureaucratic explanations experiment co-exist.

Overall, social assistance is a top-down policy implementation model. However, there is a business mentoring relationship between the Ministry of Civil Affairs and the Provincial Department of Civil Affairs, between the Provincial Department of Civil Affairs and the Municipal Bureau of Civil Affairs, as well as between the Municipal Civil Affairs Bureau and the district/county Civil Affairs Bureau. The Provincial Department of Civil Affairs is directly led by the provincial government, the Municipal Civil Affairs Bureau is directly under the municipal government, the District Civil Affairs Bureau is directly led by the district government, and at the grass-root level, town government, street

⁴⁰ Ding Huang. Policy Implementation Mechanism and Countermeasures [M]. Beijing: People's Publishing House, 2002: 256-258

⁴¹ Li Zhao. On Factors Affecting Its theoretical model of policy implementation [J]. Journal of Party College of Ningbo, 2003 (4): 61-66.

office, residents committees and village committees are greatly restricted by their human resources, departmental cooperation, facilities, political will, and financial resources. Thus, according to our observation, decentralized command, bargaining and the command experimental model of policy implementation and interpretation of the bureaucracy coexist.

2.2 A lot of new policies are introduced rapidly and the local governments are faced with pressures

Rapid development of policy is reflected not only in the accelerated speed at which the central government and the Ministry of Civil Affairs issue new policies, but also in the pressure on provincial and municipal governments to transfer and implement the policy quickly.

In recent years, the scope of social assistance has been expanding rapidly, the coverage is enlarging, and the benefit level is improving. A number of novel policies designed to protect people's livelihood and improve their quality of life have been issued very quickly. But some of these regulations/normative policies lack clear rules for their operation. This brings about confusion and difficulties for the grass-root government and its agencies.

Some interviewees mentioned that this may be a short-term issue. With the development of the social assistance system, these challenges may be gradually solved. Policy implementation is to attach some operational code along with the regulations.

The fundamental reason is that social assistance system is still relying heavily on some soft policies, e.g. opinions, notification and other normative documents issued by the Ministry of Civil Affairs and local government. Grassroots agencies face great ambiguity and have discretion. This is good when it comes to the implementation of a standardized policy. A social assistance law is greatly needed to resolve social assistance policy transfer and implementation issues.

2.3 Local bureaucrats try to avoid responsibility

When policy is not clear, the front line staff are more inclined to complete the labor of duty on the basis of protecting themselves. They will not handle sensitive issues as far as possible. They will even avoid policy innovation so as to avoid errors. In short, in front of their superior, the staff hope to avoid violation of discipline and regulation. In front of the masses, the staff try to avoid public petitions.

As policy is not clear, the front line staffs are more inclined to completes the labor of duty on the basis of protect themselves, not to simply handle sensitive issues as far as possible, even avoid policy innovation so as to avoid errors. In short, to the superior, the staff hope to avoid violation of discipline and regulation, to the masses, the staff try to avoid public petitions.

Some of the respondents reflected that a policy is not to protect and support grassroots civil affairs cadres. Frontline practitioners hope policy documents could make clear the business division of labor. They can further define resources and equipment, performance standards and a range of issues such as responsibility to facilitate the work of grassroots cadres.

2.4 Lack of resources and capacity

officials hope the central and provincial documents can refine, explain, or quantify the policies. In particular, it will be very helpful to clearly indicate the supporting resources of manpower and resources in the policy text.

Shortage of staff is the first factor that influences the work to be carried out. Currently the human resource plan of civil affairs department is compiled by the Commission Office and the Government. MOCA cannot decide the quota of human resource. Therefore, Ministry of Civil Affairs has operational guidance role for Civil Affairs Bureau, but the provincial and municipal provision cannot follow MOCA exactly, at least in terms of the manpower and resources. The grass-root level civil

affair department and agencies are generally faced with shortage of staff. Grassroots manpower shortage is the first reason that the file can not enter into force, and policies can not be effectively implemented.

In the "2011 Statistical Yearbook", the data show that: as of the end of 2010, there are 89 thousand of the civil affairs administrative organs at all levels in total, 50,000 township assistants, 0.62 million civil affairs institutions staff, accordingly there are about 0.9 million people working in the civil affair system⁴². Of which only some of the staff directly deal with social assistance matters, and a large part of the staff responsible for other civil affairs. In contrast to the huge social relief services, such as the number of urban subsistence allowances is about 17 million people, the number of rural subsistence allowances is about 49 million, 516.7 million poor people, the traditional relief of 63.8 million people. In addition, there are 2889.1 million direct medical assistance, temporary relief 6.545 million⁴³. As a result, a relatively limited number of civil servants have undertaken relatively complex social assistance services.

3. Policy recommendations to improve policy transmission and implementation

In principle, delivery and implementation of public policy will produce departure and distortion in the process, and policy makers will find these problems and correct them in a new round of policy-making process. Original policy may not be perfect or applicable, which means the process of policy implementation must reserve certain flexibility and space for policy implementers. Ideally, the interaction among policy makers, implementers and recipients jointly change and improve the implementation of public policies. However, there is a public policy implementers' own interest and preferences, so that public policy implementers may use the discretion to conduct profit-seeking behavior (DUP) - seeking (rent- seeking) in the process of policy implementation. Under this condition, the complexity of the implementation of the public policy process will greatly increase.

In the process of delivery and execution of Social assistance policy, inevitably there will be distortion of information which will cause policy distortion and implementation deviation and other adverse effects. The bias of social assistance policy transfer and implementation mainly refers to policy block and interception, policy distortions, additional policies and policy implementation lag. The main reason is the policy itself is flawed, delivery channel is not smooth, policy implementation by their lack of understanding of the policy of compromise with the multi-stakeholder game, fragmented government coordination mechanisms, imbalance between government financial resources and workload, and inadequate policy monitoring mechanisms⁴⁴.

3.1 A holistic governance framework should be built to improve the policy making process

Appropriate countermeasures must be taken to tackle the risk factors arising in the execution of social assistance policies. In specific, so as to enhance the risk awareness of policy implementation, reduce policy execution risks and improve the efficiency of policy implementation, major policy suggestions include enhancing the policy design and effects and strengthening the supervision of public policy implementation.

42 Notice of the Ministry of Civil Affairs on Printing and Distributing the National Mid- and Long-Term Development Plan for Civilian Personnel (2010-2020), retrieved from <http://www.mca.gov.cn/article/zwgk/fvfg/zh/201110/20111000185430.shtml>

43 Ministry of Civil Affairs of the People's Republic of China, Statistical Communiqué on Social Services Development, 2015, Retrieved from <http://www.mca.gov.cn/article/sj/tjgb/201607/20160700001136.shtml>

⁴⁴ Ding, H. Policy Implementation Blocking Mechanism and Its Countermeasure [M]. Beijing: People's Publishing House, 2002: 256-258

To summarize, the strategy to promote effective governance of assistance policies would be "Push from the highest level - source control – Multi-level Governance – Interdepartmental Management - Configuration of Power & Resources - Monitoring feedback governance" - a "Six in One holistic governance framework"⁴⁵.

From central to local, the process of policy implementation is actually a part of the whole policymaking cycle. It would involve an interactive, innovative, complex process of adaptation. In line with the decisions from the higher level, implementing organizations would view issues from their own perspective and formulate lower-level policies which are more applicable. In China, provincial and municipal (district and county) governments, who have the policy-making power, would formally transfer or issue similar policies to the next higher government, sometimes together with supplementary policies. Grassroots organizations which directly deal with social assistance work would interpret the policies and turn the policies into fact. As part of this process they need to judge, explain, and decide specific cases with their knowledge and discretion. Therefore, in fact, the process of policy-making is a complex two-way process. This should involve both a top-down process of implementing the policy and a bottom-up policy-making process. In the policy cycle, policy implementation at a lower level probably triggers the beginning of a new round of policymaking at the higher level: from agenda setting to policy planning and public policy decisions. For some non-rigid implementation of public policies, this process is necessary.

3.2 To simplify the multi-level government policy transfer and the implementation process

As China's administrative system is huge and hierarchical, public policy delivery tends to be a bureaucratic hierarchy based propulsion mode, generally in the form of documents, phone calls, meetings and other top-down sequential transmissions. The public policy delivery channel is single, one-directional, narrow and lacks feedback. It might lead to overloading of policy, the policy of monopoly and policy lag.

Specifically, on the one hand, multi-level public policy delivery channel exacerbates the "Branch Loss" of policy transmission. In terms of government structure setting, the majority of countries have three levels of government. In contrast, the organizational structure of the Chinese government is multi-level. Between the five levels of the central government, provincial government, prefecture-level government, county government and township government, there are vice provincial, prefecture-level deputy, deputy multiple levels at the county level, which together form a large, complex, hierarchical system that makes policy transfer difficult. This multi-level nature is exacerbated by "bureaucracy loss of" public policy delivery.

Policy transfer issues will directly bring a negative impact on social assistance policy effects. Multi-level sectoral bargaining and compromises will cause policy deformations, delay the implementation and other issues. During the discussions and interviews at grassroots level, the staff pointed out that social assistance policies need to be passed down from the central level to the community level. This long implementation process will inevitably generate great communication and execution costs. Therefore, they recommended that, for smaller prefecture-level cities, one level can be eliminated either at the municipal level or the district level government and civil affairs departments. This would shorten policy delivery and the implementation process.

It is recommended that in the final stage of the project, i.e. the pilot study, MOCA could select some areas which have already started the piloting of reducing one level of government to examine their policy effects, for example, Jiangmen in Guangdong which has cancelled the policy transfer through

⁴⁵ Li, W. The Influencing Factors of Policy Enforcement and Its Theoretical Model [J]. Journal of The Party School of Ningbo, 2003 (4): 61-66.

the Township government. The scale, population and level of economic development of Jiangmen City has a certain representativeness, so it can provide an effective reference.

3.3 To improve the consistency of policy objectives between the central and local governments

A key factor in the success of the implementation of social assistance policy is how the government views the social relief undertaking, especially the welfare level. Whether the central policy can be carried out smoothly depends on whether the policy objectives of the central government are consistent with local development goals and whether the resources required to achieve the central policy objectives exceed the financial rights and powers of the local governments. In other words, the central government should explicitly detail the responsibility of the local government in terms of its responsibility and the welfare benefit level.

It is suggested that on the one hand, the central government, especially the Ministry of Civil Affairs, needs to consider the development goals, priorities and capacity bases of local governments in the policy formulation stage; on the other hand, central government should also strengthen the role and position of social assistance among the local governments' incentives and policy agenda, thereby reducing the difficulty of policy implementation faced by the local civil affair departments.

3.4 To solve the challenges caused by frequent policy changes

Rapid development policy is reflected not only in the accelerated speed at which the central government and the Ministry of Civil Affairs issue new policies, but also in the pressure on provincial and municipal governments to transfer and implement those policies quickly.

In recent years, the scope of social assistance fields has been expanding rapidly, the coverage is increasing and the benefit level is improving. A number of novel policies designed to protect people's livelihood and improve their quality of life have been issued very quickly. But some of these regulations/ normative policies lack clear rules for their operation. This brings about confusion and difficulties for a grass-root government and its agencies. Of course, this may be a short-term issue. With the development of the social assistance system, these challenges may be gradually solved. The policy implication is to attach some operational code along with the regulations.

It is recommended that in the system of Civil Affairs, more policy explanation and training could be provided to the local officials who should transfer and implement policies, meanwhile, it would be better for the policy makers to attach some operational codes along with the regulations.

3.5 To build a comprehensive legal framework

At present, the Chinese social assistance legal system has already included laws, administrative regulations, local regulations, departmental rules, local regulations and a series of legal documents, but it is far from perfect. The highest social assistance law is "Interim Measures of social assistance" (2014). Although it is a comprehensive regulation which is able integrate the social assistance system; but it is not good enough in terms of effectiveness, legal force and coverage. Social assistance system is still relying heavily on some soft policies, e.g. opinions, notification and other normative documents issued by the Ministry of Civil Affairs and local government. Grassroots agencies have great ambiguity and discretion which is good to the implementation of standardized policy.

It is suggested that, a comprehensive social assistance law is greatly needed to resolve social assistance policy transfer and implementation issues at the top level. With a comprehensive legal framework, the principles and basic rules of social assistance will be more explicit. The central government would basically stick to the social assistance law, but not to formulate plenty of regulations and normative documents, then the local governments would have less pressures and workload accordingly.

3.6 To enhance Civil Affairs' function and power in social assistance system

There is a business mentoring relationship between the Ministry of Civil Affairs and the Provincial Department of Civil Affairs, between the Provincial Department of Civil Affairs and Municipal Bureau of Civil Affairs, as well as between the Municipal Civil Affairs Bureau and the district/county Civil Affairs Bureau. The Provincial Department of Civil Affairs is directly led by the provincial government, the Municipal Civil Affairs Bureau is directly under the municipal government, the District Civil Affairs Bureau is directly led by the district government, and at the grass-root level, town government, street office, residents committees and village committees are greatly restricted by their human resources, departmental cooperation, facilities, political will, and financial resources.

Therefore, the government should integrate the functions of the different sectors and organizations, coordinate the benefits and interests among various sectors and, in particular, strengthen the role of the Civil Affairs sector in the social assistance system as well as promoting cooperation between the Civil Affairs Department and other sectors. Furthermore, the Government should use modern information systems, through the dissemination of government information to build a high-tech and efficient information platform, and to solve government information distortion problems. This will effectively enhance the functions of the different government sectors in social assistance system.

3.7 Capacity building: to provide more funding and human resources

Social assistance policy implementation needs administrative costs and adequate human resources. Grassroots organizations covering social assistance work are subject to great work pressure with limited resources. There is a mismatch between their workload and their resources. Public policy is essentially a kind of social behavior to make selective institutional arrangements. Therefore, it is necessary to provide human resources, facilities and budget to deliver and execute policies effectively. However, sometimes, the central government introduces a new policy without supporting resources. The cost of policy implementation is transferred to local governments which is a "Central Government orders - Grassroots pays" situation.

Due to the imbalance between the financial authority and the responsibility of local governments, local governments are faced with many challenges. Because local governments cannot afford the cost of implementation appropriate policies, so they will use their own financial resources to selectively to implement public policy.

Specifically, under the current taxation system, our grass-roots governments' "financial authority and powers are upside down" phenomenon is getting worse. From a revenue perspective, reform of the tax system so that there is a further concentration of financial power has arisen. Local government general budget rights are progressively shrinking and they have declining autonomy in terms of financial budgets and revenues.

From the perspective of government spending, the central government has concentrated financial power, meanwhile it has continued with the decentralization of powers. A breakdown of expenditure from this point of view shows that in addition to the exclusive powers of the central and local governments bear most of the almost expenditures of local governments have born most of the expenditures in education, health and other fields. Rated from a financial point of view, the central government progressively delegates powers but ultimately county governments are bearing larger responsibility, so their expenditure pressure is too large. Between the central government and local government financial authority and powers we are seeing a "step by step move on property rights, a step by step reduction in powers". The reverse operation states that the central government public policy implementation costs are tending to be "transferred" to regions, resulting in a local Government financial power that is not matched and leading to a serious shortage of financial resources for local government to implement public policy.

As a consequence, due to personnel and financial restriction in the course of policy transfer, local government selectively passes, transfers and amends central policies. This may cause social policy transfer distortion. Accordingly, in order to improve the effectiveness of social assistance, we must strengthen grassroots capacity building, in particular to provide support resources for implementation.

3.8 To strengthen grass-roots information construction

The process and efficiency of policy transmission and implementation are largely restricted by the infrastructure at the grass-roots level, especially the informatization level. Therefore, we should use modern information tools to promote government information disclosure, to build a scientific and rational information transmission system and an information efficiency system to solve the problems of government information distortion. This would realize the effective promotion of government power in the process of social assistance.

First of all, it is suggested that MOCA should further develop the family economic situation check center information platform. This will greatly standardize and scientifically improve social assistance work (in particular means-testing). Secondly, social assistance work should have a national network of information system to disseminate policy notices and data. Such a system could be China's external social assistance network or an internal information platform like a wechat. At present, the release of relief policy information is relatively good and timely, but it is largely fragmented, with a large number of localized (local government websites) and unofficial information platforms (wechat public account, etc.) co-existing at the same time. The system needs further integration to provide authoritative policy interpretation for civil affairs staff and the public.

3.1.3 Processes and activities of policy transmission and implementation of Social Assistance carried out at central and local level

Policy recommendation report

Josée Goris, EU-China SPRP expert

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LIST OF ACRONYMS

EAPN	European Anti-Poverty Network
ESPN	European Social Policy Network
EU	European Union
FPS	Federal Public Service (Belgian Ministry on the Federal Level)
FYROM	Former Yugoslav Republic of Macedonia
KELA	Finnish Social Insurance Institution
MOCA	Chinese Ministry of Citizens Affairs
NGO	Non-Governmental Organisation
PCSW	Public Centre for Social Welfare
PPS	Public Planning Service (Belgian Ministry on the Federal Level)
SIP	Social Investment Package
UK	United Kingdom

1. INTRODUCTION

This report about European experiences on policy transmission and implementation carried out at central and local level of Social Assistance is made on behalf of the EU-China Social Protection Reform Project. This report uses minimum income schemes as an example to present EU practices. EU input is based on references presented in the Chinese report of Mrs Guo Yu on this issue.

In her report Mrs. Guo Yu points out the two-way information asymmetry (top down and bottom up) in China in the process of policy implementation. Overall, social assistance has a top-down policy implementation mode. Based on the national situation and strategic planning, the central government continues to promote the reform of civil affairs, through the introduction of new policies or revised policy. The policy implementation is one-directional, a narrow process which lacks feedback. Therefore, she calls for a holistic governance framework.

In response to this, this report starts with an overview of the initiatives at the European level to stimulate the EU Member States to develop a minimum income system and the standards that these systems have to meet. Further on the report digs deeply in the Belgian minimum income system and in particular to the way the development of this scheme is influenced by legislation of other departments and the bottom-up approach that has developed over the recent years. This shows that a symmetric exchange of information is possible. It also illustrates that a social assistance system is not an isolated stand-alone system. It is part of a larger system of social protection. A large degree of coherence has to be pursued in order to increase its performance.

At the 2nd Component 3 Workshop on 13 December 2016 and in the contacts with the civil servants of the Ministry of Citizens Affairs (MOCA) a lot of interest was shown about means-testing and its appeal procedures. Characteristic of social assistance is that the right to the benefit and the amount of it is based on a means test. In this test it is checked whether the income of the applicant and any family member, if applicable, is below a certain limit. Appeal procedures offer citizens the opportunity to object officially against decisions that were taken by the responsible administration on their right to social assistance. Appeal procedures guarantee the transparency and fairness of the system. For this reason, in the description of the minimum income systems of Belgium, Finland and the United Kingdom means testing and their appeal procedures are described. Finland was specially chosen because it decided to run a pilot project on the principles of the basic income without conducting a means test. The example of the UK and the implementation of the Universal Credit was chosen because it shows that implementing the coordination of different strands of social benefits in one system is an appealing idea but not so easy to realize.

This reports ends with some recommendations and points of attention for the implementation of social assistance in the People's Republic of China, based on the lessons learned from the European examples and the practices in the EU Member States.

2. THE MINIMUM INCOME AT EUROPEAN LEVEL

From a rights perspective, minimum income refers to a basic right to financial resources sufficient to lead a life that is compatible with human dignity. The principle of minimum income is covered by several parts of the EU social acquis. Article 34 of the Charter of Fundamental Rights of the European Union sets out that, in order to combat social exclusion and poverty, the Union recognizes and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Union law and national laws and practices. Minimum income schemes serve as a safety net for those who have no access to a decent job and are not (or no longer) eligible for social insurance payments or other schemes. They are non-contributory, means-tested schemes for those who have no access to other options for support. They act as a last resort for individuals facing poverty by ensuring a minimum standard of living. They are

an indispensable element of the welfare state, helping to maintain a degree of social stability and are vital in times of economic crisis and increased risk of poverty.

2.1 The European Recommendations

2.1.1 The minimum income recommendation from 1992

Minimum income is explicitly covered in a 1992 Council Recommendation (92/441/EEC of 24 June 1992) on common criteria concerning sufficient resources and social assistance in social protection systems.⁴⁶ This recommendation, commonly known as the "minimum income recommendation", states that the Member States of the European Union must recognize the basic right of persons to sufficient resources and social assistance to live in a manner compatible with human dignity.

This right should be implemented under the framework of the Member States' strategic national policies on combating social exclusion. It concerns all individuals resident in the territory of the EU who do not have access to sufficient resources individually or within the household in which they live. The level of sufficient resources should be set according to the specific situation of each person, specifically the size of their household, their specific needs and the cost of living in the Member State country. Implementation of this right must be ensured within the frameworks of social security schemes.

In addition, Member States must in particular:

- simplify administrative procedures and legal appeals;
- provide measures of social support;
- inform the most vulnerable people of their rights;
- take measures to encourage employment;
- adapt taxation, social security rules and the civil obligations of persons concerned.

The report⁴⁷ from the Commission on the implementation of the recommendation shows that behind the common principles expressed in the Recommendation lie complex and varied national methods of implementation. The Council Recommendation has helped to organise and stimulate the debate between Member States on the role and development of minimum income schemes.

2.1.2 The active inclusion recommendation from 2008

In 2008 the European Commission issued the Commission Recommendation on the active inclusion of people excluded from the labour market.⁴⁸ This Recommendation doesn't replace the 1992 Recommendation but states that it remains a reference instrument for Community policy in relation to poverty and social exclusion and has lost none of its relevancy. But more needs to be done to implement it fully. Also since 1992 new policy instruments have emerged, in particular the Open Method of Coordination on social protection and social inclusion and the European employment strategy. The Recommendation sets out common principles for comprehensive, integrated policies to counter persistence of poverty and joblessness and the growing complexities of multiple disadvantages but states clearly, in accordance with the principle of subsidiarity, that the Member States are responsible for defining the level of income support and for establishing the appropriate policy mix in the light of the different situations and needs at local, regional and national level.

⁴⁶ Published in the Official Journal L 245 of 26.8.1992

⁴⁷ Report from the Commission to the Council, the European Parliament, The Economic and Social Committee and the Committee of the regions on the implementation of the Recommendation 92/441/eec of 24 june 1992 on Common criteria concerning sufficient resources and social assistance inn social protection systems, COM (1998), 774 Final, Brussels, 1999, <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:51998DC0774&from=EN>

⁴⁸ <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32008H0867&from=EN>

It is up to the member states to design and implement an integrated comprehensive strategy for the active inclusion of people excluded from the labour market combining adequate income support, inclusive labour markets and access to quality services. Active inclusion policies should facilitate the integration into sustainable, quality employment of those who can work and provide resources sufficient to live in dignity, together with support for social participation, for those who can't.

2.2 European support in the development of minimum income schemes

It is important to note that the above mentioned legal initiatives at the European level are only recommendations. Recommendations have no binding force. This in contrast to regulations, directives and decisions.⁴⁹ The European Union has, in comparison with the financial and economic policy, no direct competences in the social field. Because of the diversity of the schemes and their roots in national cultures, it is up to the Member States to determine how their social protection schemes should be framed and the arrangements for their financing and organization. Nevertheless, having noted that comparable trends in most of the Member States may lead to common problems, the European Union wants to promote economic and social convergence among EU Member States and developed some instruments and initiatives within its legal framework.

Below is an overview of some instruments from the European level to support Member States in the creation, further development and reform of the minimum income system in their country. It is not an exhaustive list but for the topic of this presentation, policy transmission and implementation, they are significant. It is important to note that a number of these instruments are part of wider European strategies such as the Lisbon Strategy or the European 2020 Strategy.

2.2.1 The European Minimum Income Network

The European Minimum Income Network (EMIN)⁵⁰ started as a two-year project (2013-2014) funded by the European Commission and sponsored by the European Parliament. Its aim was to build consensus and take the necessary steps towards the progressive realisation of adequate and accessible minimum income schemes in EU Member States, in line with the European Commission's Active Inclusion Recommendation of 2008 and the Europe 2020 strategy. The network was composed of European NGO's and some governments like Belgium.

The European Minimum Income Network managed to:

- Analyse the current trends and obstacles and propose improvements regarding coverage, adequacy and (non) take-up of Minimum Income Schemes, through the reports of National Minimum Income Networks enriched by two thematic approaches related to the adequacy of old age Minimum Income Schemes and coverage and (non) take-up by homeless people.
- Present and exchange on 'good' and 'unsatisfactory' practices and promote learning and transfer of knowledge.
- Raise awareness on the EU current frameworks, including the 1992 Council Recommendation and the 2008 Active Inclusion Recommendation. Build consensus on the necessary steps towards the progressive realisation of adequate and accessible Minimum Income Schemes in Member States as well as Norway, Iceland, Serbia and FYROM and support the implementation of these steps.

⁴⁹ Article 288 of the Treaty on the Functioning of the European Union. Official Journal C 326 , 26/10/2012 P. 0001 – 0390

⁵⁰ <https://emin-eu.net/>

- Contribute to the identification of common EU level definitions and criteria for adequate Minimum Income Schemes and the potential for a strengthened EU framework for cooperation in this field.

In 2016 the European Commission made a call for further work to raise awareness on the importance of adequate Minimum Income Schemes by the organisation, coordination and management of a European Minimum Income Network. The European Anti-Poverty Network⁵¹ (EAPN) responded to this call together with its partners and will in 2017 continue to work on awareness rising and the promotion of adequate and accessible minimum income schemes.

2.2.2 Comparative researches

Another kind of instrument to support the Member States in the creation, implementation and reform of their minimum income system are the comparative researches, ordered by the European Commission.

A recent study is the assessment of the 28 Minimum Income Schemes by the European Social Policy Network in January 2016. The European Social Policy Network (ESPN)⁵² was established in 2014 to provide the Commission with independent information, analysis and expertise on social policies. The final conclusion of the assessment shows the large variation, in a structured way, in the minimum income schemes in the European Member States, going from single and comprehensive schemes open to all, as is the case for Belgium to very limited and partial schemes that are restricted to narrow categories of people and that fail to cover many of those in need of support.⁵³

Table 1: Overall characteristics of a country's minimum income scheme

Simple and comprehensive scheme open to all with insufficient means to support themselves	Simple and non-categorical scheme but with rather restricted eligibility and coverage	General scheme of last resort with additional categorical benefits which cover most people in need of support	Complex network of different, often categorical schemes and sometimes overlapping schemes which cover most people in need of support	Very limited, partial or piecemeal schemes which are restricted to narrow categories of people and fail to cover many of those in need of support
BE CH CY CZ DK EE ES (Basque country*) FI (BSA***) IS IT (BZ/FG/MO/SA/VA**) LI LU NL NO SE SI SK	AT EL**** ES (Asturias, Cantabria, Castile-Leon, Navarre, Rioja*) HR HU LT PT RS	DE**** FI (BSA***) IT (BA/NSC/PU/SI/TN**) LV MK PL UK	FR IE MT RO	BG

Source: Frazer Hugh and Marlier Eric, Minimum Income Schemes in Europe, A study of national policies, Synthesis Report, January 2016

⁵¹ European Anti-Poverty Network is an NGO..... See <http://www.eapn.eu/>

⁵² <http://ec.europa.eu/social/main.jsp?catId=1135&langId=en>

⁵³ Frazer Hugh and Marlier Eric, Minimum Income Schemes in Europe, A study of national policies, Synthesis Report, January 2016, <http://ec.europa.eu/social/BlobServlet?docId=15304&langId=en>

Another recent, comparative research, ordered by the European Commission was on the development of reference budgets. Reference budgets are priced baskets of goods and services that are considered necessary to reach an acceptable standard of living for an individual household within a given country, region or city. The objective of the research was to develop a common methodology to construct high-quality comparable reference budgets in all EU Member States. One of the results of the research was the actual calculation of the cost of a food basket for all member states for 3 types of households in the capital regions. For more information and the results, see <http://www.referencebudgets.eu/>

Another recent comparative research worth mentioning is the literature review and identification of best practices on integrated social service delivery of March 2015. This study by the Budapest Institute⁵⁴ investigates the literature and practice of “one-stop-shops” in Europe. It reviews the evolution of the main approaches to integration and identifies best practices in Europe. A total of 10 best practices are described. The importance of the topic is highlighted by the European Commission’s Social Investment Package (SIP),⁵⁵ which calls for Member States to adapt their social models to achieve smart, sustainable and inclusive growth.

The recommendations from the research of the Budapest institute on reforms in integrated social service delivery are worth mentioning. Their first recommendation was to have a clear long term goal and strategy with a firm political commitment and a clear target of what to reach over the long term. But reaching the goal is most successful by taking small steps and looking back regularly to see and evaluate the results of those small steps. This makes it possible to detect problems and to correct them. It is necessary to foresee administrative and financial incentives to stimulate the partners to stay motivated and committed to the reforms. The result and the success of a reform depends also largely on the high quality of the public administrations involved. Adjusting staff skills and capacities can highly improve the further outcomes of the reforms. To give an example. The government of the United Kingdom lanced in 2002 the Job Centre plus program. The objective was to integrate the Benefit Agency and the Employment Service into a single government executive agency with the single aim of providing integrated employment services for the working-age population, both unemployed and inactive. By this reform a single point of contact was established for all benefit recipients and jobseekers. In the period before the start of the reform, some pilot projects ran for two years. Evaluation showed that the Jobcentre staff was often unprepared to deal with the more complex problems of Incapacity Benefit recipients. Additional training and guidance of the staff helped them to work together with these clients and to achieve measurable results. A final recommendation is to invest in a systematic monitoring, evaluation and review of the reforms.

2.2.3 Country specific recommendations

The European Union has set up a yearly cycle of economic policy coordination called the European Semester. Each year, the Commission undertakes a detailed analysis of EU Member States' plans of budgetary, macroeconomic and structural reforms and provides them with country-specific recommendations for the next 12-18 months. These recommendations also contribute to the objectives of the EU's long-term strategy for jobs and growth, the Europe 2020 strategy, which is implemented and monitored in the context of the European Semester.

The yearly country specific recommendations are a powerful instrument of the European Commission. They are based on the key economic and social priorities as identified in the Annual

⁵⁴ Budapest Institute, Literature review and identification of best practices on integrated social service delivery, Part I and Part II, March 2015, <http://ec.europa.eu/social/BlobServlet?docId=13784&langId=en>

⁵⁵ Communication from the Commission to the European Parliament, the council, the European Economic and Social Committee and the Committee of the Regions, Towards Social Investment for Growth and Cohesion – including implementing the European Social Fund 2014-2020, COM(2013) 83 final, 20.2.2013

Growth Survey. The European Commission provides close monitoring of the action taken on these recommendations. As regards to the recommendations in the social field, the Social Protection Committee plays an important role in monitoring the changes and reforms in answer to the recommendations by multilateral reviews.

In 2016, the following topics were covered by the Country Specific Recommendations concerning the coverage and adequacy of minimum income schemes in social assistance.

Table 2: Overview Country Specific Recommendations 2016 on minimum income schemes

BG	Increase the coverage and adequacy of the minimum income scheme.
ES	Address gaps and disparities in minimum income schemes and improve family support schemes, including access to quality child-care and long-term care.
HU	Improve the adequacy and coverage of social assistance and unemployment benefits
LT	Improve the coverage and adequacy of unemployment benefits and social assistance.
LV	Improve the adequacy of social assistance benefits and step up measures supporting recipients in finding and retaining work, including through increased coverage of activation measures.
IT	Adopt and implement the national anti-poverty strategy and review and rationalise social spending.

Source: <http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/>

It is interesting to note is that in response to its country specific recommendation, Spain started an EU-funded project. The European Commission and the Spanish Ministry of Health, Social Services and Equality have signed a contract under the framework of the Progress Program (Review of the minimum income schemes in Spain from the perspective of cost-effectiveness, VS/2015/0180). The objective of this project is to review at length the minimum income schemes in Spain based on the records of the distinct public administrations responsible for the benefits. This will define the potential improvements that should be carried out from the perspective of the coverage offered, their articulation and their adequacy at meeting current and future necessities, both in poverty reduction and the stimulation of labour participation.

2.2.4 Development of benchmarking on adequacy, accessibility and eligibility of benefits

On its meeting in November 2016 the Social Protection Committee held a first exploratory discussion on benchmarking in the area of minimum income. The European Commission suggested the key policy dimensions (outcome indicators, performance indicators, policy levers) which would orientate benchmarking work in the area of the minimum income.

A three-step approach for benchmarking was proposed:

- 1) The first step consists in the identification of key policy areas for benchmarking on minimum incomes and the related challenges, key high level outcome indicators and related drivers.

- 2) The second step focuses on benchmarking policy related outcomes, based on first the identification of key performance indicators (linked to the high level indicators) and second the identification of best performers.
- 3) The third step focuses on benchmarking policy levers that are prone to affect performance: by first identifying key policy levers and related principles, with which there are relevant policy lever indicators and second identifying, where relevant, reference values for these policy levers. This third step should thus consider both qualitative guidance and where suited for the policy the quantitative benchmarking exercise and reference values for the policy levers indicators.

3. THE BELGIAN MINIMUM INCOME SCHEME

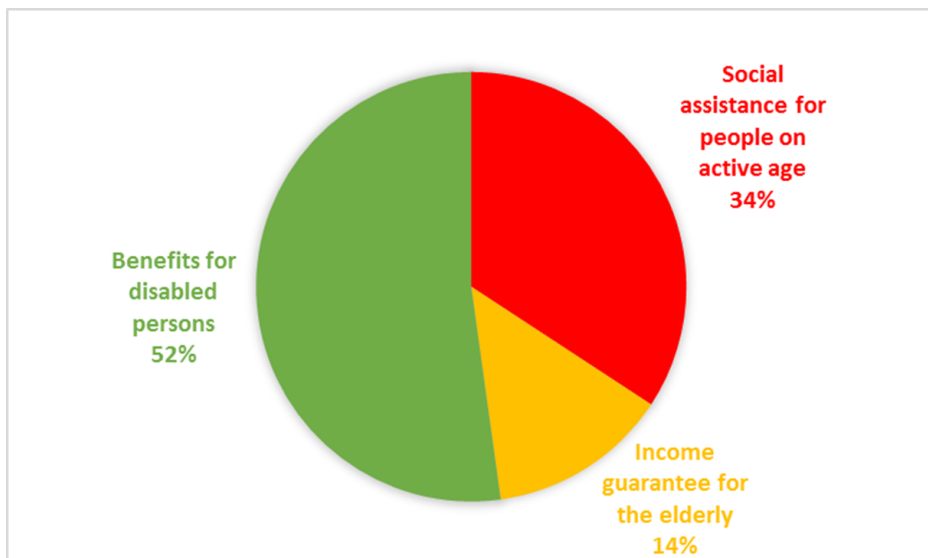
In Belgium, the minimum income scheme is part of a well elaborated social protection system that can be roughly divided in the system of social security, based on the principle of insurance against social risks, and social assistance, based on the principle of subsistence security for everybody. The entire classical social security system is divided into three sectors: a sector for salaried persons (such as bank employees, workers in a car assembly plant), a sector for self-employed persons and a sector for civil servants (of the Belgian federal government).

The total cost for social protection in Belgium was 29 % of the GDP in 2014, 27,5 % for Social Security and 1,5% for the means-tested benefits.

The 'social assistance' or the 'residuary systems' in Belgium include:

- 1) Integration income (and social assistance in the broad sense)
- 2) Income guarantee for the elderly;
- 3) Guaranteed family benefits;
- 4) Benefits for disabled persons

Figure 1: Expenditure on means tested benefits in Belgium, percentage distribution, 2013



Source: FPS Social Security, Belgium⁵⁶

Guaranteed family benefits are not represented here because they come on top of the benefits, according to the composition of the household.

The social assistance system is financed with taxes and is not salary-based. Besides, there are always specific conditions to be met. Every grant of a social benefit is preceded by a means test.

3.1 The legal base of the Belgian Minimum Income Scheme

As stated above, the Belgian social assistance system has several strands. This paper focuses on the strand for people of active age not entitled to any other social benefit or income that guarantees a decent living.

It is important to note that besides the minimum income scheme for people of active age, in Belgium there is also a scheme for people who are not entitled on it called the social support system.

The right to social integration is primarily regulated by the Law of 26 May 2002 on the right to social integration and the Royal Decree of 11 July 2002 on the general regulation regarding the right to social integration. In Belgium, a law is voted on by the Parliament. Some decisions can be delegated to the decision by the King, by decree deliberated in the Council of Ministers. For example, the modalities of the social inquiry and the means test are organized by Royal Decree. A Royal Decree can be refined by a Ministerial Decision. Within this framework, the administration may decide to draw up a circular to interpret the law.

3.2 Implementing of the Belgian Minimum Income Scheme

Legislation regarding the right to social integration falls within federal jurisdiction and is executed by local Public Centers for Social Welfare (PCSWs). The mission and organization of the PCSW is regulated by the law of 8 July 1976. Every municipality has a PCSW and there is a total of 589 PCSWs in Belgium.

PCSWs are public institutions that are separate legal entities from the municipality and that possess their own assets. In general, the right to social integration is granted to the applicant by the PCSW of the municipality in which the applicant claims habitual residence, as established by conducting a social inquiry. Potential beneficiaries of social integration must comply with all conditions of the law regarding nationality, age, place of residence, lack of sufficient resources and willingness to work. All of these conditions must be met simultaneously. If an applicant does not meet one of these conditions, he/she may apply for social aid.

The PCSW in each municipality has been tasked with guaranteeing the right to social integration for those who meet the conditions of the law and lack sufficient resources. The ultimate objective is to achieve maximum integration and participation in social life. A PCSW has three instruments at its disposal: employment, integration income and individualised social integration projects, or a combination of these three.

Each of these scenarios provides the person in question with an income from which to live. Employment is understood to mean a fully-fledged job to which all labour law regulations apply, including wage protection regulations. If employment is not (yet) possible, the person is entitled to financial intervention known as social integration income. Granting the right to social integration income may be accompanied by the establishment of an individualised project for social integration between the individual and the PCSW. The choice of the most appropriate path is made in

⁵⁶ For more information on the Belgian social protection system - <http://socialsecurity.belgium.be/en/publications/everything-you-have-always-wanted-know-about-social-security>

consultation with the individual and with the objective of achieving maximum integration and social participation.

This involves a residual right to which the applicant may only lay claim if he/she has exhausted all other potential means of obtaining resources, including the right to any social benefits that may apply and to maintenance payments to which he/she may be entitled. The social support system is not the same as "social security", which is based on a system of contribution payments (contributions connected to exercising a professional activity).

If all of the conditions regarding the right to social integration have been met, then social support becomes a right that must be granted. If this is not the case, the individual concerned may appeal to the labour court. This is a matter of public policy.

3.2.1 Transmission of the information from the central to the local level

Every law and royal decree in Belgium has to be published in the Official Journal. In Belgium, everybody is deemed to know the contents of the Official Journal. Specifically, this means that citizens need to know the laws that apply to the activities they perform and the claim that they did not know the law, cannot be used as a defense in court. Besides this official communication, the PPS Social Integration on its website publishes all legislation and circulars concerning the minimum income scheme. Every two weeks the PPS Social Integration sends an electronic newsletter to the more than 6000 subscribed persons and organisations. Since 2008 the PPS Social Integration also started working with a front office that responds to the frequent asked questions to the PCSW to assure coherence and uniformity in the interpretation of the legislation.

For the general public, the PPS Social Integration elaborated a series of guides for the users of the PCSW to inform them of their rights and the services and support they can obtain from the PCSW. The topics elaborated upon are for example support to pay expenses for energy, students, the appeal procedure, self-employed, the social inquiry and the means test, support for medical care etc. These guides can be accessed online or a paper version can be ordered for free.

3.2.2 The local Public Centres for Social Welfare

3.2.2.1 The legal mission of the local centers

Last year the local Public Centers for Social Welfare (PCSW) celebrated their 40th anniversary. They were set by the law of 8 July 1976 that replaced the old law of 1925 on the Committees for Public Assistance. The mission of the PCSW is defined in article 1 of the law:

“Every person has the right to social services. The objective is to guarantee everybody the possibility to live a life in human dignity. There are Public Centers for Social Welfare established which, under certain conditions, have the mission to ensure this services.”

A PCSW is a public instance and every municipality in Belgium has to have one.

The way in which a PCSW has to guarantee the right to social services is not specified. Every PCSW can fulfill this autonomously, depending on the local needs. To this end a PCSW can offer services ranging from prevention to problem solving. This includes physical, social or psychological help. Social Services can refer a person to other services or initiatives or rely on their cooperation with others. The free choice of the client is always central.

To ensure the service to which a PCSW is held, a PCSW may decide to organize itself or collaborate with other organisations. Other governmental levels at the federal or regional levels can refer tasks to the PCSW.

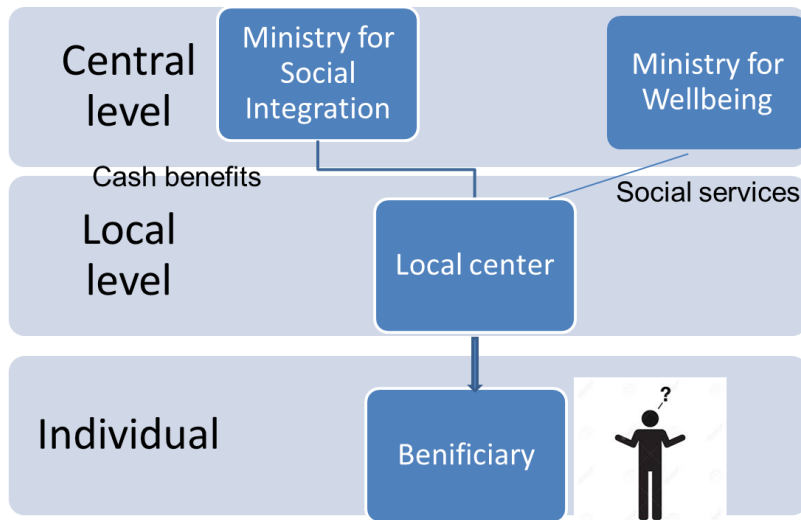
In the context of law on Consumer Credit, the PCSW can intervene as debt mediator. The Federal Government has the PCSW also involved in the reception of candidate political refugees, asylum seekers allocated to the various municipalities through a distribution plan. The PCSW can also offer

employment counselling, in collaboration with the Public Employment Service. The PCSW provides services to homeless people by providing temporary housing facilities, providing an installation premium, offering an address of reference etc.

According to local needs the PCSW can set up and make use of hospitals, nursery homes, child care facilities, cleaning and home care services for families and the elderly, social restaurants, social groceries, psycho-social and pedagogical guidance, legal advice, etc.

As illustrated above, every PCSW has at least a minimum legal defined activity. According to local needs and budgets this can be supplemented by additional forms of social services. As a consequence, none of the 589 PCSW are the same. For example, the PCSW in Antwerp, the biggest Belgian city, had in 2015 nearly 1.000 employees, when compared to the autonomous managing authorities for the three general and six specialised hospitals (6.000 employees) and the services for elderly (services at home, residential flats and retirement homes) accounting for 3.700 employees. In the smallest city of Belgium, Mesen, the PCSW has only two employees, the secretary and the social worker. For their finance manager they make use of a regional pool of experts.

Figure 2: Government levels on social assistance and social services



Source: Josee Goris, 2016

3.2.2.2 The legal organization and structure of the local centers

The law from 1976 organises the structure and the management of a PCSW. It is important to note that since the constitutional reform of 1993, the communities are responsible for the organic regulations.

Each PCSW is governed by a Council for Social Welfare, consisting of nine to fifteen members, depending on the size of the municipality or city. They are elected by the installation of the new City Council by the City Council. Every six years, therefore a new Council for Social Welfare will be elected. The members are not directly elected by the population (it is a local but indirect election).

The Council for Social Welfare is a collegial body and makes decisions at a meeting. The Council meets at least once a month.

The President of the Council for Social Welfare will be nominated by, and from, the members of the Council. They are the head of the PCSW. They sign all the outgoing correspondence together with the secretary and they chair the meetings of the Council.

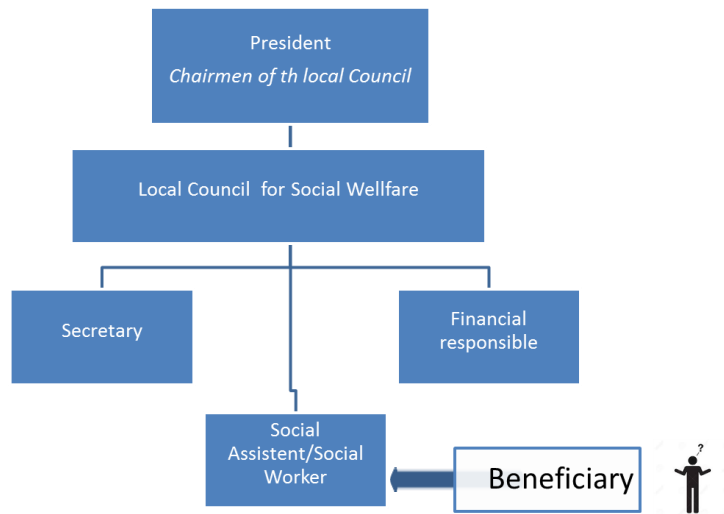
As personnel every PCSW has to have a secretary, a financial manager (receiver) and at least one qualified social worker.

The Secretary attends -without the right to vote- the meetings of the Council, makes a report and informs the Council on the applicable law. He manages the Human Resources but under the overall responsibility of the President and the Council. He signs together with the President all outgoing correspondence.

The receiver, under his personal and financial responsibility, collects the PCSW funds and makes the payments as approved by the Council.

The Social Services organisation has to have at least one qualified social worker.

Figure 3: Design and structure of the local centres for social welfare



Source: Josee Goris, 2016

In the Flemish part of Belgium every PCSW must draw up a long-term social policy plan. It runs from 2014 to 2019. In this multi-year plan the PCSW lists its policy objectives, the action plans to achieve these objectives and the financial implications. The PCSW has to organize the participation of all stakeholders before determining the policy objectives and must also indicate whether and how it will maintain its financial balance.

3.2.2.3 The financing of the local centers

The financing of a PWC to achieve its social tasks is a rather complex matter. It partly depends on its size, its policy choices and the socio-economic profile of the city and the PCSW. A PCSW can have income from movable and immovable property (rentals, leasings, interest, sales), the partial reimbursement by the central government of some types of social benefits or services as the minimum income or care for elderly, the contribution of clients to social services (nursing homes, hot meals at

home, cleaning services) or specific grants or subsidies. The municipality is obliged to pay the residual deficits in the budget of the PCSW.

3.2.2.4 Governmental grants

The Federal Government subsidises a minimum of 55% of all minimum incomes granted by PCSW in accordance with the Law of 26 May 2002. The remaining amount is paid by the PCSW and therefore indirectly by the Municipality. PCSWs with a large number of beneficiaries receive higher subsidies. PCSWs that served an average of at least 500 beneficiaries every month over the course of the year before the previous year receive a 65% subsidy. Those with at least 1000 beneficiaries receive 70%.

Other grants increase the subsidy to:

- 65, 75 or 80% when social integration income is linked to an individualised project for social integration for persons younger than 25 years, if the PCSW permits the person concerned, on the grounds of equity and fairness, to commence, continue or resume a full-time study in a programme offered by an educational institute that is recognised, organised or subsidised by the Community.
- 100% for a maximum of two years for all social integration income granted to persons who no longer maintain a status of homeless as a result of moving into housing that serves as a primary residence, or to persons who stayed long-term in outdoor recreational housing or weekend housing because they were unable to find other accommodation and have since left this housing situation to move into accommodation that serves as a primary residence.
- 100% of the increase of social integration income (the so-called installation allowance) granted to homeless persons who no longer maintain their status as homeless as a result of moving into accommodation that serves as a primary residence, or to beneficiaries of social integration income who leave outdoor recreational housing or caravan parks indefinitely.
- 100% for a maximum of five years if social integration income is granted to a beneficiary who is registered in the foreigners' registry and until the day of his/her registration in the civil registry.
- 75% for a maximum of six months if the person concerned is following a course (minimum of 10 hours per week) or gaining work experience (minimum of 10 hours and a maximum of 20 hours per week) within the context of a contract for an individualised project for social integration and under certain conditions.

The PCSW can decide to complement the social integration income with a supplementary financial support, through additional cash benefits. Supplementary support is intended to adjust the amount of support to both the individual needs of the client and the local (budgetary) conditions and possibilities. Supplementary support is not regulated by law. PCSWs enjoy considerable discretion in the award of supplementary benefits. However, most PCSW have developed their own standards on who is eligible, for what kind of support and how to determine the level of support. More and more PCSWs are starting to use reference budgets to determine their supplementary financial support.

3.3 The social inquiry and the means test

Applications for social assistance are submitted verbally or in writing during PCSW service hours. Locations and opening hours can be found in the official announcements made by the Municipal Council. The Centre will either send or hand the applicant a proof of receipt indicating the period of investigation for the application, the applicant's right to be heard and the applicant's obligation to immediately report any new information that may affect his/her right to social integration.

The PCSW's Council for Social Welfare will come to a decision on each application based on the dossier compiled by a qualified social worker. The social worker will first conduct a social inquiry as well as an investigation of available resources. This is followed by a reasoned administrative decision.

Prior to making a decision, the person concerned must be heard by the Council for Social Welfare if he/she so wishes. He/she may be accompanied or represented by counsel.

The PCSW must come to its decision within 30 days of receiving the application. The decision must be sent to the person concerned by registered mail within eight days.

The minimum conditions for the social inquiry and the means test are set in the Royal Decree of 1 December 2013. At the same time the PPS Social Integration delivered an explanatory circular to the PCSW.

Each application for social support has to be treated by a qualified social worker. They are the only ones authorized to conduct a social investigation because their professional education and the conditions of professional secrecy guarantees independent, confidential and professional treatment. The social research starts with a personal meeting between the applicant and the social worker. At least one home visit is required by law. The social inquirer must determine which resources are available and determine any other benefits that the applicant is entitled under Belgian or foreign social legislation. The centers are obliged to use electronic data which affect the granting or review of the right to social integration and treatment. The use of the data must comply with the safety standards of the Crossroads Bank for Social Security.

For the means testing well-defined rules for calculating resources have been specified by law⁵⁷. These involve the following aspects:

- Taking into account the resources of other persons. The PCSW is obliged to take into account the resources of the applicant's spouse(s) with whom he/she cohabits as well as the resources of persons regarded as members of the applicant's de facto family. If the applicant lives with one or more first-degree adult ascendants or descendants, then the resources of those persons may be taken into account, either partially or entirely. In other words, the resources of the father, mother or adult children of the individual involved may be considered. The PCSW has the authority to decide whether to take into account the resources of the individuals mentioned. On the grounds of equity and fairness, the PCSW may decide not to consider these resources due to additional financial burdens associated with other children or adults, or due to the financial circumstances of the family nucleus (debts, excessive medical costs, etc.). In other situations, where cohabitation involves persons not benefiting from this law, the resources of these individuals (siblings, grandparents, uncles, aunts, unrelated persons, etc.) may not be taken into account
- Apart from regulatory or legal exceptions, all of the applicant's available resources (annual net income) of any type whatsoever are considered applicable, including social benefits. If the applicant owns developed (e.g., a house), or undeveloped real estate (e.g. a plot of land), the overall cadastral income (the sum of all cadastral income from the real estate in his/her possession) is considered according to certain formulae. The sale of goods (sale and donations) are taken into account if the sale of goods occurred less than 10 years prior to the application for social integration income. Also, the income from personal assets, fiduciary money (e.g., money received as inheritance), money in a current account or a savings account,

⁵⁷ Article 16 of the Law on social integration from 26 May 2002 and the Royal Decree from 11 July 2002 on the general rules concerning the right to social integration, chapter V.

securities, shares, bonds and funds is taken into account. Benefits in kind (e.g., meals) are not taken into account so as not to discourage solidarity in the applicant's domestic environment.

- When calculating resources, there is a limited list of exemptions that are not applicable. This list is laid down in a Royal Decree.

Minimum income and beyond

It is important to note that receiving a minimum income, by passing the means test, gives the beneficiary some additional social rights and advantages. A non-exhaustive list of derived social rights includes:

- Reduced tariffs for gas, electricity, telephone and internet
- Increased reimbursement for health expenses
- Free legal assistance
- Discount card for trains and free transport on buses and trams
- Heating allowance
- Specific assistance to pay alimony in favour of children or help for children in care
- Increased child benefits, supplementary family allowances for single parents
- Various measures in social housing, including a rental subsidy for social housing
- Increased scholarships
- Exemption for several regional, provincial or local taxes.

3.4 National laws that have a strong impact on the design and implementation of the Minimum Income Scheme

Two National laws, voted by the Parliament, have a strong impact on the design and implementation of the minimum income system.

First of all, there is the charter of the social assured. This law from 11 April 1995, determines the design of the procedures for all the institutions who grant social protection in Belgium. This law obliges institutions to respect certain terms in the decision-making process. Some examples are - every decision taken has to be motivated. When a decision is notified to the applicant, on the reverse of the letter there must be a note on how the person can appeal a decision when he disagrees with the decision. And all the written communication has to be in understandable language.

Another, more recent law, is the “only once” legislation. This law from 5 May 2015 obliges all official institutions to reuse the data that is available from so-called “authentic source” instead of asking them again at their home or business. This means that the social workers who do the social inquiry have to consult the population register and Cross Road Bank for Social Security⁵⁸ when they make up the social inquiry and do the means test. They are no longer allowed to ask for information that is in that authentic source directly from the applicant.

3.5 Co-design of the minimum income regulations and implementation

In recent years, the PPS Social Integration has invested a lot on the co-design of the new regulation on the minimum income scheme and the way it is implemented. Over the years, a number of structured instruments for dialogue between the local and central level have been developed and refined. This method of co-design guarantees that procedures and working methods are better adapted to the local realities which smoothens and facilitate their implementation.

Every month the board of directors of the PPS Social Integration has a meeting with the Federation of the PCSW. The discussion can cover the development of new ICT-tools or for example the new

⁵⁸ <https://www.ksz-bcss.fgov.be/en>

regulation on community services. Every two year the PPS Social Integration conducts an anonymous satisfaction survey where the local centers can give their opinion on the services it provides for them.

Every 6 months, once in spring and once in autumn, the members of the board of directors participate at the provincial dialogue moments where all the local centers are invited to participate. Here also the topics can vary from the results of recent researches, the ICT-tools, interpretation of legislation, according to the actuality. One of the topics of past autumn was the presentation of the guide to the social inquiry. To support the social workers as much as possible in the execution of the social inquiries an order was given to a private consultancy agency to develop a guide to the social inquiry as a source of inspiration and as a practical instrument based on the experiences and best practices in the PCSW.

In addition to this, the PPS Social Integration has at least two researches performed every year on certain topics in relation to the minimum income scheme. The PPS Social Integration doesn't conduct these researches itself but outsources them to universities or private consultancy agencies as for example Ernst and Young or KPMG. All results of the researches are available on the website of the PPS Social Integration (www.mi-is.be).

3.6 Bottom-up communication: The Belgium practice of the Memorandum

A very common practice in Belgium in bottom-up communication is the “memoranda” or “the list of demands”. Almost all organisations active in working on advocacy send their list of demands to the political parties when they draw up their programs that they will present for the next elections with the aim of influencing these programs. It's not rare to find some of demands reflected in the final programs of the political parties or the policy agreements at the start of the legislature. As for example some of the demands in the Memorandum of the association of the PCSW ⁵⁹ concerning the Minimum Income for the last elections in 2014 were:

- A revision of the categories of beneficiaries to make an end to the various mechanisms that penalize cohabitation. Result: at this moment the PPS Social Integration is conducting research on the revision of the categories.
- An increase of the federal intervention in the cost of the minimum income up to 90 % to generate additional resources for the support and guidance of their clients;
- Financing of the real cost of the personnel that is responsible for the granting and follow up of the minimum income and financial support
- No additional tasks will be granted to the PCSW without a corresponding and realistic funding increase

These examples show that the financing of local authorities, and the social services that they provide, by the central government is a sensitive topic that evokes a lot of discussion.

4. MINIMUM INCOME IN FINLAND

The Finnish social protection system consists of three different parts: income-related social insurance, flat-rate basic security benefits administered by the Social Insurance Institution (Kela) and last-resort minimum income protection (social assistance) that until 2016 was administered by the 317 municipalities. Basic social assistance has also been paid by Kela since 2017. Social assistance consists of three parts that have different criteria. The basic part is more or less automatically paid to

⁵⁹ <http://www.vvsg.be/memorandum2014/Documents/Memorandum%20OCMW's%202014.pdf>

those clients who fulfil the formal criteria. The additional part covers special additional costs, and preventive aid is paid after careful means testing.

4.1 Legal base of the minimum income scheme

All minimum income benefits in Finland have a strong legislative basis. The Finnish Constitution⁶⁰ states in section 19, the right to social security: “Those who cannot obtain the means necessary for a life of dignity have the right to receive indispensable subsistence and care. Everyone shall be guaranteed by an Act the right to basic subsistence in the event of unemployment, illness, and disability and during old age as well as at the birth of a child or the loss of a provider. The public authorities shall guarantee for everyone, as provided in more detail by an Act, adequate social, health and medical services and promote the health of the population. Moreover, the public authorities shall support families and others responsible for providing for children so that they have the ability to ensure the wellbeing and personal development of the children.”

The Act on Social Assistance⁶¹ states that the purpose of social assistance is to secure the livelihood of individuals and families, and to promote independent living. Social assistance has to secure at least the necessary income of the person and their family for a decent life. Preventative social assistance is designed to promote individual and family social security and independent living, as well as to prevent social exclusion and long-term dependence on social assistance. Everyone has the right to receive social assistance if he or she is in need of support and doesn’t have an income earned through work, entrepreneurial activities, or livelihood through other social benefits, other income or assets.

4.2 Implementation of the minimum income scheme

Until 2016 only benefits from the basic income transfer schemes were paid by Kela, while delivery of social assistance was still in the hands of the individual municipalities. However, in March 2015, the Finnish parliament passed a law stipulating that the basic part of social assistance will be centralised and transferred from municipalities to Kela (effective from 2017), whereas the responsibility for delivering additional and preventative assistance will remain at the local level. Since Kela takes care of other basic cash benefits – such as child allowances and other family-related benefits, housing allowances, disability benefits, sickness and minimum unemployment benefits – basic social assistance was considered to fit well into that context.

Municipalities are still responsible for supplementary and preventative social assistance.

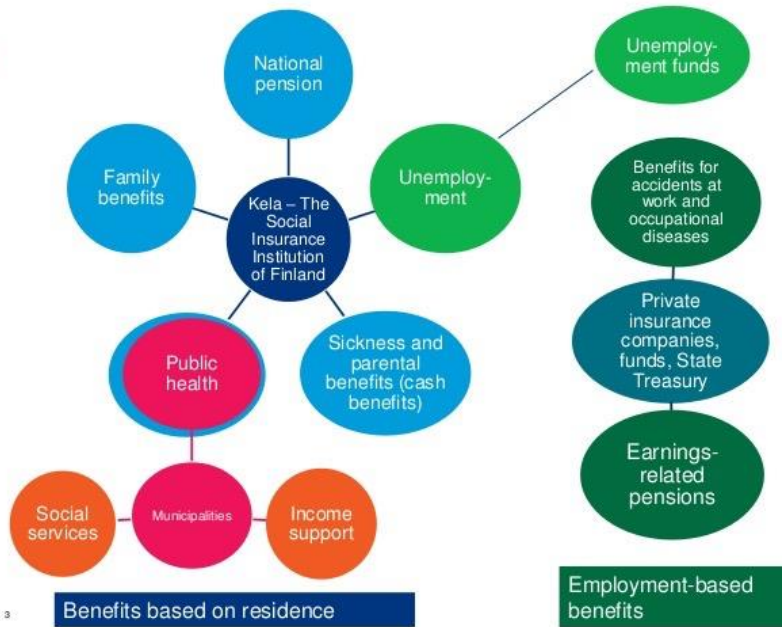
Supplementary social assistance can be granted for the following expenses:

- Housing costs for which one cannot get basic social assistance
- Expenses related to the specific needs and circumstances of the family or oneself which are considered necessary to secure a livelihood and promote autonomy and independence.

Figure 4: Overview of the Finnish social protection system

⁶⁰ <http://www.finlex.fi/fi/laki/kaannokset/1999/en19990731.pdf>

⁶¹ <https://www.finlex.fi/fi/laki/ajantasa/1997/19971412>



Source: KELA, <http://www.slideshare.net/Kela-Fpa/moving-to-finland-2016>

4.3 Applications for the income support

Since 1 December 2016 all applications for basic social assistance starting for the month of January 2017 must be submitted to Kela. As stated municipalities are still responsible for supplementary and preventative social assistance.

Kela provides an online customer service where applicants can log in using a banking user ID and password or a mobile certificate. Alternatively, one can complete and print out a paper application for social basic social assistance and mail it to Kela along with the supporting documents. Supporting documents are, among others, documentation about expenses, bank account statements for the last two months, copies of salary statements for the last two months, income statement and supporting documents for the self-employed, copy of the rental or right-of-occupancy agreement, etc.

Applications for basic social assistance are usually processed within 7 working days once all the necessary documents have been submitted to Kela. If the need for basic social assistance is urgent the decision will be taken on the day that the application arrived or the following working day.

Since the basic social assistance is a family-specific benefit, either spouse or either partner can make the application on behalf of the whole family. Applications can also be submitted on behalf of a legally incompetent person by their legal guardian or representative or by someone who looks after the person (such as a grandparent). If two friends share a household but do not constitute a family, they must each file their own separate application.

4.4 The amount of the Basic social assistance

The right to basic social assistance is determined by estimating, based on the Social Assistance Act, the amount of assistance needed by the applicant and by calculating their income, assets and expenditure. Income includes the after-tax income available to the applicant and his or her family and any assets that they have. Expenses are those covered by the basic amount and other essential

basic expenses. If the recognised expenses are higher than the income, the difference between the expenses and income is paid to the applicant as social assistance. The basic amount is a fixed sum of money needed for the essential costs of daily living. It is assessed for each family member separately.

Table 3: Amount of the Finish social assistance

Basic amount in 2017	Euro per month
Persons living alone, no dependent children	487,89
Persons aged 18 or over who are sharing a household	414,71
Single parents	536,68
Persons aged 18 or over living with their parent(s)	356,16
children aged 10-17 years	
• oldest sibling	341,52
• second oldest sibling	317,13
• third oldest sibling and all other children, each	292,73
Children under 10 years of age	
• oldest sibling	307,37
• second oldest sibling	282,98
• third oldest sibling and all other children, each	258,58

Source: <http://www.kela.fi/web/en/social-assistance-basic-amount>

4.5 Means testing

Interestingly in the Finnish case, means testing doesn't only take income into account but also takes expenses into account.

The basic amount has to cover the essential costs of daily living: food, clothing, minor medical expenses, expenses related to personal hygiene and home cleaning, public transport, newspaper subscription, telephone and internet, hobbies and recreation and other comparable expenses of daily living. The following are other basic expenses can be taken into account up to a reasonable amount:

housing (e.g., rent, maintenance charge, upkeep costs for a single-family home, household electricity and home insurance), necessary moving costs, other expenses for public health services apart from those covered by the basic amount (e.g., health center user fees, co-payments on prescription medicines, and eyeglasses), costs of municipal child day care and of participation in before- and after-school programs, if a child's parents live in separate households, the costs incurred by the non-custodial parent for seeing the child and the cost of obtaining a necessary identity, residence or travel document. Documentation about these expenses (e.g. a rental agreement or invoice) must be provided along with the application. Kela recognises other basic expenses unless they are considered to be unreasonably large.

As mentioned above, the applicant themselves has to provide the necessary supporting documents. But Kela has also access to registers containing information on the applicants. Personal details are obtained from the Population Register Centre. Tax information is obtained from the Tax Administration. Further, Kela has a statutory right to obtain certain information relevant to specific benefits from the various institutions and authorities, including pension providers and insurance companies, labour authorities and social welfare and health authorities. At Kela, customer information is handled solely by personnel who need it in order to discharge tasks related to the administration of benefits. This includes customer service staff at local offices and claims adjudication staff in the central administration.

All Kela staff must sign a confidentiality agreement by which they commit not to disclose any information subject to confidentiality under the Act on the Openness of Government Activities. This includes customer information concerning the health, financial or family status of customers or their receipt of social security benefits. The confidentiality obligation remains in force also in off-duty hours and after resignation from Kela service.

4.6 Appeal proceedings in Finland

The appellate procedure in social security matters varies according to the benefit in question and the authority which made the decision.

Decisions by Kela may be appealed against primarily by sending a free-form letter of appeal to the office which made the decision. If Kela does not consider it possible to correct the decision in the manner requested, it forwards the appeal to the relevant Appeal Board. It is further possible to appeal against the decision of the Appeal Board to the Insurance Court, which is the highest and last level of appeal.

A final decision issued by a municipality may usually be appealed against to the Administrative Court. The Administrative Court determines, on the basis of the appeal, whether the appealed decision is lawful. In case of dissatisfaction with the decision of the Administrative Court, an appeal may in certain cases be lodged with the Supreme Administrative Court.

Anyone who believes that an authority, an official or other party performing a public task has violated fundamental or human rights, or in some other way acted unlawfully may file a complaint with the Parliamentary Ombudsman or the Chancellor of Justice. The Parliamentary Ombudsman and the Chancellor of Justice cannot investigate the matter, if it is subject of an appeal.

4.7 The basic income experiment ⁶²

In January 2017 Finland launched the first stage of a two-year experiment on basic income. Basic income is a form of social security in which all citizens receive a regular, unconditional sum of money towards their expenses. It is intended to reduce the amount of work involved in seeking financial

⁶² <http://www.kela.fi/web/en/basic-income-experiment-2017-2018>

assistance and to free up time and resources for other activities such as working or seeking employment.

The basic income experiment seeks answers to the following questions:

- How could the social security system be redesigned to address the changing nature of work?
- Can the social security system be reshaped in a way that promotes active participation and gives people a stronger incentive to work?
- Can the bureaucracy be reduced and a complicated benefits system simplified?

The experiment is conducted among a test group of 2.000 persons between the ages of 25 and 58, who will receive a monthly basic income of €560 for two years. The participants were selected in December 2016 by random sample. They will be paid a basic income for a period of two years (1 January 2017 - 31 December 2018). It is set at €560 per month. It is every month, without conditions and without means testing.

A follow-up study will be conducted about the basic income experiment in which the study population is compared with a control group. The control group comprises all those who are not selected into the study population, about 120.000 people. They will not be paid a basic income.

The purpose of the study is to examine the impact of the basic income on different population groups. One of the topics studied is whether there will be differences in employment rates between those receiving and those not receiving a basic income. The monitoring is primarily based on registry data. Surveys and interviews during the experiment may affect the behaviour of the participants or their expectations for the experiment. Thus, those included in the study population will be left alone during the experiment. Kela will not call the participants regularly to ask about their employment situation. Instead the employment situation will be monitored through the registry data.

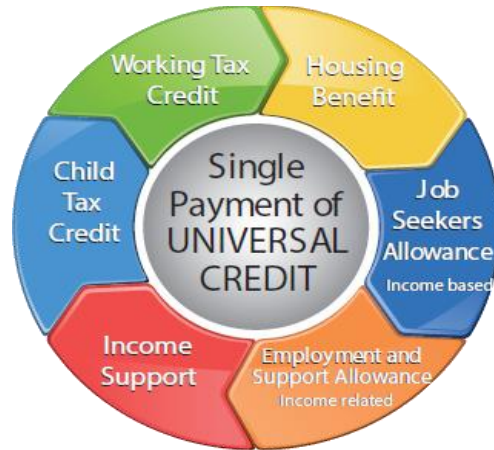
The Finish experiment has attracted a lot of international attention and has boosted the image of the country in a positive way.

5. THE UNIVERSAL CREDIT IN THE UNITED KINGDOM

The UK does not have a minimum income system as such. It has a social assistance element in the social security system which together with other associated means-tested benefits provides a minimum income for citizens both inside and outside of the labour market. For people with low earnings it has developed a system of tax credits - a social assistance element - and a number of benefits to supplement income. Just at the moment these two distinct systems are, at least for the working age population, being replaced by a new unified system called Universal Credit⁶³ (UC). The main purposes of the introduction of Universal Credit, are to make the benefits and tax credits systems fairer and simpler by rolling multiple benefits into one single application and one single payment and the improvement of the financial incentives to work. Universal Credit brings together 6 means-tested benefits and tax credits and extends conditionality to many more people in and out of work including partners with children.

Figure 5: Universal Credit replaces six other benefits

⁶³ <https://www.gov.uk/universal-credit>



Source: Pembrokeshire Housing, <http://www.pembs-ha.co.uk/Your-home/Universal-Credit>

Universal Credit aims to make work pay, make it easier for people to move in and out of work, make the system easier to understand, reduce poverty, reduce fraud and error, and save taxpayer money. The UK is rolling out the UC in stages. Starting in April 2013 with pilot projects in the Greater Manchester area and Cheshire, UC is at this moment available to single people nationally and to couples and families in some areas of the country. It is planned that the full Universal Credit service will be delivered nationally for all types of claimants in September 2018. The complete migration process for all remaining existing benefits has to be completed by March 2022.

5.1 Legal base for Universal Credit

The legal base for Universal Credit is the Welfare Reform Act⁶⁴ from 2012. This act is the basis for a list of regulations and statutory instruments.⁶⁵

5.2 Implementation of the Universal credit

As stated above Universal Credit is not yet fully rolled out in the UK. Universal credit (UC) is national in all 714 Jobcentre Plus offices for single people and available for couples and families in nearly 100 of these offices. The transition to the full UC service will be rolled out in phases between May 2016 and September 2018. The testing of the migration will start in 2017 and national migration will start in July 2019 with completion in March 2022.

5.3 Applications for the Universal Credit

People will usually make a claim for Universal Credit online, during which the initial claim verification will take place. After making a claim, an initial interview will take place with the claimant at which their eligibility for Universal Credit will be confirmed, and at which the claimant has to accept a “Claimant Commitment”. The Claimant Commitment is the record of the responsibilities that claimant has accepted in return for receiving Universal Credit, and the consequences of not meeting them. The Claimant Commitment sets out what has been agreed by the claimant to do to prepare for and look for work, or to increase his earnings if he is already working. It is to be based on the personal circumstances of the claimant and is to be reviewed and updated on an ongoing basis.

⁶⁴ <http://www.legislation.gov.uk/ukpga/2012/5/contents/enacted/data.htm>

⁶⁵ <https://www.gov.uk/government/publications/welfare-reform-act-2012-regulations/welfare-reform-act-2012-regulations>

If the claimant fails to meet their responsibilities they can have a cut in their benefit, known as a sanction. A sanction can last for up to three years.

Universal Credit is a monthly benefit, with no weekly/daily rate as such. If the application is successful, the first monthly payment of the Universal Credit is around 6 weeks after applying. Universal Credit means a change in payment frequency to monthly in arrears with all elements being paid together in one lump sum into an individual's bank account. This change has been designed to imitate how the majority of people are paid and to encourage personal independence and responsibility for budgeting.

Claiming Universal Credit is one of the criteria for eligibility for passported benefits, such as free school meals and health benefits such as exemption from prescription charges. These passported benefits are largely the responsibility of other government departments and as such the eligibility criteria is subject to change. As these are devolved they may be treated differently in the different states of the UK.

5.4 The amount of the Universal Credit

The amount of the Universal Credit depends on the circumstances and the income of a person.

Table 4: Amount of the Universal credit

Circumstances	Monthly standard allowance
Single and under 25	£251.77
Single and 25 or over	£317.82
In a couple and both under 25	£395.20
In a couple and one or both are 25 or over	£498.89
Extra amounts	Extra monthly amount
For the first child	£277.08
For the second and other children	£231.67 per child
If a person needs help with childcare costs	85% of the costs (up to £646.35 for one child and £1,108.04 for 2 or more children)
If a person has a disabled or severely disabled child	£357.78 to £645
If a person is disabled and has a health condition	£126.11 to £315.60
If a person is taking care of a disabled person	£150.39

Source: UK Government, Department for Work & Pensions, 2017⁶⁶

The Universal Credit payment will reduce gradually as a person starts earning more. For every £1 earned the Universal Credit payment will be reduced by 65p. The benefit cap limits the total amount of the benefit a person can get. The amount of the benefit cap is different for people living inside or outside of greater London.

5.5 Means testing

The means test is incorporated in the online application tool for the Universal Credit and a person can directly see if he meets the criteria or not. A person is eligible for the Universal Credit if he expects to earn less than £338 (after tax) in the next month, is between 18 years old and 60 years and 6 months old, is a British citizen (non-British citizens can apply in some places), has a National Insurance number and has had less than £6,000 in savings or other investments - e.g. shares, or property that he doesn't live in. This is increased to a £16,000 limit in certain areas.

5.6 Appeal proceedings in the UK

People can appeal a decision about their initial claim, the amount of their benefit or a sanction. The first step is asking for a mandatory reconsideration of the decision. This has to be done within 1 month of the decision. The person will get a letter saying whether or not the decision has been changed. If the person doesn't agree with what the letter says, he can usually appeal to the Social Security and Child Support Tribunal. The letter will say if the person can't do this.

6. RECOMMENDATIONS AND POINTS OF ATTENTION FOR THE IMPLEMENTATION OF SOCIAL ASSISTANCE IN PRC

Invest in knowledge about the minimum income system

It is important to invest in knowledge about your own minimum income system. Knowledge gathering refers not only to collecting figures, numbers and data but also experiences of the users. Users are not only the applicants but also the professional workers and civil servants at all governmental levels. Their knowledge on the actual way the system is functioning will be invaluable for the further development of the system.

Invest in a bottom up approach

This pays itself off in more to the local level and reality adapted and supported regulation. And it smoothes the effective implementation. Since the implementation is done primarily at the local level, it is important to develop an effective legal framework which seeks a balance between a clear legal framework with clear rules and legal guarantees for all and the need for local discretion in implementation. Discussion, dialogue and debate between the different policy levels and the different stakeholders as the professional staff and the people who are entitled on a minimum income gives a clearer view of the necessary legal framework and what can be left to local discretion.

Invest in the professionalization and capacity building at all levels

As an example, the latest research of the Belgian PPS Social Integration was on the ways by which applicants for social assistance are received at the local centers. One of the most central conclusions was that it is important to invest in the training the staff who are working at the reception desks. Training on knowledge about the social services that the local centers organise but also training on behavioural competencies, as an example kindness or how to behave in aggressive situations, is needed.

Be audacious in innovation but humble in planning

⁶⁶ <https://www.gov.uk/universal-credit/what-youll-get>

The objective of the EU-SPRP is to inspire the PRC to the further development of its social assistance scheme by putting forward the best practices in the EU Member States. The long experiences that the EU Member States have and their continuous improvement by new initiatives are a good source of inspiration to develop innovative projects in the PRC. But the European practices show also that implementing changes demands good and detailed planning, developed together with the most important stakeholders and a regular review to see and correct problems on time.

Develop a common socle, a minimal floor or minimal standards that are applicable over all of the PRC. The ways by which European minimum income schemes are elaborated shows a kaleidoscope of practices. But in a comprehensive and sustainable legal framework it is probably not possible to determine the same amount of the minimum income for the whole of the PRC, but it can be stated on how it has to be calculated, taking some minimum requirements in account. The same can be done for example for the means test, the application procedure or the way to appeal a decision.

Look for opportunities to value the instruments and results of your policy implementation in collaboration with other governmental departments

Social assistance is granted only after a means test. This means test, if qualitatively executed and acknowledged, can be a valuable indicator or instrument for other governmental agencies to be used in the implementation of their policy. It saves others having to develop and execute the same test.

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