



REPUBLIC OF SLOVENIA
MINISTRY OF LABOUR, FAMILY AND SOCIAL AFFAIRS

Reform of Slovenian means-tested benefits

Davor Dominkuš, Director General of the Directorate for Social Affairs,
Ministry of Labour, Family and Social Affairs of the Republic of Slovenia



MAIN OBJECTIVES OF INTENDED CHANGES (INOVATION):

- **More transparent, efficient and user-friendly** distribution of social transfers and subsidies
- **Change in conditions for entitlement** to different rights in order to motivate individuals to work and reduce the risk of poverty and unemployment
- **Harmonisation of criteria** for granting 4 types of social transfers and 9 types of subsidies that are means-tested
- **Simplification of the system - introduction of one entry point** (social work centres) for exercising the rights to social transfers
- Higher minimum income (basic level of financial social assistance): **new basis for ensuring social security to the most vulnerable groups**
- **Centralised information system** as a support to granting the means-tested rights



PRESENT SITUATION:

- Means-tested benefits and subsidies are **granted on a basis of different criteria**
- **Procedures are based on different legal foundations and conducted by different authorities** (schools, social work centres, Pension and Invalidity Insurance Institute, local communities). **Databases** on recipients are **not** linked. System is **not transparent**, enables abuse and accumulation of different rights in some groups and not enough support for high-risk-of poverty groups
- **Different definitions** of income, family and other elements. In some cases only income is taken into account, in others the property is also considered
- **Not enough focus on activation measures** for the recipients of social assistance



New regulation:

- Exercise of Rights to Public Funds Act
- Financial Social Assistance Act

BOTH ACTS ADOPTED IN AUGUST 2010,
IMPLEMENTATION STARTS ON 1.1.2012
(ON FULL SCALE)



Exercise of Rights to Public Funds Act

MAIN CHANGES / SOLUTIONS:

Single unified definitions of persons, family, income and property taken into account when exercising a right to a certain social transfer

Defining a priority order for exercising the rights to social transfers

Introduction of one entry point (social work centres) for exercising the rights to social transfers – simplification of the system

Introduction of a central database of rights to public funds (centralised information system)



Financial Social Assistance Act

MAIN CHANGES / SOLUTIONS:

New basis for ensuring social security for the most vulnerable groups

Reorganisation of financial social assistance, disability benefits and income support for pensioners

Introduction of a **new (higher) basic level of minimum income (MI)** - increase from 229 € to 288 €

Introduction of two supplements to MI :

- **activity supplement** for beneficiaries actively solving their situation (amount depending on duration and character of the activity – up to 0.56% of the MI for activity of over 128 hours/month: 161.7 €)
- **supplement for long-term beneficiaries** not capable of work or older than 63/65 (together with MI amounting to 450 €)



MEANS-TESTED RIGHTS

CASH BENEFITS:

1. child benefit
2. financial social assistance
3. income support (for pensioners, people long-term incapable of work)
4. state scholarships

SUBSIDIES AND REDUCED PAYMENTS:

1. reduced kindergarten fee
2. subsidy for school meals (lunch/snack in elementary and high schools)
3. transport subsidy for high school pupils and students
4. exemption from payment of social care services
5. contribution to the payment of a family assistant
6. rent subsidy
7. subsidy covering the difference to full value of health care services
8. payment of contribution for compulsory health insurance



ONE-ENTRY POINT:

One entry point for all social rights = **social work centres**

One application per applicant (no supporting documents needed)

Priority order for exercising rights

Single scale for determining entitlement to social rights (based on current scale for child benefit; except for financial social assistance and income support for pensioners)

Simplified procedure supported by **centralised information system**



SOCIAL WORK CENTRES

Existing network of 62 social work centres (SWC)

Responsible for executing tasks and public authorities on a basis of legislation on child and family protection (custody, guardianship, foster care, adoption,..), social assistance, parental care and family benefits, protection of adults in need (disability, old-age) etc.

New legislation: SWC will additionally be responsible for deciding on all mentioned rights

Transfer of responsibility as well as **human resources** to the SWC is under way (cca 150 persons transferred from municipalities to SWC + 64 additionally employed advisors)



IT SUPPORT FOR GRANTING THE MEANS-TESTED RIGHTS

- The implementation of the Exercise of Rights to Public Funds Act requires information system capable of ensuring and exchanging data in real time on the basis of standardised legal and information infrastructure at institutions identified by the act as the data sources.
- Information on the personal status, income, property and other statuses of the applicant and the family members is needed.
- The information system connects together the administrative data from 44 data sources (from 24 institutions).



THANK YOU FOR YOUR ATTENTION!
ANY QUESTIONS?

davor.dominkus@gov.si

gp.mddsz@gov.si

<http://www.mddsz.gov.si/>