



New legislation on the rights to social inclusion and guaranteed income in Navarre (Spain)

ESPN Flash Report 2017/11

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MARCH 2017

In November 2016, the Government of the Navarre region (Spain) legislated on a new regional minimum income scheme that regulates two social rights: the right to an integrated personalised “social inclusion pathway” and the right to a guaranteed income. This reform stands out for its improved guaranteed income and the innovative way in which this is linked to the other two active inclusion pillars.

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Description

On 11 November, the Government of the Navarre region (Spain) passed the 15/2016 Regional Act, “which regulates the rights to Social Inclusion and Guaranteed Income”. The new legislation abolishes the old social inclusion income scheme and introduces remarkable innovations.

The new legislation recognises two independent subjective rights: the right to a guaranteed income and the right to be supported in a process of social inclusion.

The new scheme: a) incorporates a mechanism of employment incentives that partially excludes income from work activities in the calculation of household income; b) reduces the requirement of residence from 2 to 1 years in the case of poor households with minors or persons with disabilities over 65% and includes undocumented third country nationals; c) extends coverage from 25 to 18 years of age (including persons under 18 with dependents); and d) tops up low pensions of persons over 65.

The scheme also modifies the mechanism for establishing the amount of the minimum income scheme (MIS). The monthly basic amount is now €600. It will be indexed by the annual inflation rate, while it was formerly indexed according to the minimum wage (85% minimum wage [€548.5] in 2014 and 100% minimum wage [€648.6] in 2015). Supplements are now 35% for the second household member, 25% for the

third and 15% for each additional member (in 2015, they were 20% for the second household member and 10% for each additional member) (MSSSI, 2016). Participation in the programme is for a duration of 12 months, extendable as long as the situation of necessity persists (previously up to a maximum of 30 months).

Although the two rights (MIS and support for social inclusion) are separate and independent, the joint exercise of both rights is foreseen. Specifically, after one year of receiving minimum income the new Act establishes a duty to take part in an integrated personalised “social inclusion pathway”; after two years, recipients are expected to access protected social employment or flexible combinations of training and employment. The scheme is flexible for vulnerable people and those with special difficulties. Another innovation of the Act is its commitment to ensure effective coordination between municipal social services and regional and national employment services.

Biannual evaluations will support the social inclusion process and the administrative simplification aimed at guaranteeing access and stimulating social demand.

Outlook & Commentary

The regional minimum income schemes (MISs) constitute the last resort in the guaranteed minimum income in Spain.

Set in motion at the beginning of the 1990s, they have developed very unevenly. At present, they constitute a highly diverse set of regional MISs; their diversity and relatively poor protective capacity make them very difficult to include as part of a coherent programme. While in some regions, especially the Basque Country, the MIS is indeed a guarantee of a decent minimum, in other regions the protection level is almost negligible (Rodríguez-Cabrero et al, 2016).

The MIS of Navarre went through a number of transformations that have maintained it at a comparatively high level of coverage and protective adequacy. However, the economic and financial crisis increased the population in need significantly and thus put it under strong pressure.

In a context of fiscal consolidation, the first reaction of the Government of Navarre was the introduction of reforms aimed at reducing spending on the MIS in 2012 (Regional Act 1/2012). They also reduced the proactive, preventive and promotional aspects of the MIS. As a result, a more determined and ambitious institutional response to the social impacts of the crisis was needed. In March 2015 (Regional Act 6/2015), the Government of Navarre reformed the MIS to improve its accessibility and coverage.

After the regional elections of May 2015, the new Government of Navarre took a more active response to poverty and social exclusion. The new reform of the MIS of Navarre in 2016 seeks to ensure effective universal coverage of persons with insufficient income and/or

difficulties in accessing employment by expanding the groups that can access it. An additional aim of the reform is to strengthen the institutional capacity to provide effective support in the process of social inclusion through Strategic Plans and coordination between social and employment services. So, the reform is fully in line with a well-balanced active inclusion approach as it establishes links between three equally important pillars: access to a decent minimum income, to quality social services and to inclusive labour markets.

The planned biannual evaluations are of crucial importance as they will help assess if and how other public administrations can learn from this Act which is quite innovative in Spain.

The implementation of this reform has been reinforced by the European Commission's financial support through the "Enhancing the Right to Social Inclusion through Service Integration" (ERSISI) project for the period 2016-2019. This project is part of the EU Programme for Employment and Social Innovation (EASI). It amounts to €1.9 million, and is co-financed by the Government of Navarre and the Welfare Projects of two savings banks. It targets 500 people and its main objective is the integration of social and employment services in several municipalities of the Autonomous Community. The main innovation of the project is that it tries to strike the right balance between activation and protection, recognising the right of people to social protection.

Further reading

EAPN-Spain, El estado de la pobreza. seguimiento del indicador de riesgo de pobreza y exclusión social en España 2009-2015 ("The state of poverty. Monitoring the at risk of poverty and social exclusion indicator in Spain 2009-2015"), 6th Report, Madrid, 2016, <http://www.eapn.es/estadodepobreza/>

Ministerio de Sanidad, Servicios Sociales e Igualdad (MSSSI), Informe de rentas mínimas de inserción 2015 [Minimum Income Schemes Report 2016]. Madrid, 2016, <https://goo.gl/8JDn4x>.

Regional Act 1/2012, of 23 January, which regulates the social inclusion income. <https://goo.gl/9aDbIx>

Regional Act 6/2015, of 5 March, which modifies Regional Act 1/2012, of 23 January, which regulates the social inclusion income. <https://goo.gl/BPVxZu>

Regional Act 15/2016, of 11 November, which regulates the rights to Social Inclusion and Guaranteed Income. <https://goo.gl/KNBa6V>

Rodríguez-Cabrero, G., Arriba, A., Marbán, V., Montserrat, J. and Moreno-Fuentes, F.J., "ESPN Thematic Report on minimum income schemes: Spain". European Social Policy Network, 2016, <http://goo.gl/EB9B7i>

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