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"SOCIAL POLICY"
Social Calculator – a tool of the project “Calculator of costs of inaction”

- SOCIAL CALCULATOR
- SUPPORT OF THE DECISION MAKING PROCESS IN THE LOCAL SOCIAL POLICY
- COSTS OF INACTION IN THE SOCIAL POLICY

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CONTENTS

INTRODUCTION – Barbara Kucharska ................................................................................................................ 1

SOCIAL CALCULATOR AS AN ELEMENT OF THE PROJECT “CALCULATOR OF COSTS OF INACTION” IN LOCAL SOCIAL POLICY – Piotr Błędowski, Paweł Kubicki ......................................................... 2

CHARACTERISTIC OF SOCIAL CALCULATOR – Marta Styrz, Karolina Majdzińska, Magdalena Maciejasz, Justyna Gać ................................................................................................................................................................. 5

SELECTED ASPECTS OF COSTS OF INACTION IN CASE OF UNEMPLOYMENT, POVERTY AND HOMELESSNESS – THE SOCIAL CALCULATORS POINT OF VIEW – Anna Ruzik-Sierdzińska, Piotr Błędowski, Ewa Galecka-Burdziak ........................................................................................................................................................................ 10

DISABILITY AND LONG-TERM ILLNESS – DEFINING, COSTS AND TASKS FOR LOCAL SOCIAL POLICY – Magdalena Maciejasz, Paweł Kubicki ........................................................................................................ 16

HELPLESSNESS IN EDUCATION AND GUARDIANSHIP AND ORPHANHOOD – Anita Abramowski-Kmon, Sylwia Timoszuk ........................................................................................................................................................................ 22

INTEGRATION OF REFUGEES, PRISONERS AND ADDICTS – Joanna Felczak, Karolina Majdzińska, Jacek Szczepkowski ......................................................................................................................................................... 27

LOCAL SOCIAL POLICY TOWARDS NEW CHALLENGES. FROM INTERVENTION TO ACTIVATION – Piotr Błędowski, Paweł Kubicki ......................................................................................................................................................... 34

FINANCING SOCIAL ASSISTANCE TASKS UNDER SITUATION OF THE LOCAL GOVERNMENT BUDGETS IN POLAND – Benedykt Opałka ........................................................................................................................................... 39

SOCIAL INNOVATION AS AN INSTRUMENT OF ADAPTATION OF SOCIAL POLICY TO NEW CHALLENGES – Piotr Błędowski, Gabriela Sempruch .................................................................................................................. 44

ABOUT THE AUTHORS ........................................................................................................................................ 48
The crisis of public finances, demographic changes and the need to abandon an interventionist model of social policy in favor of efforts to motivate individuals and communities whenever possible, have magnified the interest of politicians involved in social policy to rationalize social spending.

However, rationalization cannot be undergone merely by using efficiency as the most important criteria in the decision making process, but rather must include the ability to recognize the consequences of failing to take appropriate action and therefore either neglecting, or failing to act in a consistent manner over a longer period of time. Social policy, both on the domestic and local levels, requires stability and the execution of strategies developed on the basis of in-depth social diagnosis, one that recognizes the need to abandon ad hoc efforts at the expense of implementing a specific model. That model should incorporate not merely solutions to the existing, recurring problems but also prevent the appearance of new ones. These anticipatory efforts, a motivating and at the same time interactive approach, can play an important role, particularly in local governments.

The project entitled Calculator of the Costs of Inaction – implementation of Innovative Solutions in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian voivodeship was undertaken in order to develop new tools to execute precisely that concept of social policy at a local level. The goal of this project, executed as part of the Human Capital Operational Program, Priority VII – Promotion of Social Integration approved by the Ministry of Regional Development and Masovian Unit of EU Programmes Implementation, is to develop instruments which would help increase the effectiveness and cohesiveness of the local social policy in the province of Masovia. The project is implemented by the Masovian Social Policy Centre (the leader) in collaboration with the Institute of Social Economy at the Warsaw School of Economics and the “Radom Centre for Entrepreneurship” Association.

Joint collaboration between the practitioners of social policy and assistance, representatives of the academic community, non-governmental organizations and local government officials resulted in the six elements of a new model, which support the decision-making process using economic criteria, knowledge about financing that uses EU and national funding of domestic programs related to social policy and the strategy of resolving social problems. The project does not merely require cooperation with local government institutions, but also the creation of a network of community leaders who will promote new solutions and support local communities in changing the treatment of the instruments of local social policy. The whole project is complemented by the training system, a critical component for the implementation and durability of newly developed solutions. It would appear that the greatest benefit of the project, in addition to the new approach to the economic consequences of decisions made or postponed until later, is the reinforcement of the role of local residents in the decision-making process.

The articles in this publication focus primarily on methodological aspects of one of the products – the Social Calculator, but its usefulness depends, to a large extent, on the concurrent use of the remaining products by users of the model. The whole set is a truly innovative solution, one worth discussing and implementing in practice once the necessary adjustments are made.
INTRODUCTION

The Masovian Social Policy Center together with the Institute of Social Economy of the Warsaw School of Economics and the "Radom Centre for Entrepreneurship" Association is conducting a project entitled "Calculator of Costs of Inaction – Implementation of Innovative Solutions in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian voivodeship." The purpose of this project, executed as part of the Human Capital Operational Program, Priority VII – Promotion of social integration, is to develop instruments that would increase the effectiveness and cohesion of the social policy in the Masovian voivodeship. Together, these instruments form an innovative model of active social policy implemented by local governments.

As of the fall of 2014, 25 local governments in the Masovian region have been used to test the set of instruments, which facilitates management of active social policy by local government organizations. The scope of the model includes social assistance or, more precisely, ten reasons for the use of social benefits listed in the law on social assistance. An active social policy on a local scale, incorporated in the model, has two key goals. These include resolution of social problems with a more in-depth assessment of the effectiveness of measures taken and a departure from an interventionist policy model towards activation and innovative resolution of local issues (Rymszka, Kazimierczak, Karwacki 2014).

The Calculator of the Costs of Inaction (CCI) consists of six parts (products), which together form a whole that can be used to achieve the initial goal. These products address the project authors’ general idea: the risk of higher expenses for social benefits can be reduced through earlier provision of optional benefits designed to reach communities affected by difficult life situations as quickly as possible. In a large number of cases this approach helps prevent the worsening of difficulties and an accumulation of future problems.

However, when taking these additional steps, a difficult obstacle is usually encountered: the limited budget of the commune or a county. This obstacle can be overcome, at least in some of the cases, by using the experience of other local government organizations in the acquisition of resources and the implementation of various programs. With this in mind, CCI consists of the following products: Diffuser of Social Innovation, Catalogue of Social Innovation, Model Strategy of Resolving Social Problems, Training System, Network of Social Innovation Leaders and the Social Calculator.

As it is easy to see, the key word which accurately reflects on the nature of CCI project is innovation. Regardless of the widely diverse definitions of social innovations, referring to a various extent to economic innovations, the innovativeness of this project is that it should facilitate the introduction of new solutions in social practice. These solutions, especially in the face of rapid social and economic changes, should promote better use of the available resources and an effective reaction to social needs, the development of new and the strengthening of existing social ties through a rational use of public resources (Caulier-Grice et al. 2012). Assuming that the more effective use of resources and the development or strengthening of social ties are the characteristic features which define innovation in social policy, it can be said with a degree of certainty that the entire CCI model is designed to achieve these specific goals. An holistic approach towards these goals, one that incorporates both quantitative and qualitative instruments in a single project, is yet another innovation.

The significance of the innovative CCI project for social policy on a local scale is also due to the fact that it is designed to change the way the local government approaches resolution of social problems. Resolution of social problems, particularly through the use of social assistance, is still very often treated as an expense (often ad hoc, postponed until the last moment and diminished because of limited budget), but here it is replaced by a concept that treats these expenses as social investments (Błędowski 2014). Such a change in the paradigm of social policy even the entire local social policy is of course desirable but requires time and numerous arguments to confirm the correctness of the new approach.

A Change in the paradigm of social policy is expressed by the increase of the scale of preventive and activating measures compared to intervention-type measures, delivered mainly on the basis of the law on social assistance and provided only after the situation entitling one to such assistance actually happens (Kucharska, Sempuch 2014). Unlike the previous understanding of the provision of social assistance, this new approach places greater emphasis on the widely defined social services, which motivate communities that are being supported (Grewiński 2011; Kazmierczak, Rymsz 2012).

The brief discussion of individual products presented below is not meant to be a complete description of each. Given the topic of this edition of "Polityka Społeczna," which focuses on the Social Calculator (SC) and the opportunities to implement it, it was the authors’ intention to highlight only those features of the remaining products, which are particularly important from the point of view of the SC.

DIFFUSER OF SOCIAL INNOVATION

From the perspective of social policy, the diffuser can be treated as an instrument that facilitates the flow of knowledge about innovative solutions to social problems between institutions that operate in different sectors (Duszczynk 2014). This definition of the product’s name as part of CCI provides an accurate description of the product’s goals. Specifically, the product is designed to disseminate information about solutions, projects under implementation, their results, costs and the effectiveness of measures undertaken. This information is available via two modules — the knowledge module and the sources of financing module. Both modules can be reviewed to find not just information about social issues and methods of resolving them, but also about possible sources of financing for these projects.

Publications available in the database can be used to gain knowledge about innovation and investments in social policy. They also refer to the forms and goals of motivating activities, as well as theoretical and practical aspects of social policy implemented on a local level. The databases available in both modules should be updated on a regular basis. Addition of data about the most recent projects and foreign experiences will definitely serve as an inspiration for practitioners of social policy and not just those active in the Masovia region.
Catalogue of Social Innovation

This product is closely tied with the Diffuser of Social Innovation and indeed it forms an integral part thereof. The Catalogue contains information about completed social assistance programs, addressing tasks related to motivation of their beneficiaries. Projects listed in the Catalogue are sorted by numerous criteria, facilitating access to those that can be particularly useful, from the point of view of the preferred goals of local governments. The two most important assessment criteria are the effectiveness and efficiency of the projects; however, it must be emphasized that, considering the nature of social assistance, the more important of the two is the effectiveness of the solutions adopted, measured over the longest period of time possible.

The Catalogue contains information about projects which was previously dispersed among many databases. For that reason alone, it is worth emphasizing the significance of this product. While data collection about the previous or currently ongoing projects alone is not an innovative solution, the combination of available projects’ data with information about their costs and financial and social results, as well as the ability to assess the usefulness of the projects from the point of view of local needs and potential can be seen as an innovation.

In the authors’ opinion, constant, regular updating of both products described below also plays a key role in the entire project. The observation that all innovations require additional expenses is correct (Misiak 2014), nonetheless a good use of databases for the purposes of local governments should translate into measurable financial benefits for these institutions.

Strategy of Social Problem Solving Generator

Strategies for the resolution of social problems are an important instrument of social policy (Krzyszkowski, Przywojska 2011). Unfortunately, in many instances, these documents which should serve as the basis for action on a local level, turn out to be merely a superficial description of the current problems or an insufficiently prepared diagnosis, hindering an effective resolution of the ongoing difficulties (Karwacki 2010).

Model Strategy of Social Problem Solving developed as part of CCI, which can be used to develop a strategy in one’s own commune or county, is designed as an aid in strategy development, organizing the work on strategy development by introducing a specific work algorithm and unifying the structure of the document. As a result of this solution, the authors are exposed to a lower risk of excessive focus on selected issues, an omission or insufficient emphasis on others. What is important from the point of view of local social policy is that the Generator can be used to monitor execution of the strategy.

The Generator provides the ability to conduct a thorough analysis of the situation within the commune, with respect to all 15 causes for the use of social benefits listed in the law on social assistance. It is helpful in the selection of goals and in determining the metrics used to measure their execution. The generator may produce some similarities to documents prepared by various communes in terms of form, but familiarity with the instrument itself will help dispel any fears – the documents, even if similar in terms of editorial content, provide an accurate analysis of the situation within the local government’s operating area and can be used as the basis for discussion about ways to resolve ongoing social problems and also produce an opportunity to increase social participation in the development and execution of strategy (Oldak 2014).

Network of Social Innovation Leaders and the Training System

These two products are being discussed together due to their nature, being different from the remaining products – the authors of the CCI concept realize that even the best instruments used for active social policy and the rationalization of such policy will not be useful without properly preparing the team to use these new instruments. These two products were prepared with that in mind. They were designed to increase the level of knowledge about active social policy, social participation in the delivery of tasks of that policy at a local level and as an introduction to the practical use of the model of Calculator of Costs of Inaction.

In this context, yet another key term for the project appears, namely social capital. Co-creation of such capital is one of responsibilities of the project leaders (Garbusińska 2014). The leader network, supported by access to the project forum managed as part of the project and used for the exchange of ideas and information, will not only popularize and implement the concept of costs of inaction in social policy, but can also be seen as a group that articulates the needs and expectations of local practitioners of social policy, with respect to regional and national institutions involved in that policy.

However, the most important task for the leaders is to assist in increasing the commune’s social potential by defining its problems, organizing the leadership towards resolution of these issues and supporting social policy measures already being implemented. In order to utilize to the best possible extent the knowledge and experience of leaders and representatives of local government, special care must be taken to raise their level of knowledge, which is why one of integral parts of this project is the training system. It does not just incorporate traditional training, but also includes access to an e-learning platform, as well as access to consultations and advice. The training is not just planned for the leaders – the organizers of local community for active social policy – but is also for the people implementing it, local government officials and employees of local government institutions, including social workers.

The Social Calculator

The Social Calculator, which formally constitutes one of several equivalent products of the whole project, has provoked by far the biggest interest during the testing and presentation phase. Its innovativeness, in the opinion of numerous interlocutors, consists of the fact that it can detail the expenses for support measures just like other local government expenses, i.e. estimate the amount necessary for these efforts, show the potential benefits and compare them with other expenses. To quote one of the statements Finally I can show the councillors specific numbers and explain why they should pay for something.

The level of interest among the recipients, as well as the number of comments left, proves that the Social Calculator has touched upon a major and much wider-ranging issue, the absence of good efficiency metrics related to social integration (Szarfenberg 2014). While it is easy to assess whether professional motivation programs have had an effect, it is difficult to justify expenses related to emancipation or, more broadly speaking, raising the quality of life of an individual or a household.

The subject goes well beyond the scope of this article; however, it should be emphasized that on a local level there is a strongly felt absence of instruments that would allow operationalization of assistance efforts. This causes difficulties in the creation of metrics to assess achievement of a goal for resources which are being spent, whether they come from commune’s or county’s own revenues or whether (or perhaps primarily) they are acquired as part of EU funding. Consequently, expenditures may be shifted towards infrastructural projects or limited to professional motivation, weakening the equally necessary efforts related to social motivation. Looking at it from the perspective of the entire country, one can say that it will create the risk of higher marginalization of those socially excluded, who have a small chance of professional motivation, or those who require support in social integration before attempting to enter the labor market.
Getting back to the description of the idea of the instrument itself, the starting point for the development was the concept of costs of inaction, i.e. costs arising from the failure to act, an understanding of which potentially could reduce the scope of social problems (see also: Majdzińska, Timoszuk 2013). The project’s innovation is the classification of persons impacted by specific issue into three levels, reflecting the intensity of the given problem (low, medium and high). These levels affect the types of measures as well as intensity of support and thus differ in the estimated costs of activating and supportive measures. In order to simplify calculations, it was assumed that the starting point is a single cause entailing one to the use of social assistance, while other problems may appear over time unless appropriate remedial measures are taken, with a probability determined on the basis of available research and studies of the matter. At the time, a seven-year timeframe was adopted for the calculations, one that is compatible both with the timeframe of domestic strategies, programming timeframe for EU resources and at the same time goes beyond the single term of local governments, pushing forward the perspective of strategic thinking.

Also, for methodological reasons, several restrictions were introduced, simplifying the social realities, but nonetheless making it possible to design the instrument itself in its model state, adapted to the needs of the recipients, i.e. persons responsible for the development and management of local social policy. First, the focus was placed on costs paid by the local government and on measures with which they are charged. Thus, besides expert studies prepared by individual members of the WSE team as part of preliminary analysis, the SC does not incorporate costs paid by the family or by the state budget. It was also restricted to measures related to social policy or even social assistance, omitting for example expenses related to education or health care. Thanks to these measures, the Social Calculator is a relatively simple instrument to use and one adapted to the needs of its users. However, it is not an instrument that can be used to estimate all the costs of inaction as well as savings arising from early support, and the researchers are aware of this limitation.

It must also be emphasized that although the economic aspect is gaining increasing significance, due to a large extent to the crisis of public finances as well as difficulties facing local governments when attempting to close their budget, it cannot be treated as the most critical one. The same applies to the location of the Social Calculator in the entire model – it is one of the set of instruments, a premise to facilitate making choices regarding actions to be taken at the local government level.

A simple calculation of the return on investment has a limited application with regard to actions that are part of local social policy, taken with respect to specific individuals, groups or entire local communities. Decisions about the provision of benefits as part of a social policy system must take into consideration social, political and ethical aspects. Thus, the Social Calculator is a tool which facilitates the decision-making process, but one that needs to be used by persons who are familiar with the local situation and the social context of decisions to be made.

SUMMARY

The Calculator of Costs of Inaction project focuses the attention of its users and observers on several key issues. These include, among others:

– the need to abandon, and not just on a local level, an interventionist social policy in favor of a policy which assumes that, whenever possible the community affected by a difficult situation will be emancipated through motivation of individuals and families, taking preventive measures and identifying potential threats;

– the need to change the viewpoint of the local social policy, shifting from measures which focus on resolution of existing issues to measures designed to prevent deterioration of the problem and the manifestation of its consequences;

– the usefulness of treating social policy expenditures, including social assistance benefits as social investments rather than costs;

– the innovative nature of the project, which consists of using a multi-sectoral approach and highlighting a specific role of increasingly individualized social services, as well as making estimates which can be used to determine the approximate financial consequences of inaction or delay over time;

– increasing significance of social investments, including both comprehensive measures to prevent the occurrence, escalation or indeed the worsening of difficult life situations facing individuals and families, but also as an investment in human and social capital of both the recipients of social assistance and the organizers of local communities;

– the need to change time-related perspective in the decision-making process to a multi-year one, often exceeding a single term of local government authorities, which can be facilitated by reaching a political consensus regarding the priorities of social policy on a local government level;

– the ability and will to consider decisions about financing measures which resolve a selected social issue for a specific group of individuals as a future budgetary savings measure and the benefit related to social re-integration of these individuals;

– the need to balance proper ratios between the economic aspects (especially financial ones) of the measures being taken and their social significance. The ultimate criteria in the decision-making should be the social significance of the problem being solved, while economic aspects should play an auxiliary role in the process of selecting priorities and making decisions.

1 More information about this subject is found in the article Social innovation as an instrument of adaptation of social policy to new challenges in this publication.

2 Presentation of the project and a complete description of individual products is found on the project website at http://kkz.mcps-efs.pl/ and in publications about the project. Items listed in the biography whose titles start with the term Model Calculator of Costs of Inaction contain assessments of the various products generated during the project in the context of theory and practice of social policy made by persons who are not part of CCI team.

3 For more about the Social Calculator please see the article Characteristics of Social Calculator in this publication.

REFERENCES


The article discusses the basic assumptions of the project „Calculator of Costs of Inaction – Implementation of Innovative Solutions in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian voivodeship“. The text describes the particular outcomes of the project which are: (1) Social Calculator, (2) Diffuser of Social Innovation, (3) Catalogue of Social Innovation, (4) Network of Social Innovation Leaders, (5) Strategy of Social Problem Solving Generator and (6) Training System. The study also highlights the need of change of the current paradigm of local social policy, so that it would have more activating character. The article also underlines the significance of social investment and the necessity of earliest possible actions that would support people in need of help in order to avoid the costs of inaction.

**Keywords:** local social policy, social innovation, social investment.

**Characteristics of Social Calculator**

**Introduction**

Social Calculator is one of the tools created as part of the project entitled „Calculator of Costs of Inaction – Implementation of Innovative Solutions in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian voivodeship“. The underlying basis for the development of the Social Calculator (SC) was the concept of the costs of inaction, i.e. costs arising from failure to take action, which potentially could reduce the incidence of social problems (see Majdzińska, Timoszuk 2013: 192–195). The concept of costs of inaction is appearing increasingly in Western European literature (see Anand et al. 2012), in Poland it is relatively new but it fits successfully into broad spectrum of costs and benefits analysis of policies.

The goal of this article is to present basic information about the method used in the Social Calculator and to describe the approach to costs of inaction adopted in the analysis. The article will discuss conceptual and formal models used to estimate costs of inaction, methods of acquiring data used in the project and the scope and form of results generated by the Social Calculator.

**General Information about the Social Calculator**

The Social Calculator is based on the concept of costs of inaction in social policy, i.e. the costs arising from the lack of desired action recommended in specialized literature and in the past practice of social assistance. This concept was previously mentioned by A. Hryniewicka as part of the description of different dimensions of the social assistance effectiveness. She assumed that the costs of inaction are the costs of unresolved social issues. These include primarily all the expenses which must be made by the specific community due to the fact that certain problems have not been resolved or have not been recognized early enough, which could have reduced the costs of their impact (Hryniewicka 2013: 89).

Estimates of the costs of inaction presented in the SC include the costs of benefits and the costs of providing those benefits, which would have to be made in the future if, at the starting point of the analysis, no action was taken with respect to a difficult situation facing an individual or a family. Additionally, it includes costs incurred as a result of having the related (emerged) problem occur, arising from the absence of a reaction to the social problem which marks the starting point of the analysis. It does omit situations where problems co-exist at the starting point of the analysis, i.e. in all cases analyzed the estimates were based on a single cause for the provision of social assistance benefits.

The Social Calculator estimates the costs of inaction for ten social problems selected among the problems which entitle individuals to social assistance benefits, listed in article 7 of the Act of March 12th, 2004 on Social Assistance. These include unemployment, disability, difficulty adjusting to life after leaving prison, poverty, homelessness, alcoholism or drug addiction, long term or serious illness, helplessness in raising and caring for children, orphanhood and integration difficulties of foreigners who have obtained refugee or subsidiary protection status in the Republic of Poland.

Of course it is practically impossible to overcome or solve all of the above listed social problems. It is, however, possible to talk about the solution of a given social problem with respect to an individual recipient of social assistance. In the SC we are focusing on that type of solution of a social issue, which means either emancipation or the absence of further assistance to the recipient. Inaction and its costs are thus understood as the lack of preventive and activating measures designed to solve a problem of the social assistance recipient.

These actions are performed as social services by specific local government entities (LGs) as part of social assistance. We have assumed they are non-mandatory (optional). The Social Calculator estimates the probable costs of inaction with respect to specific social problem that has affected an individual or a group of people who found themselves in a similar situation. These costs represent the estimated cost of benefits which would have to be paid in the future in order to resolve an increasingly serious problem. In other words, an estimate is made of the costs of selected measures over a specific time unless as long as these specific measures were not taken in the base year. It can be said that this calculation will show estimated savings compared with the desired future expenses unless as far as we finance the services and other benefits in the base year.
Another point needs to be emphasized as well: the estimated costs which would have to be paid in the future are the expenses desired from the point of view of the social problem being analyzed, but the project does not prejudge whether these expenses will actually be made. A decision on that matter will depend on regulations in force at the time and will belong to local government authorities. The SC’s role is to focus attention of local government officials on the need to take into consideration social aspects of the social problems in their programs, particularly by emphasizing the economic impact of perpetuation of difficult life situations and their consequences.

The Act on Social Assistance lists the measures, which must be taken up by the LGE as part of its mandatory responsibilities. While developing the SC, we have omitted a situation where mandatory responsibilities are not being fulfilled (as that would be illegal) and therefore inaction applies to optional measures. The costs (or specifically, financial consequences) of inaction are not fixed and may vary in each year.

The calculator will not only facilitate estimates of the costs of inaction, but also estimate the amount of expenses paid to implement selected optional measures. Thus, the SC helps in strategic planning, if only by providing data essential to answer the question about the financial effectiveness of the planned measures.

**MODEL OF SOCIAL CALCULATOR**

In the model developed to estimate costs of inaction, it was assumed that the group of social assistance recipients, numbering \(L^0\), who experienced a social problem (later referred to as the main problem) in the base year, is monitored in the following years. In the following years individuals leave the simulated group of beneficiaries if they are not anymore entitled to the social assistance benefits related to the initial problem. This may be the case for example as a result of the problem being resolved by social assistance or as a result of exogenous factors unrelated to the social assistance system (including resolution of the problem using individual’s own resources), change in the place of residence, transfer to another subsystem of social security (e.g. gaining a retirement pension or a disability benefit) or death. The process of exiting the monitored group of beneficiaries in the following years is described by exit probabilities in the \(\mathbf{p}_w\) matrix. No individuals are allowed to join the initial group in the following years.

The social assistance beneficiaries differ with respect to the severity of the problem. The levels of severity\(^6\) are denoted as \(i\). The level of problem’s severity differentiates the exit probabilities and the costs of benefits received (the costs are expressed in the matrix \(\mathbf{K}\)). In the subsequent periods of time, the recipients can migrate between the various levels (migration probabilities are determined by the matrix \(\mathbf{M}\)). In addition to costs related to the provision of benefits on account of the main problem, recipients covered by the model may be subject to additional social problems. Those emerging problems are linked to the initial main problem and appear as a result of the failure to resolve the main problem. The likelihood of their appearance is determined by the matrix \(\mathbf{N}\) and their relationship with the matrix \(\mathbf{K}\). The conceptual model of the SC is presented in Figure 1 while the formal model is described by formulas (1)–(4).

The sum of costs related to the main problem and to the emerged problems is the total cost to provide mandatory benefits to the simulated group of social assistance recipients. The main aim of the project was to estimate how those costs can be reduced by employing optional measures of social policy that affect probability to exit the group of beneficiaries, migration probabilities between severity levels and probabilities that other problems emerge. To this end, a cost simulation is made in two variants:

1. one which assumes that the base year only mandatory measures were taken, arising from regulations of the law on social assistance and
2. one which assumes that optional measures were taken in the base year in addition to mandatory measures

**Figure 1. Conceptual model of the Social Calculator**

![Conceptual model of the Social Calculator](Image)

Note: The diagram shows three levels of problem’s severity for practical reasons and because that solution was adopted in the SC. In a general case the model can incorporate any number of levels.

Source: prepared by Authors.

The difference in the costs of social assistance between the variant with only obligatory measures and the variant with obligatory and optional measures in the base year determines savings achieved in future years as a result of the implementation of the optional activities in the base year. If the calculations for future years do not take into account the amount of the initial investment, it is appropriate to refer to them as gross savings (formula 1). Accumulation of savings over time and comparison of the cost of optional activities in the base year makes it possible to calculate the aggregate net savings (formula 2). For the sake of simplicity, the formula does not include the time value of money. The discounting factor, if introduced, would apply both to costs and savings and would not influence the estimates.

\[
K^T_2 = S^T - E^T
\]  

\[
R^2 = \sum_{t=0}^{T} (S^T - E^T) - K^{T_0}
\]

where:

\(K^2\) – gross savings in the year \(T\)
\(S^T\) – costs in the year \(T\), where in the base year \(t = 0\) only mandatory measures were taken
\(E^T\) – costs in the year \(T\) where in the base year \(t = 0\) both mandatory and optional measures were taken
\(R^2\) – aggregate net savings up to the year \(T\) year as a result of optional measures taken in the base year
\(K^{T_0}\) – costs of optional measures in the base year \(t = 0\).

In the absence of mandatory measures the initial number of recipients \(L^0\) generates in the following years the costs of mandatory measures represented by the formula (3). Use of optional measures to support recipients \(L^{T_0}\) changes the probability of their exit from the problem and the migration probabilities between various levels and finally also the costs. For recipients who are not covered by optional measures \((L^{T_0} - L^{T_0})\) the parameters remain unchanged (formula 4). In cases where all the recipients are subject to optional measures, gross savings in the given year reach their maximum level and determine the costs of inaction related to the failure to implement selected optional measures.

The model allows for having more than one optional measures implemented. In order to reflect variations between recipients with respect to their susceptibility to support measures from the social assistance and the declining effectiveness of every additional measure, their impact on the exit probability is reduced using the coefficient \(\alpha\).
The SC model requires input of data concerning the probability of changes of states in the model and costs related to specific problems and measures. In this section we will present data collection methods relating to probabilities and costs, which were used in the project.

Available data sources do not contain the information that would make it possible to determine the probability of exit of the problem, changes in the level of severity and the appearance of related (emerged) problems. Consequently, in order to estimate the necessary values a decision was made to use the know-how and experience of social workers employed at social assistance centers (OPS) and district family assistance centers (PCPR) and the available results of quantitative surveys in the Masovia region. A questionnaire survey technique was used in order to acquire this kind of data for the SC. Unfortunately, this has not produced all the values required, moreover, a partial change of the type of data (years 2012 and 2013 were compared) makes it impossible to use some of this information. The information obtained was checked and the missing values were added through interviews with social workers employed at OPS and PCPR at the LGEs selected for the purpose of the project.

RESULTS

The most important result generated by the tool developed for the purpose of SC is the cost of mandatory benefits paid in subsequent years to the group of beneficiaries selected in the base year (Figure 1). As already mentioned, these costs are estimated in two variants: with the assumption that only mandatory measures were taken in the base year and with the assumption that both mandatory and optional measures were taken in the base year. Comparison of these two variants of the cost of providing mandatory measures was made that due to a larger number of residents and consequently the prevalence of a greater number of social problems, it would be sensible to ensure overrepresentation of urban and mixed urban and rural communes and therefore a decision was made that out of the total number of 77 communes, 25 urban communes, 26 mixed urban and rural and 26 rural communes will be selected. Selection of specific LGE was made by evaluating the economic situation of communes and counties using a synthetic index which takes into account LGE’s financial independence, the percentage of registered unemployed among productive-age population, share of spending on social assistance in commune’s expenses and the use of family benefits. Next, the LGEs were divided (communes and counties separately) into three equal groups depending on a synthetic index and subjects of the survey were picked randomly from the three groups (Opalka 2013). The results obtained were used to estimate the probability of events which are incorporated in the SC concept.

The second category of data needed for SC to work are the costs of monetary and non-monetary benefits, i.e. the costs of mandatory and optional measures. Fixed costs (e.g. maintenance of infrastructure) were omitted while estimating these values. The sole focus was on the amount of selected cash benefit given to the recipient (e.g. in the form of regular benefit), material assistance or the value of a service provided to selected recipient.

Information concerning the costs of selected social assistance benefits found in the Evaluation of social assistance resources (on the basis of the social and demographic situation of Masovian voivodeship) Assessment of resources of Social Assistance were used in order to acquire this kind of data for the SC. Unfortunately, this has not produced all the values required, moreover, a partial change of the type of data (years 2012 and 2013 were compared) makes it impossible to use some of this information. The information obtained was checked and the missing values were added through interviews with social workers employed at OPS and PCPR at the LGEs selected for the purpose of the project.

PARAMETERS OF THE MODEL

The SC model requires input of data concerning the probability of changes of states in the model and costs related to specific problems and measures. In this section we will demonstrate how to estimate the necessary values.
unt expenses on optional measures in the base year it is possible to estimate the net aggregate savings achieved by the year \( t \).

Financial expenditures are estimated using data about the costs of selected optional measures and the number of persons at each level of severity of the problem covered by those measures. These are the resources which the LGE needs to spend in the base year to finance mandatory measures. Another information generated by the SC is the payback period of investment, i.e. the period after which the total savings are equal to, or exceed the sum of expenses made in the year \( t = 0 \). This figure is calculated by comparing cumulated costs in both variants (mandatory and mandatory plus optional measures) and the expenses on optional measures in the base year.

Partial results, used to calculate the main result, also have significant information value and thus were also included in the presentation of simulation results. These include, among others, the types of social problems which may appear in the subsequent years and their scale, with the scale of related problems extending to both the number of people affected by newly appearing problems and the cost of mandatory measures associated with emerging social problem. In order to illustrate the effectiveness of optional measures, the SC also presents estimated number of people who will exit from the analyzed social problem in the following years. Main results of the model estimated by the SC are shown in Figure 2.

Figure 2. Basic result variables estimated by the Social Calculator

- Cost of mandatory benefits
- Gross/net savings
- Cost of inaction
- Financial expense
- Payback period of investment
- Cost of emerging problems

Source: proprietary data.

![Figure 3. User data entry interface in the test application](image1)

Source: proprietary data.

![Figure 4. Screen of Social Calculator test application](image2)

Source: proprietary data.
IT APPLICATION TO OPERATE THE MODEL

The Social Calculator is designed primarily for local governments and employees of LGE, employees of organizational units of the social assistance and representatives of non-governmental organizations. The user gains access to the SC via an IT application, which allows him to set his own values for selected input variables for the model. An appropriate algorithm adjusts the list of social assistance measures selecting those appropriate for the commune or commune and introduces cost variations depending on the level of wealth of the LGE (based on the income of the LGE). The user selects a problem which should be analyzed, the number of persons experiencing the problem in the specific LGE divided into levels of severity, type of optional measures and the number of persons covered for each level. Output of the SC is presented in various graphical forms (including tabular, bar graphs, linear graphs) and the user has the option to dynamically adjust the data being presented by selecting appropriate specifications of the model.

The final version of the application is being prepared by an IT company, while at the stage of testing and consultation of the SC at selected local government organizations, the team at the Warsaw School of Economics has prepared a prototype application in Excel using Visual Basic. Data entry form and examples of results produced by this application using hypothetical data are shown in Figures 3 and 4.

SUMMARY

The Social Calculator facilitates the acquisition of information relating to ten identified social problems about the various cost scenarios which may occur in the future depending on the implementation or non-implementation of selected assistance measures in the base year. Comparison of these costs allows the estimation of savings in spending on social assistance in the subsequent years as a result of the use of optional measures, as well as the costs of inaction, i.e. costs of the failure to implement optional measures which need to be paid in the following years in order to resolve problems which occurred earlier. The Social Calculator also provides the information about the approximate scope of financial resources needed for the implementation of selected optional measures, the effects of these measures – the number of beneficiaries whose situation has improved and the period of time in which savings gained as a result of prior optional measures will exceed the previous costs.

Results produced by the SC may be helpful in the decision-making regarding the selection of specific measures. Thus, the SC can be seen as one of the first econometric instruments used in the decision-making process in social policy in Poland. The Social Calculator does not provide guidelines as to which efforts should be implemented and which groups of people should be subject to these efforts. Familiarity with the local situation and the knowledge of social issues being analyzed are necessary to make an optimal decision. This instrument however makes it possible to adjust selected parameters to specific situation of the given organization, producing the results which are closer to actual situation that is being analyzed.

It must be emphasized that one of the key challenges encountered during the development of SC was the availability of data. Estimates concerning the costs of social assistance, analysis of the frequency with which the beneficiaries shift between various levels of severity and exit from the problem should be subject to systematic studies. Examples can be found in the UK, among other places, where the Personal Social Services Research Unit (a research unit set up by the London School of Economics, University of Kent and University of Manchester) conducts an analysis of unit costs in health care and social assistance as part of a large-scale annual research (PSSRU 2012). In this respect one promising source of data in Poland is the POMOST IT System (Stycz 2013), whose potential has not been utilized to a sufficient degree in social research and the management of social assistance.

The first production version of the SC is based on a number of assumptions and estimates, which should be updated and expanded in the future. Examples of these updates may include monitoring and supplementing the catalogue of optional measures and associated expenses as well as their effectiveness. Due to the large number of variables, their constant monitoring and updating may appear burdensome, but nonetheless remains essential.

The advantage of the SC structure is its flexibility. The model applied allows future expansion of the scope of problems it addresses, selection of the number of levels as necessary and making analysis over a longer period of time than the timeframe adopted in the project. Depending on the scope of available data, the model can be used in a simplified form, e.g. by assuming a fixed migration matrix in the subsequent years or taking into account more detailed and varied knowledge about the rate of change of problems related to social assistance, the effectiveness of optional measures and the cost of actions taken by the social assistance.

Finally, it must be emphasized once again that the SC is an instrument which supports the conduct of social policy at the local level. The instrument serves to support the decision-making process but does not replace it. Results produced by the SC can serve as the starting point, provide arguments in a discussion about resources provided to finance activities related to social assistance. The use of the SC may also contribute to the optimization of actions taken as part of the local social policy and the transformation of social policy based on intervention to one based on prevention.

REFERENCES

1 Consolidated text of the Act: Journal of Laws of 2013 Journal of Laws, item 182, as amended
2 The project assumes that preventive and activating measures are more effective than intervention. An intervention does not usually lead to a permanent improvement of individual’s situation nor to emancipation of the social assistance recipient.
3 Understood as social integration and welfare services defined in the project: Creating and developing the standards of social integration and welfare services (Krajowy... 2011: 365).
4 This assumption reflects the actual situation, although in a legal frame there also exist social services (e.g. social work) which are mandatory.
5 A timeframe of up to seven years was adopted.
6 The level of intensity severity of a problem is a concept created for the purpose of the Social Calculator in order to reflect the depth of the social problem experienced by recipients of social assistance. Three levels of severity/ intensity were distinguished – low, medium and high – taking into account consideration mainly the level of independence of recipients of social assistance (including absence of the need to assist them). More detailed description of these levels are found in this publication and devoted on the discussion of individual problems covered by the SC.
SUMMARY

The article contains the general characteristics of the Social Calculator, which is one of the tools created in the project "Calculator of Cost of Inaction – Implementation of Innovative Solution in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian Voivodeship". The purpose of this article is to present basic information about the method used in the Social Calculator and to describe the approach adopted in the analysis of the costs of inaction. The authors discuss the conceptual and formal models used to estimate the costs of inaction, the method of obtaining the data used in the project, and the scope and form of the results provided by the Social Calculator. The basis for development of the Social Calculator was the concept of costs of inaction – the costs of not taking on desired actions deemed appropriate in the specialist literature and current practice of social assistance. Presented tool estimates the costs of inaction for the ten social problems, selected from the social reasons for social assistance listed in the Act on Social Assistance. Use of the Social Calculator can help to optimize the activities undertaken in the local social policy and to vary the social policy from intervention to prevention.

Keywords: Social Calculator, cost of inaction, local social policy.

SELECTED ASPECTS OF COSTS OF INACTION IN CASE OF UNEMPLOYMENT, POVERTY AND HOMELESSNESS – THE SOCIAL CALCULATOR POINT OF VIEW

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INTRODUCTION

The aim of this article is to show the possible life path, generated by the Social Calculator (SC), of an individual and his or her family after they experience a difficult situation due to the lack of, or insufficient income from labor. Moreover, the absence of sufficient support for people requesting assistance due to lack of employment, poverty or homelessness, may lead to other social problems which need to be resolved in the future. We are talking then, about the costs of unresolved social problems. These are the so-called costs of inaction, or expenses that must be made by the given community because specific problems have not been resolved or specific problems have not been diagnosed properly earlier (Hryniewicka 2011: 91).

The decision to focus on three causes of the use of social assistance in a single article – unemployment, poverty and homelessness – was motivated by the fact that each of these problems is related to poor material situation or, at the very least, as in the case of unemployment, by the deterioration of material situation. Moreover, all three may lead to social exclusion, perhaps the most important consequence of material deprivation. Social exclusion is a process, consequently we are trying to show that taking action at the initial period when the problem occurs makes it relatively easier to cope with and overcome that problem. Failure to take action will increase the risk of exclusion, leading to the necessity of intervention in new areas and consequently to higher costs.

Due to the above, it is important to estimate the costs of inaction and the costs and benefits associated with optional measures. Results should be used in the planning of local social policy, defining the strategies to resolve social problems in a municipality, and planning the budget of the social assistance.

UNEMPLOYMENT AS THE REASON FOR THE USE OF SOCIAL ASSISTANCE

The concept of an unemployed person used in practice in social assistance differs somewhat from the definition compatible with the recommendations of the International Labour Organization, or the definition of registered unemployment found in article 2, Act on promoting employment and institutions of the labor market dated April 20, 20041. In order to obtain social assistance support due to the lack of employment one needs to present documents which can be used to determine the situation of the applicant. Unemployment status is determined by, among others, a decision of the district governor who recognizes the person as being unemployed, or a statement about being registered as the unemployed as a job seeker. One additional requirement to receive social support is to fulfill income-based criteria. From the point of view of social assistance that establishes a direct connection between the lack of employment and poverty.

Table 1. Potential social consequences of unemployment for an individual and its community

<table>
<thead>
<tr>
<th>Point of reference</th>
<th>Examples of problems caused by persistence of unemployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Poverty (also related to small retirement benefits due to breaks in employment); dependency; limiting of social contacts; chronic or serious illness (including depression); difficulties in integration of foreigners (applies to foreigners); difficulties in adapting to life after a discharge from a penal institution; homelessness; social exclusion.</td>
</tr>
<tr>
<td>Family</td>
<td>Poverty; serious problems with guardianship and upbringing (applies to families with children); family violence; children’s educational problems; social exclusion.</td>
</tr>
<tr>
<td>Local community</td>
<td>Increase in the size of grey economy and crime; more frequent use of the health care system and the accompanying increase in public spending; lower potential revenues from local taxes and the local share in personal income tax.</td>
</tr>
</tbody>
</table>

Source: proprietary research.

Social assistance centers can and should stimulate activation of the unemployed using the instruments at their disposal. The purpose of such actions is not just to help to find employment, but also to reduce the risk of additional social problems in the family affected by unemployment. Table 1 presents examples of the pos-
POVERTY – THE CENTRAL PROBLEM OF SOCIAL ASSISTANCE

Due to the multitude of causes and the various ways it manifests itself, poverty is one of the most complex issues facing social assistance. The presence of poverty is a proof of not just the malfunctioning social and economic mechanisms, but also malfunctioning individuals or families; moreover poverty can cause other problems which require intervention or preventive measures by social assistance facilities. In the case of social assistance, poverty is the most important cause for the use of benefits. That is because of the significant proportion of persons classified as being poor, depending on the accepted criteria. According to MIOPS-03 report, in 2013 a total of 24.1% of all families receiving community-based social assistance benefits were getting those benefits due to poverty. This came to a total of 754,700 families country-wide and included over two million people. These numbers justify the process of rationalizing expenses through activation and emancipation of beneficiaries. Fulfillment of income-based criteria (the so-called statutory poverty) set in the Act on Social Assistance is a prerequisite to receive other financial benefits.

Making the provision of financial support dependent on income-based criteria means that in reality, for people who receive financial assistance, poverty coexists with another cause of use of such assistance. This could cause a certain dilemma – should assistance be addressed to fight poverty, or to resolve that other problem which causes difficult life situation. In general, it is difficult to say whether poverty plays a primary role with respect to certain other causes of the use of social assistance, or is a consequence thereof. That is often the case in a situation of unemployment and alcoholism or drug addiction, which often cause a deterioration of material situation. It is a different situation with homelessness, which is usually a secondary problem to poverty. It can be said, however, that in nearly all the causes of the use of social assistance, poverty is either a primary factor, or one that accompanies other problems. Defining poverty as the central problem for social assistance means then, that in the majority of cases when social assistance gets involved to resolve problems of an individual or a family, there is a background of a difficult financial situation. The one thing that stands out in the vast amount of literature about poverty is its absolute and relative level (see Lister, 2007). Absolute poverty occurs in a situation where the income of an individual or a family is insufficient to satisfy the most basic biological needs, posing a direct threat to its existence. Polish literature uses the term “extreme poverty”, expressed by income which does not exceed the minimum subsistence level for the household of the given type (GUS 2013). While not all people who are qualified as part of the group affected by statutory poverty use benefits, in the case of extreme poverty the percentage of those receiving assistance is close to 100%, which is due not just because of the truly dramatic material situation, but also the fact that the level of statutory poverty has been set at an even lower level than the minimum level of subsistence.

Relative poverty, which is defined by comparing the ability and the degree of satisfaction of individual’s needs with that of other people is much more prevalent. However, attempts to measure relative poverty encounter a number of methodological obstacles (Panek 2011). Among them is the key question whether poverty should be measured based on the level of income, or the level of expenses. Even attempting to determine the borderline of relative poverty faces many methodological obstacles, since individual countries have developed different approaches to poverty, its characteristic features and metrics (Panek, Podgórski, Szułc 1999).

The issue of poverty metrics, which increasingly extend to areas of life that are not limited to financial aspects, attracts particular attention (see Palmer, Machinés, Kenway 2008). The fight against poverty is important not just for humanitarian reasons, since poverty makes it impossible for people to live in dignity, but also because of the conviction that it is one of the most important causes of social exclusion (Szafrenberg 2006; Golino-
Ska 2010). Looking at poverty as a consequence of the various hazards of life, it should also be treated as one of the most important causes of other social risks. That approach would support the notion that the fight against poverty should be treated as a critical task of the social assistance — effective reduction of the scale of poverty will contribute to the reduction of risks of other difficult life situations caused by other factors.

Another argument supporting the notion of attributing so much social and even political significance to poverty is the lack of acceptence of contemporary societies to excessive, glaring differences of the living conditions. While moderate variations can be perceived as a proof of healthy competition on the labor market and a factor of social progress, a persistent and even deteriorating poverty is widely seen as a factor which removes the incentives towards making an effort, one that is threatening social peace and is incompatible with the idea of a democratic state and civic society.

The Act on Social Assistance from 2004, states in article 7 that social assistance is provided to persons and families due to poverty, among other reasons. It is listed as the top reason for the application for support. Since the Act defines poverty primarily in a financial context and the criteria to receive social assistance benefits are income-based, financial poverty becomes the main dimension of the issue of poverty within the law of social assistance.

Nonetheless, one must remember that other dimensions of poverty, such as for example housing, health or educational poverty are becoming more and more important, particularly in active social policy and for the purpose of preventive and activating measures taken as part of such policy (Staręga-Phasek, Golinska, Morecka 2009). In its studies GUS (2012) talks about the poverty of living conditions (in which it distinguishes as many as 30 components) and the poverty of the lack of budgetary balance, characterized by seven components.

Most definitions refer to the material (financial) dimension of poverty. That approach appears most appropriate for the purposes of the Calculator of Costs of Inaction (CCI) project, although the analysis and estimates of the consequences of inaction related to poverty also take into consideration non-material and non-measurable consequences of material poverty, related to the functioning of an individual or a family in a social community.

Just as in the case of other causes of using social assistance which are incorporated in the Social Calculator, poverty was graded on three levels, with each level assigned to specific actions at the next stage of the project. As can be seen, the levels described in Table 2 are associated with social exclusion. That is due not just because of the methodological approach adapted by authors of the project, but also because of the conviction that the general goal of activating measures taken by local entities is the prevention of social exclusion.

The income threshold set in the Act on Social Assistance which entitles recipients to material benefits can produce involuntary inaction by individuals and families which are affected by poverty to a relatively small extent (i.e. those found on level 1 in Table 2). Intensification of poverty and the deterioration of the depth of poverty requires greater expenditures on financial benefits and more outlays are needed on social work at a later date. Observations confirmed by the field study (interviews conducted as part of CCI project with social workers from social assistance centers and the district centers of family assistance in Masovian voivodeship) indicate that taking action to support people whose income reaches the threshold of poverty at an earlier stage, would reduce the cost of their emancipation. That situation can be seen as a stalemate. The lack of space for an active social policy on a local level, one that takes into account expenses to prevent the appearance of difficult life situations, may eventually cause expenses that are greater, but foreseen by the regulations and therefore justified.

Social workers have mentioned during the interviews the necessity of making significant expenses in those cases, where poverty becomes permanent and determines the lifestyle and the style of consumption of the people affected by it. Depending on the causes of poverty which were identified and the estimate of chances to overcome the resulting difficulties, assistance needed may require legal help (particularly in the case of indebtedness of the household), work with a psychologist, therapists specializing in dependencies, inclusion of a family assistant to help resolve the problems. Estimating these kinds of expenses is difficult and requires access to reliable, systematically collected statistical data. The estimates do not include costs of services which are not provided by social assistance organizations, such as assistance by teachers or school psychologists.

Another important issue which is worth looking at while discussing the issue of estimating the costs of inaction in the fight against poverty, is the difficulty of determining potential consequences of permanent poverty. These consequences can include practically all of the reasons for the use of social assistance listed in the act and the rate of appearance of new problems which could burden social assistance with new tasks depends not just on the individual or the family in question, but also on environmental conditions (Law… 2009). In that instance, attempting to assign consequences to new problems which appear after a period of four or seven years, is more of a matter of definition.

Another aspect of methodology of estimating the costs of inaction in the case of poverty are age of the people covered by the estimate of potential costs and the causes of poverty. Depending on age of the person affected by a particular situation, differences may appear in the motivation and the readiness to cooperate with the institutions of social assistance, the level of professional and geographical mobility as well as readiness to use forms of support that are non-material (but not necessarily not requiring any investments). According to the principle of individualization, the form and size of social assistance benefits should be adopted to fit the actual needs.

Table 2. Levels of poverty and its causes adapted as the basis for the definition of optional measures for the purposes of the Social Calculator

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
<th>Most frequent causes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Income-related poverty, usually shallow, manifesting itself by the inability to satisfy the household's current needs.</td>
<td>Holding a low-paid job, low level of professional mobility, unemployment, unexpected family expenses caused by illness or the need to provide personal care, expenses in a large family, difficulties in managing the household budget.</td>
</tr>
<tr>
<td>2</td>
<td>Permanent income-related poverty, manifesting itself with low income and the accumulation of various forms of poverty, e.g. poor living conditions or insufficient household equipment, restricted consumption and restricted participation in the life of a local community (e.g. inability to pay for child's school trip or holidays); exposure to social pathologies both in individual and group (family) dimension. Inability to improve the situation independently. The risk of social exclusion.</td>
<td>Long-term unemployment, being subject to influences of the culture of poverty, low level of professional mobility.</td>
</tr>
<tr>
<td>3</td>
<td>Permanent income-related poverty, accumulation of poverty, constant exposure to pathological tendencies in individual and group (family) dimension; risk of homelessness, poor living conditions, poor family situation, deteriorating health situation accompanied by poor level of health hygiene. No attempts to improve the situation independently. Being subject to processes of social exclusion.</td>
<td>Chronic unemployment, being subject to various forms of social exclusion, tendency to inherit poverty and the subculture of poverty, lack of motivation to change life, professional and material situation.</td>
</tr>
</tbody>
</table>

Source: proprietary research for the purpose of the Calculator of Costs of Inaction project.
However, the scope of those needs may depend on the cause of poverty. Consequently, the measures taken should be somewhat different when it comes to a non-mobile person at a productive age, one that is facing a difficult material situation due to long-term unemployment and other measures apply to a young family that cannot cope with the management of its very meager household income, in debt and displaying a lack of skills to exit the crisis situation on its own.

The above considerations are meant to highlight the fact that in the case of a varied phenomena such as poverty and the often very different processes of impoverishment, the Social Calculator makes it possible to produce a general estimate of the scale of potential expenses. The SC’s usefulness as an instrument supporting the decision-making process depends to a large extent on the maximum accuracy of the list of expenses paid by social assistance.

THE PROBLEM OF HOMELESSNESS IN THE SOCIAL ASSISTANCE

European Typology of Homelessness and Housing Exclusion ETHOS (quotes from Raport... 2011) defines four main categories of the homelessness: (a) roofless, (b) houseless, (c) insecure and (d) inadequate accommodation. These categories refer to the homelessness and the housing exclusion, which may be treated as a threat of the homelessness). In Polish law the homelessness is defined in article 6 of the Act on Social Assistance. The necessary precondition for a person to be recognized as homeless is the lack of residence at a residential premise. That situation may be due to the absence of a right to a residential premise or the inability to reside in one. The statutory definition is adopted for the purpose of the Calculator of Costs of Inaction project.

The analysis of the financial aspects of homelessness and its consequences takes into consideration the problem duration, risk factors and the determinants of the transition out of the homelessness. The literature distinguishes the chronic homelessness in cases of a long period of homelessness, cyclical homelessness which affects people who lose a place to live in the transitional periods of their life and temporary homelessness, which refers to the absence of own home for a relatively short period of time (Culhane 2008; Busch-Geertsema et al. 2010).

The experience of homelessness produces consequences which affect both the individual, their closest ones and the local community (Przymęcki 2001). The consequences may affect the health, professional, family and social situation of the individual (Busch-Geertsema et al. 2010). Table no. 3 lists potential effects of the homelessness. For example, the consequences of the lack of shelter or lower quality nourishment leads to the deterioration of physical and psychological health. Another category of outcomes affects the individual’s position on the labor market and the decline in the employability of that person. Social exclusion also implies legal consequences. A homeless person is often a victim of crime but may also break the laws.

It is worth emphasizing that the Table 3 refers to a one-year period. As the time elapses the consequences of inaction become more serious and the scope of required activation and support needed to facilitate the transition out of homelessness – and thus the reduction of costs of inaction – increases. The increase in the scale of problems which appear in connection with homelessness associated with the passage of time is reflected in the Social Calculator concept.

The alternative costs constitute another significant category of the potential expenses. For example, the costs of foregone opportunities show the scope of unused production capacities. A home less person is usually not active on the labour market and has significant difficulties in finding a job. This person does not participate in the production process and the alternative cost is the lost product that has not been made (Kenway, Palmer 2003).

The legal framework relating to the scope of assistance provided to the homeless people is defined in articles 17, 49 and 101 of the Act on Social Assistance. The first article contains a detailed definition of the mandatory responsibilities of municipalities and it also lists those responsibilities of the municipality, which are not mandatory (Sierpowska 2009). Among them, there are responsibilities to provide counseling services and assistance on the labor market, which resemble activating and support measures. The framework of assistance services related to homelessness also depends on individual strategies developed in order to solve specific social issues. A number of efforts are being carried out by non-governmental organizations and also as projects co-financed by the European Union.

Article 49 of the law defines activating and support measures designed to provide holistic assistance to the homeless and help them transition out of homelessness. The article describes, among other items, the principles of individual programs to facilitate transition out of homelessness. The program, addressed to a specific person, is supposed to help resolve life problems, including family accommodation and provide assistance in gaining employment as well as change the lifestyle and support in emancipation of the person affected by homelessness.

Success of the program depends not just on support of the state but above all on the fulfillment of the obligations taken up by the homeless person. As emphasized by Sierpowska (2009), the law does not define the forms of assistance. It does say the program can incorporate all forms of assistance available to the OPS. An individual program of transitioning out of homelessness is related to the necessity to pay health care insurance for the person covered by such program.

According to legal regulations, the risk of homelessness is a prerequisite for the provision of related assistance but appearance of the risk of homelessness alone is often the most appropriate moment to provide such help. Assistance at that point is the least expensive (Busch-Geertsema et al. 2010). Based on studies conducted in Warsaw’s Wola district Mandes, Biskup, Zielińska, Lang (2012) show that a relatively small group of respondents sought assistance at the stage of being at risk of homelessness. On the other hand, there are inconclusive findings, for example those relating to the significance of employment both as the means which prevents homelessness and as a factor which leads to transition out of homelessness. Qualitative analysis indicates that with the absence of the properly designed and effectively implemented assistance programs, there is a significant risk of a wide spectrum of negative consequences associated with other problems, e.g. dependency or a long-term or major illness. Assistance programs implemented early enough facilitate a more effective (and usually much less expensive) execution of pre-set goals, helping in transition out of homelessness or preventing the occurrence of homelessness. This would confirm the rationale of a prevention-based poli-

<table>
<thead>
<tr>
<th>Levels of analysis</th>
<th>Type of problems/areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>Health: deterioration of health situation – reduced level of personal comfort, risk of long-term or serious illness, disability or early death, risk of mental health disorders; risk of dependency. Professional: problems at work; deterioration of situation on the labor market; risk of losing a job; decline in employability; difficulty or inability to gain employment. Family: conflicts with family members – loosening of disappearance of family ties. Social: conflicts with the law.</td>
</tr>
<tr>
<td>Family</td>
<td>Health: occurrence of stress-producing situations. Social: conflicts and loosening of disappearance of family ties; compiliation of family situation.</td>
</tr>
<tr>
<td>Local community</td>
<td>Breaking the law and violation of social order (begging, theft but also the risk of becoming a victim of crime).</td>
</tr>
</tbody>
</table>

Source: proprietary research.
One element of such policy could be the model of permanent transition out of homelessness.

Recipients of social assistance often experience numerous simultaneous problems and that implies the need to prepare a tailor-made approach. Such an approach would facilitate selection of the most appropriate set of instruments in order to provide effective assistance to people experiencing specific social problem. CESI (2007) defines the general model of transitioning out of homelessness (Figure 1), whose individual stages can also serve as points of reference for the experience of unemployment or homelessness.

According to this concept, the homeless people receive support at the OPS. Pre-requisites for assistance of any kind include engagement of institutions in charge of that task as well as having social workers gain the trust of the person affected by homelessness. This facilitates transition from stage one to stage two, or defining the scope of assistance required and an individual action plan (stage 3). Stages 2 and 3 should be executed in an individualized manner, facilitating selection of assistance resources which best fit situation of the persons subject to these efforts. Holistic assistance is provided at the following stage. The individual gains an increasing amount of autonomy as consecutive problems are resolved and the scope of assistance is restricted. At stage 5 this person is being prepared for independent functioning on the labor market, for example as part of volunteer work or subsidized employment. Employability of the recipient of social assistance and therefore their chance to become independent improve in the course of the assistance process. At the final stage the individual should be able to function independently on the labor market, holding a paid job, which allows them to become completely independent.

Figure 1. Degrees of assistance to the unemployed leading to permanent employment
The model of permanent transition out of homelessness, while interesting and worth considering in the practice of social assistance, has not been included in the Social Calculator due to methodological difficulties related to estimates of the scale of specific expenses.

SUMMARY

The search for a proper methodology of estimating costs of inaction in local social policy should start with the evaluation of expenses generated at various periods in time due to the absence of sufficiently early reaction. Consequences of unemployment, income-related poverty and homelessness referred to in this article are characterized by a tendency to intensify over time, leading almost inevitably to social exclusion. Taking action to fight specific problems or even preventing their appearance already at an early stage produces benefits which are perceptible, but not always easy to measure. Success of the Social Calculator as an instrument supporting in the decision-making with respect to forms and scope of social assistance measures at a local level depends to a large extent on the accurate definition of the sometimes negative consequences of inaction and a careful estimate of the actions being taken.

The biggest challenge for the Social Calculator in the case of all three causes of the use of social assistance discussed in the article was to define potential consequences of inaction as a reaction to new problems and estimating the probability of their consequences. Empirical studies conducted as part of the project and an analysis of subject-related literature have produced proposals for specific solutions, but due to the rapidly changing social and economic situation there is a need for systematic verification of assumptions behind the project, so that the model of the Social Calculator does not diverge from the social reality.

REFERENCES

2 For the purpose of the Calculator of Costs of Inaction project we listed problems that could be identified after one year, four years and seven years from the emergence of the initial problem. For reasons for this distinction see the article Characteristics of the Social Calculator in this publication.
3 According to the Act on Social Assistance, the right to social assistance benefits is granted due to poverty. Article 8 of the law states that the monthly personal income of the persons entitled to benefits must not exceed PLN 542 starting October 1, 2012 in one-person households or PLN 456 in other households whenever poverty is accompanied by at least one other cause among the ones listed.
4 In 2013 according to GUS 16.2% of the population lived below the threshold of relative poverty, 12.8% below the level of statutory poverty and 7.4% below the level of extreme poverty (GUS 2014).
5 Journal of Laws no. 64, item 593, 2004 as amended.

SUMMARY

Unemployment, poverty and homelessness cause a risk of social exclusion associated with lack or limitation of opportunities to participate in social life. They can occur at different levels, depending on ones willingness to cooperate in order to overcome the difficulties. Calculator of cost of inaction helps to indentify which of the instruments of social policy can be most effective in the fight against social exclusion caused by insufficient income. In the case of unemployment, social assistance capability of its overcoming are smaller than in the case of homelessness and poverty which occurrence is a prerequisite for the granting of financial support in case of other reasons for using of social assistance.

Keywords: social assistance, unemployment, poverty, homelessness, efficiency.
INTRODUCTION

Disability and long-term or serious illness are already some of the main causes for the provision of social assistance. They are also a challenge for social policy because of their scale – according to the National Census, there are at least 4,697,500 disabled people, or 12.2% of Poland’s population (GUS 2012a: 63–67). Another key cause of this phenomenon is the scale of expenses (both individual and social) estimated, according to data from 2010, at PLN 64.4 bn, which accounted for 4.6% of the GDP (Piętka-Kosinski 2012: 59).

Both of these tendencies are interrelated – long-term illness can lead to disability. In wealthy EU countries, the effects of long-term illnesses account for over 80% of disabilities; in Poland that share is lower, at over 60% (Golinowska, Sowa 2012: 11)2, which is also associated with the aging of the population (Topór-Madry 2011: 25). The similarity of both risks is even clearer when, instead of the definition of disability set by the Polish law, we refer to the one which was set out in the UN convention on the rights of disabled people, according to which (article 1) the disabled include those who have long-term physical, mental, intellectual or sensory impairments, which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others.

At the same time, challenges related to disability and long-term illness, including above all those associated with the provision of care on the one hand and rehabilitation and social integration on the other, will intensify due to the aging of Poland’s population. Results of the PolSenior survey also underscore the fact that the older the person is, the more frequently he or she is affected by restricted independence, and the need for assistance from other people increases drastically after turning eighty (Błędowski 2011: 33, 35).

Knowing that health problems intensify with age, and keeping in mind the ongoing demographic changes, in particular the lengthening of life expectancy, declining fertility rates as well as the change of the family model, one can expect an increase of benefits related to the aging of Poland’s population. Results of the PolSenior survey also underscore the fact that the older the person is, the more frequently he or she is affected by restricted independence, and the need for assistance from other people increases drastically after turning eighty (Błędowski 2011: 33, 35).

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Due to the need to operationalize the issue of disability for the purposes of the Social Calculator, the project distinguishes between three levels of disability (Table 1). This division was made because of the scale and scope of support required by recipients of social assistance centers.

<table>
<thead>
<tr>
<th>Level</th>
<th>Characteristics of people assigned to specific groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1</td>
<td>A person who requires minor, temporary support in selected tasks that go beyond activities of daily living or rehabilitation/therapy over a limited timeframe. This person can participate in social life independently or with little support.</td>
</tr>
<tr>
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<td>A person who requires daily support at their place of residence, consisting of caregiver (home assistance and nursing) services or daily therapy/rehabilitation. This person requires support in order to participate in social life.</td>
</tr>
<tr>
<td>Level 3</td>
<td>A person requiring regular support at their place of residence for most activities of daily living or intensive daily therapy/rehabilitation. This person is only able to participate in social life with the assistance of another person. The person fulfills the criteria for being placed in a 24-hour residential facility.</td>
</tr>
</tbody>
</table>

Source: proprietary research.

The law on social assistance also does not define the term long-term or serious illness. It merely lists it as one of the reasons for the provision of assistance to individuals and families (article 7). In health-related nomenclature, we are more frequently seeing use of the term ‘chronic disease’. The World Health Organization describes it as a disease with a long duration and a slow course.

A more extensive but similar definition is given by the Lexicon of gerontology, where a chronic disease is defined as an ailment or a pathological state, which persists over a long time and which will continue to persist [...] The main features of

DEFINITIONS

Expert studies (Roulstone and Prideaux 2012: 1–20; Brzezińska et al. 2010: 11–20; Kolaczek 2010: 40–45; Shah and Priestley 2010: 5–22; Woźniak 2008: 36–110) concerning the perception of disability show a visible change from a more medical approach, one that focuses on the lack of ability and deficiency of an individual, to a social approach, one focused on the functioning of a disabled person within the society (see also Kurowski 2012). Precisely because of this change, the starting point for theoretical discussions in the Calculator of Costs of Inaction project was the definition of a disabled person compatible with the above UN Convention on the rights of disabled persons. However, in practice, at a local level and in everyday work of social services, this definition plays a lesser role; the predominant definition is the legal one, according to which a disabled person is someone who possesses an appropriate disability certificate issued by an authorized institution, which typically in the case of social assistance means county-level teams for disability certification.

At this point it is worth noting that the law on social assistance does not include any definition of disability. It does, however, refer to the law on professional and social rehabilitation of disabled persons, which defines disability as a permanent or temporary inability to fulfill social roles due to permanent or long-term bodily impairment, in particular one which leads to an inability to work.

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A more extensive but similar definition is given by the Lexicon of gerontology, where a chronic disease is defined as an ailment or a pathological state, which persists over a long time and which will continue to persist [...] The main features of
a chronic disease are: long-term duration, milder course than at an acute stage, deterioration of patient’s performance and their dependence on a caregiver, irreversibility of pathological changes and negative prospects as well as psychological and social consequences. Persons suffering from a chronic disease require long-term care – medical, nursing and/or rehabilitation (Zych 2010: 31).

At the same time Nitecki describes the disease not based on its features, but on its impact. A long-term illness will apply to people who are certified or diagnosed as suffering from a long-term illness by doctors authorized to make such diagnosis; such an illness will cause increased spending on medicine or food products required with the recommended diet, or will cause restrictions in the opportunities to find employment. […] Not every long-term illness will be treated as a reason to receive financial benefit from social assistance, only the ones which contribute to an increase of the individual’s or family’s expenses related to the treatment of such illness, or potentially reduce chances to gain employment in the labor market in order to meet the essential needs of the individual or a family (Nitecki 2008: 169)9. However, discussions with practitioners show that possession of the medical certificate referred to above is not a prerequisite to receive assistance due to a chronic or serious illness.

Due to the absence of a definition of long-term or serious illness in the law on social assistance – which often makes the interpretation difficult [refers to the causes entitling one to the provision of social assistance benefits – author’s note]; at the same time it allows flexibility in their use and facilitates the fulfillment by the administration of the goals and tasks put forward by the law (Nitecki 2008: 159–160)10 – for the purpose of this project, we have adopted a very general description of persons suffering from long-term or serious illness, which says that it extends to persons who require the assistance of other people, due to their age or an illness and the associated life difficulties, but are lacking such help. Old age is not tantamount to dependence on the assistance of other people (Błędowski 2012: 55), but the definition does incorporate age mainly due to the fact that older people are more often affected by long-term health problems than younger ones (Figure 1). Discussions with experts indicate that often it is difficult to state clearly whether the difficulties in life are caused by the illness, or due to the advanced age of the given person and the associated limitations.

![Figure 1](image_url)  
Figure 1. Percentage of people suffering from long-term health problems in Poland by age (2011)

Just as in the case of disability and other social problems, persons suffering from long-term or serious illness were divided into three subgroups (levels) shown in Table 2.

<table>
<thead>
<tr>
<th>Level</th>
<th>Characteristics of persons assigned to specific groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 1</td>
<td>A person who, because of the state of their health, requires minor, temporary support in selected tasks, which go beyond the basic daily activities. This person can participate in social life independently or with little support.</td>
</tr>
<tr>
<td>Level 2</td>
<td>A person who temporarily, because of the state of their health, requires daily or almost daily assistance consisting of caregiver (assistance and nursing) services. This person requires support in order to participate in social life.</td>
</tr>
<tr>
<td>Level 3</td>
<td>A person who temporarily, because of the state of their health, requires regular support in most daily activities. This person is only able to participate in social life with the assistance of another person.</td>
</tr>
</tbody>
</table>

Source: proprietary research.

**TASKS OF THE LOCAL GOVERNMENT**

The law on social assistance defines which tasks are carried out at the level of commune and the county and also divides them into own (mandatory and optional) and assigned tasks (articles 17–20). These tasks can be divided into financial, material and service-based (Table 3). The law on communal government contains no direct references to persons with disabilities.

Analyzing the above list of services, it is clear that most of them are interventionary in nature. The vast majority of people with disabilities and those suffering from long-term or serious illness are receiving financial assistance (Błędowski 2012: 58). Analysis shows that [financial] benefits distributed by social assistance have a negligible impact on limiting poverty (Wóycicka 2011: 131)11, therefore one can assume that the amount of benefits is also insufficient to cover the cost of treatment, therapy and care.

On the other hand, care services, particularly specialized caregiver services which could help both ill and disabled people, retain their independence for a longer period of time […] are not fully utilized by the interested parties and their families and above all by the assistance centers (Deja 2006: 2)12. It is also essential to define specific standards of caregiver services (see for example the standards of caregiver services developed by WRZOS) (Stargasta-Piasek et al. 2011) and the benefits’ catalogue (Wyrwicka, Łukasik 2010: 90)13, since right now the scope of support available in various counties differs, which is due not just to the varied needs, but also to the different financial capacities of the various local governments. At this moment, it is also worth noting the contradiction between the expectation for individualized support, adapted to specific needs of an individual and therefore far from being uniform, and the need to offer a certain standard, averaging the assistance that is being provided.

One solution which could help raise the quality of services being provided and increase the number of organizations that offer these services would be to provide caregiver services in the form of a coupon or a service voucher, which the recipient could claim at a facility of their own choice (Wyrwicka, Łukasik 2010: 90); (draft law on assistance to disabled persons). While definitely desirable, the development of a system of community caregiver services would first require change in the financing of these benefits within the framework of the social assistance system, since in practice, the present level of communal spending on caregiver services does not allow more people to be covered by such services without limiting spending on other goals related to social assistance (Błędowski 2011: 35). The fact that people affected by long-term illness and the disabled account for nearly one third of the recipients of social assistance is a testimony to the scale of essential support for such people. One must also emphasize that the overwhelming majority of nursing home residents comes from these two groups.
<table>
<thead>
<tr>
<th>Institution</th>
<th>Legal basis</th>
<th>Task</th>
<th>Type</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 4 UoPS</td>
<td>Granting and disbursement of temporary benefits</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 5 UoPS</td>
<td>Granting and disbursement of designated benefits</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 9 UoPS</td>
<td>Payment of pension and disability insurance premiums on behalf of a person who gives up work due to the need to provide direct, personal care to a family member suffering from long-term or serious illness and assistance to non-resident mother, father or siblings</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 11 UoPS</td>
<td>Organizing and provision of care services, including specialist inhouse services, with the exclusion of specialist caretaker services for people suffering from psychiatric disorders</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 12 UoPS</td>
<td>Conducting and ensuring accommodation at protected accommodations</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 15 UoPS</td>
<td>Arranging a funeral</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 1 point 19 UoPS</td>
<td>Granting and disbursement of regular welfare benefits</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 2 point 1 UoPS</td>
<td>Granting and disbursement of special, designated welfare benefits</td>
<td>Proprietary</td>
<td>No</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 2 point 2 UoPS</td>
<td>Granting and disbursement of assistance to facilitate economic emancipation in the form of benefits, loans and material help</td>
<td>Proprietary</td>
<td>No</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 17 par. 2 point 3 UoPS</td>
<td>Managing and providing accommodation at residential and nursing homes and commune-level support facilities and referring people who require care to these facilities</td>
<td>Proprietary</td>
<td>No</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 18 par. 1 point 3 UoPS</td>
<td>Organizing and provision of specialized in-house care services for people suffering from psychiatric disorders</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 18 par. 1 point 5 UoPS</td>
<td>Managing and development of the infrastructure of community self-help homes for people suffering from psychiatric disorders</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 18 par. 1 point 6 UoPS</td>
<td>Executing tasks which arise from governmental social assistance programs, designed to safeguard the living standards of individuals, families and social groups and the development of specialized support services</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 18 par. 1 point 10 UoPS</td>
<td>Management and development of the infrastructure of supra-communal residential and nursing homes and providing accommodation to people referred to these facilities</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>Commune</td>
<td>Article 18 par. 1 point 11 UoPS</td>
<td>Managing protected housing for persons from more than one commune and from county support centers</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 1 UoŚR</td>
<td>Nursing benefits</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 4 par. 1 point 5 UoPS</td>
<td>Support of disabled people</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 2 UoPS</td>
<td>Offering specialized advisory services</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 6 UoPS</td>
<td>Granting of financial assistance for the emancipation and the continuation of education to people who leave residential and nursing homes and to mentally challenged children and young people</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 7 UoPS</td>
<td>Assistance in community integration of people facing difficulties in the adaptation to life, young people leaving residential and nursing homes and mentally challenged children and young people</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 10 UoPS</td>
<td>Management and development of the infrastructure of supra-communal residential and nursing homes and providing accommodation to people referred to these facilities</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 19 par. 11 UoPS</td>
<td>Managing crisis intervention centers</td>
<td>Proprietary</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 20 par. 2 UoPS</td>
<td>Management and development of the infrastructure of support centers for people with psychiatric disorders</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 6 UoRZiSoZON</td>
<td>Management of county-level teams charged with issuing disability certificates</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 10b par. 6a UoRZiSoZON</td>
<td>Inspecting occupational therapy workshops at least once a year</td>
<td>Contracted</td>
<td>Yes</td>
</tr>
<tr>
<td>County</td>
<td>Article 10b par. 1, 2; Article 29 par. 1 UoRZiSoZON</td>
<td>Opportunity to set up and conduct occupational therapy workshops and institutions of professional motivation (including the obligation to participate in expenses referred to in article 10b, par. 2a)</td>
<td>Proprietary</td>
<td>No</td>
</tr>
</tbody>
</table>

Abbreviations: UoPS – law on social assistance, UoŚR – law on family benefits, UGRZiSoZON – law on professional and social rehabilitation and the employment of disabled person.

Although people suffering from long-term illnesses and the disabled usually rely on help of their closest ones (Hryniewicz 2012: 13), there is a shortage of services addressed directly towards these informal caregivers. Considering the declining care-giving potential of the family, it is essential to provide support to caregivers at an early stage of the performance of care services. Unfortunately, this aspect is often overlooked in the current support system at the local level, which may lead to premature burnout and exhaustion of family caregiver resources.

Table 4. Number of families who received assistance in 2013

<table>
<thead>
<tr>
<th>Social problem – basic cause for the provision of assistance</th>
<th>Number of families who received benefits of social assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty</td>
<td>754 726</td>
</tr>
<tr>
<td>Unemployment</td>
<td>685 963</td>
</tr>
<tr>
<td>Long-term or serious illness</td>
<td>429 704</td>
</tr>
<tr>
<td>Disability</td>
<td>412 880</td>
</tr>
<tr>
<td>Inability to perform guardianship and educational duties and managing a household</td>
<td>241 652</td>
</tr>
<tr>
<td>Protection of motherhood</td>
<td>127 194</td>
</tr>
<tr>
<td>Alcoholism</td>
<td>89 647</td>
</tr>
<tr>
<td>Homelessness</td>
<td>37 317</td>
</tr>
<tr>
<td>Difficulty in adapting to life after release from a penal institution</td>
<td>21 284</td>
</tr>
<tr>
<td>Family violence</td>
<td>20 187</td>
</tr>
<tr>
<td>Crisis situation</td>
<td>10 666</td>
</tr>
<tr>
<td>Random event</td>
<td>8 594</td>
</tr>
<tr>
<td>Drug abuse</td>
<td>3 808</td>
</tr>
<tr>
<td>Natural or ecological disaster</td>
<td>2 132</td>
</tr>
<tr>
<td>Orphanhood</td>
<td>1 985</td>
</tr>
<tr>
<td>Difficulty in integration of people who were granted refugee status or subsidiary protection</td>
<td>567</td>
</tr>
<tr>
<td>Protection of victims of human trafficking</td>
<td>62</td>
</tr>
</tbody>
</table>

Source: proprietary, based on MPiPS-03 report.

COSTS OF ILLNESS AND DISABILITY

One of the key elements analyzed as part of the Social Calculator was the cost of support being provided. Traditionally, at the local level, these costs are included in the budget spending by institutions of the local government. However, they can be classified not only by the type of payer, but also by the type of expenditure:

1) costs incurred individually by the disabled or ill person and their family, and the general social expenses,

2) economic and non-economic costs and

3) direct and indirect costs, with the latter used primarily in the economics of health care (Piętka-Kosińska 2012: 7).

Foreign literature, particularly in the US, contains numerous studies which estimate costs of an illness14. Below is a description of some of the methods used to calculate the costs of illness (The Global Economic… 2011):

1) cost of illness – this approach consists of adding up the various direct and indirect costs, such as personal, related to medical diagnosis, cost of medicine, non-medical (e.g. transporting the sick person). Also included are the costs associated with lost wages as well as non-measurable costs (pain and suffering);  
2) value of lost output – this method estimates the impact of an illness on the GDP by examining the impact of a disease on contraction of the labor market, capital and other production-related factors;  
3) value of statistical life – this method reflects the amount that the society is ready to pay in order to reduce the risk of a disability or death related to long-term illness.

Disability and long-term illness are also associated with a number of non-measurable costs, i.e. those that are difficult to value in monetary terms and ones that have no market value. These include, among others, pain, suffering, bitterness and grief. These are the so-called emotional costs (Olcori-Kubicka, Kubicki 2012: 55). However, there are methods that can be used to incorporate these costs as part of total costs of an illness (for example the Health Related Quality of Life – HRQL) (Muennig 2008: 251).

Another factor to which it is difficult to assign a specific monetary value is time. In Poland, disabled persons are usually cared for by their families and care is mistakenly treated as being “free” (Jurek 2007: 112). In reality its value is huge, but there is a lack of consensus on how to measure its economic worth (Faria et al. 2012: 22). If we treat the time as a resource, which the informal caregiver could spend on some other purpose, for example paid work, it would turn out that the time devoted to care can be treated in the calculations as the value of lost financial gains, or the value of lost free time, if the caregiver was able to spend that time according to their own need.

Analysis of the amount of time devoted to adults requiring care conducted as part of the “Analysis of selected aspects of the current and future situation on the labor market – Barriers to professional activity among women and people in older groups of the productive age” project has shown that 39% of women and 38% of men devote up to 10 hours a week to care, 33% of men and women between 11 and 30 hours and 28% of women and 29% of men spend over 30 hours a week (Kotowska, Wóycicka 2008: 134).

There are several methods of valuing the cost of this time. For example, the alternative cost method, or the self-evaluation method in which the caregiver estimates the value of time devoted to care (in monetary units). Researchers in Australia, based on time spent on care by informal caregivers and treating this time as lost financial opportunities, have calculated the alternative cost of all caregivers in 2010 at AUD 6.5bn, or 0.5% of the GDP and 9.5% of the value of formal health care (The economic value… 2010: 18).

Another possible method is the method of replacement valuation, which consists of calculating the cost of purchasing the equivalent number of hours of care provided by informal caregivers from the formal care sector. Using the same values as in the previous method, the researchers have calculated the costs of care in 2010 at AUD 40.9bn (an equivalent of 3.2% of the GDP and 60% of the value of formal health care) (The economic value… 2010: 20).

Table 5. Cost of selected benefits granted as part of social assistance

<table>
<thead>
<tr>
<th>Form of assistance</th>
<th>Number of people who received the benefit</th>
<th>Value of benefits over the year, in PLN</th>
<th>Value of benefits over the year per person, in PLN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary benefit related to long-term illness</td>
<td>45 089</td>
<td>44 600 611</td>
<td>989</td>
</tr>
<tr>
<td>Temporary benefit related to disability</td>
<td>52 381</td>
<td>51 390 383</td>
<td>981</td>
</tr>
<tr>
<td>Care services (total)</td>
<td>86 967</td>
<td>370 800 615</td>
<td>4264</td>
</tr>
<tr>
<td>Specialized care services</td>
<td>4 191</td>
<td>13 805 642</td>
<td>3294</td>
</tr>
<tr>
<td>Payment by commune for the stay at a residential and nursing home</td>
<td>4 346</td>
<td>896 666 263</td>
<td>20 630</td>
</tr>
</tbody>
</table>

Source: proprietary, based on MPiPS-03 report for 2013.

Social Policy – Thematic Issue No 4/2014 19
In the Calculator of Costs of Inaction project, costs of illness or disability itself have not been calculated using the above methods; it does not incorporate non-measurable costs either. However, it does include expenses paid by the institution of local government on measures related to assistance to disabled and sick persons. This limitation is a compromise between the theoretical approach, which would suggest or even require incorporating all the costs and empirical knowledge. One of the limitations is the absence of appropriate data to make an accurate estimate of all the costs incurred by families and institutions in connection with an illness and disability.

Another limitation, more important for design reasons, is the expectation of the project leader and the local authorities regarding the potential utility of the tool. In this case, a more practical tool is one which would facilitate the calculation of costs and expenses paid from the budget of local government organization. Hence, the majority of data used in the project is official statistics and only when those are missing, is the project based on interviews with experts. Table 5 contains a list of selected benefits provided as part of social assistance and their costs shown as part of MPIPS-03 reports for the year 2013.

Practical experience shows that the costs of assistance offered as part of institutional care are much higher than the costs of community-based assistance. We are ignoring here the question of quality of care services provided inhouse. The fact that, in Poland, more people who are dependent on others receive help in residential facilities than use these services at home (Błędowski 2012: 61) is even more worrisome. Jackson has tried to determine the optimum model of the “balance of care” using economic analysis technique. Researching the relationship between the degree of a person’s dependency and the cost of care required by that person, he has found that home care is the most effective at a low level of dependency, at the medium level it is the care provided by the institutional social assistance sector, while hospital care is the most effective at a high level of dependency (Figure 2). This conclusion should serve as an argument supporting care services provided in-house, which over a longer period of time would help reduce expenses of the entire long-term care system.

**Figure 2. Level of dependence and the cost of long-term care**

Source: Jurek 2007: 114.

If not just the financial matters are considered but also, or perhaps above all, the negative consequences associated with the stay at residential long-term care facilities (e.g. social, physical and emotional deprivation), deinstitutionalization of care may prove essential 6. Undoubtedly however, the best investment is the prevention of disability rather than restoration (Piętka-Kosińska 2012: 60), which is yet another argument for a policy of prevention and activation.

**SUMMARY**

Recent protests by parents and caregivers of the disabled 7 and the so-called round table organized on April 30, 2014 by the Ministry of Labor and Social Policy to discuss systemic solutions concerning the support for the disabled 8 and the already announced future proceedings as part of topical discussions devoted to selected areas of support have shown that, on the one hand there are strong social expectations versus the state and on the other they have revealed the existence of key areas in need of improvement, according to both the protesters and the experts. One of these areas is definitely the system of community support and the care services provided within the family or in replacement of family care.

At the same time, analysis as part of the Calculator of Costs of Inaction project has shown that there is a shortage of tools which would allow estimates of the costs of support measures, including the costs of inaction. As an aside, it is worth mentioning that most often these “immeasurable” costs are borne by women who offer “unpaid” work and are plugging the holes in the support system set up as part of the social policy. The evidence includes experiences of families with disabled children (Kubicki 2014), where it is women that provide the majority of caregiver functions, as well as studies on the issue of valuation of care services (Benoit, Hallgrímsdóttir 2011). That feminization of care and domination of family care over alternative forms of support will need to change in Poland, if only for demographic and social reasons.

While it goes beyond the scope of this article, it is also worth considering changing the method of calculating costs of certain measures. The whole calculation might have changed significantly if we included the benefits associated with the reduction of costs paid by other organizations because of the provision of care services or nursing assistance. For example, with a changed perspective and valuation method, cessation of the provision of care services, which are an expense from the point of view of local government budget, while taking into consideration expenses paid by the family or by the health care system might have led to a situation where actions seen as a burden for the local budget would be recognized as a high-return social investment.

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1 According to the MPIPS-03 report, disability and long-term or serious illness accounted for approximately 30% of all the causes for the disbursement of assistance in 2013 in Poland.
2 Translation ours.
3 In Poland, women’s average life expectancy at birth rose from 79.3 years in 2005 to 81.1 years in 2012, while the number of years in good health declined from 66.9 in 2005 to 62.9 in 2012. Among men, average life expectancy at birth rose from 70.8 years in 2005 to 72.7 years in 2012, while the number of years in good health declined from 61.2 in 2005 to 59.2 in 2012 (Eurostat, tsdph100; http://appsso.eurostat.ec.europa.eu/ [accessed on October 3, 2013]).
4 The issue of defining as well as the change in the paradigm of disability will be discussed more broadly by Kubicki (2015).
5 Assistance in household management and the fulfillment of the needs of daily life (i.e. cleaning, washing, shopping, meal preparation, assistance in eating the meals, assistance in washing, help in official matters etc.).
7 http://www.who.int/topics/chronic_diseases/en/ [accessed on October 3, 2013].
8 Translation ours.
9 Translation ours.
10 Translation ours.
11 Translation ours.
12 Translation ours.
SUMMARY

The article addresses issues related to the definition of disability and long-term illness, tasks associated with them, costs of individual actions and consequences of the lack of support. This description was developed within the framework of the Calculator of Costs of Inaction project, which means taking into account local and institutional perspective in the analysis and focusing on activities carried out and funded by local government units. The predominant intervention perspective in the analysis and focusing on activities carried out and funded by local government units.

Keywords: disability, long-term illness, local social policy, costs of support.

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13 For more about standardization of caregiver services see Szarfenberg 2011.

14 For example: The cost of disease and illness in the United States in the year 2000, Public Services Laboratory of Georgetown University and with the Division of Program Analysis of the National Institutes of Health, Public Health Service.

15 Translation ours.


17 See social media website for care givers at https://pl-pl.facebook.com/pages/Forum-Rodzin-Os%C3%B3b-Niepe%C5%82nosprawnych-Rodzi-21Social Policy – Thematic Issue No 4/2014

18 See: http://www.mpips.gov.pl/aktualnosci-wszystkie/swiadczenia

19 See: http://www.who.int/topics/chronic_diseases/en/ [access 03.10.2013]

20 See social media website for care givers at https://pl-pl.facebook.com/pages/Forum-Rodzin-Os%C3%B3b-Niepe%C5%82nosprawnych/Rodzi

21 For more about standardization of caregiver services see Szarfenberg 2011.
INTRODUCTION

Nowadays modern societies are experiencing an increasing number of families that have difficulties fulfilling childcare and educational functions. This phenomenon may be connected not only with the undergoing changes in the societies (e.g. socioeconomic transformations, development of the new value systems, changes in lifestyle and consumption patterns) but also with the individual characteristics of the families themselves and the people that comprise them (cf. Kotlarska-Michalska 2011). What’s important, this problem affects more often families with two or more children, including single-parent families. Furthermore, placement in a foster care is one of the potential consequences affecting a child (or children) when a biological parent (or parents) improperly fulfills childcare and educational functions.

The above social problems should not be taken lightly. Despite the fact that socialization is a process that continues throughout the life course, children’s earliest experiences play a crucial role in shaping their personalities, which affects the rest of their lives and behavior (Faliszek 2011). This may lead to searious societal consequences since an adult’s attitude and way of functioning – as a member of the society – are the parts of the country’s social capital. The social capital is in turn of major importance not only for local, but also for the entire society development.

We can therefore suspect that there is a negative impact on social cohesion due to the lack of support actions towards families which experience the problem of helplessness in raising and caring for children (hereafter referred to as R&C helplessness). For this reason, particular attention should be paid to actions that help increase the social capital of individuals as well as of larger social groups. This group of actions includes: preventative actions and measures designed for solving the R&C helplessness in the families, as well as preventing and countering actions undertaken in respect to orphanhood.

The purpose of this article is to present the most important elements and conclusions resulting from the analyses of social problems, of R&C helplessness and of orphanhood performed within the “Calculator of Costs of Inaction” project. The first part gives the definitions of R&C helplessness and orphanhood that were used in the study, while the second presents some of the possible consequences that may follow from not taking action in these areas (from the perspective of generating costs of inaction). The article also includes the list of actions that could be taken to counteract the negative effects of inaction indicated in the study.

DEFINITIONS OF THE SOCIAL PROBLEMS UNDER ANALYSIS

In accordance with the report entitled Ocena zasobów pomocy społecznej w oparciu o sytuację społeczną i demografiaczną Województwa Mazowieckiego za 2013 [Evaluation of social security resources on the basis of the social and demographic situation of Masovian voivodeship for 2013] at the commune level, in Warsaw social assistance was provided to 25,913 families with R&C helplessness and to 173 children in foster care. At the district level, including Warsaw, these figures amounted to 4,081 and 269 families, respectively.

In view of the risk that the two abovementioned problems might overlap, it was essential that the project adopt appropriate definitions and the scope of each of the discussed social problems. In addition, R&C helplessness is very often accompanied by other social problems, e.g. poverty, domestic violence, unemployment, need for maternity protection, families with many children, or alcohol abuse. However, in case of R&C helplessness we assumed that the sole cause of receiving help from social security system is objective helplessness of the parents in raising and caring for their children (cf. Nitecki 2008; Sierpowska 2009).

Therefore, R&C helplessness was associated with the following three groups of problems (grouped by source of the problem):

1) problems resulting from parents’ attitude in the area of raising and caring for children,
2) problems resulting from parents’ actions in the area of running a household,
3) problems resulting from children’s behavior.

The first group covers parents’ attitudes and behavior that results from a lack of appropriate skills or preparation in raising and caring for children. This may be the result, among other things, of a lack of appropriate authority figures or role models (e.g. lack of good example, emotional immaturity, communication problems with the people, antisocial lifestyle). In addition, these problems may result from a lack of appropriate child-rearing methods or breakdowns in communication between parents and children (e.g. expressing themselves inappropriately in a manner unbecitting the age and intellectual development of others, screaming, quarreling). Furthermore, difficulties in raising and caring for children may also be caused by a lack of interest on the part of the parents in their children’s problems and needs (e.g. neglecting children, ignoring their health status or psychological and intellectual development, exhibiting no desire to spend free time with their child, showing no interest in child’s education and development).

The second group involves a lack of housekeeping skills. This may take the form of an irrational manner of managing the household budget or an improper hierarchy in realizing needs. Problems of this kind may also be attributed to inappropriate spatial organization at home (e.g. no place for children to play or study, untidiness). Furthermore, this group includes the inability to prepare adequate (healthy and varied) meals for children.

The third group covers behavior and attitudes on the part of children that may lead to problems in child rearing – or more generally, R&C helplessness. This may include aggressive behavior, addiction, conflicts with the law, and learning difficulties. It should be emphasized that most of the problems classified as R&C helplessness resulting from a child’s attitude and behavior are the consequence of dysfunctional families and parents.

Moving on to the definition of the second area – orphanhood – it should be underlined that this concept has not been explicitly defined in Polish law, yet it is mentioned as one of the social problems that entitle the individual affected by it (in this case a child) to receive public assistance the moment it occurs (art. 7 of The Act on Social Assistance1). In Poland, orphans are cared for within the framework of a foster care system.

In this area, the study examined the situation of biological orphans, i.e. children deprived of the care of their biological parents due to their death (Olearczyk 2007) and social orphans in a less broader sense, i.e. children who have been deprived of the care of their living parents and are being cared for by other people or institutions, with parental contact having been entirely severed, severely limited, or so rare as to play no significant role in the child’s life (Badora 2009).

It should be emphasized that the preceding definition only covers children living in foster care2. It is therefore a narrower concep-
tion than other types of orphanhood singled out by certain authors, e.g. “unnatural, apparent, spiritual, mental, psychological, emotional, transitional, constant, secondary, or legal orphanhood” (Węgierski 2006). These concepts expand the traditional understanding of orphanhood by covering situations such as solitude, lack of parental interest, and emotional neglect of a child being cared for by the biological family. However, the broader definitions mentioned above cannot be applied to the project at hand, because this would result in an overlap between the areas of R&C helplessness and orphanhood.

As a result of assumed orphanhood definition, R&C helplessness includes the following situations: (1) irregularities in the childcare and child rearing process affecting children who remain with their biological families, (2) children who returned from foster care to their biological families, which continue to receive support in the form of social assistance.

**SOCIAL EFFECTS OF HELPLESSNESS IN RAISING AND CARING FOR CHILDREN AND ORPHANHOOD IN THE EVENT OF INACTION**

It is not possible to draw up a closed, full list of the consequences of inaction with regard to orphans and families facing problems concerning R&C helplessness or orphanhood. This is due to the very large combination of potential disorders, illnesses, emotions, etc. For example, orphans – as S. Badora emphasizes – are not a homogeneous group, and ascribing similar characteristics to them leads to social stigma (Badora 2009; see also analysis of the determinant of educational achievements among orphans in Scotland: McClung, Gayle 2010). As a result, social workers strive to take an individual approach to children residing in foster care (cf. Houston 2010). An analogous, individual approach is taken when dealing with families that have problems involving R&C helplessness. It should be emphasized that in order to estimate the costs of inaction, certain simplifications had to be made.

Two types of costs are presented below: the costs of individual consequences analyzed solely within the framework of a general question, and the costs of emerged (new) social problems (out of 10 problems analyzed within the “Calculator of Costs of Inaction” project).

**Consequences of inaction**

Inaction with regard to orphans and families experiencing R&C helplessness may have many different consequences in relation to both the children themselves and the entire family. These effects can be attributed to several main dimensions involving the functioning of the individual and the family. Table 1 presents the consequences of inaction divided into four dimensions of consequences, namely social, health, educational, and professional dimensions.

Table 1. Potential consequences of inaction in the area of R&C helplessness and orphanhood – consequences pertaining to the child

<table>
<thead>
<tr>
<th>COMMON – pertaining to the following areas: R&amp;C helplessness and orphanhood</th>
<th>PERTAINING TO THE FOLLOWING AREAS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Aggression</td>
<td>• Orphanhood</td>
</tr>
<tr>
<td>• Participation in criminal activity, committing crimes/offenses</td>
<td>• Pathological behavior</td>
</tr>
<tr>
<td>• Teenage pregnancy</td>
<td>• Destabilization of the child's adaptation process with a foster family</td>
</tr>
<tr>
<td>• Social marginalization/alienation</td>
<td>• Cessation of care for a child by foster parents and transfer of the child to a different family</td>
</tr>
<tr>
<td>• Stigmatization</td>
<td>• Increased risk of crimes/offenses*</td>
</tr>
<tr>
<td>• Difficulties adjusting to life in society</td>
<td>• Helplessness in raising and caring for children*</td>
</tr>
<tr>
<td>• Pathological behavior</td>
<td>• Orphanhood (offspring of individuals raised in foster care)*</td>
</tr>
<tr>
<td>• High-risk behavior that threatens the social order</td>
<td>• Physical development disorders</td>
</tr>
<tr>
<td>• Learned helplessness</td>
<td>• Emotional problems resulting from the situation in the family</td>
</tr>
<tr>
<td>• Imitation of negative patterns exhibited by biological parents</td>
<td>• Emotional problems resulting from changes in the family situation, feeling of not being listened to, feeling of not being involved in the decisions making process concerning what happens to the child</td>
</tr>
<tr>
<td>• Negative effect on the individual’s social capital</td>
<td>• Emotional problems resulting from the situation in the family, feeling of not being listened to, feeling of not being involved in the decisions making process concerning what happens to the child</td>
</tr>
</tbody>
</table>

* Applies to children leaving foster care.

** Applies to adolescents from families that exhibit R&C helplessness and those that are becoming independent of foster care.

It should be emphasized that the individual effects delineated in Table 1 overlook emerged problems, which are discussed in the next part of the article.

Attention should be paid to the professional dimension in relation to children. Including it results from the nature of the costs of inaction that could arise several years after substantial expenditures are no longer made. For example, the lack of support for a child with specific learning difficulties may result in lower professional qualifications in the future, when the child leaves the foster care and becomes a working adult. In other words, inaction with regard to the minors may end up making it difficult for them to find a job. Consequently, professional consequences concern adult family members dealing with R&C helplessness as well as individuals becoming independent of foster care for whom specific actions were not performed in the past.

It should be added that when a foster care institution accepts a child for care because the problem of social orphanhood has arisen, this does not always result in costs of inaction. One example would be if the educational dimension were to improve due to a child’s placement in a stable situation with a foster family (cf. Hedin, Höjer, Brunnberg 2011 and analysis by McClung, Gayle 2010).

In examining the costs of inaction, the study assessed the consequences not only for children, but also for their families, which are affected by the problem of R&C helplessness or orphanhood. The results are presented in Table 2 and divided into three dimensions: social, health and professional (applying to biological parents).

It should be emphasized that even in cases where R&C helplessness arises due to children’s behavior and/or attitudes, the actions should primarily be geared towards working with the parents. For, according to the experts, these problems can be traced back to parents’ inappropriate attitudes and behavior (Holland 2011; Piekut-Brodzka 2003). Much as in the case of orphanhood, a child’s return to his or her biological family is conditioned by the parents’ behavior and on their attempt to overcome their problems. It should be noted that inaction with regard to families and children experiencing the problems described above may lead not only to the creation but also to the worsening of difficulties, leading to additional problems and – by extension – costs.

**Table 2. Potential consequences of inaction in the areas of R&C helplessness and orphanhood – effects impacting the biological family**

<table>
<thead>
<tr>
<th>Potential consequences of inaction in the areas of R&amp;C helplessness and orphanhood</th>
<th>DIMENSION</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Worsering of R&amp;C helplessness among parents of foster children (childrearing difficulties)</td>
<td>SOCIAL</td>
</tr>
<tr>
<td>• Pathologization of family relations</td>
<td></td>
</tr>
<tr>
<td>• Breaking off/worsening of family ties</td>
<td></td>
</tr>
<tr>
<td>• Domestic violence</td>
<td></td>
</tr>
<tr>
<td>• Decrease in intergenerational solidarity in the family</td>
<td></td>
</tr>
<tr>
<td>• In extreme cases, taking children from their biological parents and placing them in foster care, breaking off all contact between parents and children</td>
<td></td>
</tr>
<tr>
<td>• Development and worsening of addiction(s) among members of the biological family</td>
<td>HEALTH</td>
</tr>
<tr>
<td>• Development and worsening of mental illness/psychological problems among members of the biological family</td>
<td></td>
</tr>
<tr>
<td>• Suicide attempts (leading to death or a stay in the hospital) by member(s) of the biological family</td>
<td></td>
</tr>
<tr>
<td>• Shortening of the lifespan of family member(s)</td>
<td></td>
</tr>
<tr>
<td>• Increased mortality</td>
<td></td>
</tr>
<tr>
<td>• Worsening of the financial situation</td>
<td>PROFESSIONAL</td>
</tr>
<tr>
<td>• Drop in professional performance of parent(s) or other caregiver(s) connected with poor health and emotional strain of family member(s)</td>
<td></td>
</tr>
<tr>
<td>• Difficulty finding work, improving professional qualifications</td>
<td></td>
</tr>
</tbody>
</table>

Source: the authors' own work based on Polish and foreign literature: Malet et al. 2010; Ołtarzycka 2007; Gleeson, Seryak 2010; Burgess et al. 2010; Sen 2011; Stevenson 2008.

This is also an appropriate place to briefly describe how inaction within the scope of the social problems outlined above could affect the local community and the entire society. The consequences detailed above determine, to a great extent, the course of socioeconomic development on both a local and national level. For example, if individuals are unqualified or poorly qualified, this might lead to difficulties with finding a job and to increased unemployment among young people. The result of this may be to increase the scope of the problem of poverty in the local community and to increase the need for social services and social assistance, thus increasing public expenditures. Moreover, negative social behavior on the part of children and adolescents (and the resultant increase in criminality, number of offenses, and instances of hooliganism among them) may lead to a decrease in the level of safety in the public sphere and to an increase in the cost of maintaining that society or rectifying damages.

As previously mentioned, inaction with regard to children and adolescents may have a negative impact on the formation of social capital among adult citizens. The results of the analysis show that social capital has a positive influence on the social development of a country (Fourge 2003). Social capital is a very important determinant for the development of an individual’s human capital, which is not without importance in the context of the observed and predicted socio-demographic changes and their consequences for, among other things, the job market. In the face of a shrinking and aging workforce, it will be essential to remain longer in the labour market. And this is mainly possible due to an increases in the human capital of potential employees. Furthermore, the development of an individual’s human capital is particularly important from the perspective of the creation and development of a knowledge-based society.

Ensuring that a child receives proper care at a time when their parents cannot guarantee it is therefore an important task from the point of view not only of the interested party themselves, but of the people surrounding them as well.

**Connections with other problems**

Figure 1 illustrates the possible effects of inaction in the area of social assistance for families that are experiencing R&C helplessness and for orphans. The diagram indicates connections with other social problems that have been analyzed within the framework of the Social Calculator. It also depicts two problems that are important for the areas in question and that fall outside the scope of the social problems analyzed in the study: domestic violence and the need for maternity protection. These problems are listed in the Act on Social Assistance. It should be noted that the probability of the consequences in question actually occurring varies from case to case (e.g. with regard to R&C helplessness, orphanhood is a more likely occurrence than disability).

Particular attention should be paid to the relationship between R&C helplessness and orphanhood. On the one hand, orphanhood may be a consequence of inaction in the area of R&C helplessness, but on the other hand, a reversal of the causal relationship is also possible. In other words, inaction with regard to orphans may worsen the problem of R&C helplessness. This relationship may arise in two situations:

1) when a child lives in foster care, this may cause or worsen the problem of R&C helplessness in the biological family (Gleeson, Seryak 2010);

2) a foster child who is released from foster care may experience a range of financial, residential and emotional problems (Höjer, Sjöblom 2010), which may lead to R&C difficulties (due to lack of support or insufficient preparation for independent living on the part of the caregiver), when they themselves become parents in the future.
With regard to orphanhood, these problems apply to children leaving in foster care or who are becoming independent of foster care. Source: authors' own work.

With regard to orphanhood, this problem relates not only to children living in foster care, but also to children who are becoming independent and have left foster care. Source: the authors' own work.

Orphans
- Help managing the household
- Psychological care
- Protected apartments
- Psychological care
- Help managing the household

Orphans with R&C helplessness
- Help of a psychologist or therapist (for parents and children)
- Psychological, family and legal advice (for parents and children)
- Social work
- Benefits (regular, temporary or targeted)
- Support supervision provided by a family assistant
- Running daycare centers for children (ensuring that a child receives care and education, help with schoolwork and organizing free time, games, athletic activities)
- Child nutrition programs
- Training on child rearing
- Managing a household, good nutrition, financial management, etc.
- Placing a child in foster care
- Medical care
- Addiction treatment

Orphans with R&C helplessness
- Placing a child or children in foster care
- Expenditures for supporting and raising children (e.g. for clothes, schoolbooks, food, medication)
- Psychological care
- Rehabilitative activities
- Ensuring that rehabilitation equipment is provided to children who need it
- Medical care (from both a general practitioner and a specialist, e.g. a speech therapist)
- Addiction treatment
- Medical examinations
- Support and care (including providing housing) for adolescent mothers/children living in foster care
- Protected apartments
- Psychological care
- Help managing the household

Figure 1. Possible effects of inaction in cases of R&C helplessness and orphanhood

PROPOSED ACTIONS OF AN INTERVENTIONAL, ACTIVATING-INTEGRATIONAL AND PREVENTIVE NATURE

The tasks of the commune and district in relation to the problem of R&C helplessness and orphanhood have been specified in the Act on Social Assistance and in the Act on Supporting the Family and the System of Foster Care in a somewhat general manner. Because of that, as a part of the analysis detailed in this article, the group that created the Social Calculator made an attempt to draw up a list of potential actions (in particular, services) that might prove useful in supporting individuals affected by the problems described here.

These services were divided into three categories: interventional, activating-integrational and preventive. Examples of each are presented in Table 3. This is only a list of propositions, however, not a definitive classification of services. Furthermore, it should be kept in mind that for each confirmed case of a family dealing with R&C helplessness or the problem of orphanhood, the set of actions should be developed individually, with consideration given to concrete, individual needs and the specific situation of the family and its members. It should also be noted that the list of preventive actions should be treated as a kind of recommendation, especially in connection with the problem of R&C helplessness, because in practice it is extremely difficult to reach families that are threatened by this problem, and applying any sort of preventive actions in connection with such families may well prove impossible. It is also worth noting that tools of a preventive character are much more numerous than those of, for example, an interventional nature. This highlights the possibilities offered by prevention as an instrument.

Table 3. List of potential actions for orphans and families experiencing R&C helplessness

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>interventional</th>
<th>activating-integrational</th>
<th>preventive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families with R&amp;C helplessness</td>
<td></td>
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<tr>
<td>- Help of a psychologist or therapist (for parents and children)</td>
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<tr>
<td>- Psychological, family and legal advice (for parents and children)</td>
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<td></td>
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<tr>
<td>- Social work</td>
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<td></td>
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<tr>
<td>- Benefits (regular, temporary or targeted)</td>
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<td></td>
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<tr>
<td>- Support supervision provided by a family assistant</td>
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<tr>
<td>- Running daycare centers for children (ensuring that a child receives care and education, help with schoolwork and organizing free time, games, athletic activities)</td>
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<td></td>
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<tr>
<td>- Child nutrition programs</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Training on child rearing</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>- Managing a household, good nutrition, financial management, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Placing a child in foster care</td>
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<tr>
<td>- Medical care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Addiction treatment</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

| Orphans | | | |
| - Placing a child or children in foster care | | | |
| - Expenditures for supporting and raising children (e.g. for clothes, schoolbooks, food, medication) | | | |
| - Psychological care | | | |
| - Rehabilitative activities | | | |
| - Ensuring that rehabilitation equipment is provided to children who need it | | | |
| - Medical care (from both a general practitioner and a specialist, e.g. a speech therapist) | | | |
| - Addiction treatment | | | |
| - Medical examinations | | | |
| - Support and care (including providing housing) for adolescent mothers/children living in foster care | | | |
| - Protected apartments | | | |
| - Psychological care | | | |
| - Help managing the household | | | |

* Applies to children that are becoming independent of foster care.
Source: the authors’ own work.

Social Policy – Thematic Issue No 4/2014
that can be better adapted to the situation of a recipient of social assistance or a person who may have to make use of such services, thus making it possible to manage resources more effectively.

Both R&C helplessness and orphanhood are social problems that are currently resolved by the local government on the commune and district level. The problems connected with each of these social issues should primarily be identified and resolved at the community level. This is particularly important in situations where the help given to families and children is provided in their environment (housing project, house, etc.).

Familiarity with local conditions makes it possible to react better and more appropriately to problems that arise. Some of the assistance activities should be coordinated at a higher level. This applies in particular to situations where expenditures for certain benefits and services are so high that the commune would have difficulties providing them (due to both their quantity and quality). Specialized psychological services and rehabilitation provided to children in foster care may serve as an example here. This type of service should be provided and—above all—coordinated at the district level, since the district generally has superior logistics at its disposal and a larger budget than the commune.

**SUMMARY**

The social problems indicated in the article are not only interrelated, they are also characterized by a high degree of complexity and require further in-depth analysis. It is entirely clear, however, that effective action must be taken quickly to alleviate them due to the possible negative consequences for both the individual and the community which could result from them in the long term.

Bearing in mind that the problems faced by families and their children require an individual approach, there is a need for analysis that is broader in scope and does not focus solely on helplessness or orphanhood. This applies in particular to analysis of external circumstances affecting families and children, including the institutional forms of care and support that form the basis of social work. It is especially important to identify and estimate the costs of inaction with regard to the social problems outlined above. For, they concern one of the most difficult social problems: the risk of children "inheriting" their parents’ problems; the danger that negative patterns will be reproduced by the descendents of those who are currently receiving social assistance.

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1 Consolidated text of the Act: Journal of Laws of 2013, item 182, as amended.
2 In the article, the scope of foster care corresponds to that outlined in the Act on Supporting the Family and the System of Foster Care (Consolidated text of the Act: Journal of Laws of 2013, item 135, as amended) especially articles 32, 39, and 93.
3 An example of the problem in question is the differing financial status of children being accepted into foster care; some children may have plenty of new clothes, for example, while others may be in just the opposite situation. Because the situation is so variable, the requirements for financial support for the child differ from case to case (as concerns both the amount and the structure of this support) Example taken from Kirton (2001).
4 A more detailed discussion of the methodology is contained in an article in this issue devoted to the methodology used in estimating the costs of inaction.
5 Emerged problems are defined as additional problems that appear in relation to the main problem which is being analyzed. See the article on the Characteristics of the Social Calculator in this issue.
6 Analysis of how taking away a child or children and placing them in foster care affects the biological parents.
7 Excluding situations in which the parent or parents were deprived of paternal rights and the court prohibited contact with the child.
8 This applies to social problems which, as soon as they appear, entitle the person affected by them to obtain assistance from government administration and local government units (art. 7 of the Act on Social Assistance).
9 In particular, in the case of orphanhood a new system is currently being developed in Poland in which the community is involved to a larger extent in actions directed towards children living in foster care. Organizational changes within this scope were introduced through the regulations of the Act on Supporting the Family and the System of Foster Care.
10 With regard to economic, financial (which was the goal of the project) and non-financial dimensions, as an enumeration of family problems and dysfunctions, and of the immeasurable social costs associated with a situation in which a child’s best interests are threatened.
The aim of this article is to discuss costs of inaction in relation to two social problems: (1) helplessness in education and guardianship and (2) orphanhood. First, authors presented the definitions of the above social problems which were used in the project “Calculator of Costs of Inaction – Implementation of Innovative Solution in the Area of Cost Analysis of Foregone Supportive and Motivating Measures of Social Policy in the Masovian Voivodeship”. Next, the article includes the list of negative consequences that may arise due to the inaction (of support) towards: (1) families that face the problem of helplessness in education and guardianship and orphanhood and (2) foster children. These consequences were discussed for children in foster care as well as for the families in which the problem of helplessness in education and guardianship or orphanhood has appeared. The last part of the article includes potential additional social problems that may emerge when a foster child or a family do not receive proper support or help.

**Keywords:** Social Calculator, cost of inaction, local social policy, helplessness in education and guardianship, education, orphanhood, foster care, foster child, child, pathology, family.

**SUMMARY**

The Act of 12 March 2004 on Social Assistance\(^1\) lists a number of reasons for providing support. Among the ones given in article 7 are integration problems experienced by foreigners who have obtained refugee or subsidiary protection status in the Republic of Poland, or difficulties adjusting to life after leaving prison or overcoming alcoholism or drug addiction. The reasons for granting social assistance may be grouped into categories (Sierpowska 2009: 56) that cover, for example, an individual’s financial situation or health status. In this article we combine categories: difficulties in adapting and integrating with addictions, because in many cases they are closely connected (all of them require taking additional actions to achieve integration) and the consequences for local social policies are similar (for example, increased risk of pathological or criminal behavior associated with occurrence of the social problem). Contemporary societies in particular exhibit increasing evidence of social marginality [which] may not only be the result of a lack of this or that right, but also a question of the practical impossibility of carrying out those authorizations (Frieske 2003). Such is the case with these categories as well. For, there are situations where it is not possible for the people involved in them to use their rights or resolve their problems independently (or with the help of the people closest to them) in order to overcome a difficult situation in life. In the case of the selected categories, the situation can only be rectified through assistance that is specifically adapted to resolve those selected problems. However, early action can result in significant savings, actual resolution of the problem and relatively rapid social integration. In the case of the situations described above, help is provided in practice at the district level, while in the case of individuals released from prison or of assistance due to alcoholism, assistance is initially provided by the communities.

In cases where foreigners have obtained refugee or subsidiary protection status in the Republic of Poland and are having difficulties integrating, or cases where individuals are having difficulties adjusting to life after being released from prison, social assistance is directed towards a clearly defined group within the larger group of all beneficiaries. Not only are these individuals susceptible to

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**INTEGRATION OF REFUGEES, PRISONERS AND ADDICTS**

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1. Social Assistance
processes connected with marginalization and social exclusion; to a large extent they are also subject to ostracism and social isolation. A similar situation obtains in the case of alcoholism or other addictions, especially in the final stages. *Individuals who have difficulties adjusting to contemporary society regardless of the circumstances are especially susceptible to marginalization processes* (Frieske 2003).

The purpose of this article is to present the abovementioned categories from the perspective of the Social Calculator and its methodology2. The article begins with a section on assistance aimed at helping foreigners overcome difficulties integrating. This is followed by a discussion of the difficulties experienced upon being released from prison and an examination of the problem of addiction to alcohol or drugs from a social assistance perspective. Finally, examples are given of social services that help integrate recipients of social assistance who are experiencing these problems. These examples are presented as actions that should be included within the framework of the Calculator of Costs of Inaction model.

**INTEGRATION PROBLEMS EXPERIENCED BY FOREIGNERS WHO HAVE OBTAINED REFUGEE OR SUBSIDIARY PROTECTION STATUS**

**Definition of the problem**

The obligation to help foreigners who have obtained refugee or subsidiary protection status in the Republic of Poland is mandated by international treaties and EU regulations. It is fulfilled primarily in the form of integration actions within the framework of social assistance. EU member states have only limited possibilities for shaping their own migration and integration policies with regard to these groups of foreigners (Polityka… 2011). Furthermore, Poland does not pursue a policy of integration for other groups of foreigners, including economic migrants (Duszczyn 2012), and the integration policies that apply to foreigners under international protection are often described as “a policy without a policy” or “a policy of assimilation by abandonment” (Bijl, Verweij eds. 2012). Actions influencing the integration process that are directed at such a small group of foreigners are also inadequate in light of the fact that the influx of migrants is expected to increase steadily (Współpraca… 2012; Grabowska-Lusinska, Żylicz eds. 2008). However, the lessons that have been learned up to now may be used in the future.

Unlike in Poland, where integration is implemented only for selected groups and primarily within the framework of social assistance, in other EU countries integration policy is usually considered as part of migration policy and includes specific goals and instruments. Moreover, it is implemented for all groups of foreigners by public administration entities or NGOs that are prepared for the task (e.g. Bijl, Verweij eds. 2012; Wiesbrock 2011; Fiatkowska, Wiśniewski 2009; Pawiak, Bieniecki 2010).

It should be emphasized that, in recent times, actions aimed at integration have been subject to changes connected with increasingly strict migration policies in many European countries, e.g. Denmark or Sweden, which were previously thought to have liberal policies regarding foreigners (Andersson, Nilsson 2011; Wiesbrock 2011; Joppke 2007).

Integration of foreigners in Poland is chaotic and is subject to the competencies of both the State and local government (the assigned tasks and the own tasks); they are also supplemented within the framework of activities by NGOs (Gryzmala-Kaztowska, Weinár 2006). The integration process is supported or conducted by district family assistance centers (PCPR) as a assigned task – an Individual Integration Program (IPI). In practice, the IPI is the central element of integration process. It receives a rather negative assessment in the literature, because it doesn’t lead to effective integration (Balicki 2012; Frelak et al. eds. 2007). The PCPR within the framework of own tasks provides assistance for those having difficulties integrating, but in general this only takes the form of social work. In practice, this kind of help is available after an IPI has been implemented. However, some PCPRs carry out their own tasks with the support of EU funds, which makes the entire process much more effective3.

In Poland, the group of foreigners under international protection is small compared to other EU member states yet difficult to define, because their life path is not monitored (Kosowicz, Maciejko 2007). On the basis of data from the Office for Foreigners on positive decisions concerning applications for refugee status, this group may be said to comprise around 20,000 individuals4, or around 0.05% of the population of Poland. This number can be broken down as follows:

- individuals who obtained refugee status between 1992 and 2013: 4113;
- foreigners who were granted subsidiary protection between 2008 and 2013: 4224;
- foreigners who obtained the permit for tolerated stay between 2003 and 2013: 12,6245.

It should be noted that foreigners who obtained the permit for tolerated stay are not covered by assistance in the integration process. The largest number of foreigners covered by international protection reside in the Masovian voivodeship. The largest number of IPIs in Poland are also implemented here6. In 2013, 124 of a total of 192 IPIs were implemented in this voivodeship. By comparing the data on decisions to grant refugee status with the number of IPIs, it can be concluded that in 2012 and 2013 half of the foreigners who obtained a decision granting international protection and were authorized to receive assistance from the PCPR actually requested this assistance.

For the purposes of the “Social Calculator” project, it was assumed that integration problems experienced by foreigners under international protection take the form of limitations to how they function in the local communities that adopt them. These difficulties mainly include insufficient knowledge of the Polish language, Polish law, and prevailing social and cultural norms. It was further assumed that consideration will be given to social assistance that is provided as part of a district’s own tasks, is available to foreigners under international protection, and is provided to support the integration process or to overcome difficulties associated with it. The analysis does not include assistance granted prior to obtaining refugee or subsidiary protection status or assistance provided for reasons not related to integration (e.g. due to unemployment or disability).

In the project, categories dealing with the degree (level) of severity of an existing social problem are singled out. In the case of foreigners having difficulties integrating, the levels of severity were specified as follows:

- low: the individual communicates effectively with the environment but requires incidental support; accepts or initiates cooperation;
- medium: the individual has problems communicating with the environment; accepts but does not initiate cooperation;
- high: the individual has difficulties communicating with the environment (especially with the local community, and is therefore strongly rooted in their own community); neither accepts nor initiates cooperation.

As can be seen, levels of severity are based on two graded elements: communication with the environment (as an index of the effectiveness of the integration process) and the foreigner’s approach to the help being given them (as an index of the recipient’s engagement). It has also been recognized that introducing a larger number of elements would, to a great extent, reduce effectiveness and limit possibilities for applying the distinctions indicated here as a starting point for economic estimates by social workers.

**The significance and social consequences of the problem in the periods covered by the estimates**

Foreigners under international protection are, by definition, a group of individuals burdened with difficult experiences such as war or persecution. This increases their distrust of society and their desire to isolate themselves from it (Kulecka 2007). Other obstacles to the
integration process may include culture shock, which frequently occurs among migrants (Grzymała-Moszczyńska, 2000). As a result, it is especially important that the specialized assistance provided in the integration process is properly adapted. Furthermore, due to long periods of non-participation in social life, these individuals often exhibit problems in adapting their behavior to the society that adopts them, especially in societies that differ ethnically or culturally from their own.

If integration assistance is inadequate, poorly adapted to the needs of immigrants, or too short-lived, one can speak of consequences of a psychological, social and economic nature affecting the lives of immigrants. An extended period in which the possibilities or skills for participating in social life are lacking increases the sense of temporality or alienation among foreigners under international protection. The result is that such individuals are quicker to become marginalized or to close themselves off in their own ethnic or national groups, often leading to the phenomenon of ghettoization (Szymańska-Zybertowicz, 2011; Stefanska, 2008).

At the same time, problems in the family also occur, especially in the case of traditional families where the man occupies a position of power; the cause may be, if nothing else, the need to adapt the woman's role because she has become more active and independent or has gotten a job (Frelak et al., 2007). Such cases are also accompanied by learned helplessness syndrome, which grows worse over time and is strengthened by prior residence in a refugee center (Grzymała-Moszczyńska, 2000) or an attitude of entitlement.

Difficulties within the integration of foreigners are also an important matter for the local communities in which they live. A lack of integration also means a lack of interaction and a failure on the part of the adopted society to recognize the identity and culture values of these individuals. This results in the lack of a mechanism for peaceful interaction, which leads in turn to the threat of ethnic conflicts. The main social effects of difficulties involving the integration of foreigners are poverty, unemployment, homelessness, alcoholism and the possibility of severe illness, disability, helplessness, or orphanhood in subsequent years. This in turn makes it necessary to provide social assistance to this group due to a different set of social problems, which often strains the budget of the commune where the individuals reside (Frelak et al., 2007).

Among the various studies on the effects of integration problems, those that examine homelessness are especially interesting. They point to a high risk of homelessness and poverty among foreigners after an IPI has ended (Wysieńska, Ryabińska, 2010). The authors estimate that as much as 20% to 30% of the aforementioned group is homeless. This is connected with, among other things, termination of support in the form of cash benefits within the framework of an IPI and problems finding a job, which are often caused by a lack of language skills or by reservations on the part of Polish employers.

Active ways of addressing the problem

The integration actions undertaken by the PCPR with regard to foreigners should be classified as activating and preventive, in view of their character. They are ineffective, however, as emphasized in the Polish literature on the subject (Balicki, 2012; Frelak et al., 2007), because they are rarely adapted to the needs of individual recipients or their families. At the same time, emphasis is also placed on the need to extend and reformulate IPIs (Hryniewicz, 2005) so as to enable foreigners to learn the Polish language and Polish culture or to supplement their skills with a view to improving their position on the job market.

Lessons learned by other European countries indicate that at the local level it is extremely important to coordinate actions (aiming at integration) that are performed by various entities, including public and non-governmental organizations (Banaś, 2010; Wiesbrock, 2011; Flakowska, Wiśniewski, 2009; Pawlak, Bieniecki, 2010). For example: to extend the integration process is worth to include schools where foreigners’ children are integrated spontaneously. Therefore would be possible to bring parents closer and to show them that they have common or similar problems; this could have a measurable effect on, for example, cultural exchanges between adults.

Another important element is to introduce actions whose goal is to raise the awareness of local communities. Particularly valuable examples might include work with communities, social animation developed by the CAL Association, or the organization of local communities by social workers, e.g. within the framework of the Local Community Organizing Model (Skrzypczak, 2011; Kazmierczak et al., 2013). It therefore seems necessary for foreigners under international protection to be treated on a level with Poles in actions aimed at entire communities. This will make it possible to avoid segregating residents and may counteract the sense of alienation among migrants.

DIFFICULTIES ADJUSTING TO LIFE IN SOCIETY AFTER BEING RELEASED FROM PRISON

Definition of the problem

The objective scope of the problem covers individuals who have been released from prison. Difficulties in adjusting to life after being released from prison include:

- stigmatization,
- breaking off or weakening of family ties,
- lack of professional qualifications, lack of adequate education, low social status, and lack of self-presentation skills,
- unemployment,
- negative personality changes connected with prison and prisonization,
- falling back into the same rut of aggression, violence and addiction,
- deteriorated health,
- prior addictions and the need for therapy,
- financial problems,
- lack of any kind of social control,
- state of uncertainty and searching for a place in life,
- attitude of entitlement, inability to understand one’s fundamental role in transforming their life, lack of sound plans for the future.

The group of former inmates is not homogeneous. Depending on the severity of the difficulties faced by the individual, the authors proposed a division into three levels, taking into account prevention, short-term activation, and multifaceted, long-term assistance. The individual levels may be defined as follows:

- low: punished for the first time, served a short term in prison, experiencing temporary problems readjusting. Doesn’t require much support in adapting to life;
- medium: punished at least twice or served one longer term, requires activating actions, receives negligible support from the environment in becoming independent. Attempts to change his or her situation;
- high: convict who has been punished many times and has spent many years in jail. Entirely unsuited to the life of a free individual, requires long-term, multifaceted support. Makes no attempt to change. His environment discourages him or has some other negative effect on the resocialization process and on his attempt to become financially independent.

In 2013, the number of families in the Masovian voivodeship that required assistance due to a family member’s release from prison amounted to 1966 in communes and 348 in towns with district rights. Analysis of the data (Ocena…, 2013) reveals a slight increase in the number of individuals requesting assistance for this reason. However, this number still accounts for under 1% of all reasons for granting social assistance and is not considered a key problem. Furthermore, it should be noted that former prisoners are often classified under different groups in need of assistance (unemployment, poverty) and become recipients of social assistance due to social risks associated with readjustment problems.
The social significance of the problem for individuals, families, and the local community

Several levels can be taken into consideration when examining the significance of a given social problem (Chambers 2000):

a) the scope of the problem and its social maladies – this concerns both the convict himself and his family, as well as members of the local community who are threatened by repeated victimization should the former convict commit another crime. These considerations should be accompanied by an awareness of the fact that local communities have an influence on two types of transitions: from prison to the community and from the community to prison (Roman, Visher 2009);

b) ideologies and the values associated with them – a probable return to a life of crime touches not only on the very serious problems of community safety, the state’s responsibility to ensure that safety, the safeguarding of life and property, and social trust, but also on the problem of social justice with regard to the former convict, who, after serving his sentence, should be received into the community and granted equal rights;

c) historical – this is a problem that exists in every community. The task of punishment is to resocialize the criminal or remove him from the community (Foucault 2009);

d) legal – successful resocialization means enabling the convict to re integrate into the local community and correctly fulfill norms. It is a task accomplished by the execution of a sentence calling for an individual to be wholly deprived of their freedom. Helping a convict reintegrate into society after he has been punished should be a top priority that can help achieve the goal set by the punishment of incarceration;

e) economic – in view of the costs incurred by victims and by the state, and in view of the costs associated with carrying out a sentence of incarceration, the economic importance of this social problem is considerable. Costs associated with the risk of the problem arising (crime and losses on the part of the victims, trial, incarceration) are much higher than the costs associated with providing assistance to individuals being released from prison;

f) political – demonstrates the effectiveness of the legal system and of actions undertaken by representatives of the government and influences Poland’s image in the international arena.

Social readjustment should help former prisoners learn to properly fulfill social roles, to meet their needs and to exercise their rights while respecting the rights of others (Szczygieł 2002). Actions taken on behalf of a prisoner and his family by local government entities should facilitate a prisoner’s social readjustment in accordance with the Executive Penal Code and should represent a continuation and a strengthening of actions undertaken by prison administration and the probation office.

Long-term effects of the problem

A former prisoner’s lack of economic independence and his refusal to adopt a socially acceptable attitude leads to two fundamental consequences. The first is the risk of the convict returning to a life of crime, which leads to the victimization of those around him, to an increase in the feeling of danger, and to the perpetuation of stereotypes regarding former prisoners. The second is the perpetuation of an undesirable lifestyle and manifestations of pathology in both the convict himself and his family. This may result in situations such as homelessness, risk of disease and addiction, unemployment, and total dependence on social assistance, along with manifestations of maladjustment to the local community (e.g. aggression, disorderly conduct, conflicts with the police). Consequences of this type lead to the perpetuation of stereotypes and social aversion towards underprivileged groups.

Some local governments take steps to minimize costs connected with providing assistance to convicts. When one avoids providing support to a former convict, one does so with the awareness that the convict may commit a crime and return to prison, thus unburdening the budget of the commune. The reason for no longer providing assistance usually lies in social pressure and budget gaps (Woźniakowska 2006). The prevailing view is that there are many social groups more deserving of help than prisoners and their families.

However, the social and financial consequences of not providing support are massive. They concern the former prisoner, the people around him (fixation of social pathology in the family environment), local communities and local government entities (the former convict and his family frequently remain lifelong recipients of social assistance and apply for support due to other problems), individual citizens (property lost because of crime, reduced quality of life due to fear of crime and manifestations of pathological behavior) and the state (increased spending on judicial proceedings, incarceration and police). Over the years, the convict’s degradation increases, which leads to additional social problems and to an increase in the costs necessary to support him, which are borne by the commune and the district.

A study of the cost effectiveness of programs that concentrate on “released convicts” take into consideration the costs connected with trying and incarcerating the convict, as well as the benefits that result from avoiding preventive costs, costs incurred by victims, and costs associated with trials and incarceration. Studies conducted in the US confirm that effective support for a released convict pays for itself two or three times over (Roman, Visher 2009). This figure increases when the cost of social assistance provided to a former convict and his family are factored in. Taking active steps to counteract difficulties in adapting to life after release from prison makes it easier to overcome the effects of prisonization and to prevent the social problem from becoming worse. Greater effectiveness in providing assistance, which manifests itself in a former convict’s ability to become independent, translates into increased cost effectiveness for these actions.

Active ways of addressing the problem

In order to effectively integrate individuals who are being released from a correctional facility, it is necessary to:

– diagnose the prisoner’s situation to anticipate what kind of difficulties they might have in adapting, and create a plan in which the prisoner is only given support if he participates in carrying it out. The plan must be accepted by the prisoner, because only then will he believe in its effectiveness and cooperate;
– create more early adaptation centers, homeless shelters, and centers that offer housing in exchange for work;
– make it possible for former prisoners to work at associations, facilities, and institutions where they can obtain appropriate professional qualifications and show that their last place of employment was somewhere other than a penitentiary;
– develop a system of support for getting former prisoners out of debt – this is a task that requires strict cooperation between courts, prisons and social assistance (Dybalska 2012);
– connect former prisoners to an informal social control network, to a network of local social contacts; this could be accomplished through education, employment, recreation, social activities, and religious practices;
– create support groups for former prisoners; groups like this are in particular need of individuals that can help specify goals to be accomplished, indicate untapped potential, reduce credulity, and mitigate impatience and frustration.

– make more use of programs organized by foundations and associations that support prisoners and former prisoners, that function both behind bars and in the world outside, and that understand the problems faced by individuals deprived of their liberty. These associations can prepare convicts for their release and prepare the people closest to them to receive them properly even before they leave prison.

It is therefore necessary to develop a universal system for supporting prisoners that would begin in the penitentiary and continue
Difficulties arise in fulfilling specific social roles; occupational status and responsibilities in counteracting negative phenomena connected not only with the existence of addiction, but also with the abuse of alcohol or drugs. The difference between use and abuse lies in the consequences faced by the individual who drinks or abuses a specific substance. The literature on the subject also emphasizes that individual differences exist in the style and dynamics of addiction. The essence of addiction is believed to lie in physical dependence and psychological addiction. Emphasis is also placed on the close connection between the psychological, physiological, and social aspects of addiction; it is treated as a syndrome that creates a diseased individual termed a drug addict (dependence syndrome) (Mellibruda 1997; Mellibruda, Sobolewska-Mellibruda 2006).

This conception of the essence of addiction further emphasizes the role and importance of various biological, psychological, and environmental factors in creating a state of dependence. The influence and importance of these factors in creating a state of dependence may differ from person to person. Another characteristic aspect is the tendency to treat an addiction to alcohol and other chemical substances jointly. This is connected with the increasingly common phenomenon of “cross dependence,” or the abuse of alcohol and drugs either simultaneously or one after the other (Johnson 1992).

The acts cited above task local government bodies with responsibilities in counteracting negative phenomena connected not only with the existence of addiction, but also with the abuse of alcohol or drugs. The difference between use and abuse lies in the consequences faced by the individual who drinks or abuses a specific substance. The literature on the subject also emphasizes (Cleriplakowska, Ziarko 2010) that in the case of young people, the use of mood-altering substances is particularly dangerous, owing to the possibility of developing potential predispositions and to the danger of arresting the development of certain abilities as a result of specific health problems. The above observation is dictated by an awareness that individual differences exist in the style and dynamics of a habit, including a gradual progression towards a state of actual addiction to a specific substance. Addiction is therefore treated as a certain process.

In the Social Calculator project, the following levels of severity were assumed for this social problem:

- low: periodic use of psychoactive substances or alcohol. Increased tolerance and craving for stimulants. Damage does not accumulate, but events may occur that affect the health in specific ways or have certain social consequences, etc. The individual is able to fulfill specific social roles;
- medium: abuse of psychoactive substances and alcohol. Difficulties arise in fulfilling specific social roles; occupational stability is threatened. Neglect of family, domestic conflicts, worsening psychological and physical addiction, emergence of health problems. Requires heavy involvement of staff, therapists. Difficulties arise in fulfilling specific social roles;
- high: dependence on psychoactive substances or alcohol. Drinking or taking drugs becomes the dominant goal in the person’s life, making it impossible to fulfill basic social roles. Stationary or outpatient therapy is recommended. Social ties may be broken.

This classification scheme is of considerable diagnostic value and can be used to subdivide this group of social assistance recipients. Actions taken on behalf of recipients who are experiencing problems with addiction differ fundamentally as regards both scope and costs depending on the severity of the problem.

In the Masovian voivodeship in recent years, the number of benefits provided due to alcoholism dropped, while the number of benefits granted due to drug addiction increased. Benefits provided due to alcoholism and drug addiction together make up less than 6% of all benefits granted. In 2013, 11,123 families received these benefits, for a total of 25,195 people (Ocena… 2013). The corresponding numbers for benefits due to drug addiction amounted to 659 and 1068.

The significance and social consequences of the problem

Problems resulting from the abuse of alcohol or drugs have both an individual dimension — concerning the abuser and their family — and a broader, social dimension. This is primarily a product of the extent of the damage and the social and economic costs incurred by the national budget as a result, which are estimated at 1.3% of the GDP (in 2009, 17.45 billion PLN) (Stanoowski… 2011). Despite the fact that the economic costs for alcohol-related damages were estimated two years later (in 2011) at 15.23 billion PLN, the costs of alcohol abuse exceed the national budgetary income obtained from alcohol sales (Ekonomiczne… 2013). Furthermore, the total cost of the problem of drug addiction in Poland was estimated in 2002 as part of a project organized by the National Bureau for Drug Prevention at 401 million PLN annually, roughly 0.06% of the GDP (Sytuacja… 2013). In 2012, alcohol consumption in Poland was estimated at around 10.1 liters of pure alcohol per resident over 15 years of age (Sytuacja… 2012: 18). The index indicating the level of alcohol consumption is not without significance, because the social dimensions of alcohol-related problems are directly proportional to the average level of consumption for the entire population (Dolata on line). More and more often, however, attention is drawn to the fact that statistical calculations alone do not fully reflect specific phenomena and changes involving the sale and consumption of alcohol. Researchers point to larger differences in the consumption of alcohol depending on age, sex, the consumer’s living environment and drinking preferences (Mellibruda 1998).

Bearing in mind the epidemic scale of addiction to alcohol or drugs, particular importance is placed on the specifics of the harm they can do and the problems connected directly or indirectly with the use of these substances. They can be grouped into the following areas, which together constitute a kind of map of the problem (Wojcieszke 1996) that can be used to represent the issue in an orderly fashion.

- **Damage suffered by individuals who drink alcohol or abuse drugs.** In Poland there are around 800,000 people who are addicted to alcohol and twice as many who abuse this substance. There are also around 60,000 people with a long-term addiction to drugs. Children and young people comprise a special category. Experts claim that serious damage connected with alcohol consumption among children and young people occurs in around 10-15% of the population between 15–18 years of age (Sobierajski, Szczepkowski 2011). People who are harmed include the spouses, siblings, and parents of people who abuse or are addicted to alcohol. Their number is estimated at around 2.5 million people. Researchers also take into account the huge number of children who are currently being raised in families with a problem child due to alcohol or drug abuse. In Poland, in recent years, the number of benefits provided due to alcoholism has dropped, while the number of benefits granted due to drug addiction increased. Benefits provided due to alcoholism and drug addiction together make up less than 6% of all benefits granted.

- **Damage suffered by family members.** Excessive drinking or abuse of alcohol by any family member has a destructive influence on the functioning of the entire family (Kinney, Leato 1996). People who are harmed include the spouses, siblings, and parents of people who abuse or are addicted to alcohol. Their number is estimated at around 2.5 million people. Researchers also take into account the huge number of children who are currently being raised...
in these families (2.0-2.5 million) as well as Adult Children of Alcoholics (ACA), who may suffer from somatof orm and emotional disorders as a result of their experiences growing up in these conditions.

• **Psychophysical health.** The extent and characteristics of health problems and damage depend on a range of factors. These include the duration and intensity of intoxication, the body’s level of resistance, the individual’s lifestyle and diet, and whether or not they are susceptible to various types of injuries, accidents, infections and infectious diseases. Furthermore, specific differences exist in how individual substances affect the person consuming them. Characteristic health problems reveal themselves in the form of various somatof orm complications affecting the nervous, digestive, circulatory, respiratory, urinary, and hormonal systems (Woronowicz 1993). Alcohol and drugs also have a significant influence on the quality of the psychological life of the person abusing them. The consequences of chronic intoxication may include specific psychological disorders (Woronowicz 1993) and changes in the emotional sphere (Wojciechowski 1993). These include severe and chronic alcohol- or amphetamine-related psychosis. Nor should it be forgotten that alcohol is the population’s third leading health risk and that more than 60 types of diseases and injuries are alcohol-related (Narodowy… 2011).

• **Functioning on the job market** The abuse of addictive substances is a frequent cause of absenteeism, accidents, reduced workplace productivity, etc. (Mielecka-Kubięń 1989). The following are typical: giving up on the possibility of further professional development (despite the fact that circumstances supporting this development previously existed), changing jobs with increasing frequency or extended periods of unemployment (as a result of dismissal on disciplinary grounds or due to an apparent decision to resign), or working only occasionally. In addition, unemployment or temporary employment has a lesser impact on activities associated with substance abuse, and thus frequently serves as an argument justifying further drinking or drug abuse.

• **Breaches of the law and public order, and crimes associated with the production and sale of alcohol and other drugs.** Statistical data indicates that most offenses and crimes in Poland are committed under the influence of alcohol, and their number is constantly rising (Jędrejko 2009; Informacja… 2012; Ekonomiczne… 2013: 61).

In describing the problem at the local community level, it can be assumed that alcohol-related problems affect from 15% to 25% of residents in a given area (Dodziuk 2003). Actively resolving these issues is therefore not only a legal obligation resulting from the relevant provisions, but also a rewarding operational strategy, because over time these problems worsen and have increasingly wide-ranging effects.

### Active ways of addressing the problem

Combating alcoholism or drug addiction may, in practice, take the form of various actions undertaken at many levels (preventive, intervention, activating). However, in the following breakdown of groups containing examples of actions, this division was not made due to its inseparable character. This is because a considerable number of the actions could be assigned to different categories depending on the context and the recipient’s situation, e.g. counseling could, in practice, be assigned to every one of the aforementioned levels.

1. **Therapeutic and post-rehabilitation actions, e.g.** in the form of programs for individuals – who are experimenting, abusing, addicted, or codependent – and ACA or therapeutic camps for addicts and their families.
2. **Actions aimed at providing counseling or support:** consultation points, help lines, support groups for addicts and people close to them, temperance clubs.
3. **Preventive, therapeutic, or socio-therapeutic actions in the form of programs for children and young people or for adolescents with alcohol or drug problems to be implemented in childcare, socio-therapeutic, or community centers, or as part of summer vacations or other ways of spending free time that promote a healthy lifestyle.
4. **Informational, educational, or preventive actions addressed, for example, to parents (to encourage them to take preventive measures with regard to their children), to driver’s license applicants, to people caught driving under the influence, to entire local communities (on the dangers of stimulants, on available forms of help and where to find it) as well as other actions that promote temperature during pregnancy or programs on behalf of children with Fetal Alcohol Syndrome and their parents (caregivers).

### SOCIAL SERVICES TO PROMOTE INTEGRATION

A common feature of different types of actions addressed to foreigners under international protection, prisoners released from prison, and individuals who are addicted, at risk, or socially excluded is that they have a common goal: social inclusion, in other words, becoming better adapted to life in society. Social services are the means for achieving this. They can be divided into two fundamental groups:

– actions of a therapeutic nature aimed at improving how an individual functions, including in the area of family relations (improvement of relations),
– social and professional readjustment, e.g. thanks to the activities of Social Integration Clubs/Social Integration Centers enabling the establishment of social cooperatives.

These actions can and should be implemented in working with individual recipients, groups, and local community organizations.

Because they have a common goal, some of these actions may be addressed to all of the aforementioned groups of recipients (e.g. finding a position in the job market). Apart from reducing costs, these actions may also serve to counteract the stigmatization of recipients. For, a typical criterion when selecting recipients for specific actions is associated with distinguishing a specific problem (e.g. alcoholism), which has the effect of perpetuating a negative identity among recipients.

Being guided by the principle of heterogeneity when selecting groups of recipients also makes it possible to take advantage of the additional resources possessed by various participants due to their diverse backgrounds. Bearing these differences in mind, it is also worthwhile to be guided by the principle of individualization, which leads to the conviction that not all recipients experiencing similar problems require the same assistance. This line of reasoning leads to two seemingly contradictory conclusions: on the one hand, integration understood as the combining of certain types of actions and, on the other hand, their differentiation and individualization. Thus, it generates an opportunity to develop better social services in the area of social integration.

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1 Consolidated text of the Act: Journal of Laws of 2013, item 182, as amended.
3 The term “foreigner” used in this article refers to both of these groups.
4 These are foreigners with refugee or subsidiary protection status, i.e. they are covered by the provisions of the Convention relating to the Status of Refugees of 28 July 1951 or Council Directive 2004/83/EC of 29 April 2004 on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons who otherwise need international protection and the content of the protection granted. Foreigners who obtained the permit for tolerated stay are omitted here.
5 An example of such actions is the Warsaw Family Assistance Center project entitled “Integration for Independence.”
6 According to Eurostat data (http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database [accessed on 17/08/2014]) from 2013, the following countries accepted more foreigners under international protection: Germany, Great Britain, France, Sweden, Belgium, Austria, Italy, the Netherlands, Denmark, Finland, Greece, Spain, and Romania.
7 This data was drawn up on the basis of annual reports from the Office for Foreigners published online at http://www.udsc.gov.pl/2estawienia,roczenie,
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Social Policy – Thematic Issue No 4/2014

33

Szatur-Jaworska ed. (2007). Demographic aging of population, transformations in the role of the family, as well as the economic crisis and the need to make budget cuts or – in other words – the need for a better and more efficient allocation of resources. It can be seen as a dilemma, “how to do more with less money” at a local level (see e.g. Centre 2011). The growing importance of local governments should be associated with the growing importance of local communities and their activity, but that activity is not obviously clear and depends on many factors, including social and economic ones (Theiss 2012).

From the social policy perspective, we should be concentrating on tasks at the local level, both for financial reasons and because of the opportunity to individualize support and adapt it to local conditions, as well as because of the principle of subsidiarity, which is part of the Polish legal system. But while today it is seen as obvious that the local social policy should have priority over the centrally planned one, there are continuing discussions over the conditions and leading methods of social policy, to say nothing of a critical approach to its effectiveness and principles (Szarfenberg 2008).

SUMMARY

In this article we highlight some of the changes in the demographic structure of society as well as selected economic conditions, which on the one hand boost the significance of the local social policy and, on the other, have impact on the problems associated with effective functioning of that policy. We also briefly discuss the concept of active social policy (ASP), as well as obstacles to the implementation of ASP in Poland. We also point to the need to change the timeframe for assessment of ASP activities, including above all the extension of the timeframe for the evaluation of its impact.

SUMMARY

In this article, we combine social problems such as difficulties in the integration of foreigners who have obtained refugee status or subsidiary protection; difficulties in adjusting to life after release from prison, as well as alcoholism and drug addiction. It aims to present these problems from the perspective of Social Calculator, except that it is a kind of complementary to other articles covered in this issue of Social Policy devoted to Social Calculator. This article begins with the section on aid in order to overcome difficulties in the integration of foreigners, following discussions on the problems of addiction to alcohol or drugs from the perspective of social assistance. At the end we show examples of social services for the integration of social assistance clients experiencing these problems, which need to be taken into account within the Calculator of Cost of Inaction model.

Keywords: refugees, prisoners, addicts, social inclusion, social services.

LOCAL SOCIAL POLICY TOWARDS NEW CHALLENGES.
FROM INTERVENTION TO ACTIVATION

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In this article we highlight some of the changes in the demographic structure of society as well as selected economic conditions, which on the one hand boost the significance of the local social policy and, on the other, have impact on the problems associated with effective functioning of that policy. We also briefly discuss the concept of active social policy (ASP), as well as obstacles to the implementation of ASP in Poland. We also point to the need to change the timeframe for assessment of ASP activities, including above all the extension of the timeframe for the evaluation of its impact.

IMPLICATIONS OF DEMOGRAPHIC, SOCIAL AND ECONOMIC PROCESSES FOR THE LOCAL SOCIAL POLICY

As already mentioned, one of the most important processes leading to changes in the scope and forms of local social policy activity is the transformation of the demographic structure and, above all, an increase in the ratio of older people in local communities (Gruescu 2007). Demographic aging of population, an issue which is talked about relatively frequently in the context of changes in the social policy of the state, also has a growing impact on the hierarchy of policy goals at the local level (Szatur-Jaworska ed. 2012; Raclaw 2011). The new image of old age, shaped by the growing and increasingly varied in terms of internal structure numbers of people living to old age, requires actions, addressed to groups of people with different needs and expectations, to a large extent conditioned by different state of health and physical performance. This very fact forces local government entities not only to refer to a more in-depth social diagnosis but also to depart from
One of the consequences related to the increase of the ratio of the elderly within society is the growth of spending on health care, including long-term care (Martins, de la Maisonneuve, 2006). Regardless of how these benefits are financed, their organization and access to them is the responsibility of local social policy entities (OECD 2005). That is now, especially in light of the changes in the structure and functions of families, which restrict family role in caretaking, one of the most difficult challenges for social policy in a municipality. Demand for health services, care and nursing benefits will grow, the provision of care to dependents will impose a joint burden on the whole society. Services provided in this respect require increasing involvement of municipalities and supporting the development of non-governmental organizations, which could take over some of the tasks in this respect.

One of the consequences of increasing diversity of the population in terms of income and access to the labor market and social services is the threat of social exclusion (Atkinson, Hills 1998). At present, it is becoming a real threat not only for people who are chronically ill and dependent, but even for those who are working but earning low wages, a situation that is usually connected with low level of education and poor labor mobility (Working poor ... 2010). Moreover, it can have various forms that did not appear in the past, for example financial and digital exclusion (see for example Błędowski, Iwanicz-Drozdowska 2010). Combating and preventing social exclusion requires that the local social administration makes an accurate diagnosis and careful forecasts of the social processes but also – due to the increasingly diverse manifestations of deprivation and exclusion – identification of communities which are particularly vulnerable to various forms of exclusion, and adapting administrative efforts to their nature (Sen 2000).

The period after 2008 brought a socially dangerous accumulation of problems resulting, on the one hand, from the crisis of public finances and on the other, from growing social needs that were previously obligatory for the public entities involved in social policy (Zukrowska ed. 2013). The necessary disciplining of public finances led to a discussion on the actual capacity of the welfare state and on the relationship between the scope of financing social benefits and economic growth (Gruescu 2007; Jurek 2012; Kotowska, Chłon-Domińczak 2012). A discussion on the welfare state obviously extends to local government entities, for which the current changes mean the necessity to search for more rational ways of financing services and focusing on the most important problems for society.

To sum up, the key challenges to social policy caused by modern development are (see: Study 2010): demographic aging of the population, structural unemployment, social exclusion, economization of the decision-making process in the social sphere which threatens changes in the criteria of the development of social policy.

Meeting these challenges requires a different approach to local social policy. Its current form is partly the result of the decentralization process of social policy, conducted at different periods and with various intensity in the past. This process was initially implemented in a fairly chaotic way due to the urgent need to relieve the state budget. Over time it began to focus on the idea of achieving savings thanks to better identification of the needs and a faster response to emerging needs. Decentralization complemented certain gaps in the actions of supralocal or national entities. Today, the need to develop such solutions on a local level, which would ensure integrated performance of local entities, addressed not just at the previously identified gaps but a holistic social diagnosis, is becoming increasingly obvious and acceptable (Błędowski, Kubicki 2006). The outcome of the diagnosis and the problem-solving strategy developed on the basis of that diagnosis should be the coordinated efforts to counter the problems in a comprehensive manner. However, this would require a departure from a sector-focused approach to social policy and changing the perspective to one that would help notice the various problems facing the same community and identify correlations between them (Grewiński 2009).

One of the best examples of this approach is fighting unemployment, a process which requires not only an analysis of supply and demand of the labor force on the local labor market, but also taking into account forecasts of the labor market situation, structure of educational institutions and their collaboration with the subjects of labor policy to prepare graduates and people involved in various training programs (the concept of Lifelong learning, seen frequently in the various educational programs of the European Union). It is necessary to provide family support (especially assistance in organizing childcare or care for the dependents, if that is the obstacle to taking up a job or changing/raising professional qualifications) and to identify obstacles that prevent closing the distance between the place of residence and the workplace. The latter is particularly important in rural areas, where due to spatial dispersion of households, the term “local social policy” is interpreted differently because sometimes it requires actions on a larger scale than a single municipality or requires greater resources due to the large distances that need to be covered, for example while providing care services.

Thus, an assessment of the possibility of professional activation requires not only analyzing the situation of specific entities, especially the labor offices and social assistance centers, but also a holistic approach, which would help identify and overcome the key obstacles. Without prejudging who – which entity – would be making such analysis and coordinating subsequent actions, we need to emphasize the importance of going beyond the current, although often unwritten, limits of competence and responsibility.

That is a prerequisite for the implementation of active social policy. Regardless of the solutions concerning local social policy entities which are to implement the above concept, it is necessary to emphasize the decisive role of local government. Local government structures are responsible for the recognition of challenges for the local community, defining actions and prioritizing the objectives. This latter task is particularly important because of limited resources available to municipalities and poviat. In this context, it is worth emphasizing the importance of initiatives which support the decision-making process, among them – the Calculator of the Costs of Inaction, which is discussed in more detail in other papers in this journal.

A comprehensive approach to the challenges mentioned in the introduction produces opportunities for synergic effects at the local level – e.g. support for the family dictated by the need to improve opportunities for professional activation of an individual is also a part of family policy and has an impact on the reduction of risk of social exclusion processes. Actions at the local level are insufficient to meet the challenges. Supralocal and national entities also need to be involved. The role of the state as an institution which defines legal and financial principles of the local social policy has to be supplemented by systematic, precise determination of the most important goals and priorities, whose implementation would be supported specifically by the national entities (Błędowski 2002; Cichocki et al. 2011).

The role of the local government using the above definition as the subject of social policy at the local level requires implementation of new, innovative solutions. These should rely on specific paradigm shift of the local social policy and the change of sector approach to a complex one, but also on the use of such instruments of the local social policy which enable its rationalization. Among these instruments are for example social services, which are undergoing increasing individualization (Grewiński, Lizut 2013). The opportunities for efficient use of these services go beyond the area of social assistance and include family policy, education policy, policy of the labor market, policy towards the elderly and social security related to flexicurity.

Contemporary challenges for social policy at the national and local level require a development of social services but also their...
professionalization. Contrary to appearances, this does not restrict the field of activities for non-governmental organizations — their services also are becoming increasingly professional and are characterized by a better quality. Progressive specialization in this case supports individualization of services and improves their efficiency. One consequence of the widespread use of public services might be the popularization of thinking about social investments as an instrument of social policy (Esping-Andersen et al. 2002). The idea of active social policy described below refers to this issue, while the APS serves as the point of reference for the Calculator of the Costs of Inaction (CCI). It should be emphasized that the local environment is the most appropriate venue for the implementation of social investments, designed to facilitate active social policy and raise its effectiveness.

At both national and local level success of a social policy which reacts to the challenges noted above will depend on the provision of a sufficient economic base, which will require achieving, maintaining and using stable economic growth as a source of financing the benefits and an opportunity to resolve problems on the labor market.

FROM INTERVENTION TO ACTIVATION — NEEDED DIRECTION OF THE SOCIAL POLICY

The challenges presented above are forcing a reorientation of Polish social policy. Accumulation of socio-demographic changes and the increase in demand for services offered by public institutions combined with financial challenges are creating a mix, in which the lack of changes in the way things are being run will lead to an ever greater risk that many communities will be left without essential support. The direction of these changes has been known since the end of the 1990s and in particular since Poland’s accession into the European Union. Briefly, it can be described as the need to depart from the concept of welfare state towards ASP (Golińska 2003; Szarfenberg 2006; Grewiński 2009; Karwacki 2010; Karwacki, Rymsz 2011; Karwacki et al. 2013; Rymsz 2013).

Key elements of the ASP in the context of social services include: orientation towards services which lead to emancipation of beneficiaries instead of the previously preferred material benefits which provided for their daily needs; integration of social and employment services; individualized support, emphasis on community work and activation of entire communities; increasing significance of non-governmental organizations and competitiveness mechanisms in the selection of service providers and combining the entitlement to social support with the work requirement (Karwacki, Rymasz 2011).

Change of the paradigm is also seen in the planned legal solutions, for example the assumptions for the planned amendments to the law on social assistance prepared by MRPS [Polish Ministry of Labor and Social Policy], dating from June 20141, say that it is necessary to improve the effectiveness of actions by all the institutions and entities active in the area of social assistance. Authors of these guidelines also note the negative — in their assessment — development of a dominant role of a cost-saving function of social assistance while preventive and activating measures with respect to individuals, families and the local community take the back seat. One of the assumptions behind the amendments is the strengthening of social security of citizens and families accompanied by a simultaneous increase in their activity [authors’ emphasis — PB., PK] in the resolution of their own problems and life difficulties, in conjunction with institutions of social assistance. Another example is the new version of the law on promoting employment and institutions of the labor market and selected other laws dated March 14, 20142, which introduces profiling of the unemployed depending on the level of their activity3.

The ASP concept is also visible in numerous strategic documents, for example in the Domestic Program of Countering Poverty and Social Exclusion for the years 2014–2020, where the no. 1 operating goal are services promoting activation and prevention, i.e. access to high quality social services which support the activity of parents. Goal no. 3 is an active person, an integrated family, a responsible local community, further defined as the development of a system of active integration which acts on behalf of active participation in the social and professional life of individuals, families and communities at risk of exclusion […] and increasing the role of the local community based on the principle of public-social partnership. By itself this could serve as a brief definition of active social policy.

Similarly, the National Development Strategy 2020 as part of III strategic area Social and territorial cohesion, contains goal III 1.1., increased activity of persons excluded and threatened by social exclusion. The document (p. 146-147) indicates that the state’s reaction to exclusion is first of all a policy addressed at increasing the level of employment and access to basic public services as well as an active system of social benefits [authors’ emphasis — PB., PK] aimed at finding and maintaining employment.

One example of the use of ASP paradigm on a regional and local level is the proposal for a new look at the social work by the Masovian Social Policy Centre (Kucharska, Bielak 2013). This concept has been developed on the basis of experiences of Odyssia social assistance center and includes division of social work into three levels: regular social work (social prevention); in-depth (social reintegration) and intensive (social intervention). At the same time, the study notes the need to reduce the role of intervention and more broadly depart from the domination of interventionist social policy, defined as a set of actions in the area of social policy conducted in an unsystematic manner, in response to present social issues which require urgent intervention based on the existing legal regulations. At the same time the authors have noted the need to expand preventive and activating measures.

If we divide social policy into policy choices, execution of policy choices (policy output) and the result of public efforts (policy impact) (Peters 2004: 4–6, cited in Zybala 2012: 24), the above argument summarized in the categories of that policy certainly leads to a conclusion that when it comes to policy choices, the ASP concept definitely predominates, and partially, as seen in the newly introduced legal regulations, it also permeates into the execution of public programs but it is too early to talk about policy impact. One should also emphasize that the experience from discussions conducted as part of the CCI project indicates that the shift into practice on a local level and the actual implementation of an active social policy in local governments in Poland is encountering three key obstacles.

The first one is the way in which financial resources are accounted for, since it does not promote active use thereof. Without accepting a performance-based budget, or moving away from spending limits towards quantifiable indicators of the performance of specific tasks and achievement of specific goals associated with public spending, it is difficult to talk about changing the paradigm (Misiąg 2013). Another issue is the planning timeframe. Here, we would only like to note that in the case of expenditures on social goals, adoption of a one-year budget will not be sufficient to support numerous categories of people suffering from exclusion; the impact of social efforts over the relatively short timeframe of one year is only visible when dealing with groups which require limited, low level of support, or the most active ones. This impact will be measurable mainly in the area of professional activation, i.e. taking up a job, but not so much in the area of social activation.

A second potential obstacle is the process of making political decisions and reintegration activities on a local level. It would seem that a valid conclusion is that the measure of success is the administrative (legitimizing the authority, political benefits) and institutional (safeguarding the incumbent institutional order) dimension rather than substantive one (Frieske 2004; see also Karwacki 2014). This would explain the conclusions of the analysis of public participation in Poland (Olech 2012), as well as the analysis of local
strategies, often created for formal rather than substantive reasons (Karwacki 2010). One of the causes is said to be the specific heritage of post-communist countries, in which escape from responsibility predominates (Rymisz, Karwacki 2011). At the level of the CCI project this was visible in the expectations of some of the recipients, who were expecting not so much instruments which assist in the decision-making process, but instruments which specifically say which decisions should be made. With respect to social benefits and services, this is manifested in the preference for mandatory solutions, which do not allow discretion, at the expense of optional ones, which could be contested.

The third barrier is an offshoot of the other two and is due to the social attitude towards reintegration efforts, which are often looked at in political rather than rational and effectiveness-based categories (Hryniewicka 2011). The absence of appropriate instruments to evaluate activating measures, insufficient timeframe and the accounting of local politicians using, above all, visible, material changes in the local space at the expense of less visible changes in the human capital means that an active social policy can lose out to interventionist policy whose impact, even if limited, is visible over a shorter period of time.

**PRACTICAL CONSEQUENCES OF AN ACTIVE SOCIAL POLICY AT A LOCAL LEVEL**

As has already been emphasized, unlike the interventionist model of social policy, ASP is a policy which requires time and perseverance as well as an ability to give up on the focus on ad hoc needs in favor of efforts to achieve a pre-set target. That does not mean, however, that ad hoc needs are ignored, only that the hierarchy of tasks and detailed goals should be subordinated to reaching the goal defined in the strategy accepted on the basis of studies, research and social consultations. To some extent this approach makes a connection with the definition of public policy made by K. Krzeczowski (1930), as a science which researches and seeks ways for the most useful method of changing the structure. Also on a local level it is necessary to make a targeted impact on the society in order to produce conditions for the best possible growth and satisfaction of needs. Avoidance of risk of social issues at a local dimension and an effective resolution of social problems. The consequences of ASP are primarily medium or even long-term in nature and they only appear and have the strongest impact after an extended period of application. However, due to the varied nature of different instruments of such policy and their synergistic impact, it is impossible to determine precisely how much time is needed before they will be felt.

Given the fact that ASP instruments are used primarily at a local level, one would expect the local level of social policy to increase its role in the future. The processes of decentralization and shifting competences to the level of municipality and poviat require stable principles of financing the local level of government as well as preparing local government politicians for the task of shaping social policy and choosing actions based on an analysis of the local needs and the potential to fulfill those needs. The role of local government as a subject of social policy will be significantly greater in the future if the ASP direction is implemented on a consistent basis. That would also necessitate changes in the behavior of institutions at the national level, which often abandon the responsibility for the functioning of local entities but are not yet ready to give up subjecting them to fairly detailed control. Consequently, we are seeing the paradox that was already mentioned earlier – local entities focus their activity on routine tasks which are “safe” as far as control is concerned instead of taking up new, active and motivating forms of action.

Consistent conduct of an active social policy requires the development of the third sector. Non-governmental organizations can play a very important role in the execution of a policy that focuses on social and professional activation of communities affected or threatened by the various social issues. Their role is not just to assist with recovery and activating efforts, but also to extend to preventive-type initiatives. By supporting social initiatives and NGO activities, the municipality is not only gaining an important partner, but at the same time it is socializing its social policy, extending the circle of institutions responsible for the development of such policy and the selection of instruments that fit the local situation.

The range of actions which can be carried out by the NGOs includes the provision of social services. These have an activating nature and will definitely play a decisive role in the development of ASP. Examples of such services listed in the literature include the following (Lizut, Kowalczuk 2011): job search services, organization of training for the unemployed, organization of public works, behavioral therapy workshops, organization of a rehabilitation camp, managing centers of social integration (CSI) and social integration clubs (SIC), supported employment, setting up and managing social cooperatives, social work, counseling, managing and development of essential social infrastructure and the provision of services using this infrastructure, managing non-profit organizations, caregiver services etc. It is obvious that the goal of the majority of these services is professional activation. But if we added for example services related to education, health care and family support, it would be possible to try to develop a catalogue of services designed to facilitate social activation. One of its tasks would be to fight against the various symptoms of social exclusion.

It might be expected that the ASP will develop new forms of preventing and countering social exclusion using various forms of social activation and – wherever possible – professional activation as well. Since various forms of social exclusion exist, caused not only by poverty but by low level of education and poor prospects on the labor market, the role of increasingly more individualized but also professionalized social services is set to grow.

These services should not remain the exclusive domain of local government-run facilities and third sector organizations should be included in their provision. The effectiveness of these services depends on their quality. However, in the future the deciding factor for the usefulness of this instrument in the local social policy will be not just the quality, but also whether the service recipients learn to use them well, becoming the subject of assistance efforts and co-deciding about its scope and forms.

These processes will support the development of a civic society, in which the range of measures that are being carried out requires an acceptance by the local community, involved as it is in the resolution of social problems. Supporters of ASP realize that the period between the moment expenses are made and the actual social gains (which are often difficult to measure) is longer than would be in the case of social policy, particularly intervention-focused social assistance. Expenses related to ASP are often larger (due to, among other factors, the comprehensive nature of the benefits and multi-sector approach), but their impact is felt more strongly and gives a better chance for a permanent resolution of the problem. However, the process of gaining social approval for an increase in spending on local social policy and extending the cycle of these expenditures requires the approval of the local community. Gaining such approval may turn out to be one of the bigger problems that will prevent full implementation of the ASP principles in practice. Material resources, which are by definition limited are invested for a longer period of time, increase the pressure to change the hierarchy of goals for the local authorities and consequently a return to ad hoc efforts.

**CONCLUSION**

The concept of active social policy, while undoubtedly justifiable and correct, has been vastly simplified, if not distorted in practice. The widely understood idea of activation, which includes both efforts towards professional and social activation and one that highlights an equal significance of both at a local level, too often fo-
cases on professional activation. Social activation is seen as an instrument and a resource towards potential future employment, which could exclude, for example people who are older or dependent on others. The weakness of ASP has been, so far, the absence of appropriate measuring instruments. Until the efficiency of integration efforts is gauged on the basis of employment and the valuation timeframe of a single budget year or a maximum of two years in the case of grants planned for a longer period, the concept of the European active social policy will be reduced in practice to the US idea of a workforce state, where social integration is merely a derivative of professional integration.

One way to overcome this state of affairs are the instruments proposed in the Calculator of the Costs of Inaction. One should not forget, however, that these are merely instruments whose use must be driven by existing needs. In the meantime, it can be said that at a local level, there seems to be more demand for traditional social policy defined as a welfare state or the workforce state mentioned before. Both of these concepts are much easier to understand for the society and guarantee support of the voters, both those who miss the welfare state which ensures full social safety, as well as those who do well in the market economy and see no reason to spend a portion of their taxes on supporting people who are threatened by social exclusion.

One government official gave a fairly accurate assessment of this decision-making style saying, in an informal conversation, that in Poland reforms, as well as all the decisions relating to social policy, are made “one step behind the society.” I.e. whenever there is a strong expectation and social pressure. In that situation making decisions that support changes seems obvious and does not require further arguments, or having to try to convince the public opinion and conduct a dialogue with the society. The executors of such policy are able to present themselves as those who are “on the spot” whenever a rapid intervention is needed.

One might talk, then, about the balance of political, social and economic costs which affect the decision-making process and favor an interventionist social policy. As a result, we can talk about falling into a trap of an active social policy. On the one hand, ASP assumes activity on both the individual level and at the level of local communities, pointing out their autonomy; on the other hand efficiency indicators relating to activating efforts now in use in Poland focus, above all, on professional activation. Thus, we have a wide-spread belief about the need and usefulness of efforts related to the prevention of social exclusion, incorporated in various laws and strategic documents, but we are unable to prove that on a local level. When we add to that the low level of social activity of Poles, as shown by various research surveys (e.g. Czapiński, Panek 2013), as well as limited sense of efficacy and autonomy, ASP turns into a policy that has no chance of being fully implemented.

The final conclusion of this work is not the one about the need to switch to active social policy or to recognize it as the leading concept. In Poland, we already have that step behind us. But moving from theory to practice requires focusing on research, which leads back to the development of indicators and instruments to assess efforts related to social integration and the quality of life. Without them, we will not be able to cure the local social policy and we will not be able to develop active local communities, which seems essential given the changing socio-demographic situation and the transformation of the family.

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INTRODUCTION

The problems of financial autonomy of local government entities and the sufficiency of financial resources in relation to public tasks entrusted to these organizations remains an important issue in local social policy. The Act of 12 March 2004 on Social Assistance, as part of communes. The years 2004–2009 showed a visible increase in the spending on social assistance in the communes that the two expense categories would be shown as “budgets related to the implementation of government programs are exempted from this limit”.3

The analysis includes both categories in accordance with Sections 852 “Social Assistance” and 853 “Other tasks in the field of social policy,” according to the rules of budget classifications4. The analysis includes both categories in accordance with the structure of financing expenditures for community-based social assistance, with the communal share of these expenditures rising in subsequent years and reaching 75% in 2008 (Błędowski, Kubiczk 2009).

A further analysis of information about the organizational and legal changes and the financing principles introduced in the years 2009–2012 shows that this situation has become permanent, one can even say that the burden of social assistance expenditures for the communal and county budgets is increasing. The new financing principles of selected benefits, introduced in January 2009 by amending Articles 17 and 18 of the Act on Social Assistance, were an important factor influencing this trend. The newly introduced solutions turned the task of “granting and disbursing permanent benefits”, previously carried out by communes but delegated by the government administration, into a mandatory task of the communes. Since August 1, 2009 communes were also charged with paying mandatory health insurance contributions. New regulations were also introduced specifying the principles of the disbursement of subsidies from the state budget to communes for the implementation of these new tasks. Restricting the amount of subsidies to a maximum of 50% of the cost of communes’ own tasks was a significant negative change for self-government budgets (tasks related to the implementation of government programs are exempted from this limit)5.

The above changes in social assistance have contributed to the gradual increase in the amount of financing the budgets of local government entities need to provide. Table 1 shows expenses incurred by the budgets of various local government entities as part of Sections 852 “Social Assistance” and 853 “Other tasks in the field of social policy,” according to the rules of budget classifications4. The analysis includes both categories in accordance with the system of statistical data shared by the GUS (Central Statistical Office). In order to facilitate presentation of this data, it was assumed that the two expense categories would be shown as “budgetary expenditure on social assistance”. In absolute terms there was an increase in the spending on social assistance in the communes.
and counties in the years 2009–2012, reaching 14.9% and 15.8%. The scope of tasks carried out by voivodeship-level local governments was significantly reduced – spending on social assistance over the analysed period fell by almost 60%.

Table 1. The expenditure of local government budgets on the social assistance in the years 2009–2012 (in PLN mio)

<table>
<thead>
<tr>
<th>Self-government</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communal level</td>
<td>18 070.4</td>
<td>20 343.0</td>
<td>20 122.7</td>
<td>20 766.5</td>
</tr>
<tr>
<td>County-level</td>
<td>3 756.2</td>
<td>4 061.7</td>
<td>4 183.4</td>
<td>4 349.8</td>
</tr>
<tr>
<td>Voivodeships</td>
<td>1 749.5</td>
<td>660.7</td>
<td>716.9</td>
<td>721.6</td>
</tr>
</tbody>
</table>

Source: own calculations based on the data of GUS. Bank of Local Data 2013.

Focusing on the analysis of communal budgets and referencing the above amounts of the total budget revenues, in the initial period we can observe an increase in the expenditures from communal budgets on social assistance (Figure 1), followed by a decline. This decline is largely a result of the relatively strong growth of the communes’ total budget revenues; related primarily to the active use of EU funds for investment purposes since 2010.

Figure 1. Share of expenditure of communal budgets on social assistance in their total budgetary revenue in Poland in the years 2009–2012 (in percent)

Despite the general reduction of the communal budgets by expenditure on social assistance in the country and considering differences in the economic situation and local government activity, additional analysis of changes in the region can provide more important data. Figure 2 contains a graph illustrating the share of expenditures on social assistance in communal budget revenues in 2012.

Figure 2. Share of communal budget expenditures on social assistance vs. budget revenues in 2012. by region (in percent)

Statistical data for 2012 shows significant regional differences in terms of the participation of communal funding in the implementation of social assistance services. The highest level was recorded in the Warmińsko-Mazurskie, Świętokrzyskie and Lubuskie voivodeships, which are characterized by relatively low level of economic development, the lowest level in the Masovian, Dolnośląskie and Śląskie voivodeships, areas of, on the one hand, strong dynamics of economic growth (mainly in the metropolitan areas), and, on the other, significant internal differences in development, living conditions and current social problems. The average rate for all communes in Poland was 14.9%, while in the case of 10 voivodeships the actual rates were higher than the national average.

Considering the scale of diversity, it is worth noting the amount of social assistance benefits divided into own tasks and assigned tasks. Data in Figure 3 shows that in the years 2008–2012 there was an increasing trend of budget expenditure related to own tasks, particularly in 2010, which appears connected with the expansion of the scope of communal tasks discussed earlier.

Figure 3. Expenditure on social assistance of communal LGEs divided into own and assigned tasks in the years 2008–2012 (in PLN mio)

Source: proprietary on the basis of reports of the Polish Ministry of Labor and Social Policy.

These changes took place at a time when the initial symptoms of a negative economic situation and declining revenues were already visible in some countries, although less so in Poland. Over time, the crisis situation and fear of the crisis itself have led to the reduction of corporate activity, cost-cutting (often by reducing the level of employment), reduction of new investments and an increasing tendency to suspend business activity or liquidate it altogether.

S. Owsiak emphasizes the vulnerability of public finances to changes in the real economy, resulting from the connection between budget revenues and public contributions. He also points to the leading role of public sector entities in the development of growth tendencies and the nature of risks associated with uncertainty in an environment of economic crisis; these risks emerge both as an increase of tax liabilities and as a reduction of public spending (Owsiak 2011).

From the point of view of the public sector, this situation leads to significant danger in the form of reduction of the flow of taxes into the state budget, which distributes part of these funds to the local governments, accounting for a significant portion of their budget revenues. Local governments find themselves in an unfavorable position; on one hand, the scope of their communal tasks is being extended and the level of mandatory expenses is going up and on the other the scale of their revenues in the communal budgets is declining.

FINANCING SOCIAL ASSISTANCE TASKS FROM COMMUNAL BUDGETS IN THE MASOVIAN VOIVODESHIP AS AN EXAMPLE OF INTRAREGIONAL VARIATIONS

The Masovian voivodeship is a region with the most pronounced disparity in Poland concerning the level of economic development and the intensification of social problems. That is why a decision was made to evaluate the spatial variations of budget spending on social assistance services and expenses on other services related to social assistance divided into territorial location of communes. Starting in 2009, there was an increase in total spending by communes and voivodeships in absolute terms; in 2012 it amounted to 2921.8 million PLN. The rate of change occurring in this expense category has clearly decreased; the increase of these expenditure in 2012 totaled 2.8% compared to 6.9% in 2010 (Table 2).
When comparing the growth rate of total spending on social assistance for all communes and counties versus total revenues and budget expenditure of these entities, one can say that over this period the share of spending on social assistance has fallen from 11.9% in 2009 to 11.0% in 2012. It means that, in the Masovian voivodeship, rising budget revenues of the local governments were allocated towards goals of activities other than social assistance.

However, it should be emphasized that in absolute terms, the spending in this category has gone up, as well as in the various LGE categories. Figure 4 presents the structure of the above expenditure index and the revenue index remained at a high level during the period in question, the level of these communes’ own revenues remained high. Noticeable increase of the expenditure index in the period in question, a situation that occurred in the main urban areas, Siedlce, Ostrołęka, Płock and in the communes of Słupno and Różan.

In order to examine the spatial structure of the scale of expenditures on social assistance within the voivodeship, we have used the ratio of communal budget expenditures on social assistance services and expenditures on other tasks to social assistance per capita. This estimate was prepared for communes in the Masovian voivodeship while also taking into consideration financial situation of these entities, defined as the index of financial independence, calculated as the ratio of the commune’s own revenues per resident. The key factor in the index of financial independence is to show the streams of budget revenues generated within the commune, i.e. revenues which determine its economic potential. Detailed variations of this index in 2009 and 2011 were presented on Map 1.

Map 2 presents the index of total communal budget expenditures on social assistance tasks and other tasks related to social assistance per capita in the years 2009 and 2011. The high rate of expenditures on these tasks in the total budget expenditures, as well as the high rate of expenditures related to social assistance benefits per resident at a communal scale may be seen as an indirect sign of strong demand for social assistance in many communes, signaling a poorer socio-economic situation in these entities. However, that ratio may also show that the local government authorities are involved in active social policy, in connection with the high level of their own revenues in the communal budget.

Data on Map 2 indicate that the lowest expenditure index was prevalent in the years in question in communes, which are part of Warsaw metropolitan area or those directly adjacent to it. During the period in question, the level of these communes’ own revenues remained high. Noticeable increase of the expenditure index in the years 2009–2011 was recorded in communes located in the northeastern part of the voivodeship: i.e. areas where the unemployment rate remains high. There were also situations where both the expenditure index and the revenue index remained at a high level during the period in question, a situation that occurred in the main urban areas, Siedlce, Ostrołęka, Płock and in the communes of Słupno and Różan.

One must also note that the image of communes’ financial involvement in social assistance tasks might have been distorted during the period in question by frequent cost-saving projects attributable to the global financial crisis and its impact on public finances.

Assessment of the situation of individual local government entities confirms the high degree of complexity of socio-economic conditions, even within the same region. That can be seen using the example of variations present in the Masovian voivodeship. Consequently, particularly when considering the various types of communes divided on the basis of their functional, spatial or regional variations, particularly when considering the various types of communes divided on the basis of their functional, spatial or regional variations, particularly when considering the various types of communes divided on the basis of their functional, spatial or regional variations.
tions, the above complicates the ability to use new, outcome-driven solutions, which would be customized to fit the specific situation and the intensity of social problems in individual local government entities.

**PERSPECTIVES OF FINANCING SOCIAL ASSISTANCE TASKS IN COMMUNES**

In view of the noticed increase in the expenditures related to social assistance tasks from local government budgets and the tendency to reduce the scale of state budgetary participation, it becomes necessary to seek alternative forms and sources of financing, as well as methods that would ensure higher effectiveness in the use of available resources. In terms of budgeting issues at a central level and budgets of local governments, there is an emphasis on the use of new instruments that would increase the rationality and efficiency of public expenditures (Misiąg, Hryniewicka 2011; Filipiak 2012).

In light of the difficulty to ensure an appropriate level of social assistance tasks financing, we should consider execution of such tasks divided into two groups: at the revenue side and at the expense side. With respect to the first group one should note that the financial management of a local government, particularly that of a commune, is characterized by the fact that despite the highly varied structure of budget revenues, its own revenues, raised in accordance with the law on public finances dated August 27, 2009 and the act on revenues of local government entities dated November 13, 2003, remain the most important source of financing of public tasks. Despite statements by the government administration about the attempt to boost the financial independence of local government entities, primarily by increasing the share of communes, counties and voivodships in tax revenues collected by the state budget and the idea of ‘territorialization’ incorporated in the National Strategy for Regional Development 2010–2020: Regions, Cities, Rural Areas, these solutions appear difficult to achieve in the immediate future.

What is visible today is the significant increase in the degree of centralization of social expenditures accompanied by the transfer of a wide range of tasks to the local level and a questionable degree of the preservation of ratios between the amounts transferred from the central budget compared to implementation of tasks carried out by the local government entities (Misiąg, Hryniewicka 2011).

Financing of local tasks with targeted subsidies is subject to particularly strong criticism, as it limits the independence of management by local government but a proposed alternative solution is to expand the form of subsidizing the execution of communal tasks or verification of the scope of its own revenues in view of increasing the degree of self-financing of LGEs (Surówka, Winiarz 2009).

The revenue side of LGE budgets using new forms of financing social assistance tasks should definitely look at using EU financial resources as a source of funding, which, according to the goals of Europe 2020 Strategy and national documents: The Country’s Development Strategy 2020 – active society, competitive economy, efficient state and Programming financial perspective 2014–2020. Partnership Agreement will be directed, to a large extent towards strengthening the social and territorial cohesion and efforts on behalf of social inclusion.

On the expense side, one important area of change is found in the current efforts of the Polish government administration, which indicate that it is joining the path of reform of public finances that is already present in many EU member states. The main direction of organizational changes and the financing of public policy is a strategic approach, connected with the concept of new public management and a concentration on outcomes as well as the determination of detailed methods to tasks and evaluate the effectiveness of public tasks in the form of a task-based budget (Komorowski 2012). Precise definition of the priorities and maintenance of the principle of adequacy and retaining the stability of individual local government entities plays an even greater role in the multi-annual timeframe of a task-based budget (Filipiak 2012).

The methodology of task-based budgeting is fairly widely described in the subject literature and is also popularized and implemented in various local government entities in many countries of the OECD (Sierak 2012). One detailed method associated with task-based budgeting that is often used in the European Union is a method defined as performance budgeting. Budgets prepared according to that methodology indicate the targets of planned expenses, costs of implementing programs proposed as part of pre-set goals, expected results of tasks to be taken and their assessment, with a special emphasis on full measurement of costs, valuation of job input and unit costs (Kozuń-Cieslak 2010). This approach is compatible with the Calculator of Costs of Inaction.

Despite criticism of the process of preparation of performance budgets, actions so far taken by government administration in Poland, in the search for a suitable methodology, (using the experience of the Netherlands, Norway, Slovakia, Portugal, England and Finland) introduce new ways of managing financial resources by institutions of the public finance sector and should be considered in the context.
of restructuring that system, which is necessary given the deficit of the state budget (Bartoszewicz 2012). According to assumptions of the reform, it is expected that the newly developed solutions will be applied at the level of local government budgets and used in various areas of the local economy: for example the development of infrastructure, social and health care policy as well as education.

The need to extend the timeframe and combine the performance budgeting process with the strengthening of strategic planning in social policy should be considered a challenge whose implementation by local government entities will, undoubtedly be a long process (Misiąg, Hryniewicka 2011). In the context of tasks related to social assistance incorporated in local and county-level budgets, it appears possible to achieve benefits associated with the implementation of performance budgets. Among these benefits are an increase in the level of objectivity of the assessments made for specific projects of services (potentially for bundles of services which are functionally related). It is also possible to expand the scope of the use of economic criteria in the process of allocating resources from government budget, preceded by an assessment of the quality of social services offered and the development of instruments which facilitate decision-making concerning the selection of the best offers and comparison of cost of selected services with market prices (Filas et al. 1999). Implementation of a performance budget by local government should also lead to the reduction of subsidies from the central budget to finance social assistance activities; increasing the scope of LGES’ independence (Misiąg, Hryniewicka 2011).

A methodological support is also expected. Its scope should include principles for the collection of statistical data and the use of information gathered in this manner assessment metrics (Korolewska, Marchewka-Bartkowiak 2013). The extension of budget planning to multi-year terms would require additional cyclical preparation of forecasts concerning the future expenses and the social and economic consequences arising from the execution or failure to carry out specific tasks related to social policy.

In this respect, Germany’s experiences in procedures related to the preparation of the social budget can be useful. However, the use of these experiences would require major changes in the polish system of public finances, mainly in the direction of decentralizing activities of the social policy (Auleytn, Grewiński 2003). Despite the initial difficulties, implementation of a performance budget will help increase the significance of analyses of the economic impact of innovative measures of the social policy, which thus far were taken into consideration at the level of local government activities and local administration to a small extent.

SUMMARY

In the case of excessive increase in the budget deficit and the need to limit expenditures from the state budget, there is the risk of a divergence between the amount of transfers to local government budgets and the actual social needs identified at a local level. The financing system of local government activities related to social assistance is still based to a large extent on revenues transferred from the state budget in the form of subsidies and targeted subsidies. Local government entities’ own revenues, which include participation in the tax revenues of the state budget, also display a reduced level of stability during a time of poor economic situation.

One definite opportunity to improve the capacity to finance social assistance activities by local government entities may be the use of the EU funds in the budget perspective for the years 2014–2020. However, that would require the implementation of integrated management tools as part of social policy, including coherent strategic planning at the regional and local levels of the local government and a focus on the use of activities that are part of active social policy. Better cooperation between local government and non-governmental organizations and initiatives in the field of local economy could also increase the effectiveness of the use of budget resources.

Together with the above phenomena, the sphere of budget management witnessed changes relating to the scope of the catalogue of tasks assigned to communes and counties, shifts from the category of contracted to local governmental tasks and an increase in demand for social assistance benefits that was associated, to a large extent with the country’s economic situation, an increase of the unemployment rate and a low level of personal income. Local government entities are thus facing the need to evaluate the rationality of spending limited resources on social assistance tasks, evaluate the effectiveness of specific tasks and forward-looking approach towards the budget’s ability to finance benefits over a longer period of time, at least at the level of mandatory tasks.

One possible solution that fits into the current of reforms of public finances in Poland is performance budgeting, which is also gradually introduced at the local government level. However, wider use of performance budgeting, particularly in the sphere of social assistance, which is difficult to assess from the economic perspective, requires improvements in the registration and reporting system.

Foreign experiences referred to in this article show the key role of an efficient system and selection of information that matches the needs of generating inputs for the analytical models in use. Difficulties in the assessment of the direction of spending public resources by the LGES divided into particular social problems are due, to a large extent, to the fairly high degree of aggregation of statistical data in specific sections of budget classification. It also shows the need to create and develop other sources of inputs (e.g. Evaluation of Social Assistance Resources), which could be used by cost-forecasting instruments (forecasting the financing outcomes) of the costs of inaction related to social policy at a local level.

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INTRODUCTION

The subjects of this article are issues which relate to the need to adapt social policy to meet current challenges. The first part of the article presents current demographic trends, social and economic transformations and some of their economic consequences. These are the main reasons justifying the necessity to change the way in which social problems are resolved.

The second part refers to the concept of social investments, which are promoted by the European Union in the social policy. This part discusses arguments supporting the need to increase the scale and scope of investments in social policy. In the last part, the authors present social innovations as new social practices, which can be treated as instruments for the introduction of changes in social policy.

The main goal of this article is to highlight the importance of the concept of social innovations within considerations concerning new solutions of the social policy. These solutions are created in order to provide greater effectiveness and economic efficiency. They are an essential element in the adaptation of social policy to current challenges, which is why their role and importance should increase.

KEY CHALLENGES

Current demographic trends are increasingly necessitating a search for new solutions in social policy. The problem of aging in societies, especially in European countries, has become one of the main challenges for upcoming decades (Demography Report 2010 ... 2011). In the future, there will be a decrease in the number of people aged 15–64 in the European Union, causing a reduction of labor resources. A comparative analysis of the situation in the European Union shows that the highest rate of demographic changes occurs in the countries of Central and Eastern Europe, Southern Europe and in Germany.

Poland is one of the countries where the largest percentage of change is expected. The number of people aged 15–64 is set to decline by over 35% in the 2001–2060 timeframe, reducing potential labor resources significantly. The number of older people will increase by 21% (Chłoń-Dominiczak, Kotowska 2012). Demographic changes on such a scale mean that it is necessary to modify the way the current and future generations are educated and prepared for proper functioning in a new social reality.

These changes are accompanied by social and cultural transformations, which contribute to the emergence of new social risks. These relate to, among others, the processes of de-institutionalization of family. Above all, this process is associated with an increase in the problem of incomplete families and the difficulty in achieving balance between professional and family roles at different stages of human life. Changes in the labor market and employment policy are causing, among others, a higher risk of low-paying jobs and the problem of the "working poor" (Working poor... 2010). Furthermore, the scale of the structural mismatch between employees’ qualifications and employers’ needs is increasing, leading to long-term unemployment. In turn, this is associated with the risk of living in households where no one works and incomes are low (Pintelon et al. 2010).

The evolving social and economic conditions are impacting the change of the nature of social problems. Old ways of resolving them are no longer adequate for the current needs; they are often inefficient and ineffective. One key challenge of social policy is the increasing share of social expenditure as part of the GDP. Reduction of this growth rate requires new solutions aimed at the development of social services, which would serve as an alternative to cash benefits. In addition, the problem of rationalizing social spending is becoming increasingly important.

Effectiveness is becoming one of the main criteria when deciding to finance spending, in addition to political and ethical factors. This effectiveness needs to increase in many areas of social policy. Spending effectiveness is impacted, in part, by the model of social policy adopted, including the ratio of public funds, own income of the population and resources from the non-governmental sector in the financing of social benefits, as well as a method of financing the most important components of the social security system (particularly the application of insurance and social provisioning techniques).

Referring to the theory of European social models (Esping-Andersen 2010), it is worth noting that in countries which have a more effective social policy (countries of the Nordic and Anglo-Saxon model are considered as such), social assistance accounts for a much higher share of the overall spending on social matters. At the same time, it is known that social assistance policy in these countries is not only concentrated on intervening, but also on preventing difficult life situations and on activating recipients of social benefits.

Countries which follow the Anglo-Saxon model have the highest share of expenses on social assistance in social spending...
overall, amounting to nearly 7% (Karbowik 2009). Countries which follow the Nordic model spend a bit less, approximately 6% of the total expenditure. It should be emphasized that this is at least twice the spending on social assistance over countries which follow the continental model, which is seen as ineffective. However, the greatest disparities are present in comparison with countries following the Mediterranean model, where social assistance accounts for less than 1% of the total social expenditure.

It is worth noting here that the Polish model of social policy resembles most closely the Mediterranean model. This highlights the urgent need for changes which would boost its effectiveness. The search for new solutions in this area is currently one of the main challenges and particularly important for countries such as Poland, where the social policy model is ineffective and unjust (Chłon-Dominiczak et al. 2009).

**PERSPECTIVE OF SOCIAL INVESTMENTS AS A RESPONSE TO NEW CHALLENGES**

Inefficiency in the management of public funds assigned to the resolution of social problems and the expectations of social policy, conditioned by demographic and social changes, highlights the need to modify the conduct of this policy. In recent years there has been a return to the discussion about the relationship between social and economic policy. As early as the Great Depression, in the 1930s, it was noted that the two need to be more cohesive (see Morel et al. eds. 2012). The debate about the human capital as one of basic factors of production and economic development has intensified over the last few years. Accordingly, there is a public discussion about the perspective of social investments concerning ways to change the allocation of public goods to develop present and future human capital.

Esping-Andersen (2002) points to the need for the development of a new approach to social policy based on a new method of analyzing social problems arising from the changes of social and economic factors. It highlights the greater significance of forecasting the future in the context of increasing social challenges, which are becoming complex. The work also emphasizes the need for a holistic look at social and economic development and the combination of fragmentary activities into one coherent strategy in social and economic policies. The study also notes the need to boost the significance of the perspective of the human life cycle in social policy and an increase in the scale of preventive and activating activities.

In this approach, implementation of social investments is based on reallocation of the social expenditures within the context of the demographic change. Attention must also be paid to ensuring the provision of social services for families: active labor market policy accompanied by the organization of support, which facilitates the balance between work and family life and enables the process of learning during the entire life (Vanderbrucke et al. 2011). This approach aims at strengthening human capital from the perspective of the human life cycle (Kurzyński ed., 1991; Rysz-Kowalczyk 2012). It also applies to the concept of a state that empowers its citizens.

A policy aimed at social investments is concentrated on reducing social risks in the human life cycle and on increasing humans’ skills and capabilities towards better use of life opportunities. It is associated with the desire for social integration of all social groups, which may ultimately lead to a higher level of employment (European Commission 2013). This approach is designed to prepare individuals, families and communities for a smooth adaptation to social and economic changes. Social policy is treated as a prerequisite for economic growth and the creation of jobs (Morel et al. 2012).

The work of Fouarage (2003), who writes about economization of high quality social policy, follows the same path. It highlights the need to clarify two dimensions of such policy. The first, a passive one, is defined by legal regulations which enforce certain types of transactions and behavior (e.g. minimum wage or non-discriminatory behavior) and refers to social transfers which compensate social risks that have materialized, for example unemployment or disability. This area of activity is associated with the redistributive function of the state.

The second dimension of such social policy, which is currently gaining significance, is the role of the state as an animator and coordinator of social activities. In this role the state should promote autonomy of individuals through activating and preventive measures, which are designed to develop human capabilities and promote a better use of opportunities in the human life cycle. It is also important to support social capital as a facilitator of faster adaptation and a means to resolve difficult situations experienced by individuals. Such activities also lead to the reduction of the risk of social exclusion and improve the productivity of employees, a significant factor in the knowledge-based economy.

In other words, Fouarage introduced a new theme into the discussion about the economization of social policy that refers to the need for a clear separation of the functions of this policy, as a factor of economic growth and as an instrument supporting the redistributive role of a state, which aims at ensuring social cohesion.

Opponents of this approach note that developing a policy based on social investments is associated with worshipping the “economism”, which limits social policy to supporting specific economic goals and leaves no space for the resolution of social issues. They also point out that investments in human capital, education and coaching one to be an enterprising employee and a customer are proof of a new paternalism, or a strategy to develop submissive self-direction (Evers 2010). Moreover, they note that investing in the future, by shifting passive expenditures for the poorest ones (e.g. benefits) to help activate stronger, most promising groups, immediately increases the scope of poverty. They also stress the replacement of humanitarian rationality with economic rationality as the basis for action, seeing it as a risk factor leading to instrumental treatment of human beings.

One weakness of this approach is the assumption concerning social inclusion of all citizens by subjecting them to appropriate preventive and activating measures. However, looking at the results of research on the effectiveness of social policy in the EU in recent years, this assumption appears too optimistic (Morel et al. 2012). Evers (2010) has formulated comments on the most important tensions concerning the difficulties in implementing this approach. They relate to the following areas:

1) the relationship between economic goals in terms of economic growth and social and democratic goals from the perspective of social cohesion, the quality of life and competence of citizens;
2) conflicts between supporting vulnerable individuals, groups and the focus on ensuring social security on the one hand and supporting structures which serve the development and thus support groups which are already strong in certain respects;
3) focus of the social policy institutions on satisfying the needs of direct assistance recipients and the needs of other groups, e.g. employers, entities that disburse social security benefits;
4) focus on the future income of the citizens and providing assistance here and now.

The above key social and economic challenges and the ongoing transformation of the welfare state lead to reflections about the necessary changes in the way social policy is implemented. The essential question is how to implement the desired changes. It is in this context that the concepts of social innovations are being considered.

**SOCIAL INNOVATIONS AS AN INSTRUMENT OF SOCIAL POLICY**

The concept of social innovations has been developing vigorously along with the trend of economization of the social policy since the end of the 1990s. There are many definitions of social innovations. For example, they are defined as new ideas, ones that work (Guthrie and MacIntosh 2004).

In this approach, implementation of social innovation is based on a new method of analyzing social problems arising from the changes of social and economic factors. It highlights the greater significance of forecasting the future in the context of increasing social challenges, which are becoming complex. The work also emphasizes the need for a holistic look at social and economic development and the combination of fragmentary activities into one coherent strategy in social and economic policies. The study also notes the need to boost the significance of the perspective of the human life cycle in social policy and an increase in the scale of preventive and activating activities.

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or participation in a way that ensures resolution of both individual and collective problems (Kwasińcki 2013). Narrower definitions describe social innovations as new solutions that meet the social needs more effectively than the existing ones, lead to new relations and social relationships or improve existing ones as well as enable better use of the available resources. Social innovations serve the common good of the community and improve its ability towards self-development in this respect (Caulier-Grice et al. 2012). Social innovations are also defined as new solutions that address the existing challenges, adopted and used by cooperating individuals, groups or institutions (Hochgerner 2011). With respect to the classical definition of innovation (technological), formulated by Schumpeter (1960) on the basis of the economic science, social innovations are distinguished from business innovations by the fact that they are based on a combination of social activities and are the result of a compromise between people and institutions, which cooperate with one another (Hochgerner 2011).

According to Schumpeter, innovations were created in the dynamic process of replacing old technologies with new ones, manufactured in a linear process that began with research, through laboratory experiments to commercialization. He believed that technological innovations are a driving force of the economy and are crucial for economic growth. According to some views, this statement remains valid with respect to social innovations (Olejniczuk-Merta 2013). Schumpeter clearly separated economic policy from social policy, treating the latter as secondary. In this perspective, innovations were an instrument of change, which led to economic development. He distinguished five types of innovations: new products, processes, markets, supply sources of raw materials and new market structures (Schumpeter 1960).

There have been many social and economic changes, including some that were crucial for the social policy, since the time Schumpeter formulated his concept of innovation. Changes relating to the transformation of the state’s role and interdisciplinary cooperation, development of new information technologies as well as changes resulting from the globalization processes have given rise to a new potential, which has enabled the creation of social innovations on a larger scale. This potential comes mainly from the new opportunities for action by humans. Modern definitions of social innovations refer, among others, to the concept of a networked action, based on the interaction of various participants and the need to change the role of participants (Hochgerner 2013). Schumpeter clearly separated economic policy from social policy, treating the latter as secondary. In this perspective, innovations were an instrument of change, which led to economic development. He distinguished five types of innovations: new products, processes, markets, supply sources of raw materials and new market structures (Schumpeter 1960).

The above types of innovations are important in the search for instruments of implementation of investments in social policy. For example, new roles may relate to the need to change the role of the state in the direction of an animator of activities and a coordinator of the participants in these activities. New relationships can be associated with the need to develop a multi-sectoral nature and a pluralism of the institutions involved in resolving social problems. New values and norms can facilitate reorientation of the social policy tasks and goals. New forms of marketing can refer to the need to change the state’s relationship with recipients of social assistance and to develop a state which serves the civil society. However, in the context of operational implementation of a new approach, the most interesting aspects are the new services, new processes (particularly those relating to the manufacture and delivery of social services) and organizational forms.

The above types of innovations are the ones that best fit the priorities of social policy in the field of the development of social services for family support, development of new forms of reintegration with the labor market, intensification of preventive and activating efforts and increasing their scale at the expense of efforts focused on intervention over the human life cycle. The above also applies to the introduction of essential changes in the social security system and a new way of managing resources (institutional, legal, information, economic and human) associated with the social security system. In this context, one key aspect is the necessity of making changes in the structure of social expenditure. This is backed by the data concerning the structure of social spending in countries with different types of social policy models.

Countries that fail to take into consideration ongoing transformations in their social policy to a sufficient extent are facing a difficult task of developing a new socio-economic model, one based on social investments designed to reach a higher level of development (Chifon Dominičzak, Kozłowska 2012). The same perspective also appears in considerations concerning the measurement of contemporary changes and socio-economic achievements. Stiglitz, Sen and Fitoussi (2013) note, for example, the need to change our focus of measurement concentrated on production to one concentrated on the prosperity of this and future generations. Similar ideas appear in the recommendations concerning sustainable development measurement indicators that were proposed by the Working Group on Statistics for Sustainable Development of the Economic Commission for Europe, the OECD and Eurostat. One of recommended indicators used to measure the level of prosperity is an index on the value of investment in human capital per person (Stiglitz et al. 2013), Esping-Andersen (2010) even proposes moving social spending in the national GDP accounts from consumption to investment. These ideas highlight the trend of changes, which lead to an increasing role of social policy and the methods used to measure its effects. And ultimately, a question arises concerning the place and role of social innovations in social policy.
CONCLUSION

Social innovations can become new instruments of social policy*, classified according to the type of change implemented, similarly to OECD’s classification of innovation types designed to raise corporate effectiveness and profitability (OECD 2009). For social policy, the main goal of the changes being implemented is to increase the effectiveness of the activities that help reduce the risk of social exclusion. Moreover, it is important to take action that will improve the efficiency of social budgets and their analysis in the context of social rates of return on investments made. Social innovations, understood as a new and better response to current challenges, can be a tool for changes in the social policy.

Social innovations are a particularly valuable instrument in the creation of an active social policy, which should recognize prevention as an important area of its competence. Innovative solutions that utilize social capital, ones referring to the activities of non-governmental organizations and aiming at prevention of social exclusion can be not only effective, but also efficient, from an economic perspective. The economic aspect of social innovations is manifesting itself in the potential decline of expenditures thanks to more effective allocation and individualization of social services and the use of synergies. Aside from this aspect, an important role is also played by the processes which lead to further socialization of the social policy, through inclusion of local communities to help fulfill its tasks, verification of innovations which are being implemented and improvement of social control over practical implementation of the goals of social policy at a local and national level.

It is worth highlighting the possibility of using social innovations as instruments which improve the effectiveness of social investments. In the age of rapid changes in the whole society, local communities and the economy, numerous social investments will not be replicable. Retaining innovation, an essential feature of these investments, will determine their rationality.

Nonetheless, the most important condition for a wide implementation of innovation in social policy is the acceptance of this solution and consent to the departure from the increasingly less effective, but familiar forms of action. That requires courage and understanding not only by the society, but also — and perhaps especially — by people implementing social policy at all levels.

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* Instruments of social policy are understood as ways and methods of implementation of social activities (Supińska 2008).

SUMMARY

Social investments focus on reducing social risks in the human life cycle and increasing skills and capabilities of people in order to better exploit their chances. This approach is associated with a desire towards social integration of all social groups what may affect the higher level of employment. Social investments aim also for preparing individuals, families and communities to efficient adaptation to the social and economic changes. Investment enables more effective redistribution and enhancing the role of the public administration as an animator and coordinator of social action and not only as the contractor.

The most important criteria of innovations are novelty, ability to be implemented in practice and adequacy to the social needs and efficiency. Social innovations should lead to empowerment of individuals or groups and recognize the needs arising from demographic and economic changes in the society. The main features of innovation also include increasing importance of cooperation of different subjects. The Calculator of costs of inaction meets these criteria.

Keywords: social innovations, social investments, local social policy, effectiveness.


OECD (2009), Podręcznik Oslo, Zasady gromadzenia i interpretacji danych dotyczących innowacji, OECD, Eurostat.


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The key product of the project is the social policy implementing model “Calculator of Costs of Inaction”, based on the following six instruments:

- Social Calculator, presented in this issue,
- Diffuser of Social Innovation,
- Catalogue of Social Innovation,
- Network of Social Innovation Leaders,
- Strategy of Social Problem Solving Generator,
- Training System.

Detailed information on the project is available at: http://kkz.mcps-efs.pl/

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SOCIAL CALCULATOR

SUPPORT OF THE DECISION MAKING PROCESS IN THE LOCAL SOCIAL POLICY

COSTS OF INACTION IN THE SOCIAL POLICY