



Towards inclusive service delivery through social investment in Flanders

An analysis of five sectors, with particular focus on water provision

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Executive summary

Is Belgium (and Flanders in particular) a 'social investment state'?

Belgium is a solid welfare state, with moderate income inequality and generous social expenditure. Nevertheless, due to the 'conservative-corporatist' tradition, many services of general interest are actually provided either by local authorities, or by private (mainly not-for-profit) stakeholders, with government subsidies. This has probably led to a better match between the quality of services and the needs of consumers, but also to cream-skimming (e.g. in childcare), exclusion of households that are unable to pay (e.g. in financial services or water provision), shortages (e.g. in housing), and Matthew effects (mainly in housing, but actually in nearly all services). Government intervention has definitely ironed out the worst inequalities (e.g. in water provision or health care) but has never been very proactive in guaranteeing citizens' rights (e.g. through social minimum standards) by law.

In the past decades, the redistributive capacity of social protection has come under serious strain since the 1980s: social security benefits have been lagging behind the general welfare trend, resulting in an increasing gap between working and non-working households. Furthermore, since the crisis of 2008, cutbacks have been imposed in nearly all sectors of public expenditure (including the five sectors examined in this report). As one of the most prosperous regions of Europe - and one of the least affected by the crisis, Flanders has been able to continue investing in the last decade (e.g. in water purification, extension of childcare provision and to some extent also social housing). However, the emphasis was put on economic motives (for childcare) and environmental sustainability (housing and water) rather than equity, as the investments went hand in hand with price increases and cutbacks in social tariffs.

In addition to the reduced volume of social investment, the latest (right-wing) government is also systematically re-introducing (quasi-)market principles: free-of-charge packages of energy and water were abolished; prices or co-payments were raised in childcare, health care, education; more and more social services are being outsourced through competitive tendering, while the subsidies to accredited non-profit providers were reduced or discontinued.

'Social disinvestment' has also been very outspoken in the socio-cultural sector and subsidies to civil society organisations as well as unions. In this area, cutbacks were informed by ideological rather than economic motives: the influence of unions, health insurance companies, welfare organisations etc. has been systematically undermined and their subsidies reduced. Indirectly, this has weakened the capacity for service provision as well as the role of these organisations in advocacy for the rights of their clients.

The case study of (domestic) water provision

The bulk of this report is devoted to an in-depth case study of water provision, conducted mainly in collaboration with Samenlevingsopbouw Vlaanderen, which led to the following key insights:

Water provision has a 'social investment' character mainly for two reasons: firstly, because access to water is a human right that needs to be guaranteed to all citizens, irrespective of their socio-economic situation; and secondly, because clean water is essential for public health. Hence, there is undoubtedly a social return on investment, and thus reason for public intervention for the benefit of all citizens, with a particular focus on socio-economically disadvantaged households. Whereas the estimates of the proportion of 'water-poor' households in Flanders vary between 0.6 and 10.8% (depending on the threshold used), the rate of default payment in 2015 was 6.7%, and 4,000 households in Flanders were disconnected from water provision - enough reason for further measures to combat the problem.

It is important to bear in mind that water poverty is not confined to a financial problem: households faced with water poverty adapt their behaviour to lower hygienic standards, thus putting at risk their own health as well as that of their children and environment. They wash themselves less, flush their toilet less often, recycle the bath water for the dishes etc. Disconnection from water provision is often hidden out of shame, which adds a social dimension to water poverty. These examples illustrate that water poverty affects the capabilities of vulnerable people in various areas of their daily life.

There is of course a set of legal and policy measures to protect such households from extreme hardship. The experience of our co-researchers gathered by the Combat Poverty Service and Samenlevingsopbouw Vlaanderen revealed the progress made as well as the limitations of these measures:¹

- Following negotiation with Samenlevingsopbouw and a poverty impact assessment, a *social tariff* was re-introduced (80% discount). Unfortunately, it applies to a very limited number of households only. The NGO-sector advocates an extension of the measure to all households at risk of poverty, or to those covered by the social energy fund.
- Disconnections are forbidden by law unless they are approved by *Local Advisory Committees* (LACs) that gather representatives of the water companies and municipal Public Centres for Social Welfare. Striking a balance between the economic and social interests in the decisions of these LACs is not an easy task. For example, community workers have a hard time obtaining the right for clients to be heard by the LAC, as well as empowering them to use this right. The practices of LACs diverge a lot across municipalities and lead to unequal treatment of clients. And once decisions are taken, there is no right to appeal. Instauring an appeal procedure is one of the priority claims on the NGOs' agenda.
- Other measures aim to enhance the '*social accountability*' of *water companies and LACs*. Through yearly reporting on social issues to the Flemish Water Agency, they are supposed to take social objectives on board in their daily management. Samenlevingsopbouw Vlaanderen has drafted a 'guide to good practice' after a long period of participative observation and negotiation in the LACs. This tool is now being actively disseminated through the internet and specific training sessions. For example, water companies can offer a range of services to households that are facing difficulties: a free water consumption scan, advice on how to raise the 'water efficiency' of bathrooms and machines, etc. The guide also emphasises that the quality of the service (water provision) should not be limited to technical, environmental and health quality: equally important is the quality of the communication between water companies and their clients. This communication needs to be transparent, respectful and supportive.
- The advocacy work done by the Combat Poverty Agency and Samenlevingsopbouw, in collaboration with many other grassroots organisations as well as other stakeholders, demonstrates the *importance of civil society organisations* in building a constructive dialogue on such a vital service as water provision. It shows that public support to civil society organisations is in itself a key area for social investment.

Lessons for the future: the social investment agenda in water provision

For the future policy agenda in Flanders as well as in other regions of the EU, the following recommendations emerge from this analysis:

1. *Reinforce the right to water and sanitation*: inclusion of the right in the Constitution, safeguard the public character of water provision at national and international level, provision of public water points and sanitation in every municipality, collect data concerning situations where people do not have access to water and sanitation.
2. At *European level*, by way of EU law, access to water and sanitation should be explicitly recognised as a human right and be protected as a public good that must be delivered at affordable prices to all citizens. This not only means that provision of water should never be subject to liberalisation, but also that internal market and competition rules should not apply to the provision of this public good.

¹ The measures discussed here were selected as the most important ones.

3. *Strengthen the rights of consumers* by organising concertation between different actors, increasing accessibility of water companies (accessible offices, free telephone numbers, contact persons, ...), use uniform, transparent and readable bills, develop a binding concept of ‘reasonable payment’, provide sufficient information and guidance (local energy, water and housing desks, regional information services, pay attention to illiteracy and the digital divide).
4. *Put into practice a tariff system that obeys social, solidary and ecological criteria*: ensure that water bills are affordable, extend the status of privileged client to cover more people who risk water poverty, expand the group enjoying social tariffs, create a social fund to give support in cases of payment difficulties, examine the financing of public service obligations.
5. *Handle payment difficulties through dialogue, with full respect for the clients’ rights*: foresee a minimum service delivery, ensure flexibility in payment plans, reinforce the legal position of clients in procedures through appeal procedures, reinforce quality of functioning of LACs by promoting the mediating and supportive role of LACs, exchange of best practices and better outreach methods for vulnerable people, reinforce the position of client in cases of transfer of debt.
6. *Reinforce the policy of rational water consumption for families living in poverty or insecurity*: through well-conceived campaigns, promote water scans, creation of local energy, water and housing desks, establishing a strong link between housing policy and rational energy and water consumption.

Contents

| | |
|--|-----------|
| Executive summary | 3 |
| Contents | 6 |
| List of tables | 7 |
| List of figures | 8 |
| Introduction | 9 |
| RE-InVEST | 9 |
| Theoretical framework | 9 |
| Participatory action research | 10 |
| 1. The overall picture of social investment in Flanders | 13 |
| 1.1 Setting the scene: the Flemish welfare state model | 13 |
| 1.1.1 Social investment in Belgium and Flanders in international perspective | 13 |
| 1.1.2 The institutional context: decentralisation and subsidiarity | 13 |
| 1.1.3 Local social policy | 14 |
| 1.1.4 The role of civil society | 14 |
| 1.2 Recent developments | 15 |
| 2. Overview of social investment policies in five service sectors | 17 |
| 2.1 Early childhood education and care | 17 |
| 2.2 Health care | 18 |
| 2.3 Housing | 20 |
| 2.4 Financial services | 22 |
| 2.5 Water | 23 |
| 3. The case of water provision in Flanders | 26 |
| 3.1 Background | 26 |
| 3.1.1 Legal and operational context for water provision in Belgium | 26 |
| 3.1.2 Growing policy attention to water poverty | 28 |
| 3.1.3 The water and poverty project | 29 |
| 3.2 Analysis | 31 |
| 3.2.1 Access to water and sanitation as a public good and human right, including for the most vulnerable | 31 |
| 3.2.2 Impact on the individual capabilities of vulnerable people to implement their right to water | 32 |
| 3.2.3 Evaluation of effectiveness at collective level: role of organisations and impact on collective agency | 34 |
| 3.2.4 Impact of social (dis)investment in water services on individual capabilities and collective agency | 35 |
| 3.3 Conclusions and recommendations relating to water provision | 35 |
| 4. Conclusions | 37 |
| Bibliography | 45 |

List of tables

No table of figures entries found.

List of figures

| | | |
|------------|--|----|
| Figure 0.1 | From human rights and capabilities to individual wellbeing | 10 |
| Figure 0.2 | Merging of knowledge | 11 |

Introduction

RE-InVEST

This report was prepared in the framework of the Horizon 2020 research project ‘Rebuilding an inclusive, value based Europe of solidarity and trust through social investments’ (RE-InVEST). The RE-InVEST project aims to contribute to more solidary and trustworthy Europe, through an inclusive, powerful and effective social investment strategy at the EU level. Moreover, the project itself adopts a participative approach that lends a voice to vulnerable groups and civil society organisations. The RE-InVEST consortium consists of members of the informal network ‘the Alliances to fight Poverty’, a network of civil society organisations, trade unions, policy makers and academics co-ordinated by the Flemish Christian labour movement ‘Beweging.net’, and committed to a more inclusive Europe. The consortium covers a broad range of European countries, both geographically (12 countries, 13 regions) and in terms of representation of different welfare and labour market traditions. The analyses are carried out by the local partners, who consist of NGOs and/or researchers.

In particular, this report is one of the seven country case studies in the context of Work Package 5 of the RE-InVEST project, which examines the operation of *basic service sectors* from a social investment perspective. Each of the country studies consists of an overall picture of the national social investment policies, a cross-section analysis of five sectors and an in-depth case study of one particular sector. In the case of Flanders (Belgium), the sector selected for the in-depth case study is water provision – a sector which, despite its vital importance for every household, has barely been studied from a social inclusion point of view.

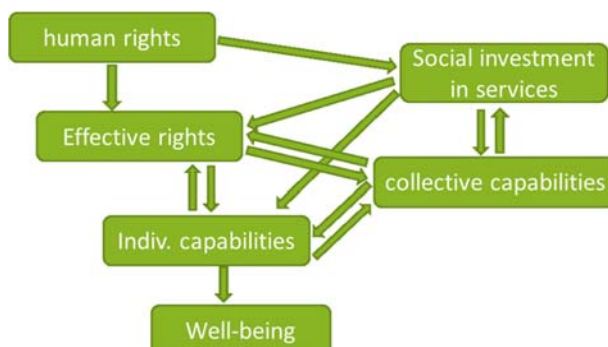
The four other sectors (early childhood education and care, health care, housing and financial services) were deliberately selected because of their diverse nature. The two former (ECEC and health care) can be seen as investments in human capital; housing is usually seen as a material investment but, upon closer inspection, has an enormous impact on the health and social wellbeing of families; financial services are almost entirely market-driven but some basic financial services are crucially important for the security of users.

Theoretical framework

Our model builds on *human rights and capabilities* as building blocks for the social inclusion/wellbeing of individuals. Formal human rights (e.g. right to a minimum living standard, right to health care) are values, social norms which do not automatically result in improved wellbeing. For the implementation of such rights (mainly in the field of economic, social and cultural rights), different types of policy measures need to be implemented: legislation, organisation of (public) services, subsidies, social transfers, inspection, judicial enforcement... Although some legal measures may establish effective rights (e.g. a guaranteed access to water, guaranteed places for children in childcare), most policies necessitate additional ‘social investment’ in individual and collective capabilities through public or subsidised service provision (e.g. ECEC, health care, ...) and the transfer of power and resources – either directly to individuals/ households (e.g. through free-of-charge minimum packages or social tariffs), or to companies and civil society organisations (e.g.

subsidies to housing companies, water distribution, ECEC providers). These ‘collectives’ in turn interact with households and may invest in their capabilities.²

Figure 0.1 From human rights and capabilities to individual wellbeing



Bonvin and Laruffa (2017) reconsider the capabilities of a (vulnerable) individual from a different angle, distinguishing between three roles: *receiver*, *doer* and *judge*. The first role reflects his/her need for adequate support (in terms of resources or services); the second role refers to his/her agency in transforming resources into valuable activities (including work, leisure, domestic activities, social participation etc.); finally, the role of ‘judge’ reflects his/her freedom to make choices and his/her voice in various ‘collectives’ to which s/he belongs.

In this context, *social investment*-related measures may affect individual capabilities in many ways: by investing in (tangible or intangible) assets, by transferring financial resources that allow households to invest in themselves, by strengthening their rights and freedoms through regulations, or indirectly, by strengthening the agency of collectives that interact with vulnerable people.

Participatory action research

RE-InVEST aims at giving vulnerable people a voice through participatory action research that can be used in policy recommendations and advocacy at local, national and EU level. Participatory action research views participants as co-researchers who have special knowledge about their own situation. Rather than being just interviewed about their experiences or views, vulnerable people are enabled to take part in examining, interpreting, and reflecting on their own social world, shaping their sense of identity, and getting a voice in public deliberation (another key dimension of capabilities).

This necessitates an iterative process of knowledge generation that includes several steps of mutual trust building, knowledge production and sharing, empowerment, newly generated knowledge and action that builds upon this knowledge. Crucial for this kind of knowledge generation is the ‘merging of knowledge’ (ATD Fourth World, 2007) that comes from three parts: academic knowledge developed by researchers; experiential knowledge acquired by vulnerable people throughout their lives; and the knowledge of professionals and civil society organisations that work with them (Figure 0.2). Every research team at local level includes members from these three different backgrounds.

² Individuals in turn can invest in collective capabilities through contributions and/or voluntary action. All capabilities are actually combined capabilities, i.e. a mix of individual and collective action. In other words, there is no such thing as capability without the joint action of individuals and collectives.

Figure 0.2 Merging of knowledge



This methodology was applied for the in-depth case study of water in Chapter 3. For this purpose, the RE-InVEST team joined forces with pre-existing dialogue processes at grassroots level, conducted by the Belgian Combat Poverty Service and (mainly) the Flemish federation of community work Samenlevingsopbouw Vlaanderen. We thank all parties for their active contribution to this report.

1. The overall picture of social investment in Flanders

1.1 Setting the scene: the Flemish welfare state model

1.1.1 Social investment in Belgium and Flanders in international perspective

While it is hard to capture social investment in figures, it is even harder to make this exercise for Flanders. One reason is that a generally accepted definition of social investment is still lacking. The boundaries between social investment (i.e. social expenditure yielding a long-term return on investment) and other types of social expenditure do not coincide with the distinction between in-cash and in-kind expenditure in official statistics. Moreover, a theoretically grounded definition should include private social investment, which is completely absent from any system of national accounting. In the Belgian case, additional complexities stem from the gradual transfer of competencies from the federal level to the Communities and Regions. Our general picture is therefore limited to a compilation of ‘approximative’ figures from various international sources.

In the Bertelsmann index of social justice, the position of Belgium is relatively modest (13th). The stronger features of the country include a relatively low Gini coefficient (which moreover remained stable during the crisis) and an excellent health care system; the flip side is a low score on intergenerational justice, which is essentially due to poor environmental policies and a large public debt, but also to the inequitable education system (Schraad-Tischler et al., 2017). In terms of social expenditure, Belgium ranks 7th of the EU28. During the crisis years, the share of social expenditure in GDP underwent an upward shock in the years 2008-2010, and subsequently remained relatively stable until 2014. Although the most recent statistics are not yet available, Eurostat figures for 2015 suggest a drop of more than 1% of GDP.

1.1.2 The institutional context: decentralisation and subsidiarity

Most social services in Belgium have been decentralised to the three cultural Communities (the Flemish, French and German-speaking Community) whereas the Regions (Flanders, Wallonia and Brussels) are responsible for economic and labour market policies. The social protection system, which indirectly finances some of the social services, as well as some basic social infrastructure such as hospitals, has remained largely federal.³ For this reason, and in order to avoid the institutional complexities of comparison between Communities, we decided to focus on Flanders for this report. Nevertheless, it goes without saying that the common historical background necessitates reference to the federal level as the broader context of social policies.

Belgium is known as an example of a continental corporatist welfare system, historically dominated by the social partners and the church and building on the principle of subsidiarity. This means that civil society - rather than the State - has played a pioneering role in the development of public and social services. Still today, the charities set up by the Catholic Church ‘compete’ with the services organised by the socialist and liberal movements in what used to be called a ‘pillarised’ system. Across time, as the ideological oppositions between the pillars faded, the competition turned into a quasi-market system, i.e. a market system where

³ Family allowances have been transferred to the Regions, and social assistance is partly cofinanced by the Communities and municipalities.

prices are regulated and subsidised while free choice on the demand side, and free entry at the supply side continue to fuel competition. Municipalities and the State either subsidise and regulate service provision, or play a subsidiary role in offering services that are not organised by private organisations. In some sectors, such as education, municipal and government services just compete with private initiatives.

Such quasi-market mechanisms are pervasive in child care, education, health care, social housing and the cultural sector. Whereas this is believed to result in greater efficiency and better quality of services, it also involves a risk of inequity because socio-economically disadvantaged groups tend to cost more and to be excluded in case of payment default. Local and State/Community authorities are therefore held responsible for regulating the service markets through social tariffs and other types of social minimum standards. Section 1.2 below will discuss the newest tendencies towards further marketisation and privatisation.

1.1.3 Local social policy

Public centres for social welfare (PCSW) - organised at the municipal level - are the cornerstone of the 'subsidiary' social service provision: they are responsible for the whole area of social assistance to needy households, including the implementation of the law on social integration (which regulates the guaranteed minimum income and labour market integration of people experiencing poverty). PCSWs can also offer a wide range of services to elderly, homeless and disabled people: shelter, transportation, personal assistance, care, meals etc. Although the prices of those services mostly depend on the client's income and the weakest target groups are prioritised, every citizen normally has access to them.

In contrast with the PCSW, the private services are mainly financed directly by the Flemish Government, which makes them largely independent from local policy. Private services operate in the following areas – often along with public services:

- community action in neighbourhoods or with specific target groups;
- integration of immigrants and ethnic minorities;
- home care for the elderly or for disabled persons;
- homes for young people placed in care, for the handicapped, elderly persons, homeless people;
- general social work: the centres for general social work described above (CGSW – centra voor algemeen welzijnswerk);
- child care, youth work;
- sports, culture and recreation;
- health care, mental health care, rehabilitation of substance abusers;
- legal advice, aid to victims of offenses, re-integration of ex-offenders etc.

Some of these private services are embedded in sub-regional organisations that cover several municipalities, while others depend directly on the Flemish Community (mainly, the Department of Welfare).

With the enactment of the law on local social policy (2004), municipalities were entrusted with the co-ordination of all local actors and the development of multi-annual, integrated social policy plans. These plans must be negotiated extensively with all stakeholders as well as the local population. In this way, local social policy should become more democratic, strategic and coherent. One of the aims is also to achieve one-stop-shops ('social houses') at the municipal level, where citizens can obtain information or support for any kind of welfare problem, in order for rights to be better guaranteed and the range of available services to become more transparent.

1.1.4 The role of civil society

Building on their strong involvement in service provision, civil society organisations and social movements continue to play an important role in negotiating and co-determining policies in the field of public and social

services through a variety of organisations: federations of providers (such as Verso, the employer organisation of the social profit sector, the ‘networks’ in the field of education, or the federation of PCSWs) as well as self-organisations and advocacy groups of service users.

From the perspective of social inclusion, it is important to mention the work of the *Combat Poverty, Insecurity and Social Exclusion Service* (hereafter denoted as Combat Poverty Service or CPS), an autonomous ‘inter-federal’ service entrusted with the evaluation of social inclusion policies at all levels of government as well as the permanent dialogue between associations of people experiencing social exclusion and other stakeholders. This Service builds on three key principles: guaranteeing human rights to all, ensuring a global policy, and partnership. It produces bi-annual evaluations of social inclusion policies, which include policy proposals negotiated between all stakeholders participating in the dialogue process.

At the Flemish level, the *Netwerk tegen Armoede* (Anti-poverty Network) is considered by the government as a representative of a wide range of grassroots (self-)organisations. A vertical (by policy area) as well as horizontal (across areas) dialogue is being organised on a more or less continuous basis between government offices, public services and the Network. Together with the CPS, the Network is also represented in a series of advisory Councils.

A third important advocacy actor is *Samenlevingsopbouw Vlaanderen*, the federation of local and categorical community action associations. Community action is very well established in Flanders since the 1960s; it is subsidised by the Flemish Government and is specialised in the empowerment of disadvantaged groups, mainly in disadvantaged areas. Samenlevingsopbouw is very active in the field of the right to energy and water provision.

1.2 Recent developments

The change of government in 2014 meant a (further) shift away from a centre-left towards a genuine right-wing government in Flanders: the socialist party lost its stake in the government, whereas the conservative Flemish-nationalist party strengthened its position. The same shift took place at the federal level. It should therefore come as no surprise that 2015 meant a break in social policies: severe cutbacks were – and are being – made in public employment as well as in social protection expenditure, many welfare recipients are shifted from the social security system to social assistance, and market forces are being restored in (quasi-)collective service markets.

In the field of basic service provision, the new government immediately *screwed back* some of the key measures that were promoted by the socialists in the past, including mainly the *free-of-charge minimum packages and generous social tariffs* in public services. Examples include the abolition of free basic consumption of water and electricity, increased daily fees for child care and tuition fees for higher education, as well as increased co-payments in health care, with dramatic consequences for the lowest-income groups. On the whole, the price increases for public services can be justified by efficiency arguments (e.g. incentives to reduce energy and water consumption); however, it was generally felt that they disproportionately affected the most vulnerable categories of the population, who tend to under-consume, rather than over-consume, the mentioned services. Following heavy protest from a broad coalition of social movements, the austerity measures were partly corrected with new social tariff structures, which nevertheless remain less generous as well as more restrictive in terms of eligibility.

Social services are increasingly being marketised and commercialised. Some sectors already have a long-lasting experience with private commercial provision, such as residential elderly care. The market share of commercial providers keeps rising, and the ‘market’ is increasingly penetrated by large international companies such as the French Orpea chain. Yet, these commercial providers have a reputation of cherrypicking of the more wealthy and easy-to-treat customers. Repeated incidents with neglect or maltreatment of dependant or dementing elderly have alerted the public authorities and the public opinion (Houwer, 2015).

In 2014, the exploitation of a forensic psychiatric centre for interned people was outsourced through competitive tendering to Sodexo, a multinational catering company. Two years later, an inspection report

from the Flemish Administration concluded that the staffing for psychological assistance to patients was insufficient and underqualified.

Commercial enterprises are also exploiting a number of reception centres for asylum seekers in various locations across Flanders, catering for 2,000 asylum seekers or 6% of the 'clientele', apparently to the satisfaction of all parties (Bosman, 2016).

In 2016, the subsidies from the City of Antwerp to De Vaart, a non-profit reception centre for homeless people were discontinued; instead, the City Government outsourced the services to a tandem between Corsendonck Hotels and the multinational security service G4S, who are also jointly exploiting reception centres for asylum seekers in Gent, Turnhout and Retie since 2014. Following problems with the implementation in Antwerp, the contract with G4S was cancelled and awarded to De Vaart again, but in the meantime, several social workers had been laid off and the relationship with users had broken off. The City pursued its practice of outsourcing to other types of services such as community action, housing guidance, drugs addiction services, ... Although the non-profit services active in the field won the tenders in all cases, this approach led to a lot of uncertainty, discontinuity and loss of quality (Grymonprez et al., 2016).

In the sector of disability services, the Flemish Government shifted its subsidies from the supply to the demand side. Instead of subsidising residential care, the Government now assigns personal budgets to disabled people with the aim of solving the problem of waiting lists. Despite the understandable intention to empower users and widen their range of choice, experts fear that the recipients (particularly those with mental disabilities) may not use their budgets in the most appropriate way, while uncertainty in the residential services may lead to lay-offs and loss of competences.

All in all, these experiences have the advantage of demonstrating empirically the differences between various gradations of marketisation. Whereas some degree of competition between service providers may have a favourable effect on service quality and efficiency, a genuine commercial approach involves several risks: a serious bias towards short-term benefits rather than a social investment perspective; 'quality dumping'; neglect of the human dimension; creaming of the target group; discontinuity in relations with service users; and disinvestment in expertise. The following chapters of this report will analyse the boundary conditions for a genuine social investment approach in various service sectors in Flanders, with a particular case study of water provision.

2. Overview of social investment policies in five service sectors

The significance of social investments and, in particular, the Commission's Social Investment Package (SIP) are relatively well recognised in Belgium, unlike many other European countries. Traditionally, the Belgian - and Flemish - governments pursue an ingrained social investment approach to many social policies and retain solid liaisons between different sectors and policy areas. However, recent fiscal consolidation strategies have put a strain on the well-established social investment practices. Therefore, although an overview of the statistical indicators reflects Belgium's relatively good performance regarding social investment, critical divergences both in access to some services and between the different regions are hidden behind those figures (Nicaise & Schepers, 2015). In this section, we will investigate five specific sector profiles in terms of social investment policies, namely early childhood education and care (ECEC), health, housing, financial services and water. The analysis will be focused mainly on Flanders.

2.1 Early childhood education and care⁴

The European Commission (2011) emphasises early childhood education and care as an essential foundation for successful lifelong learning, social integration, personal development and later employability. Moreover, the inequality challenge can be surmounted by adjusted policies at various levels to support not only the children themselves but also their families and the communities they live in (European Commission, 2013). Investments in ECEC strike as being an efficient way to prevent early school dropout and also to enable consolidation of future educational outcomes, employment opportunities, social mobility and health in advance (Schepers & Nicaise, 2016).

Belgium is one of the pioneers in Europe for providing accessible pre-schooling where the history of public pre-schools goes back to the mid-19th century, long before women's activity in the labour market increased (Willekens, 2009). Today, as of 2.5 years old, all children are expected to attend pre-school until they turn six and start primary schooling. Although pre-school attendance is not compulsory by law, attendance is very strongly encouraged by the government and parents, and seen as an obligatory step in their children's education path. Pre-school is free for all except for meals and extra activities.

The three (Dutch-speaking, French-speaking, German-speaking) communities of Belgium have separate and split ECEC systems. Childcare facilities for the 0-3-year-olds are under the responsibility of departments of child and family and the responsibility of pre-primary education passes into hands of ministries of education. The costs of the childcare services for the 0-3-year-olds are mainly linked to the income of the parents as these facilities receive subsidies from the government (Eurodyce, 2014). This makes childcare services in Belgium highly affordable. Nevertheless, there is still a shortage of available places in childcare facilities for 0-2.5-year-olds, which causes long waiting lists (Farfan-Portet, et al., 2011). Moreover, there exist some private childcare centres where the prices are based on their own price setting.

In recent decades, the provision of ECEC developed separately in the three communities. While the French-speaking community emphasised care in collective settings, the Flemish ideal of care relied more on individuals or 'surrogate motherhood' (Kremer, 2006). Still, the coverage rate in the region of Brussels has been much higher than Wallonia (Farfan-Portet, et al., 2011). The coverage rate of the Flemish region increased with the supply of childcare places from private providers. According to the 2015 figures, the

⁴ This section was drafted by Özgün Ünver.

ECEC participation rate of two-year-olds is 82.2%, reaching to 99% for five-year-olds in Flanders (Vlaanderen Onderwijs, 2015).

Participation in ECEC in Belgium is one of the highest in Europe, 98.1% for children three and above. The participation of younger children in day-care facilities is also much higher than the European average: 54.7% for 0-2-year-olds in 2014 (OECD, n.d.). However, disadvantaged children with an immigration background are underrepresented in ECEC. Moreover, segregation remains a problem for Belgium, residentially, socioeconomically, language-wise and in terms of migration background (DG EAC, 2016). The monolingualist ideology of the Belgian education system keeps alienating children with a different mother tongue (Agirdag, 2010; Ünver et al, forthcoming).

Farfan-Portet et al. (2011) made a study on the effect of supply-side and demand-side funding reforms on the use of formal childcare in Belgium. The effect of supply-side funding was measured by the availability of places in informal care facilities, whereas the impact of demand subsidies was measured using a discontinuity in the tax deductibility between 1999 and 2000, when the families were allowed to deduct 100% of childcare costs instead of 80%. Looking at the results from the perspective of low-income families, supply-side policies regarding the availability of places in care settings have a positive impact on the use of these services. However, demand-side initiatives of tax deduction seemed to benefit wealthier families rather than low-income ones, because wealthier families are the ones who can find childcare places more easily. As a result, demand-side measures such as tax relief are found to be enhancing the already existing inequalities (Farfan-Portet, et al., 2011).

Internationally acclaimed as highly accessible, the pre-school system in Belgium is functioning well in terms of access for disadvantaged families. However, there is still a lot of room for improvement when it comes to access to care services for younger children below 2.5 years. Note that this poses less of a problem for two-parent households and families who have access to care by other family members, while single-parent households face greater obstacles (Farfan-Portet, et al., 2011).

The underrepresentation of disadvantaged children in day care facilities is addressed through various means in Belgium. Recently, in Flanders, a quota system was put in place for publicly subsidised day-care facilities in order to enforce crèches to enrol more children from disadvantaged families (Ünver & Nicaise, 2016). Still, the participation of disadvantaged children remains lower than the quota of 20% in many settings.

In the last decade significant investments in childcare have been undertaken in Belgium. Nevertheless, it is shown that the bulk of government spending for childcare in Flanders (Belgium) benefits to higher income families (Van Lancker & Ghysels, 2011). Considering the gap in employment rates between high- and low-skilled women (in the 25-64 age bracket) and the guaranteed childcare places, the major challenge in the Belgian case is not situated in the area of childcare per se, but in the labour market, i.e. the inegalitarian access to jobs (Ghysels et al 2010; Vandenbroucke and Vleminckx, 2011; Van Lancker et al, 2011). Since the Belgian policy has not been very effective in achieving high employment rates for low-skilled women (Marx, 2008; Vandenbroucke, 2010; van Vliet, 2010), the dispute is not the Belgium's social investment policies but the inconsistency between social investment and labour market policies (Vandenbroucke and Vleminckx, 2011).

2.2 Health care⁵

The healthcare sector is one of the foci of the European Commission's 'Quality framework for services of general interest' aiming to protect the highly regulated and subsidised sectors from the potential damage of commercialisation, by guaranteeing access to quality services for all (European Commission, 2011a). However, across the EU, budget cutbacks in the healthcare sector shifted part of the costs to the users while reductions and subsidies for vulnerable groups were being reviewed (Duffy, 2012). Moreover, inadequate health care for vulnerable groups is a great waste of human capital and therefore a huge potential economic

⁵ This section was drafted by Rita Baeten.

loss: a report by the European Commission estimated the welfare loss due to health inequalities between 1.5% and 9.5% of GDP (Mackenbach et al., 2007).

The Belgian health care system is organised on two levels: federal and federated entities. The federal level refers to compulsory health care insurance, financing of hospitals and heavy medical care units, registration of pharmaceuticals and their price control, while federated entities are mainly responsible for health promotion, preventive health, different aspects of elderly care, and supporting federal bodies in the financing of hospitals. As summarised by Corens (2007) and Gerkens & Merkur (2010), the system is built upon the principles of equal access and freedom of choice, with a Bismarckian-type of compulsory national health insurance, through a reimbursement system. Almost the entire population (> 99%) is covered for a very broad benefits package by the compulsory health insurance. Financing is based mostly on social security contributions related to income and, to a lesser extent taxation. All citizens register with a sickness fund. The latter receive a budget from the centrally collected contributions to finance the health care costs of their members.

Health care delivery is mostly private, based on independent medical practice, free choice of health care provider for the patients and remuneration predominantly based on fee-for-service payment. Hospitals are public or not-for-profit.

For ambulatory care, the patient pays for the full cost of the service and then obtains a reimbursement from the sickness fund. For drugs and hospital care, the sickness fund pays the provider directly. Patients pay co-payments and, depending on the provider they consult, may have to pay supplements. The level of co-payments depends on the income and social status of the patient. A cap on the total annual amount of co-payments per patient applies.

A 2016 report by Vrijens et al. on the performance of the Belgian health system revealed the following strengths and weaknesses:

- 78% of the Belgian population report being in good health, which is a better result than the EU 15 average. The population also reports being satisfied with their contacts with the health system;
- concerns subsist with regard to accessibility of care. There is a high level of out-of-pocket payments (18% of total health expenditures) compared to other European countries. The number of households reporting to have delayed contacts with health services for financial reasons remains substantial, especially in the lowest income group;
- most aspects of the quality of care are situated around the EU-15 average. However, preventive care such as infant vaccination and cancer screening coverage does not always meet international targets. Some of the mental health and mental healthcare indicators are alarming. Suicide rates remain high; hospitalisation rates in psychiatric wards continue to increase;
- the health system is becoming more efficient in some aspects. However, inefficiencies do persist, in particular, over-utilisation of investigations/equipment and inappropriate treatment in many domains of care;
- socioeconomic inequalities are observed in health outcomes, in financial accessibility, and in the use of preventive services.

Prior to 2012, the health budget had been cushioned from any cuts, by a legally set growth target guaranteeing a 4.5% annual increase in the budget. Moreover, several measures were taken since 2008 to reduce financial barriers in accessing health care and to protect vulnerable groups. Most of these were already being considered before the crisis. The benefits package of the compulsory health insurance for self-employed was extended in 2008, to also cover outpatient care. User charges for specialist care were capped at € 15.50 for individuals in 2010, while patients eligible for increased reimbursement have much lower co-payment levels. Measures were taken to limit extra billing (supplements) in hospitals and to better reimburse certain medical products. As a result of all these measures, the share of user charges in the total health spending decreased slightly between 2007 and 2011.

From 2012 onwards, this annual growth cap of 4.5% was gradually reduced to 1.5 % for 2016 and 2017. The reductions resulted from criticism that the initial norm was too generous as well as pressure from the

EU. Indeed, to comply with the Stability and Growth Pact, the EU insisted since long on reducing the government deficit and, in 2012, in the context of the European Semester, issued a country-specific recommendation to curb expenditure in health care. Implementation of the austerity measures in 2012 led to more than € 2.3 billion ‘savings’ in the Belgian healthcare sector. Reforms to comply with the reduced growth norm focused mainly on measures that would not be felt immediately by patients, such as a reduction of the prices of pharmaceutical products and doctors’ fees (Cleemput et al., 2015). Nevertheless, due to the general increase in user charges for health care services (especially supplements that can be charged in excess of the reimbursement tariff), combined with the relative ineffectiveness of the selective protection measures for vulnerable households, many low-income families are no longer adequately protected.

At an institutional level, a State Reform in 2014 transferred substantial powers in health care from the federal level to the communities, including residential nursing care for older patients, hospital infrastructure and investment in the organisation of primary care.

In 2017, the government decided to cut another € 900 million from the capped budget. To reach this amount, increase in doctors’ fees were limited and cheaper pharmaceuticals were promoted. For some specific pharmaceuticals user charges increased. A big hospital reform aimed at centralising services was also announced. These budget cuts led to severe tensions between sickness funds and healthcare providers.

The trends in financial obstacles in health care clearly reflect the impact of the crisis and related austerity measures. Before the crisis, a downward convergence was observed in reported unmet needs for financial reasons in all income groups. Between 2004 and 2008, approximately 0.1% of the households in the highest income quintile reported such financial obstacles, while the corresponding percentage in the lowest income quintile decreased from 4.1 to 1.1%. By 2016, these shares had risen to 0.3% for the richest and 7.7% for the poorest quintile, respectively (Federal Public Service Social Security, 2017: 64).

To sum up, conforming Cantillon’s (2011) paradox of the social investment state, social investments fell victim to widening inequalities in healthcare sector as well, despite additional measures aimed to protect the lowest income groups.

2.3 Housing⁶

The housing sector in Belgium differs from the corporate welfare states that pursue de-commodification of access to housing through the provision of large stocks of social housing. In Belgium, strategies of stimulating property acquisition through direct and indirect measures have played an important role for more than a century (De Decker, 2008). This implies that housing is seen as an individual responsibility supported by the government, rather than a social right.

Since 1980, respectively 1988, the Regions of Flanders, Wallonia and Brussels are responsible for housing policy (Haffner et al., 2009 Haffner and Bounjouh, 2014). This excluded the fields of rent policy and legislation for the private rented sector, as well as tax deductions for mortgage loans, which remained the responsibility of the national government.

In the beginning, the three regions largely based their housing policy on the 1970 National Housing Law (*Huisvestingscode*), which established the legal basis for housing policy in Belgium. The Flemish Region implemented the 1997 Flemish Housing Law (*Vlaamse Wooncode*) and renewed it in 2007. The legal basis for the housing policy in the Brussels Region is laid down in the Housing Law of 2003, renewed in 2013. In 1998, the Walloon Region passed its Housing Law (*Code Wallon du Logement*) and reformed it in May 2013. In 2012 the name of the 1998 Decree was changed to Housing and Sustainable Living Law.

The Housing Laws provide the framework for housing policies in the areas of quality control, the organisation and financing of social rental housing and owner-occupied housing, and subsidies for housing for private persons. They generally lay the ground for the aim to fulfil the constitutional right to decent housing (Article 23 of the Belgian Constitution). However, the right is not legally enforceable (see also Corrette, n.d.). In terms of central assumptions and strategies, divergence in policy between the regions

⁶ This section was drafted by Marietta Haffner.

remained limited, according to Winters and Heylen (2012). The strong focus on home ownership in policy with different types of subsidies (social loans, social dwellings, etc.) has not changed (Haffner et al., 2009; Haffner and Bounjouh, 2014). The share of homeownership among the population is more than 70%, and it is highest in Flanders, the region where more than half of the Belgian population and households are living.

With the State reform of 2014, the tax deductions for mortgage loans of owner-occupiers were transferred from the federal level to the Regions. These tax deductions are very favourable for owner-occupiers. This resulted in a 61% share of the Flemish government's housing budget being spent on home ownership, while 35% was spent on social housing. 5% of the Flemish budget was reserved for private renting, while its market share reached 20%, and social renting 5-6% in 2013 (Winters, 2016). Considering the urban density, the share of renting in Brussels is much higher than in the Flemish Region, the Walloon Region finding itself closer to the situation in Flanders than Brussels (Haffner and Bounjouh, 2014).

The Global Financial Crisis of 2008 did not hit Belgium as hard as some other countries. Winters (2017) reports that new construction and sales of dwellings slightly slumped in Flanders, but picked up relatively soon after the crisis. As a crisis measure, the Belgian government lowered VAT rates in 2009 and 2010, while the Flemish government promised to invest extra in social renting (Haffner & Bounjouh, 2014). Other crisis measures included that the Belgian government came to the aid of banks in trouble, warding off reforms (Haffner & Bounjouh, 2014; Winters, 2017). Therefore, the mortgage market was barely affected.

Any housing allowance in Flanders that had been available in the rental sector was linked to social renting (applicants being formally on the waiting list) only with the reform of May 2014 (Winters, 2016). Also in 2014, (since 1 July) the responsibility for the regulation of private renting was regionalised. In Flanders Hubeau and Vermeir (2016) evaluated the 1997 national law and law practice as preparation for any potential reforms.

In 2014 the Flemish government announced that it would reduce the tax deductions for mortgage loans (re-baptised *woonbonus*) by 1 January 2015 (Winters, 2017; based on Vastmans et al., 2014). The reform came about as the Flemish government realised that the *woonbonus* would become unaffordable in the long run, while at the same time it led to price increases in the quite inelastic supply of stock; and income redistribution towards higher income households. Brussels was going to reduce (its equivalent of) the *woonbonus* by 1 January 2017, while the Walloon Region reduced it in January 2015, and again in January 2016.

EU-SILC data for 2007 and 2015 demonstrate that the majority of the at-risk-of-poverty population are tenants. Compared to the rest of the population, households at risk of poverty live in lower quality, more overcrowded and in less affordable dwellings.

Winters (2017) concludes for Flanders that the right to affordable and decent housing is coming under increasing pressure. Certain shares of social tenants and owner-occupiers with a mortgage are being confronted with an unaffordable housing situation; the share is largest in the private rental sector, regardless of the method of measurement (expenditure to income or budget). Especially in the rental sector, about one in three tenants are considered to be paying unaffordable housing costs. Since 2005 the share of households with 'too high' housing expenses has continuously increased. On quality, in 2013 more than one in three dwellings scored 'too low' in comparison with the Flemish norms. Generally, low-income households, single parents, singles, and the unemployed are more likely to live in unaffordable and/or insufficient quality housing, Winters (2017) concludes, whereas the percentage of people with a high or very high level of satisfaction with their dwelling is high.

In a nutshell, in spite of the long-term effects of the quality of living on the physical and mental health and the general welfare of families, the Belgian national and regional governments have maintained a counterproductive redistribution policy through over-subsidisation of private property and systematic under-investment in social housing. Considering the fact that the highest return is among the most vulnerable groups, better targeting can be the starting point for improvement. Considering that social housing supply remains inadequate, the best approach would be a fully-fledged system of rent subsidies in the private rental market to provide affordable living for low-income families who cannot get access to social housing.

2.4 Financial services⁷

The European Commission (2008) defines financial exclusion as ‘a process whereby people encounter difficulties accessing and/or using financial services and products in the mainstream market that are appropriate to their needs and enable them to lead a normal life in the society in which they belong’. Financial exclusion should, therefore, be viewed across a spectrum of financial services. The main indicators of financial exclusion are lack of access to bank accounts (to manage payments and save), to affordable credit and mortgage, to insurance; and a situation of over-indebtedness.

A specific study of financial exclusion shows that 3% of the Belgian households are ‘unbanked’, 3% are ‘marginally banked’ and five per cent have ‘no transaction bank account’ (EU, 2008). Moreover, as far as access to low cost credit is concerned, it was found that 37% of the Belgian adults had ‘no revolving credit’, 17% had ‘a loan’ and 13% had no savings (EU, 2008: 27). The 2008 data collected by the EU provide evidence on the financial pressure on the poor. In Belgium about 7 per cent of the poor are in ‘critical situation’ compared with 4% of the total population.

In the immediate aftermath of the crisis – 2010 - the percentage of people who reported ‘(great) difficulty to make ends meet’ declined very slightly: this could well be due to the fact that 20% of population who were in difficulty before the financial crisis still could rely on social security support to make ends meet. This is also corroborated by data on facing unexpected financial expenses. Between 2013 and 2014 there was a very little change in the percentage of Belgians who could not ‘face unexpected financial expenses’.

In terms of policy response in Belgium, a national debate about financial exclusion led to the implementation of various measures proposed by the EC’s General Directorate of employment, social affairs and equal opportunities. Government policies have been centred on both the supply and demand sides of the financial markets. For example, one policy focused on access to banking services through legislation (EU, 2008: 59) whilst promoting access to affordable credit. The basic idea is to offer low-cost transaction banking that, however, may not offer an overdraft facility.

The Belgian bank sector developed voluntary charters and codes for the practice of ‘basic bank accounts’ while the government promoted convenient access to the financial basic services of the bank for people with a low income or promoted training for people who don’t like to use these financial services. As part of the basic bank account policy, Dexia Bank (now Belfius) developed a social bank account scheme so as to enable the municipal Public Centres for Social Welfare to help disadvantaged people access banking services. The development of Proton electronic wallet was also part of a policy facilitating small transactions without the use of cash.

Another policy to facilitate access to basic bank accounts was the assistance of commercial banks to other financial institutions in reducing the cost of offering financial services. The setting up of the Post Bank in 1995 by commercial bank Fortis was such an example that led to offering basic bank accounts (EU, 2008: 63). In this way, commercial, socially oriented providers, including the saving banks, and post offices are more active in developing new products and alternative financial services.

Belgium legally requires retail banks to offer basic banking services to Belgian residents for transactions with non-commercial purposes, with a cap on the bank service charges. The Belgian government encouraged banks to offer simple, low-cost transaction accounts to also meet the needs of people with a low or unstable income. It was reported that 5,000 new transaction accounts were opened in 2005 following the bank account regulation. The scheme is backed up by a compensation fund managed by the Belgian Central Bank to which retail banks contribute (EU, 2008: 101-102). Moreover, even though the number of people without a transaction account fell between 2001 and 2006 in Belgium, the situation of people who are most likely to be affected (i.e. migrants, people with little or no education and people going through debt settlement programmes) had remained the same (Disneur et al, 2006).

In the area of access to credit, Belgium regulates both on the supply and demand side of the credit market. Belgium has experimented with a partnership between commercial and social credit providers to offer low-cost credit. The Postal Bank had been involved with the Walloon regional authority by laying out

⁷ This section was drafted by Mahmood Meskoub.

the capital and back office operations, while the regional authority met all other costs including loan guarantees. The interest rates charged in the mid-2000s were between 4.5 and 7% on average (EU, 2008: 71). The partnership with the Post Bank ended a few years later but a financial not-for-profit cooperative called Credal joined the project. There are, however, limits to such partnerships because of the lack of involvement of commercial banks as well as other not-for-profit organisations. (EU, 2008: 75) Another scheme provides low-cost credit through public sector pawnbrokers who offer small credit at rates well below commercial pawnbrokers (EU, 2008: 70).

The government has also promoted consumer protection through the office of an Ombudsman with the participation of a consumer representative that provides for an easy ‘out of court’ procedure dealing with irregularities committed by providers. Belgium also promotes transparency in cost (interest rates, fees, etc.) and terms of credit. By the Belgian act of 5 July 1998,⁸ a ‘collective debt settlement’ procedure was created for the debtor who faces excessive debts. Families granted a debt settlement plan can redress their financial situation and do not need to pay back the full amount of the debt - in order to protect ‘human dignity’ by maintaining a minimum living standard. In short, debt repayment should not lead to homelessness, hunger and abject poverty for the indebted people and their family.

On the supply side, the banking regulation related to consumer credit requires the lender to check that a loan applicant is solvent and can pay back the loan, by referring to the national credit reporting agency and gathering all the necessary information. It is important to note that failure to observe these regulations could result in penalties imposed by courts that may include rejection of late penalties, limiting the borrower’s repayment to the amount of a loan, repayment by instalment (excluding all interests and fees) and limiting the possibility of damage recovery by the borrower (EU, 2008, 107-108). Whilst such regulations are directed at responsible lending, they may well lead to financial exclusion by limiting the provision of credit to those in need.

In Belgium, public centres for social welfare (OCMW for Flanders, CPAS for Wallonia) provide social services as every citizen of Belgium has a right to financial and social assistance and social integration. Specifically for the people without sufficient resources, a minimum income (leefloon) is provided by the OCMW/CPAS. Moreover, people with financial problems can consult the Centre for General Welfare (Centrum voor Algemeen Welzijnswerk- CAW) for professional help such as budget counselling, budget control, debt mediation, and support with collective debt settlement.

To conclude, new criteria and credit risk analysis should be developed to face the demand of excluded people. While an individualised approach will be necessary to achieve this objective, commercial providers and not-for-profit organisations may still play a crucial role since the people and the risks affecting them are more and more numerous in our societies and the mainstream providers’ current risk analysis is not adapted. Yet, public authorities should establish such an offer for financially excluded people by promoting partnerships involving the different types of credit providers (commercial mainstream providers, commercial socially oriented banks, credit unions and not-for-profit providers).

2.5 Water

This section is a summary of the introduction about the institutional and policy context in Chapter 3. As in most countries in Europe, the provision of water is not liberalised in Belgium. Since 1836 it has been the competence of municipalities to provide their citizens with access to drinking water. Water services are provided by public companies, in that they are organisations to which the state has assigned a public duty. Water policy has become a *regional policy* competence since 2014. The regulations and practices regarding the provision of water are also different between the three regions in Belgium.

Water poverty is a relatively new concept. It describes the situation whereby a person does not have access to sufficient water of good quality to meet his/her basic needs for food, personal hygiene and domestic purposes. In Belgium, measuring water poverty is difficult, because of the many actors that are involved

⁸ The procedure was modified by two statutes of 13 December 2005.

with water supply and because of the relatively recent efforts to collect data in a more systematic way. Although water consumption in general is decreasing, several indicators are alarming: between 2009 and 2013, the overall bill for water increased by 14% in Flanders, 25% in the Walloon region and 46% in the Brussels region. The steep increase in prices was partly due to crisis measures or cuts in subsidies, but primarily to *increased investments* in infrastructure for distribution and purification, as a result of a European directive. According to a report of the Flemish Socio-Economic Council (SERV 2012), the proportion of disposable income spent on water is higher for people living on low incomes: the poorest people have more difficulties paying their water bills. Single parent households, single persons, tenants and households in the three lowest income deciles face particular difficulties.

The three main reasons for water poverty are insufficient income, excessive water bills and bad housing conditions. Belgian households are not equal with regard to their water bills. The three regions have different tariffs. In Flanders, since 2016 there has been a new tariff structure for water, composed of a basic tariff and a comfort tariff. Per household unit, a fixed amount of 30m³ is granted at basic tariff, with an additional 30m³ per person in the household. All additional consumption is charged at the comfort tariff that is double the basic tariff. The reform also introduced a special status of ‘protected clients’, for people living on minimum income, on benefits for disabled people and for pensioners living on a guaranteed income for the elderly. They have the option to request free check-ups of their water meters, get monthly water bills, a free water scan, automatic warnings in case of abnormal consumption, reminder letters without fees, and personalised payment plans on request. The group of ‘protected clients’ is subdivided into two groups: people entitled to the ‘social tariff’ and those who pay the normal price. To ensure affordability of water, the Flemish region offers a social tariff for people with low incomes: they receive a reduction of 80% on their water bills. But the number of social clients covers no more than 10.8% of the total number of the at-risk-of-poverty population in Flanders. The Brussels and Walloon regions do not have social tariffs comparable with the 80% reduction in the Flemish region.

To better understand who is in water poverty, we give a short description of the procedures in the event of default of payment, based on the figures of the Flemish Agency for the Environment (VMM). Clients can request delayed payment of water bills, which is usually granted by the water companies. In 2015, 6.7% of all clients received a notification of default of payment procedure, a number that is decreasing. VMM statistics show an increase since 2013 in requests for payment plans and in the numbers of cases of default of payment brought before the Local Advisory Committees (LACs), but the number of effective disconnections is relatively stable. Protected clients who are paying the social tariff receive (in proportion) the least notifications of default of payment. Clients have a right to be granted a payment plan according to Flemish law. Payment plans can be granted by water companies as well as imposed by Local Advisory Committees (LACs). In the latter case, the plans are imposed to avoid disconnection.

Disconnection of clients from the water supply is exceptional in Belgium: 0.15% of clients in Flanders in 2015, and even fewer in Brussels and the Walloon region. But in both regions there has been an increase in disconnections since 2012 (SPEG, 2015). Furthermore, it is still a fact that in Flanders more than 4,000 households are disconnected from water supply.

In her policy note, the Flemish Minister for the Environment, Joke Schauvliege, states that affordable drinking water is a right and that access to water for all must be guaranteed, including for people living in poverty. In the Flemish Action Plan against Poverty (VAPA) 2015 – 2019, several policy measures were announced in the fight against water poverty. The most important measure was the introduction of a new tariff structure. During the preparation of the new decree, many consultations were held with different organisations (SERV, MINA Council, anti-poverty organisations) which all pointed to the potential water poverty risks the decree should avoid and suggested possible solutions. An ex-ante poverty impact assessment was carried out that persuaded policy-makers to increase the reduction in the price of water for low-income households from the originally planned 75% to 80% of the total water bill. VAPA states that the share of the water bill in the disposable income of vulnerable households should not exceed 5%. VAPA also announced the development of a guide to good practices for LACs on water poverty, to be drafted by

Samenlevingsopbouw, in cooperation with PCSWs, the umbrella organisation of municipalities VVSG, the Flemish ombudsman and representatives of water companies in Flanders.

In terms of policy recommendations, the right to water and sanitation should be included in the Constitution to secure the public character of water provision at national and international level. The rights of consumers should also be strengthened by organising meetings with different actors and developing a binding concept of 'reasonable payment'. Not only should the rights of clients using collective water systems and intelligent meters be guaranteed but also a tariff system that obeys social, solidary and ecological criteria should be put into practice. Payment difficulties should be handled through dialogue, with full respect for clients' rights: and finally, a policy of rational water consumption for families living in poverty or insecurity should be implemented.

3. The case of water provision in Flanders

3.1 Background

3.1.1 Legal and operational context for water provision in Belgium

This chapter deals with the role of public water and sanitation services, from the perspective of accessibility and affordability for vulnerable people. It starts with the question of whether everybody has access to good quality water and sanitation at affordable prices, viewed from a human rights perspective.

As in most countries in Europe, water provision is not liberalised in Belgium. Water services are provided by public companies, in that they are organisations to which the state has assigned a public duty. Since 1836, providing citizens with access to drinking water has been a competence of municipalities. Nowadays, water companies are mostly inter-municipal companies with distribution of drinking water as a mission of general interest. In Belgium, water policy has been a competence of the *regions* since 2014. There are 38 major companies involved in the supply and distribution of water in Belgium, which often apply different policies, especially with regards to pricing. The regulations and practices governing the provision of water also differ between the three regions in Belgium.

Water poverty is a relatively new concept. It describes the situation when a person does not have access to sufficient water of good quality to meet his/her basic needs for food, personal hygiene and domestic functions.

In Belgium, around 15% of the population suffers from energy poverty. But putting a figure on water poverty is a lot more difficult because of the many actors that are involved with water production and because of the relatively recent efforts to collect data in a more systematic way. Although water consumption in general is decreasing, several indicators flag up a red warning: between 2009 and 2013, water bills increased by 14% in Flanders, 25% in the Walloon region and 46% in the Brussels region. The *steep increase in prices* was partly due to cuts in subsidies (removal of the free minimum provision of water), but also to *increased investments* in infrastructure for distribution and purification. These investments are necessary for sustainable water use but can have detrimental effects in terms of equity.

The *three main reasons for water poverty* are insufficient income, excessively high water bills and bad housing conditions. Water poverty, just like energy poverty, cannot be separated from general poverty problems. There is no commonly accepted indicator for water poverty. A number of data indicate the extent of the problem, such as the proportion of disposable income spent on water bills (the commonly used international standard says this should not exceed 3%), self-reporting by households about affordability of water bills, debts, payment plans and the number of disconnections from water supplies.

Belgian households are not equal when it comes to water bills. The three regions have different tariffs. The Flemish Water Decree of 2002 aimed to promote sustainable use of water and defined a clear link between water consumption and the levy for purification. In *Flanders*, since 2016, there is a *new tariff structure* for water. Whereas prior to that date, every person in a household was entitled to 15 m³ of free water, regardless of income, on 1 January 2016 a progressive tariff was introduced, composed of a basic tariff and a comfort tariff. A fixed volume of 30m³ per household is supplied at a basic tariff, with an additional 30 m³ per person in the household. A family of four will thus receive 150m³ at the basic tariff. All additional consumption is charged at the comfort tariff that is double the basic tariff. The reform also introduced a special status of *protected clients*, for people living on minimum income or on disablement benefits and for pensioners living on a guaranteed income for the elderly. They can request free water meter measurements,

get monthly water bills, a free water scan, automatic warnings in case of abnormal consumption, reminder letters without fees, and personalised payment plans on request. The category of protected clients is subdivided into two groups: people entitled to the *social tariff* and those who pay the normal price. To ensure affordability of water, the Flemish region offers a social tariff for people with low incomes: they receive a reduction of 80% on their water bills. This group is considerably smaller than the entire group of protected clients: in 2015 there were 175,355 protected clients (6.8%), of which 154,691 enjoyed the social tariff. The discount was increased from 75% originally foreseen in the Water Decree, to 80%, thanks to the poverty impact analysis carried out on the draft decree. But the number of social clients does not cover the total number of people living at risk of poverty in Flanders (10.8%).

The Brussels and Walloon regions do not have social tariffs comparable to the 80% reduction in the Flemish region. The *Walloon municipalities can grant reductions* for certain categories such as large families, pensioners and people living on minimum income benefits. In *Brussels*, the tariff is subdivided into four categories and is based on a fixed yearly contribution, plus the cost of distribution and two additional contributions for purification of water. The water tariff per m³ is progressive in proportion to the number of family members and the volume of consumption.

The average *consumption* of water in Belgium is around 100 litres per day and is decreasing. But the more the higher water costs - mainly due to increased investment in purification - impact on family budgets, the greater the risk of families falling into water poverty. Between 2009 and 2012, the average proportion of family expenditure going into water bills rose by 76%. In the Walloon region, families spend on average 1.06%, in Brussels 0.91% and in Flanders 0.79%.

Similarly to ‘energy poverty’, recent research has focussed on a normative framework to identify households who are ‘*water-poor*’, i.e. who (have to) spend too much of their income on water. For this purpose, Vanhille et al. (2018) introduce an interesting conceptual framework that combines ‘needs-based’ and ‘expenditure-based’ criteria of water consumption. The needs based is ‘deductive’, based on reference budgets for different household types, and using the standard price: it actually evaluates whether the household’s income is high enough to allow its water consumption to remain below a preset threshold (expressed in % of total income). The expenditure-based criterion, by contrast, reflects whether the household’s actual expenditure on water exceeds a certain percentage of its income. Moreover, two relative thresholds are used: 3% (the commonly used norm in the international literature) and 1.4% (the median expenditure of poor households in Belgium). Interestingly, the expenditure-based threshold identifies a substantial proportion of high-income households that consume disproportionate amounts of water as ‘water-poor’; on the other hand, among the water-poor households identified with the needs-based criterion, many manage to spend less than the threshold thanks to preferential tariffs or (domestic) under-spending. The intersection between the two criteria yields a subgroup of ‘truly water-poor’ households, which is very small (0.6% of the population) when using the 3% threshold, but substantial (10.8%) when the threshold is set at 1.4%.

An alternative approach to ‘water poverty’ looks at the *procedure in case of default of payment*, based on information from the Flemish Agency for the Environment (VMM). Clients can request delayed payment of water bills, usually granted by the water companies. When the payment still is not made by the final date, the client will receive a reminder letter, explaining the default of payment procedure and drawing attention to the possibility of requesting a payment plan. In 2015, 6.7% of all clients received a notification of default of payment procedure, and this number is decreasing. Protected clients on the social tariff receive proportionally the fewest notifications of default of payment. Clients have a right to be granted a payment plan, under Flemish law. Payment plans can be granted by water companies as well as imposed by Local Advisory Committees (LACs). In the latter case, the plans are imposed to avoid disconnection.

Procedures for disconnecting clients who are in default of payment differ between the regions in Belgium. In *Flanders* they require a *decision by a LAC* (Local Advisory Committee) comprised of social workers and a council member from the local centre for social welfare (PCSW) and of members of the water companies. Practices differ also between different municipalities. Most Flemish municipalities have functioning LACs for water. In those municipalities where LACs do not exist, people cannot be disconnected because of default of payment. 70% of disconnections are carried out by two water companies. In recent years, water

companies in the Flemish region have been keeping social statistics on water that are collected by VMM. Since 2013, these statistics show an increase in requests for payment plans, and in the numbers of cases of default of payment brought before the LACs, but the number of effective disconnections is relatively stable.

In the *Walloon region*, the client in default of payment is sent a reminder letter, informing him or her of the option of requesting an intervention by the *Social Fund* for water. The procedure in the *Brussels region* is similar. In both regions *intervention by a judge* is needed to disconnect families from water supply, but in Brussels disconnection is forbidden during certain periods of the year.

Disconnection of clients from water supply is *exceptional* in Belgium: 0.15% of clients in Flanders in 2015, and even fewer in Brussels and the Walloon region, where a judge's decision is needed. But in both regions, there has been an *increase* in disconnections since 2012.⁹ Furthermore, it is still a fact that in Flanders more than *4,000 households* are disconnected from water provision. No data are collected on the profiles of clients who have been disconnected in the reports of the VMM. The SERV report in 2012 noted that single persons and families with four or more members are overrepresented.

3.1.2 Growing policy attention to water poverty

The following section focuses only on policy developments in the Flanders region, since these are more advanced with regards to improving people's access to water.

For many years, access to water supply services has not been a priority in Belgian policy-making. It was only from 2004, when the inter-federal Combat Poverty, Insecurity and Social Exclusion Service (identified below as the Combat Poverty Service) was organising consultations in a dialogue group on access to energy, that some of the group members pointed to problems relating to the provision of water. The Combat Poverty Service then decided to organise a new *consultation group on access to water and sanitation*.¹⁰ This led to the publication of a chapter on water policy in the organisation's two-yearly report for 2008-2009. The report not only provided a first general state-of-play of the legal provisions affecting the right to water, the social aspects of water policy - especially with regards to vulnerable groups - pricing policy and the payment problems that people face, it also formulated policy recommendations for public authorities at different levels. Since data on access to water, water consumption, payment problems and disconnections were scarce, the Combat Poverty Service conducted an enquiry among water companies to gather information and develop social indicators for water provision and consumption. Since then, these data have been regularly published by VMM, the Flemish Agency for the Environment. In 2012, the Social and Economic Council for Flanders, in its report on social aspects of water policy, raised the matter of water poverty as a serious problem. After 3 years of work on energy poverty, the theme of water poverty was also picked up by Samenlevingsopbouw (the Flemish umbrella organisation for community development), which developed the first initiatives with vulnerable groups to improve their access to water. In 2013, as a result of discussion in the consultation group on poverty that is advising the Flemish government, a so-called sound-board group was created, composed of poverty organisations, the Combat Poverty Service, the ombudsman and the water companies' organisation, with the aim of improving social reporting on water.

In her policy note, the Flemish Minister for the environment, Joke Schauvliege, states that affordable drinking water is a right and that access to water for all must be guaranteed, including for people living in poverty.

In the *Flemish Action Plan against Poverty (NAPA) 2015-2019* several *policy measures* were announced in the fight against water poverty. The most important measure was the introduction of a *new tariff structure*. As mentioned above, in 2016 the Flemish Decree on drinking water was changed, to introduce a uniform tariff structure in the region, together with a social tariff for vulnerable clients and a status of protected client. During the preparation of the new decree, many consultations were held with different organisations

⁹ Figures from power point presentation Henk Van Hootegem, based on VMM social statistics, SPGE Fond social de l'eau, Hydrobru, activity report 2015.

¹⁰ For the composition of this consultation group see annex.

(SERV, MINA Council, anti-poverty organisations), which all pointed to the potential water poverty risks the decree should avoid and suggested possible solutions. An ex-ante *poverty impact assessment* was held that persuaded policy-makers to further reduce the price of water for low income households from the 75% originally planned to 80% of the total water bill. In the follow-up to VAPA, an evaluation will be made of the conditions and criteria to qualify for the social tariff. VAPA states that the share of the water bill in the disposable incomes of vulnerable households should not exceed 5%. VAPA also announced the development of a *guide to good practices for LACs* on water poverty, to be delivered by Samenlevingsopbouw, in cooperation with PCSWs, the Combat Poverty Service, the umbrella organisation of municipalities VVSG, the Flemish ombudsman and representatives of water companies in Flanders.

3.1.3 The water and poverty project



To encompass a *participatory approach* to the assessment of access to affordable and good quality water supply and sanitation in Belgium, instead of organising specific focus groups solely for the purpose of this report, the authors have drawn on the existing participatory approaches that have been working for quite some time in the Flemish region.

This chapter is based on the (unpublished) interim and final reports of the project at Flemish regional level, and on the minutes of the meetings in Wetteren, two of which I attended.

In its work on energy poverty over many years, *Samenlevingsopbouw*, the Flemish social NGO engaged in community work with vulnerable groups in society, has met with an increase in cases of water poverty.

Growing numbers of people have insufficient access to water of good quality. Water poverty is often hidden, and people develop survival strategies to deal with disconnection. Samenlevingsopbouw was amongst the first grass-root organisations, working with vulnerable groups, that started working on water poverty.

In 2014, the organisation received extra funding from the Flemish Minister for the Environment to propose solutions to this problem. In 2014 and 2015, Samenlevingsopbouw explored the issue through contacts and interviews with public centres for social welfare (PCSW), Local Advisory Committees (LACs),¹¹ community and street workers, and people experiencing poverty. They reached out to vulnerable consumers in many cities in Flanders through contacts with social NGOs, organising group discussions with people experiencing water poverty, including with people who appeared before the LACs, and home visits to collect their testimonies and descriptions of concrete cases. In 2015 and 2016, the focus was on the functioning of the LACs, facing an increase in cases of people unable to pay their bills, with a growing impact on the number of people suffering water poverty. They interviewed social workers about their experiences and practices with LACs. Through a partnership with the Flemish umbrella organisation of municipalities VVSG, they obtained a response rate of 70% to their questionnaire. They also worked with several water companies on their approach to vulnerable clients. On the basis of these interviews and of practical experience at several PCSWs, where they followed the LAC sessions, the community workers of Samenlevingsopbouw developed a *guide to good practices* for LACs, which is now being disseminated and implemented, amongst other things through a *web tool* developed by VMM, the Flemish Agency for Environmental Policy, and through *training sessions for PCSWs* in December 2017. In its final report, Samenlevingsopbouw formulated *policy recommendations* addressed to water companies, LACs and PCSWs. A description of the methodology and of the groups of people consulted is given in Annex 2.

In 2017, Samenlevingsopbouw Oost-Vlaanderen further built on these experiences at Flemish regional level, engaging in a participatory process with people experiencing water poverty who are organised in a social NGO, *Permanent Welzijnsoverleg (PWO)*, in Wetteren. The community worker of Samenlevingsopbouw had six meetings with 18 people, from January to June 2017. During the meetings, information was given on the existing regulations on water, the changes in law, the tariff structure, the status of ‘protected client’ and social tariffs. Training sessions were organised on how to read water bills and understand the different components of the bill, on ways to save water, register water consumption and request a water scan to discover possible leakages. A representative of the PCSW described the role and functioning of the LACs and what the PCSW can do for people who experience water poverty. The community worker recorded the problems confronting local people, recorded cases of water poverty and discussed with them the possible ways of dealing with the problems. In a final meeting, the *recommendations* to the PCSW and the LACs were presented to the person responsible for energy at the PCSW, by the PWO members. They were later also sent to the president of the PCSW council for Wetteren. The recommendations are related to problems with water meters, estimated water consumption, saving water and water scans, the social tariff and water bills, and the functioning of the LACs.

The recommendations from both processes are reflected in the conclusions of this report and found in more detail in Annex 2.

¹¹ Local Advisory Committees are committees within the PCSW that decide on requests from water companies to disconnect clients from water provision. Decisions are taken in consensus between social workers from the PCSW and representatives from water companies.

3.2 Analysis

3.2.1 Access to water and sanitation as a public good and human right, including for the most vulnerable

Although Belgium has ratified the 1999 Protocol on Water and Health of the Economic and Social Council of the UN, including the objective to recognise access to water as a human right, the right to water and sanitation is still *not officially recognised in the Belgian Constitution*. Nonetheless, the right to water can be seen as covered by the *right to a decent life* for all. It can also be linked to the *right to decent housing* and the *right to health protection*, guaranteed by the Constitution. There is plenty of evidence that decent housing is not possible without access to water, and many health problems are due to poor living conditions, including lack of access to water. In a number of judgments, judges have refused requests for disconnection, referring to the right to live in dignity that should be seen as a higher principle which all actors should obey, especially public actors who are entrusted with a public service.

At *international level*, the right is not explicitly mentioned in international human rights conventions as a right in itself either. The 1966 International Covenant on Economic, Social and Cultural Rights contains *no explicit reference to the right to water* but recognises the right of all to a decent standard of living, including food, clothing and housing, as well as the improvement of living conditions. The Committee that follows up the Covenant made it clear that it considers energy, water and sanitation as basic services in the framework of decent housing and links the right to water to the right to a healthy life. In July 2010, the *General Assembly of the UN recognised the right to water and sanitation as a human right*, essential for the fulfilment of the right to life. In September 2010, the *Human Rights Council of the UN confirmed in a resolution that the right to quality drinking water and sanitation is derived from the right to an adequate standard of living and is intrinsically linked to the right to the highest achievable standard of physical and mental health*. The resolution confirms the right to water and sanitation as part of existing international law. It also confirms that states have a responsibility to guarantee the full implementation of human rights, even in cases where provision of water is delegated to third parties, and that states should hold these providers accountable for the services they deliver, to ensure they are of good quality and at affordable prices.

The *Parliamentary Assembly of the Council of Europe* is of the opinion that access to water should be recognised as human right. At EU level, ‘water directives’ have been issued since the 1980s that should ensure protection of the environment and good quality of the drinking water for consumers, but little attention was given to social aspects such as guaranteed water provision and its affordability. In response to the *European Citizens’ Initiative* ‘Water and Sanitation are human rights! Water is a public good, not a commodity!’,¹² the *European Commission* refers to the EU framework directive on water, which states that water is not an ordinary commercial good, but a heritage that should be protected and defended, and to the Charter of Fundamental Rights of the EU, which recognises rights relevant to the right to access safe drinking water: human dignity and the right to life. In its reaction, the *European Parliament* states that water and sanitation services are services of general interest and that water is a public good, that must be delivered at affordable prices based on progressive tariffs. It urges Member States to ensure that fair, just and transparent tariff structures are implemented to guarantee access to quality services for all citizens, regardless of their income.¹³ Yet, the *European Economic and Social Committee* expressed its disappointment that the Commission did not propose an EU law guaranteeing access to water and sanitation as a human right, and points to the lack of data on vulnerable groups.¹⁴

Last but not least, the European Pillar of Social Rights, endorsed officially by the European institutions in 2017, includes the right to water in its 20th principle: ‘*Everyone has the right to access essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications. Support for access to such*

12 www.right2water.org

13 www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0294+0+DOC+XML+VO//NL

14 webapi.eesc.europa.eu/documentsanonymous/eesc-2014-02361-00-00-ac-tra-en.doc

services shall be available for those in need. The call for ‘support for those in need’ remains very soft and does not impose any EU-wide regulation; yet, this principle may be used in further EU policy making in this field.

3.2.2 Impact on the individual capabilities of vulnerable people to implement their right to water

Organisations representing people experiencing poverty point to the fact that discussions are too often related to how bills and debts can be paid, instead of focussing on ways to guarantee the right to water. As mentioned earlier, the *Combat Poverty Service* regularly organises consultations with people experiencing poverty and various other stakeholders through a *methodology of dialogue* (a specific format for the ‘merging of knowledge’ approach in a policy context). For their two-yearly report on public services for 2014-2015, including public services for the provision of water and energy, they gathered together around 40 representatives from organisations ranging from social NGOs, environmental NGOs, anti-poverty organisations, charities, public centres for social welfare, public authorities and energy and water companies across Belgium. Over 1½ years they examined the situation regarding access to energy and water, especially for vulnerable people, in Belgium. At the end of their analysis, they formulated *policy recommendations* addressed to public authorities at different levels.

The action of the Combat Poverty Service, working in a dialogue group with the above-mentioned civil society organisations over several months, has considerably helped to improve people’s human right to access to quality water at affordable prices, although much remains to be done to guarantee general access to water for all:

- To ensure *affordability of water*, the Flemish region now offers a *social tariff* for people with low incomes: they receive a reduction of 80% on their water bill. This group is considerably smaller than the group of protected clients: in 2015 there were 175,355 protected clients (6.8%), of which 154,691 enjoyed the social tariff. The discount was increased from 75% originally foreseen in the Water Decree to 80%, after a poverty impact assessment was carried out on the draft decree. Many civil society organisations contributed to the improvement of the draft decree, to ensure better access to water especially for vulnerable people. But anti-poverty organisations still complain that the number of social clients does not cover the total number of people living at risk of poverty in Flanders (10.8%). The ombudsman for energy has called for the group of beneficiaries to extend to all those who qualify for access to the social heating fund, which would cover around 1 million vulnerable households in Belgium. This number corresponds broadly to the number of families living at risk of poverty and social exclusion (20%).

‘Some people live without water for months, too ashamed to come out. Water poverty does not just mean that people can’t pay their bills because their income is too low, it also means they are adapting their consumption to be able to cope. They take showers in the local sports club, flush the toilet only once a day or re-use the cold water from the shower to use it for other purposes. Experts agree that water poverty concerns the situation where people don’t have access to affordable water of good quality to satisfy their basic needs, and it is clear that in Belgium water poverty is due to low income, high costs of water and bad quality of housing.’ (Statement by Ellen Dries, Samenlevingsopbouw).

- Although disconnection of clients from water supply is exceptional in Belgium, it is still a fact that in Flanders more than 4,000 households are *disconnected from water supply*. There are no data collected on the profiles of client who have been disconnected in the reports of the VMM. The SERV report in 2012 noted that single persons and families with four or more members are overrepresented. The consequences of disconnection cannot be underestimated: without water provision, people cannot meet their basic needs for personal hygiene, healthy food, or they may have to turn to more expensive alternatives such as bottled water. The dialogue group argues that disconnections should never be allowed, unless the household has sufficient financial means to pay its bills.

'S. is a single mother with migration background who has three children and expecting a fourth. She has been cut off from water for 2 years now. Her debt amounts to more than € 3,000, due to a leak. She went to the local social service for help, but nothing was done to solve the problem. She has been called to appear before the LAC twice but didn't go. Finally, she proposed to pay off her debt at a rate of € 50 per month, but that was refused. Someone from an organisation placed a tank of 1,000 litres to help her temporarily, but actually there is not enough room. With her children she goes to the swimming pool to wash.' (Testimony from the consultation by the Combat Poverty Service).

- The *functioning of LACs* also poses problems: practices are very different between municipalities, leading to situations where people with payment problems are treated differently. This situation should be remedied through the use of the *Guide to good practices* that was developed by Samenlevingsopbouw and will now be disseminated through the web tool and through training for PCSWs. Another problem in the Flemish region is that there is *no appeal procedure* against decisions taken in the LACs, and that in these LACs water companies have an influential say and clients are not always present. The dialogue group asks for the introduction of legal appeal procedures and measures to ensure the PCSW can contact clients, prior to the LAC session.

'As a single mother with 4 children, A. can't manage to live off her disability benefit. She has a debt with the water company. A social worker from the company pays a visit to all people whose cases will be brought before the LAC; they come to an agreement and A. respects this. But after 1 year she again gets into trouble with the payment of her bills. She contacts the water company but this time they don't reach an agreement. Her case is brought before the LAC. Everything seems to go wrong: her status as protected client is not recognised which causes increased costs; the arrangement with the water company is not communicated to the PCSW; it looks as if she doesn't want to respect the decision of the LAC. Fortunately, A. can count on a dedicated social worker who finally checks the agreement with the water company.' (Testimony from the project of Samenlevingsopbouw).

- On the use of *'smart' budget meters* for water: in the Flemish and Brussels regions there is no guaranteed minimum provision of water. In the Walloon region certain regions use a budget meter. The implementation of smart meters is far from satisfactory: vulnerable families point to the fact that minimum provision does not allow you to live in dignity.

'They should allow people to live a decent life. For people in poverty there is no good point in smart meters: you pay only for what you have used, but you don't consume according to your needs but according to what you are able to pay.' (Testimony from the consultation by the Combat Poverty Service).

- On *rational water consumption*: People in poverty often live in houses of bad quality. Whereas in the different regions information campaigns are held, it is not obvious that they reach these groups. The possibility to request a water scan to detect possible water leakages is not well known and is expensive for non-protected clients. The use of water as drinking water instead of more expensive bottled water is not promoted enough. Information campaigns are therefore needed, led by social workers who pro-actively reach out to vulnerable people in the places that people experiencing poverty come to. Vulnerable households often do not have the financial means to buy water-efficient appliances, water-saving tools such as shower heads, or to invest in rainwater pits. Mostly they depend on owners or housing companies who are not always ready to invest. Pilot projects could be launched where investments could be pre-financed; local housing, energy and water desks should advise house owners and tenants.

'Like with energy, poor people profit the least from measures concerning rational water consumption. They often live in houses where water tubes are old and show leakages. Mostly they don't have access to water pits. Often these people also live in housing blocks with a common water meter, where they don't see their efforts at saving water rewarded through lower bills.' (From the consultation by the Combat Poverty Service).

3.2.3 Evaluation of effectiveness at collective level: role of organisations and impact on collective agency

Tackling water poverty depends strongly on the relation between the service providers and the clients, especially in the case of vulnerable families. Obviously, relations between service providers and clients can go wrong on many points. Still it is of crucial importance to tackle situations of water poverty and to avoid water disconnections which may last for months.

A key to guaranteeing access to water lies in the *functioning of the LACs*. An in-depth social enquiry, a good accompaniment for clients, coordination between services are means to avoid disconnections of clients and remedy situations of water poverty. In practice the functioning of the LACs is very different from municipality to municipality, because there is no common understanding of minimum quality requirements for social enquiries, out-reach to people who should appear, invitations to and conduct of the LAC sessions, follow-up care etc. The work that has been done, firstly in a more general way, by the dialogue group at the Combat Poverty Service, but more specifically by Samenlevingsopbouw in the project on water poverty, working with PCSWs and LACs, is very important to try to improve the functioning of LACs and establish some benchmarks for their work. The *Guide to good practices of LACs* that was developed from the practical experience that the community workers gained in assisting in the preparation and the conduct of LAC sessions, the home visits to clients, the organisation of information sessions for social NGOs working with people experiencing water poverty, the consultations with social workers and councillors at the PCSWs, provides a comprehensive scenario to put prevention of water poverty centre stage. The guide deals with the different phases of preparation, conduct and aftercare of LAC sessions: contacting the client, organising the internal preparatory work, knowing and informing about rights, arrangements with water companies, respectful and human conduct of LAC sessions, the development of quality standards for social enquiries and of a comprehensive overview of disconnections, follow-up care of clients and further initiatives that can be taken to prevent water poverty. The guide is a working document that forms the basis for a *web tool* that will be developed by VMM. It will also be used in *training sessions for PCSWs* throughout the Flemish region. In that way, the functioning of LACs can become more streamlined across the region on the basis of quality standards that better respect people's right to water and avoid disconnections.

'Addressing water poverty depends a lot on the relation between service provider and client. How this relationship looks has to do with many factors. On the client's side there is the will to accept help, previous experiences with social workers, mental health, communication skills, ... On the side of the service provider, you have their professional attitude, experience, communication policy, and especially their case load. We don't want to blame anyone in cases where trajectories of service provision go wrong. But still everything must be done to remedy cases of water poverty. Most reconnections can be done within 7 days, but there are many cases where it takes more than 30 days. And isn't it completely unacceptable that someone stays disconnected for 4 years?' (Statement from the project on water poverty by Samenlevingsopbouw).

A second structural organisational component to guarantee people's access to the right to water, is the improvement of the *practices of water companies*. As described above, in recent years water companies have been obliged by law to regularly *report on the social aspects of water provision*. They have to communicate these data to VMM, which publishes them so that they can be used for assessments on water poverty and for policy-making purposes. Influencing the attitude of water companies proved to be much more difficult for the organisations involved in the water poverty project. Initial attempts to discuss practices on water poverty, procedures in case of default of payment and disconnections by different water companies were not as successful as hoped at the start of the project. Information sessions about the purpose of the project had to be carried out on an individual basis and were only successful in two cases.

'Water companies use the LACs as a way to get disconnections done. 'We use the LAC in case of conflict, not to cover debt, but to cut off the water provision' is a quote that illustrates this attitude. To get payments done, water companies more often use incasso offices. Local social services have a duty to protect families living in poverty from disconnection. When they are involved at an early stage, they can not only remedy in case of payments problems, but also prevent water poverty through different measures: rationale use of water, regular measurement of meters, adapting payments etc. For the local social centres

this represents an opportunity to help to reach out to people who did not know their services previously. (From the project on water poverty by Samenlevingsopbouw).

The project issued *recommendations to water companies* based on the experiences with LACs and interviews of social workers and clients. These recommendations deal with the bills, procedures in case of default of payments, arrangements between water companies and PCSWs, the functioning of LACs, house moves, water scans and more generally with service delivery by water companies. Whereas structural change in the attitude and practices of water companies proved to be difficult to achieve initially, improvements can now be seen, and water companies start to look at the LACs as a means to avoid disconnections. Still, Samenlevingsopbouw hopes to be able in the future to further engage in dialogue with water companies to achieve better and more harmonised practices that can help to ensure people's right to water.

3.2.4 Impact of social (dis)investment in water services on individual capabilities and collective agency

Even if the right to water and sanitation is not officially recognised in the Belgian legal context, the fact that access to quality and affordable water is essential to achieve the right to a decent life, to health protection and to decent housing makes investments in the water sector critical for the sustained enhancement of individual and collective capabilities. Water is considered as a public good and the provision of water is still in public hands in Belgium, which implies that the sector is not market and profit driven. But that does not automatically mean that the policies that are developed in Flanders can be seen as social investment in the sense the RE-InVEST project gives to this term; as investment of resources in people and in their individual and collective agency. On the contrary, the investments in the sector over recent years were driven by environmental sustainability arguments rather than by equity and have considerably worsened the situation for certain vulnerable groups of people. The investments in infrastructure and purification led to a steep increase in the prices of water, which was not compensated by policy measures to ensure access for all people to quality and affordable water. Even after the introduction of the notion of 'protected client' and of social tariffs for certain groups of people, affordability remains a serious problem. Although the number of disconnections is not increasing, an average of 4,000 households who are cut off from water supply represents a serious infringement of people's rights. Also, the number of payment plans and cases before the LACs is growing, and people who risk disconnection have no procedural rights against the decisions taken by the LACs, which shows that the public investment strategy is not sufficiently oriented towards guaranteeing and effective right of access to water for all. This shows that there is a need to solidly anchor the right to water in the Belgian legal context and to take additional policy measures to ensure access for all, including vulnerable people, to quality water at affordable prices.

3.3 Conclusions and recommendations relating to water provision

The conclusions and recommendations in this report are based upon three processes:

- First, the work that has been done by the *Combat Poverty Service*, in its dialogue with around 40 representatives of organisations ranging from social NGOs, environmental NGOs, anti-poverty organisations, charities, public centres for social welfare, public authorities and energy and water companies across Belgium. Their recommendations are strongly rights-based and relate mainly to the concrete achievement of the right to water in general and for vulnerable groups in particular. Recommendations that have been implemented since the consultation took place were mentioned above in the analysis and are not repeated in this section.
- Secondly, on the work that was done by *Samenlevingsopbouw Antwerpen Provincie* on water and poverty in 2014, in the framework of its project for the Flemish Minister for the Environment. The methodology and the groups consulted are described in Annex 2. The recommendations, on the basis of individual cases, individual contacts with the people from target groups and group discussions, mostly relate to

improvements in the attitude of water companies, PCSWs and LACs in relation to the implementation of access to quality water for all.

- Thirdly, we use the results of the local project of *Samenlevingsopbouw Oost-Vlaanderen* at the PWO in Wetteren in 2017, where participants concentrated on concrete steps that can be made in the practices of PCSWs, LACs and water companies.

On the basis of all these consultations, the following recommendations can be formulated:

1. *Reinforcing the right to water and sanitation*: inclusion of the right in the Constitution, safeguard the public character of water provision at national and international level, provision of public water points and sanitation in every municipality, collect data concerning situations where people do not have access to water and sanitation.
2. At *European level*, by way of EU law, access to water and sanitation should be explicitly recognised as a human right and be protected as a public good that must be delivered at affordable prices to all citizens. This not only means that provision of water should never be subject to liberalisation, but also that internal market and competition rules should not apply to the provision of this public good.
3. *Strengthen the rights of consumers* by organising concertation between different actors, increasing accessibility of water companies (accessible offices, free telephone numbers, contact persons, ...), use uniform, transparent and readable bills, develop a binding concept of ‘reasonable payment’, provide sufficient information and guidance (local energy, water and housing desks, regional information services, pay attention to illiteracy and the digital divide).
4. *Guarantee the rights of clients in cases of collective water systems and intelligent meters*: foresee individual and accessible meters, avoid estimated consumption, apply social measures and public service obligations in collective systems, evaluate the impact of ‘smart’ budget meters on poverty.
5. *Put into practice a tariff system that obeys social, solidary and ecological criteria*: ensure that water bills are affordable, extend the status of privileged client to cover more people who risk water poverty, expand the group enjoying social tariffs, create a social fund to give support in cases of payment difficulties, examine the financing of public service obligations.
6. *Handle payment difficulties through dialogue, with full respect for the clients’ rights*: foresee a minimum service delivery, ensure flexibility in payment plans, reinforce the legal position of clients in procedures through appeal procedures, reinforce quality of functioning of LACs by promoting the mediating and supportive role of LACs, exchange of best practices and better outreach methods for vulnerable people, reinforce the position of client in cases of transfer of debt.
7. *Reinforce the policy of rational water consumption for families living in poverty or insecurity*: through well-conceived campaigns, promote water scans, creation of local energy, water and housing desks, establishing a strong link between housing policy and rational energy and water consumption.

4. Conclusions

Fiscal consolidation pressures in recent years have re-fuelled the debate about marketisation and privatisation of services that are traditionally being provided - or at least, financed - by the State. However, the present tendency towards marketisation is perhaps informed more by political-ideological shifts than by budget constraints. Whereas a first liberalisation wave of public service markets had been triggered in the network industries (telecom, energy, post and transport) by the EU's Services Directive of 2006, a new series of 'experiments' appear to be conducted, this time, in the social service sectors. In Belgium, we have witnessed a number of examples in the residential care sector since the new centre-right coalition came into power in 2014. At the same time, prices have risen in other subsidised service sectors, and social tariffs reduced to a minimum. As these reforms have obviously mainly affected the most vulnerable groups, a fundamental discussion of the role of the State, the social investment nature of public intervention, and the necessary social minimum standards in service sectors is recommendable.

Although not all services are equally essential, some of them are so basic that decent amounts of provision to every household pertain to the realm of *human rights*. Water and sanitation, housing and essential health care are obvious examples where minimum amounts should be guaranteed to all, irrespective of their ability to pay. Here, the label 'social investment' is justified in the first place (though not exclusively) by considerations of distributive justice, rather than return on investment. This is completely at odds with private profit motives in the provision of such services. Key criteria for the evaluation of public intervention include universal availability, accessibility, affordability as well as quality. The case study of water provision has illustrated that the quality criterion refers to the material characteristics of the service as well as the respectful treatment of users.

A second set of arguments for social investment relates to the fact that *society as a whole benefits* from the services delivered to individuals. Whereas all services discussed in this paper fulfil this criterion to some extent, it is most evident for ECEC and health care. Another social dimension of these services is the vulnerability of users, and hence, the necessity to guarantee by law the best possible quality, despite their price setting below the market price.

A third set of arguments for government intervention is underpinned, in our view, by the *relational nature of services*. Any kind of *care work* for dependant people (children, disabled, elderly, homeless, sick etc.) calls upon an ethical attitude that cannot be subordinated to commercial motives. Relational services also include *socio-cultural work*, *civil society* organisations etc.

Admittedly, the distinction between commercial and public service provision is not binary: a wide range of intermediate settings can be considered, depending on the relative weight of advantages and drawbacks involved in each type of organisation. More competitive 'quasi-market' solutions tend to combine higher quality and cost-effectiveness, at the expense of cream skinning; public provision tends to treat citizens more equally, at the expense of efficiency and responsiveness; whereas private non-profit services are often better in terms of innovation, free choice and relational quality, provided that they guarantee open access and meet legal quality standards. Public as well as private non-profit services can also guarantee more continuity than commercial services – an essential condition when it comes to care for vulnerable groups.

In any case, the recent volatility in public policies with regard to basic services has demonstrated the need for strong legal regulation. Anchoring all basic rights in national constitutions as well as in the European Treaty is not a futile option: it is necessary to stabilise the implementation of basic rights. These rights should subsequently be guaranteed through operational legislation specifying the principles of availability, accessibility, affordability and quality in each area.

Our case study on water also illustrates the indispensable role of the ‘civil dialogue’ about basic services. Civil society not only provides a wide range of services (with government support); it also gives voice to users. Self-organisations of vulnerable groups of citizens prove to be capable of negotiating practical solutions in a democratic and responsible way. Legal frameworks should therefore include rules for a permanent consultation with such organisations.

appendix 1

Composition of the consultation group on water, organised by the Combat Poverty Service: list of participating organisations

ATD Vierde Wereld
Belgisch netwerk armoedebestrijding
Bij ons vzw
Bond Beter Leefmilieu
Brussels Forum Armoedebestrijding
Caritas international
Coordination Gaz – Electricité – Eau Bruxelles
Dignitas asbl
Equipe d'entraide St-Vincent de Paul
Federatie van Vlaamse OCMW-maatschappelijk werkers
Green Belgium
Infor GazElec Bruxelles
Le Babelleir – Front commun des SDF
Observatorium voor gezondheid en welzijn Brussel-Hoofdstad
Project Energie en armoede – Samenlevingsopbouw Antwerpen Provincie
Protos
Réseau wallon de lutte contre la pauvreté
Réseau Wallon pour l'Accès Durable à l'énergie
Samenlevingsopbouw Brussel
Samenlevingsopbouw Gent
Solidarités Nouvelles Wallonie
Vlaams Netwerk van verenigingen waar armen het woord nemen
Welzijnszorg

appendix 2

Water and poverty project – Samenlevingsopbouw Antwerpen Provincie¹⁵ and Samenlevingsopbouw Oost-Vlaanderen

a2.1 Overview of consulted groups of vulnerable people and methodology

In the first phase of the project Samenlevingsopbouw visited organisations, community initiatives, welfare centres, walk-in centres, caravan camps, to reach out to people living in water poverty. Through training on the basis of a comprehensive brochure on water published by VMM and through group discussions, the organisation tried to identify the problems related to water provision. The community worker responsible for the process was assisted by an expert-by-experience in poverty. These meetings resulted in a number of individual contacts, home visits on referral of service providers, PCSW and organisations for tenants, visits to caravan camps etc.

In the second phase of the project, the focus was more on individual contacts. The testimonies and cases of the consulted vulnerable people were compared with interviews with professionals such as service providers, community workers, social workers at the PCSWs, street-corner workers.

The third phase was focused on practices of PCSWs and LACs on access to water. For this purpose, several PCSWs were interviewed about their vision and practices, in cooperation with the umbrella organisation of municipalities VVSG. To be able to develop an insight into the functioning of the LACs, Samenlevingsopbouw organised a number of training sessions for their community workers at PCSWs in six cities in the Flemish region, in order to better understand the functioning of LACs. Although this was not the main purpose of these trainings, they led in many cases to improvements in the way LACs and local social workers are dealing with clients with problems regarding water poverty. During this phase of the project, Samenlevingsopbouw also organised home visits with people who had to appear before the LACs. Although the community workers experienced many problems to reach the people concerned, they did manage to have in-depth discussions with many of the clients about their experience with water poverty. It was not possible to organise these people in a more permanent group, but the fact that many people facing water poverty could be reached, helped to develop the Guide to best practices for LACs.

In a separate project, working with vulnerable people in Wetteren, Samenlevingsopbouw Oost-Vlaanderen further worked on the recommendations and made them more concrete, to improve the functioning of the LACs.

¹⁵ Project funded by the Flemish Minister for the environment Joke Schauvliege, from January to December 2014, Final report 150203.

a2.2 Overview of visits

The table describes the organisations engaged in the process, the number of participants and their access to water meters

| Vereniging/organisatie | Aantal toehoorders | Geen toegang tot de watermeter |
|--|--------------------|--------------------------------|
| Mensen voor Mensen Aalst – vereniging waar armen het woord nemen | 28 | 3 |
| 't Jagershof Hoepertinge - taverne | 12 | 2 |
| Filet Divers Antwerpen – vereniging waar armen het woord nemen | 2 | |
| De Loodsen vzw Antwerpen | 36 | nvt |
| Inloopcentrum Turnhout | 34 | 6 |
| Netwerk tegen Armoede | 22 | 3 |
| Woonwagenterrein Genk en Beringen | 56 | Via waterputten (Genk) |
| Leren Ondernemen Leuven | 7 | 3 |
| Samenlevingsopbouw Gent | 4 | 1 |
| Welzijnsschakel De Dorpel Herentals | 9 | 3 |
| Sociaal Restaurant Dendermonde | 62 | 8 |
| Onderdak - vereniging waar armen het woord nemen Sint-Truiden | 22 | 7 |

| | | |
|---|----|----|
| T'Hope Roeselare - vereniging waar armen het woord nemen | 9 | 4 |
| Woonwagenterreinen Hasselt en Zonhoven | 26 | 1 |
| Buurtwerking Grote Marijve Roeselare Maghrebijnse vrouwen | 14 | 3 |
| Sociale kruidenier Ronse | 82 | 7 |
| De Fakkel Herentals - vereniging waar armen het woord nemen | 28 | 4 |
| T'ANTWOORD - vereniging waar armen het woord nemen in Turnhout - infomoment | 5 | 1 |
| T'ANTWOORD - oproep tijdens wekelijks soepmoment | 26 | 2 |
| Inloopcentrum de Kom-af Roeselare | 30 | 4 |
| Dienstencentrum seniorenflats Mol - infomoment | 14 | 13 |
| Woonwagenterreinen Genk en Ham | 36 | 1 |

The consultation process organised by Samenlevingsopbouw Oost-Vlaanderen consisted of six meetings with some 18 people participating in the local organisation of people experiencing poverty, Permanent Welzijnsoverleg Wetteren.

a2.3 Recommendations from the consultation processes

1. Limited access to the water meter:

The figures above clearly show that access to water meters is often a problem. In many rental houses, the water meter is located in another building, or the landlord has locked all access to the meter, or only the caretaker in social housing has access. In renovated or new-built houses, the provision of individual meters is obligatory, and meters are no longer located in pits. But it is often vulnerable people who live in the oldest, worst-quality houses, where access to meters is not improving.

Visits to 50 residents of four caravan camps revealed that people appear to have high water bills and are also very upset about the siting of meters, which are sometime located in deep pits.

Participants in both participatory processes requested the water companies to ensure better access to water meters. When people cannot access their water meters, the water companies should register the state of consumption for free.

2. Estimated consumption of water:

Often people do not give notification of the state of the water meter, because they do not know how to read it or they think it is not important. In those cases, the water company charges people at an estimated rate of consumption that is usually much higher than the actual consumption.

The use of water meter estimates must be avoided. Participants recommend that the PCSW should always check whether there is a water meter estimate when visiting people with payment problems and help them to read their meters. Water companies should always warn people that billing on the basis of estimated meter states is more expensive.

3. Raising awareness of saving water and water scans

High water bills are seldom caused by excessive water consumption, but often by leaking toilets or taps. Water scans are useful to help people to find out if there are leakages, or to take measures to save water. The Flemish Agency for the Environment praises water scans in its campaign 'Well done means saving money', but enthusiasm among water companies is less obvious. They seldom promote water scans and thus the existence of the scan is little known. Most people also do not know the average consumption so as to be able to compare their water use. This lack of information is not restricted to vulnerable people only, but it is they who suffer most from it, since they have no financial reserves to face high unforeseen costs.

Participants in the Flemish project recommended better promotion of the campaign 'Well done means saving money', to raise awareness among social assistants and improve their knowledge of water poverty. The water companies should promote the use of water scans. Participants in Wetteren also recommended that PCSWs should make water scans better known among their social workers, so that they can request a scan for their clients. They also suggested that PCSWs should be able to obtain a free scan from the water companies for their clients, where a scan now costs € 245 for people who are not protected clients. It would also be interesting if PCSWs could provide support to pay for small jobs to repair leakages. Comparing water consumption with the average, checking the water bill before engaging in payment plans, checking whether the client is a protected client, can help prevent many problems. Water companies should communicate the average consumption on the bill, to allow people to compare with their own consumption.

4. Protected clients, social tariff and reductions in the water bill

The status of protected client gives families on low incomes considerable advantages such as monthly payments, reminder letters without charges, reasonable payment plans. Prior to the reform, protected clients did not pay subscription fees for water or supra-local purification costs. This represents a sizeable part of the water bill. Now they get an 80% reduction on their total bills. But participants in the Flemish project recall that only a few families are beneficiaries of protected client status. They request an extension of the target group.

Social tariffs give people who qualify a reduction of 80%. They are awarded automatically by water companies, but in some cases they ask for a certificate proving people's status. Here the right to the social tariff often gets lost. People who have the right to a social tariff and who live in a flat with a common water meter do not get the reduction on their bill but can get compensation. In many cases this is granted automatically, but sometimes they have to request it and send their certificate. Here also rights are often not taken up. Participants in the PWO project recommended that PCSWs instruct social workers to systematically check if their clients get the support they have the right to. The group strongly argued that the group entitled to the social tariff should be considerably expanded, at least to cover the group that has the right to the social tariff for gas and electricity. Even better would be to extend the group of beneficiaries to at least cover families in collective debt arrangements, families with budget support from PCSWs and families enjoying higher reimbursements by mutual companies. The water company should demand the certificate from the social services directly.

5. The water bill

Although water companies invest in improving their services and becoming more consumer-friendly, families experiencing poverty are extremely vulnerable with regard to bills and their relations with the companies' client service. They have less administrative and communicative abilities to face problems with water bills and have no financial reserves to face unexpected expenses. Bills are very different amongst water companies. Participants in the Flemish project suggest that bills from different companies should be compared, so as to find a best practice. Clear indication of the state of the meter and yearly consumption should be a minimum requirement. Mentioning average consumption is advantageous in allowing for comparison.

The group in Wetteren made up a checklist for PCSW social workers to verify if the bill is correct. Participants suggested the possibility of a financial intervention by the PCSW to pay the water bill. When someone has a very low consumption pattern, the water company only sends a final bill and no intermediate bills. For people living on a low budget, it is easier to regularly pay a small bill than one single but higher bill. Participants recommended the water companies should send regular intermediate bills at the request of the client. They also formulated suggestions to make water bills more transparent.

6. Moving house

Participants in the Flemish project collected several cases where problems arose when people moved house, with regard to documents to fill in, measuring meter states. Since moving houses occurs more often among vulnerable tenants, simplification of the documents required is important.

Moving house often leads to problems, when the signature of the new tenant or landlord is not obtained. In that case the water company comes to register the water meter state, but some water companies charge a lot of money, where others provide this service for free. Participants in Wetteren found that all water companies should offer this free service. Water companies should also fill in most of the information that is already known to them, so people only have to sign the document. This practice could help to avoid many problems.

7. Payment plans and procedures in case of default of payment

Participants in the Flemish project are concerned about the increase in numbers of payment plans in recent years, including the fact that many payment plans are not respected. They requested investigation into why this is the case. Is this because payment plans are not reasonable? They also noted an increase in the average debt. Only a few water companies send these files to debt mediation services. Participants demanded that referrals to official debt mediation services should be more systematically made, to decrease the number of expensive court cases. Water companies' practices with regard to payment plans are very different: some are very strict; others' terms are less demanding. Participants suggested that payment plans with long-term engagements should no longer be automatically transferred to the LACs.

Participants also requested more uniform treatment of cases of default of payment. The intention of Samenlevingsopbouw is to compare practices in different water companies, so as to develop best practices.

8. Functioning of the LACs

The Flemish project notes a significant increase in the number of cases brought to the LACs. The LACs are faced with an increasing workload with regard to water poverty. Employees at the LACs indicate that most of the families who appear before the LACs for not paying their water bills are already known to face energy problems as well. In many cases, these families are not known as clients at the PCSW. Water companies and PCSWs have largely different views on the role of the LACs in the event of default of payment. Water companies often go to the LACs to get a disconnection whereas PCSWs go there to avoid disconnection, protect vulnerable families, formulate preventative measures and help people that were not known by their services until then.

Participants in the Flemish project identified significant differences also between social workers of PCSWs in their attitude towards families that appear before the LACs, especially when they are not known to them or could not reach them for a social investigation before the LAC session. The composition of the LACs also can create problems when the representative of the water company is also a local councillor.

The recommendations in the Flemish project strongly focus on common understanding of quality requirements for the functioning of the LACs and on the development of best practices. As a concrete result, in the years that followed, a guide to best practices for the LACs was developed that is actively being promoted at the moment through training sessions and the development of a web tool.

The PWO project in Wetteren further worked on some of the practical arrangements for a LAC session.

- Letter of invitation to attend the LAC

The group welcomed the fact that the invitation letter of the LAC on water has already been improved in light of their previous suggestions regarding energy. It could also be useful to mention contact data of PWO or another grassroots organisation in the letter, to lower the threshold for people to seek help.

- Home visit in preparation of a LAC

Most people prefer home visits to be announced. They appreciate the content of the card that is posted when people are not at home, but formulate points for improvement: the title should clearly mention it is about the water bill, the card should be posted in an envelope to respect people's privacy, the name of the addressee should be clearly written on the envelope, the card should be both in handwriting (more personal) and in printing (easier to read), the name of the social worker should be mentioned, the card should mention that the client will be disconnected if he/she does not contact the PCSW.

- The LAC session

Participants propose presenting each of the participants at the LAC session, giving clients the necessary time to tell their story, giving clients clear information and avoiding the use of difficult language, to put the clients at ease during the session.

- Follow-up after the LAC

Many people who have to appear before the LAC were never in touch with the PCSW before. Participants suggest using a flat screen to present other services provided by the PCSW. It is also important to inform people how and when they will be re-connected: this should be in the letter that announces the disconnection and should be told to people during the home visit.

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¹⁶ The report would have been finished by 2015.

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RE-InVEST - Rebuilding an Inclusive, Value-based Europe of Solidarity and Trust through Social Investments

In 2013, as a response to rising inequalities, poverty and distrust in the EU, the Commission launched a major endeavour to rebalance economic and social policies with the Social Investment Package (SIP). RE-InVEST aims to strengthen the philosophical, institutional and empirical underpinnings of the SIP, based on social investment in human rights and capabilities. Our consortium is embedded in the 'Alliances to Fight Poverty'. We will actively involve European citizens severely affected by the crisis in the co-construction of a more powerful and effective social investment agenda with policy recommendations.

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