

# Social services in Europe: Adapting to a new reality

## Introduction

The COVID-19 pandemic disrupted the provision and use of social services across the EU, forcing providers to adapt and to develop new ways of delivering their services. This report seeks to identify the lessons learned from these experiences, with a view to providing insights on developing the sector in the face of new social risks and building its resilience to deal with future crises.

For the innovations and lessons of the pandemic to have a lasting impact, appropriate funding, resourcing and consolidation will be essential. In this context, trends in social expenditure in the EU over the past two decades are examined in order to highlight Member States' priorities. The report also discusses the relevance of the post-pandemic recovery package, NextGenerationEU, to the development of social services in the future.

## Policy context

The EU's long-term budget for 2021–2027 aims to modernise the EU, prioritising digital transformation, investment in research and innovation, and the intensification of efforts to address climate change, with a view to improving the EU's ability to cope with future shocks and emerging social risks. The temporary financial package NextGenerationEU, worth over €800 billion, was set up by the European Commission to fund this agenda. To access the funding, the Member States have developed and submitted recovery and resilience plans. Some Member States announced national programmes to strengthen the resilience of society in the aftermath of the pandemic; recent challenges related to the green transition, technology and geopolitical change have also underscored the importance of resilience across the EU. Social services are being adapted to tackle long-term and emerging challenges through measures related to the European Pillar of Social Rights, the European Care Strategy, the social economy and the forthcoming sectoral social dialogue committee on social services.

## Key findings

### Impact of the COVID-19 pandemic on social services

- Social services were ill-prepared for the pandemic. Not only did the sector lack the capacity, medical equipment and personal protective equipment to respond to the demands of the crisis, structural weaknesses impeded its ability to function effectively. These weaknesses include underfunding, staff shortages, poor working conditions, and challenges in ensuring the availability, accessibility, affordability and quality of services.
- The pandemic resulted in an urgent need for the digitalisation of social services and facilitation of telework. The transition to telework, however, was improvised and had considerable drawbacks. It was particularly challenging for services that had previously provided direct face-to-face assistance to their target groups.
- New ways of providing support services were established; for example, there was an increase in the provision of mental health and well-being counselling through helplines and apps. These new channels for providing information and support could play a role in maintaining society's resilience to challenges in the future.
- Participation in training fell during the pandemic. The use of digital devices at work was found to correlate with the likelihood of receiving training. While the healthcare sector is more digitalised than other sectors on average, about a fifth of workers in care sectors never use digital devices at work and may be missing out on the benefits that digitalisation, automation and robotics could bring to their jobs.

## Social expenditure

- Social expenditure – governments' expenditure on social protection, education and health – accounts for the highest share of expenditure in the EU. It reached 34.9% of gross domestic product (GDP) in 2020, of which 21.9% went to social protection, 8% to healthcare and 5% to education. The estimate for 2021 is lower, but still substantial at 33.4% of GDP. Such sums are indicative of how much the Member States prioritised the social dimension in managing the pandemic.
- In terms of year-on-year change, social protection expenditure grew most: if both public and private expenditure on social protection are considered, it increased by 8.7% from 2019 to 2020, the largest ever annual increase (compared with 3.8% in 2018–2019). Spending decreased somewhat in 2021.
- Expenditure on healthcare and education as a proportion of GDP in the EU27 was steady between 2004 and 2019. Spending on both increased in 2020 (the first year of the pandemic) compared with 2019. There was a slight decrease in spending on education in 2021, whereas spending on healthcare retained momentum, increasing from 8% of the EU's GDP in 2020 to 8.1% in 2021.

## Planning for recovery and resilience

- The Recovery and Resilience Facility (RRF) was set up to build a stronger and more resilient EU in the aftermath of the pandemic. However, most resources will be allocated to digitalisation and the green transition, and it appears that the boost will be smaller for, or less specific to, measures for social and economic resilience.
- The overall impact of this fund will probably be greater on smaller economies with lower current social expenditure, while it will at most be complementary for countries with bigger economies and higher expenditure.

## Policy pointers

- Given the negative effects of the pandemic on the provision of social services and the lessons learned during this time, the development of contingency plans for service providers and methodologies to assess these plans must be a priority.
- The inclusion of various social service providers and stakeholder groups, including informal carers, in needs assessment and policy planning is essential: the pandemic showed the importance of their contacts with service users and first-hand knowledge of the situation and users' needs.
- The need for, relevance of and accessibility of training for social services workers need to be assessed to ensure they have the skills to carry out their jobs, to improve their career prospects, and to ensure training and guidance is accessible during crises.
- Support measures, such as helplines, for social services staff exposed to emotional demands or adverse social behaviour in their jobs should be mainstreamed.
- The role and potential of digitalisation and technological change in all jobs in social services sectors should be assessed, especially in the one-fifth of care jobs where digital devices are never used.
- Major challenges that emerged in the aftermath of the pandemic have created a changed environment to which social services must adapt; they must embrace technological change and proactively participate in the implementation of policies and measures that can support this change.
- The implementation of the RRF's objectives needs to be balanced, and information on targets and investments made should be readily available to enable the monitoring of progress. Improving the capacity of social services to access this funding mechanism would contribute to advancing the adaptation of these services to the new reality.

### Further information

The report *Social services in Europe: Adapting to a new reality* is available at <https://eurofound.link/ef22007>

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