

Organisation of domestic services

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For your information

domestic service is one of 13 social services, the organisation of which is the task of a local government pursuant to the law. The target group is adults who are unable to cope with everyday tasks at home by themselves.

According to the concept, good availability of domestic service should help to postpone the need for care home service, which is several times more expensive than domestic service.

In 2022, approximately 8,500 people received domestic service. However, according to the Ministry of Social Affairs, the need is approximately 20,000 places for the service, and the state has begun to direct more public funds into the area than before in order to improve the availability of domestic service. For example, out of the 39.2-million-euro budget for nursing care reform, about 13 million euros has been allocated in 2023 for the development of services that support living at home. This is approximately twice more than local governments spent on domestic service the year before. In 2024, the plan is to allocate 56.7 million euros to local governments to finance long-term care services, including domestic service. Euro funds are also funnelled into the area.

The National Audit Office analysed the problem of availability of domestic service from the point of view of the organisation of work of local governments. Thinking primarily about the increasing costs, the focus was, among other things, on looking for areas where, by improving the activities of local governments, the provision of domestic service could be increased at the expense of available resources.

Audited local governments (10) included Tallinn, city of Tartu, city of Pärnu, city of Narva, city of Maardu, Saaremaa rural municipality, Väike-Maarja rural municipality, Kambja rural municipality, Viru-Nigula rural municipality, and Mulgi rural municipality. They are home to more than 50% of recipients of domestic service.

Summary of audit results

With the social welfare reform launched in 2023, the state aims to improve, among other things, the availability of domestic service, but the audit revealed that, at last in the audited local governments, there are presently no serious issues with the availability of domestic service at the level required by law. Although there is a lot of informal exchange of information in social work and the resolution of all the situations cannot be checked afterwards, it can be inferred that **in the cases that reached the official procedure, domestic service was offered in the audited local governments and people were not left without help.**

However, there are several risk points that need attention. For example, the methodology of assessing the need for assistance is different in the comparison of local governments, which is why there is no absolute certainty that all the needs are always noticed or responded to in the same way under similar circumstances. Local governments also pointed out that people's needs are constantly changing and the question is increasingly whether to offer more than the minimum described in the law. All the audited local governments considered the development of the service to be important for the future.

In local governments, there is room for improvement in the management of domestic service. It is also a key area to increase the ability to serve more people in need, if the need arises, at the expense of so-called internal resources. A weak point is, for example, the lack of goals and performance indicators, which means that the assessment of the situation, how good or bad the situation of domestic service is at the moment, is largely based on the knowledge of social workers. Information management related to the service was predominantly paper-based, which reduces the usability of information and the efficiency of management. Only a few local governments took advantage of IT solutions in these matters. Quality control of the service was also patchy, as was the assessment of a person's need for assistance, which was mostly too bureaucratic and overburdened in terms of the collected information.

The regulations of domestic service of local governments continue to include conditions that unreasonably restrict the service compared to the law (e.g. providing the service only in the absence of relatives), but the audit did not show that these restrictions are implemented in practice. Of course, local governments need to make improvements to their regulations so that there would be no risk that people themselves

unreasonably rule out their eligibility and do not turn to the local government.

The National Audit Office also noticed that although there has been a lot of talk about the need to improve the availability of domestic service, the problem of availability is actually unclear. According to studies commissioned by the Ministry of Social Affairs, there could be more than twice as many recipients of the service, which is also a frequent claim in the ministry's policy initiatives. However, there is no evidence that people do not receive assistance when they turn to the local government, which the law obligates local governments to provide. Organising domestic service is the task of a local government, and the ministry must define more clearly what the claim that there could be more than twice as many recipients of the service means in terms of the activities of the local government. If the perceived problem remains vague in terms of its nature and causes, there is a risk that public funds for the development of the area are spent on activities that fail to resolve the problem.

In the summer of 2023, the state specified the requirements for the content of domestic service with the regulation of the Minister of Social Protection but failed to properly analyse the effects of the regulation on the costs incurred by local governments. According to the local governments, the funds for the nursing care reform which were highlighted as the source for covering potential additional costs, is probably not enough to even finance care home fees, not to mention the development of domestic service.

The National Audit Office also finds that **instead of prescribing rules more specifically, the Ministry of Social Affairs should focus on making better use of other intervention options and take advantage of the available solutions**, such as service quality guidelines drawn up by the Social Insurance Board and the generally accepted principles of local governments themselves. In addition, new solutions should be avoided (especially when assessing the need for assistance), which instead of helping, unnecessarily burden social workers.

What does the National Audit Office recommend?

The National Audit Office recommended the audited local governments to improve the organisation of domestic service based on the observations made during the audit. The National Audit Office recommended the Minister of Social Protection to adequately analyse the impact of the regulation on the requirements for the content of the service and draw conclusions about the financing needs of local governments. The state should also start using the quality principles of social services in the supervision of local governments in order to apply pressure to improve the management quality of the service. Consideration should also be given to opportunities to financially support local governments in the digitalisation of management accounting in the social sector (e.g. from the European Union support funds), and it should be made sure that the technical solutions developed by the state do not put the burden of collecting unnecessary information on local governments when assessing the need for assistance.

The audited local governments generally agreed with the recommendations of the National Audit Office and promised to take them into account.

It follows from the response of the Minister of Social Protection to the audit report that the Ministry of Social Affairs currently has no plans to further analyse the effect of specifying the requirements for the content of domestic service on the costs incurred by local governments, as it is still of the opinion that the funds allocated to local governments in the course of the social welfare reform are, according to the forecasts, sufficient to develop domestic service. A comprehensive assessment of the effects of the social welfare reform is planned for 2026.

In addition, the minister pointed out that in 2024, the tasks of the Social Insurance Board will continue to be organised, and in the process the principles and methods of supervision of social services will also be reviewed. In 2024, it is also planned to implement a support measure for the development of local government social services, according to which the acquisition cost of IT systems necessary for service management is also eligible. As regards to the development of the assessment of the need for assistance, the minister's response shows that the data composition of the sample solutions of assessment instruments developed centrally in the state is currently not under review, but the minister admitted that the development of the assessment of the need for assistance is a longer-term process. As one of the next steps, it is planned to digitise the sample solutions in order to make their use more convenient for local governments.