

# Groeipakket

Case Description:

## The Groeipakket

As a result of the sixth Belgian governmental reform, the competence of child benefits was transferred from the federal level to the Communities and Regions (Flanders, Wallonia, Brussels and the German speaking Community) on January the 1st 2019. Flanders chose to integrate the family allowances in a larger family policy.

This was an opportunity to enlarge the support of families and children and to make the system more efficient and convenient. Family allowances are now a pillar of an integrated family policy, to create opportunities and support active participation to the society and thus also to support a combination of employment and raising a family. We named it *Groeipakket* (this roughly translates as Growth Package).

We applied several basic principles to the new legislation:

- Disconnect the socio-professional statute of the family allowances and depart from the right of the child, to ensure that working poor have the same rights as non-working poor.
- Ensure that no child is left out.
- Add new allowances to support participation.
- Adjust to the new social reality.
- Every child is equal.
- Automatically granting as far-reaching as possible to ensure that the administrative burden for the families is reduced to a minimum.
- Lower the risk of child poverty by selective support of low income families.

([Link](#) to the brochure (in Dutch).)

The reform had to be budget neutral, which means that no extra resources would be allocated. This called for new balances in horizontal (cost compensating) and vertical (in function of abilities) solidarity between families and children.

On an organisational level, things had to change as well. Before the reform, there was a federal agency called FAMIFED and eleven child benefit funds. FAMIFED had a double role, it supervised and also was a public child benefit fund. Neither FAMIFED, nor the eleven child benefit funds are competent for supervision or payment of the child benefits from January 2019. A new Flemish agency (VUTG) that holds a public payment fund was founded and is operating from January 2019. Only four private payment funds could be licensed, so the eleven ones negotiated and merged until they were four.

From January 2019 onwards Kind & Gezin maintains the role of director of the Groeipakket. Kind & Gezin (Child and Family) is an agency that works actively in the Public Health, Welfare and Family policy area in Flanders. During the years prior to this great reform the transition in Flanders was managed by this agency. Not only did the entirely new legislation have to be implemented, but the

public also had to be informed and reassured, the structured digital flows had to be created, a new customized and centralised computer system was built to be used by all five payment funds, the new agency (VUTG) had to be founded and the human capital had to be transferred from the federal level to the Flemish level.

This might have been the biggest reform of social security in Belgian history. In our EPSA application we will explicate how all this came into being.

### **Vragen European Public Service Award**

#### 1. Background (e.g. grounds/reasons for the project idea, max. 5000 characters)

What were the specific situation/barriers/constraints and challenges which the case/project aimed to overcome, change or improve? How did this project/case address real needs?

As a result of the sixth Belgian governmental reform, the competence of child benefits was transferred from the federal level to the Communities and Regions (Flanders, Wallonia, Brussels and the German speaking Community) on January the 1<sup>st</sup> 2019. Flanders chose to integrate the family allowances in a larger family policy.

This was an opportunity to enlarge the support of families and children and to make the system more efficient and convenient. Family allowances are now a pillar of an integrated family policy, to create opportunities and support active participation to the society and thus also to support a combination of employment and raising a family. We named it *Groeipakket* (this roughly translates as Growth Package).

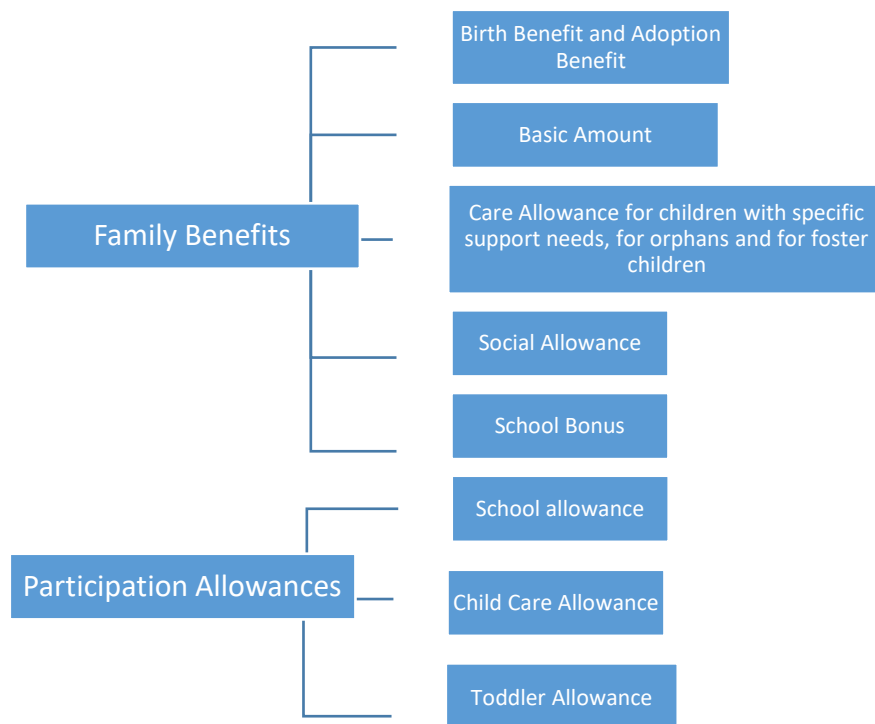
The basic principles to this were:

- ➔ Disconnect the socio-professional statute of the family allowances and depart from the right of the child, to ensure that working poor have the same rights as non-working poor
- ➔ Ensure that no child is left out.
- ➔ Add new allowances to support participation.
- ➔ Adjust to the new social reality. The Federal Child Benefits Law was constructed in 1930 and since then, society has changed; more women participate, the number of single parent families and newly composed families has increased, families have become smaller. An integrated family policy can be a means to ensure that every child receives the same opportunities.
- ➔ Every child is equal and will receive an equal birth allowance and an equal monthly basic amount. Before, there were ranking supplements and age supplements. This no longer exists for the new-born but to ensure that no child gets less than before the reform, the children born before 1.1.2019 keep the same basic amount as they had been receiving in the federal system. All supplements are accessible to all children, regardless of their date of birth.
- ➔ Automatically granting as far-reaching as possible to ensure that the administrative burden for the families is reduced to a minimum. To achieve this, a large network of electronic data flows was constructed.
- ➔ Lower the risk of child poverty by selective support of low income families. If the parents' income is below the income limit, they will receive a supplement. It no longer depends on

the socio-professional situation of the parent (eg. unemployment, single parent or long-term illness). These were all supplementary conditions to the income limit before the reform.

The reform had to be budget neutral, which means that no extra resources would be allocated. This called for new balances in horizontal (cost compensating) and vertical (in function of abilities) solidarity between families and children.

Several supplements were inherited from the federal system, others inherited but slightly modified and other supplements are new and had to be implemented.



For more information on the benefits and allowances, we refer to the [website](#) in Dutch, English and French and the online [brochure](#) in Dutch.

On an organisational level, things had to change as well. Before the reform, there was a federal agency called FAMIFED and eleven child benefit funds. FAMIFED had a double role, it supervised and also was a public child benefit fund. Neither FAMIFED, nor the eleven child benefit funds are competent for supervision or payment of the child benefits from January 2019. A new Flemish agency (VUTG) that holds a public payment fund was founded and is operating from January 2019. Only four private payment funds could be licensed, so the eleven ones negotiated and merged until they were four. A study showed that this construction would offer the most efficiency gains.

Because of the disconnection of the socio-professional statute of the family allowances, families are no longer connected to the payment fund the employer of the father has chosen. The market has opened thanks to *Groeipakket*. The five payment funds are now competitive. This transition is two-phased. Starting 2019 all families that welcome a new-born in their midst, can choose to

remain connected or change payment funds. From 2020 onwards every family can make this choice.

From January 2019 onwards Kind & Gezin maintains the role of director of the *Groeipakket*. Kind & Gezin (Child and Family) is an agency that works actively in the Public Health, Welfare and Family policy area in Flanders. During the years prior to this great reform the transition was managed by this agency. Not only did this entirely new legislation have to be implemented, but the public also had to be informed and reassured, the structured digital flows had to be created, a new customized and centralised computer system was built to be used by all five payment funds, the new agency (VUTG) had to be founded and the human capital had to be transferred from a federal level to the Flemish level. This might have been the biggest reform of social security in Belgian history.

## 2. General and Specific Objectives (max. 2500 characters)

What was the purpose of the case/project? What did it intended to achieve to contribute to general (overall) objective?

The general objective was to **implement an integrated family policy** so that every child can receive a custom *Groeipakket*.

One of the pillars to achieve the integrated family policy is the *Groeipakket* application, provided by the government. This is the application used by all five to manage the *Groeipakket*-files. The management of a *Groeipakket*-file consists of the assignment of the rights, the calculation of the amounts and the payment.

The advantages of one application are cost effectiveness, efficiency and innovation. On top of that, the citizen can count on an equal treatment by all payment funds. The same logic is followed to assign the rights and the exact same calculations are applied on the data. And finally, one centralised application facilitates a correct policy reporting. This also means that when a child is found in the population registers, but not in the application, we can take action to ensure that this child also will receive automatically its own custom *Groeipakket*.

To enable the automatic granting of rights and calculation of amounts the application needs information of several authorities (the federal department of Finances, the child care facilities, the Flemish department of Education,...) to check if the child or the parents meet the conditions information enters the *Groeipakket* application by structured digital flows. The Flanders Information Agency sends the information by digital flow to the cadastre called KRING. In KRING the information is linked to a file and thus also to a payment fund.

Another general objective was **to ensure that no child is left out**. A specific objective that will contribute to this is the possibility for Multi-Disciplinary Teams to evaluate specific support needs in order to receive a care allowance for children with specific support needs.

The specific support needs of children were evaluated in the past by doctors employed by the Federal Public Service Social Security. They are now employed by Kind & Gezin Multi-Disciplinary Teams on the other hand are teams who assist people with a disability. When a child applies for

support by a multidisciplinary team, it does not necessarily mean it also applied for a care allowance.

This allowance is the only allowance that requires a request. So how can we find the children who qualify but haven't requested a care allowance? To maximise the payment of the care allowance to the number of the children with specific support needs, the Multi-Disciplinary Teams are now also capable of evaluation.

3. Implementation (e.g. structure, processes, management, communication, max. 7500 characters)

How were the project organisation/management communication and main processes and actions implemented?

During the implementation and change process, we used six "treasuries of change": an ambitious top team, a clear strategic direction, a clear action plan and implementation, use of the available social energy, a powerful management infrastructure and the use of the available psychological energy.

Not everything was clear from the start of the change process, and more than 1000 agents and more than 800.000 families were involved. We had to gain trust and assure everyone about the possibility that this change could be a success, facing two main constraints: the perception in the field of a "mission impossible" and the fact that the old system had to continue to work while the new one was set in place.

We created a top team of believers that spread one strategic goal: "We have to pay the Flemish allowances to each family as of 01/01/2019 in a full, correct, timely and traceable way".

The believers went on a story telling mission with road shows and setting up information clusters. In doing this, we took advantage of the fact that it is very difficult for non-believers to challenge the strong points of the vision: who can actively be against the broadened family vision? In the first road shows, we stressed the WHY of the reform, before going on to the more practical points. The information clusters were set up using teamsites for everyone involved in the project.

Alongside with the story telling, we narrowed our strategic direction to a more practical point of view using story canvasses. Each canvas was developed with (an) important partner(s) and refined the strategic direction in more tactical stories. We used the canvasses to broaden and extend the road shows with more practical answers. Our aim was to deliver a canvas for each partner. After each canvas, we were forced to develop practical stories to develop the new IT system.

The strategic aim, the canvasses developed with our partners, the IT stories provided input for our action and implementation plan. We defined 54 milestones. To challenge each milestone, self organizing team were composed, a timing was defined and a spokesperson was indicated as linkin pin between the team and the Project Management Office. The task of the overall project leadership was to help to fix operational targets, find financial resources and keep the overall view.

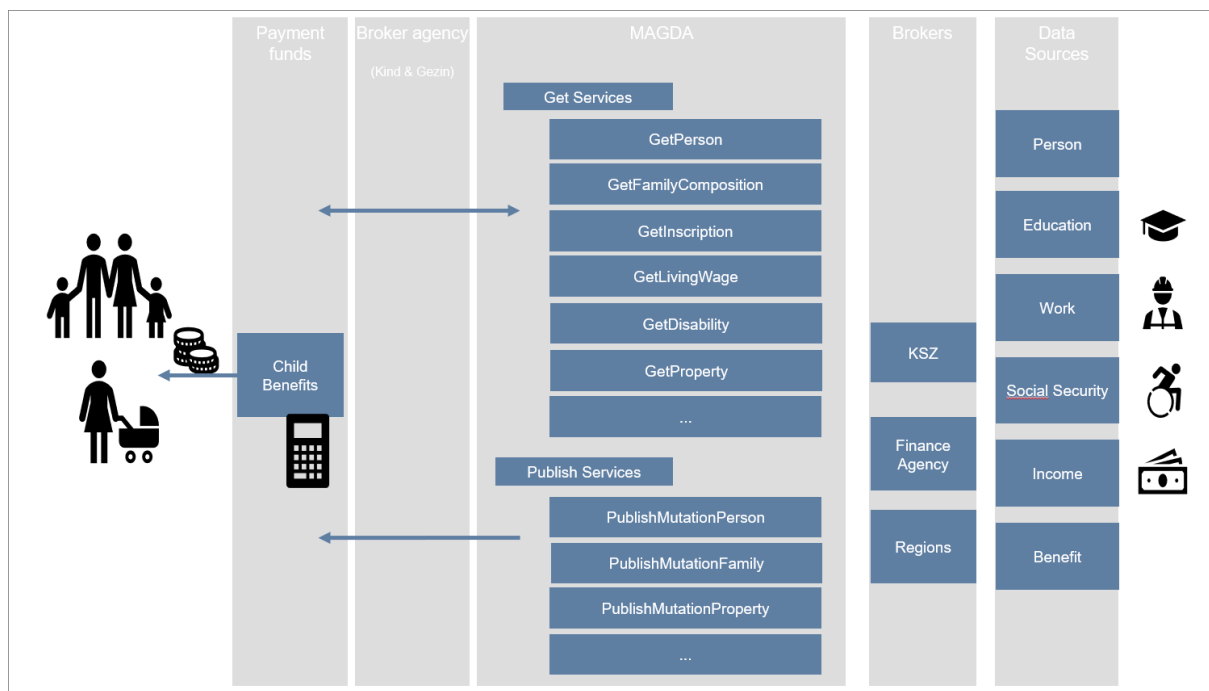
Each milestone, and each realized story, provided input for the next road show or information cluster.

The choice of working with self-organizing teams composed of people that were very familiar with the old system, people that knew which were the headlines of the new system and people that were able to spread the word in their own organizations and agencies, brought the necessary social energy to continue the change process over a period of approx. 3 years.

Using this project methodology, we managed to:

- ➔ replace a 70-year old legislation by a brand new one
- ➔ replace 10+ existing IT systems by 1 overall system (the *Groeipakket* application), equally used by 1 public agency and 4 private partners and 1000+ agents
- ➔ connect with 40+ different information sources to provide automatic payment
- ➔ train 1000+ agents in learning a new legislation and a new IT system
- ➔ reform the payment system with 10+ payment funds to a payment system with no more than 5 partners

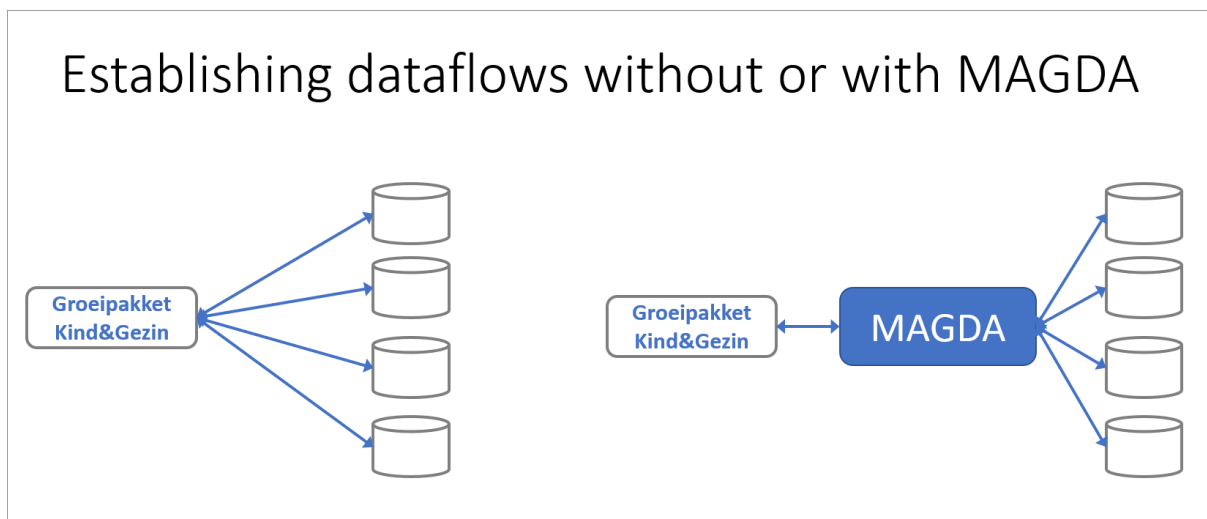
On a technical level, all this was made possible by setting up vast electronic dataflows through the MAGDA data exchange platform. MAGDA, which stands for maximal data exchange between administrations and agencies, offers a 24/7 gateway to several federal and regional authentic datasources. To ensure automatic pay out of allowances to a maximum number of beneficiaries, data has to be collected from multiple databases in different domains: social security, education, cadastral ownership, personal data from the national register, salary income and taxation, work and career, databases from FAMIFED and from Kind en Gezin. In global, more than 60 dataflows had to be established between the data sources and the payment funds.



MAGDA's main features that contribute to the *Groeipakket's* challenges are:

- Processing different formats of source data to deliver all data using one standard format to the *Groeipakket* application
- Efficient filtering of source data to eliminate all unnecessary data for the *Groeipakket* application
- Ensuring the secured transmission of data over the internet
- Standardized logging procedures have been implemented to comply with the GDPR regulation;
- Integrating reliable authentication and identity access management

Making the *Groeipakket* through the MAGDA data exchange platform unburdens Kind & Gezin to set up the dataflows with each source keeper separately.



To ensure these dataflows, agreements had to be set up between the source keepers and MAGDA on the one hand, and between Kind & Gezin and MAGDA on the other hand.

A consultancy bureau worked on KRING and MAGDA together with Kind & Gezin, FAMIFED and the Flanders Information Agency and also on an online communal portal where parents can log in and search their payment fund, the content of their children's *Groeipakket* and view documents out of the files. This portal is linked to the *Groeipakket* application and can therefore show information on all the files of the five different payment funds.

Another consultancy bureau created the *Groeipakket* application, together with the FAMIFED and Kind & Gezin experts. To be able to finish the *Groeipakket* application on time, the consultants started working on it in 2016. The *Groeipakket* Decree was only approved by the Flemish Government spring 2018 and the last Implementing Decision dates of December 2018. So it was impossible to make a prior analysis.

And finally, Kind & Gezin developed a registration system that is made available for free for the child care facilities, so they can register the presence of the children and send this information to Kind & Gezin in order for the payment funds to pay the child care allowance.

Communication wise, the goal was to reassure the public. The main message to spread was that nobody would lose money and that every child is equal. We set up radio commercials and a campaign on social media and YouTube. Of course the five payment funds also set up commercials

because for the first time in history from 2019 on, the market of the child benefits would be competitive. The families were informed about the details of the *Groeipakket* via the new website [www.groeipakket.be](http://www.groeipakket.be) and via leaflets. The payment funds meanwhile set up information evenings with local organizers such as maternity clinics and Huizen van het Kind (this translates as 'Houses of the Child', these are a network in each Flemish locality where child support services organize themselves to provide the necessary support for the families).

4. Input/resources utilised/allocated to the project (HR, budget, etc) (max. 2500 characters)

What resources were utilised/allocated to the project?

The resources for the *Groeipakket* amount 3.86 billion in 2019. This amount is paid to the families by one public and four private payment funds.

This project was realized by the transition team *Groeipakket* which consisted of 25 people from Kind & Gezin and FAMIFED who had the know how on policy, ICT, legal, HR, communication, budget, facilities and data management.

For the ICT aspect, two external consultancy bureaus were hired:

- one for data exchange;
- one for the unique central payment application.

5. Most important innovative features according to the applicant's point of view (max. 2000 characters)

What is the novelty of the new solution applied by the case/project to solve complex challenges and problems? In what way is the new practice of public administration innovative?

The *Groeipakket* is innovative because it departs from the **right of the child**: every child that is authorized to stay in Belgium and lives in Flanders will receive the same amount at birth and monthly, no matter what and without having to apply. The care and social allowances on the other hand are more aligned to the specific needs of families and children.

Moreover, children that are not known in the system, or children that are known but do not receive every allowance they are entitled to (**non-take up**), receive this automatically since January 2019. This is a solution to the tangle of paperwork for the parents that was more easily completed by higher educated citizens than the risk groups that should benefit the most.

Not only the children are treated equally, but also **the parents**. Before the reform, it was custom that the mother received the child benefits. *The Groeipakket* has broken with this tradition and leaves this decision to the choice of the parents. Together, they choose to whom it must be paid. Both are seen as equal and thus have an equal right to information.



Child poverty is being further reduced by reforming the social supplement. If the parents' income is below the income limit, they will receive a supplement. It no longer matters if the parent is unemployed, single or long-term ill. IN this way, the **working poor** can now receive a social supplement.

Technically, **one centralised Groeipakket application**, used by all five payment funds to maximize efficiency is also innovative.

As for the MAGDA data exchange platform, new data flows have been established and previously existing webservices could be reused.

#### 6. Stakeholder involvement (max. 2000 characters)

##### What methods and practices were used for ensuring engagement with stakeholders?

An integrated family policy is based upon a good network. We defined the stakeholders at the start of the project and continued this work until the end. All stakeholders were classified on a scale from very important to less important. The least important ones were kept on track with communication initiatives, aimed at their specific situation.

The more important stakeholders were gathered in steering committees. These worked alongside the project management office and provided feedback and input for the self-organizing teams. Every operational team result was discussed in a steering committee. Because they were composed of important partners, they provided the necessary communications between the change agent and their back offices.

Where possible, the stakeholders were involved in the teams, which was mainly the case for the experienced FAMIFED agents, the former federal child allowance agency in Belgium.

Important steering committees were the committees with the former public agency FAMIFED, that had to discontinue its work as of 2019. Another important steering committee was the committee with the private payment agencies, who had to reorganize themselves from 14 agencies to the 4 newly allowed. A third steering committee was the committee were all the Belgian communities met to organize the legal aspects of the collaboration within Belgium to ensure the continuity of payments for families who move to another community. A forth steering committee were the representants of the "houses of the child". The new payment funds had to integrate their frontline into these networks. This integration meant a serious change for the Houses and for the payment funds, because the latter were never involved in the networks before. The integration of both services means that the psychological, social and medical child support becomes integrated with the financial support for the families, thus being an important part of the Flemish integrated family policy.

7. Results (e.g. concrete quantitative performance measurement) (max. 5000 characters)

What proven and tangible evidence of benefits did the case/project achieve? What is the visible outcome of the project/case?

For large families, there is an additional income limit that provides social allowance for a part of the middle class that did not exist before. Aside from that, all families can be entitled to social allowances apart from their socio-professional status. This translates into **150.000 extra children** who are entitled to social allowances as compared to the previous system.

Apart from this, there are also the fortified school allowances. The income limits are considerably extended, which means that the target is broader now, and the amounts are higher. The school bonus will be paid for the first time at the beginning of the schoolyear 2019-2020.

All of these measures are being flanked by care allowances, the school bonus, the toddler and childcare allowance aimed at participation in education and child care. The Flemish Government has meticulously examined the whole system. It shows that the risk of poverty is reduced from the start of the system and that the **poverty gap is reduced**.

And last but certainly not least, a primary network has been set up, the *Groeipakket* application was successfully launched and is being used all five payment funds and thus, the payments were ensured. The **transition of child benefits to *Groeipakket* was fluently made** and the recipients got their money correctly and in a timely manner.

8. Sustainability (embedding in future activities) (max. 2000 characters)

How was or will the case/project be embedded in future activities? What is the financial sustainability of the project?

The *Groeipakket* is financed in an open ended way. The resources are being provided by the government in function of the number of children living in Flanders (depending on certain characteristics of these children and their families, including the income).

It is possible that in the long run more supplements will be added to *the Groeipakket* if this proves necessary or desired.

A monitoring Committee monitors the expenditure related to *Groeipakket*. In addition, Kind & Gezin, as director, will do the monitoring of the figures and make policy recommendations.

## 9. Potential for adaptability by other entities (max. 2000 characters)

### What are the potential value and lessons to be learnt for other entities (different Member States and levels of government?)

We seized the opportunity of the governmental reform to establish a more efficient support of children and families.

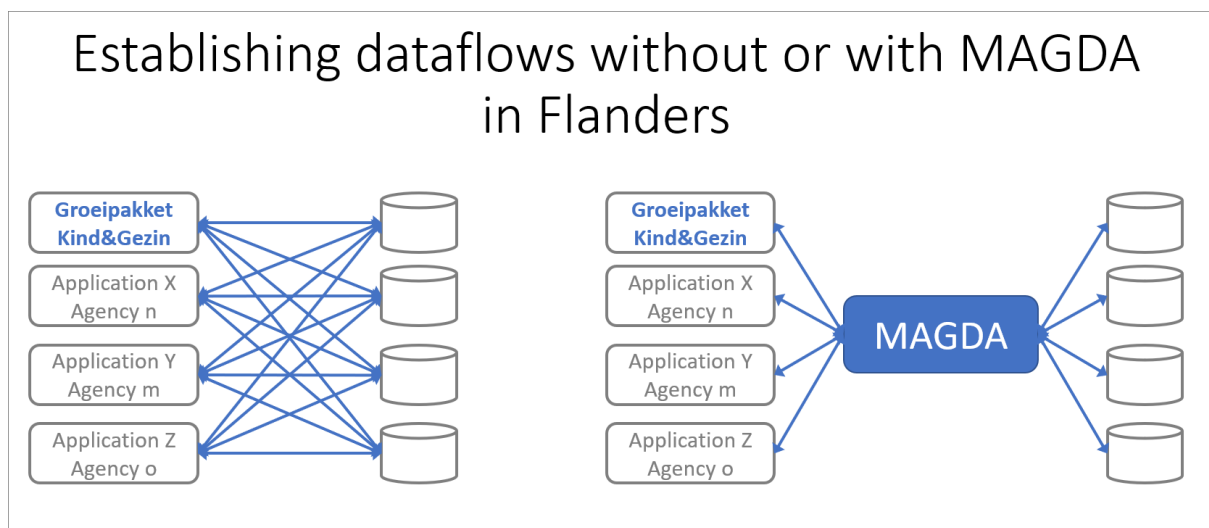
To implement such an ambitious transformation the six treasuries of change were crucial for *Groeipakket*. These are: establishing an ambitious top team, a clear strategic direction, a clear action plan and implementation, waking up the available social energy, a powerful management infrastructure and using the available psychological energy.

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The contact with the stakeholders was vital: listen to them, learn from them and their good practices and continue from that point on. When this is done well, you can create support. For *Groeipakket*, we needed support from several very important but miscellaneous stakeholders.

Substantively, an integrated family policy offers many advantages: possibilities to maximize enforcement and support of all children and families throughout their development. We integrated competences of education, care and childcare together with child benefits in one family policy, aimed at creating opportunities to start a family with active participation to society and thus also to combine (labour) participation with a family. One of the key focuses in achieving this integrated family policy is the automatic granting of rights.

As for the MAGDA data exchange platform, the new webservices that were developed for the *Groeipakket* are reusable for other agencies. Previous studies have shown that reusability of webservices from the MAGDA data exchange platform can save the Flemish public sector several tens of millions euro per year.



Furthermore, the engagements that were made to support Kind & Gezin in case of defects are now being used as a solid model for dedicated support towards other agencies that are connected to

MAGDA. This ensures a better performance and reliability for existing and new digitalisation projects from the public sector.