

Service voucher scheme – Cost and administration

In the audit report to the federal Parliament the Court examined how the service voucher scheme worked. It highlighted shortcomings in checking recognized providers and found that contracts for workers employed under the service voucher scheme did not always offer quality guarantees. It was of the opinion that the increase in expenses incurred, estimated at nearly one thousand million euro for 2009, required a tight budgetary frame.

Service vouchers allow an individual to pay through provision of state financial assistance for a neighbourhood service performed by a worker engaged by a recognized provider. The scheme should contribute to the creation of new jobs while meeting the consumers' needs. The cost for such a policy, which proves to be more and more successful, went to one thousand million euro in 2009 up from 239 million euro in 2005.

In order to guarantee the creation of new and valuable jobs, the recognized providers and the users have to abide by certain obligations. The audit highlighted shortcomings in the way the government departments concerned performed their monitoring duties.

The Court was of the opinion that the obligations imposed on recognized providers in terms of the nature of the contracts and working hours should be better monitored. Moreover, targeted checks should help verify whether service vouchers were not used for activities which are forbidden by the law: unauthorized activities, outsourcing, cumulation with certain contribution rebates, etc.). And here providers that perform service voucher activities outside the place of residence of private individuals (ironing, transport ...) are less immune to infringements, so that more intensive checks would be justified.

The Court also emphasized the desirability for information exchange between the employment department, the national employment service and the bodies in charge of collecting social contributions (National Office for Social Security, National Office for Social Security- provincial and local agencies). A comparison between data should among others ensure that service vouchers were effectively used for the implementation of an activity by a service voucher worker duly declared with the national Office for Social Security and for whom social contributions are paid.

Sharp differences were noticed in the profit margins of the recognized providers and the Court considered therefore that the employment department should assess the exchange value of service vouchers on a regular basis, by way of a critical analysis of the cost structure of the recognized providers and account being taken of the various types of state assistance provided to promote work.

Moreover the Court found that no criterion had been worked out to define what the term "job" means so as to assess the impact of the service voucher scheme on job creations. In reality, the number of jobs created (which the employment department estimated at 87.152 in 2007) comprises all persons that went into the scheme, irrespective of the number of hours worked during the year. The Court recommended defining the notion of "job created" in the light of criteria more in line with the job quality and durability objectives envisaged by the scheme.

The use of service vouchers generates feedbacks, more particularly in terms of fewer unemployment benefits to be paid and more social contributions to be received. The Court underscored that various shortcomings in data updating and information exchange between the social security institutions have an adverse effect on the quality of the feedback calculation. It insisted therefore that the institutions that collect the contributions should oblige the recognized providers to communicate all data about the hours worked by service voucher workers.

With a view to funding this service voucher policy the Government pays to the National Office for Social Security an amount that is equal to the expense amount borne by the national Employment Office, less among others the calculated feedback in terms of social contributions. The Court observed that the increase in contributions following the introduction of the service voucher scheme is considered, on balance, as having a positive feedback while service voucher workers also enjoy higher entitlements in terms of social security, thereby giving rise to additional expenses.

Finally, the law provides that service vouchers have to be issued within the limits of the appropriations of the National Employment Office. Well now, since 2005 the expenses have systematically exceeded the initial appropriations and additional appropriations were needed. The Court recommended using a tight budgetary frame for state assistance by calculating) annual budget appropriations on the basis of regular analyses of the evolution of users' demand. Such data should allow for an annual adjustment of the purchase price of service vouchers and provide a better guarantee that the number of service vouchers exchanged does not exceed the number approved at the time the annual budget was drawn up.

The minister for employment replied that a range of measures had been taken following the Court's recommendations, with the aim to improve service vouchers' administration and reinforce control of the service vouchers. She added that a working party including the various inspection units was set up in order to ensure a better information exchange and a more targeted approach to controls. Besides, the minister also informed the Court that she had requested the National Bank of Belgium to evaluate the annual accounts of the service voucher providers so that an accurate exchange value for the service vouchers could be calculated. Finally, the minister committed herself to taking measures with a view to improving the quality of the contracts of service voucher workers.