



EUROPEAN  
ORGANIZATION  
OF REGIONAL  
AUDIT INSTITUTIONS

SEMINARIO INTERNACIONAL

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# PERFORMANCE AUDIT, WITH AN EVALUATION APPROACH, OF THE MINIMUM SOCIAL INSERTION INCOME (MSII) IN ANDALUSIA: SPECIAL REFERENCE TO ITS SOCIAL IMPACT

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# Andalusia

- Area:
  - 87.599 Km<sup>2</sup>
- Inhabitants:
  - 8.663.175
- Budget 2025:
  - 48.836 M€
- Public Debt
  - 40.529 M€  
(19,1% del GDP)
- GDP (2023)
  - 212.193 M€



# Andalusia

## Regional Public Sector

### **ADMINISTRATIVE PUBLIC SECTOR**

*Budgetary sections (25)*

*Administrative agencies (11)*

*Special regime agencies (3)*

### **BUSINESS PUBLIC SECTOR**

*Public business agencies (12)*

*Regionally-owned companies (92)*

### **FOUNDATION PUBLIC SECTOR**

*Public foundations (16)*

### **OTHER PUBLIC SECTOR**

*Public consortium (13)*

*Universities (10)*

## Local Public Sector

### **ADMINISTRATIVE PUBLIC SECTOR**

*Provincial council (8)*

*Municipalities (778)*

*Sub-municipal autonomous entities (40)*

*Inter-municipal association (67)*

*Administrative agencies (218)*

### **BUSINESS PUBLIC SECTOR**

*Municipally-owned companies (390)*

### **FOUNDATION PUBLIC SECTOR**

*Public foundations (43)*

### **OTHER PUBLIC SECTOR**

*Public consortium (55)*

# Audit office of Andalusia (i)



- **Nature:** Independent body, linked to the Regional Parliament.
- **Function:** Auditing and consultative.
- **Scope:** Regional and local public sector.
- **Structure:** Collegiate body, 7 members (including Presidency and Vice-Presidency)
- **Collaboration y coordination** with Spain's Supreme Audit Institution

## Types of Reports Performed

### ■ Annual reports:

- General Account of the regional government
- Procurement by the regional government
- Accountability of public universities
- Accountability of the local sector
- Other

### ■ Specific reports:

- Plans, programs, services, and public policies
- Public investments
- Public aid and subsidies
- Public entities (municipalities, agencies, owned companies, foundations, etc.)
- Other

## Types of Audit

- Financial audits
- Compliance audits
- Performance audits
- **Performance audits, with an evaluation approach**
- Combined audits

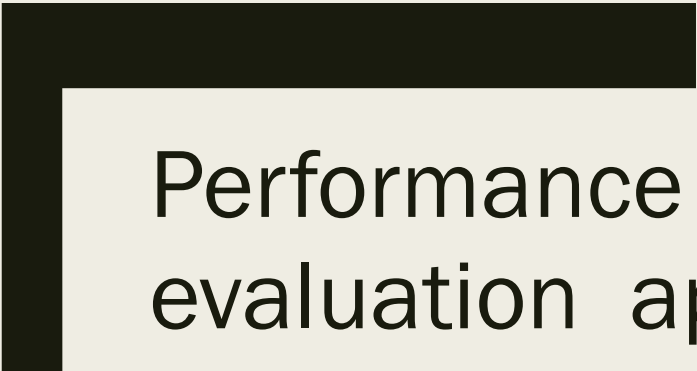
# Performance audit, with an evaluation approach

- Incorporate into the performance audit certain evaluation criteria such as usefulness, relevance, coherence (internal and external), or impact, as well as pay greater attention to stakeholders and influence.
- Adopting certain methodological techniques used in public policy evaluation

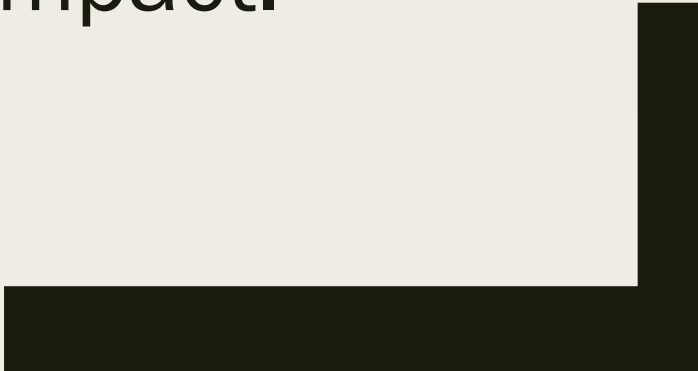


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Performance audit, with an evaluation approach, of the Minimum Social Insertion Income (MSII) in Andalusia: special reference to its social impact. (Period 2018 to 2021)



# MSII (Context)

- **Population at risk of poverty or social exclusion (AROPE rate) (2017)**
  - **Andalusia: 37,3%**
  - Spain: 26,6%
  - Europe: 22,5%
- **Regulatory framework**
  - **Decree-law 3/2017, regulating MSII**
  - **Decree-law 14/2022 (amends DL 37/2017)**
  - Law 19/2021, establishes the Minimum Vital Income (MVI), at the national level.

# MSII (concept and purpose)

## ■ Concept:

- **Guaranteed benefit** (of the Public System of Social Services of Andalusia)
  - **Economic benefit** (12 months, extendable)
  - Participation in the **socio-labor inclusion plan**

## ■ Purpose

- Improve the social and labor inclusion opportunities of the target group (especially with minors in their care)
- Increase personal and family autonomy and cover the basic needs of the household

# METHODOLOGY

- Performance audit with an evaluation approach
  - Classic criteria of performance audit (economy, effectiveness, and efficiency)
  - Other criteria, specific to the evaluation (**equity, utility and social impact**)
- **Audit matrix**, which integrate:
  - Audit questions
  - Criteria
  - Audit tests
  - Sources of verification

# AUDIT QUESTIONS (i)

## Effectiveness:

- **Question 1.** What has been the activity associated with MSII and to what extent has its management been effective?

## Economy and sufficiency:

- **Question 2.** What public resources have been allocated to MSII? Have these resources been sufficient?

## Efficiency

- **Question 3.** Has there been an optimal use of resources in relation to the results obtained

# AUDIT QUESTIONS (ii)

## ■ Accessibility and equity:

- **Question 4.** ¿What is the level of accessibility of the benefit for the target population, as well as the compensatory effect for the most vulnerable recipients?

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### Subquestions

- |     |  |
|-----|--|
| 4.1 | <b>Do the access requirements correspond to previously established objective criteria? Are they adapted to the reality of the potential target population?</b> |
| 4.2 | Is the benefit compatible with situations other than unemployment in a way that encourages access to employment?   |
| 4.3 | Have measures been adopted to standardize procedures and interpretative criteria across provinces?   |
| 4.4 | Are there measures in place to raise awareness about MSII and to provide guidance to applicants?   |
| 4.5 | What is the socio-economic profile of the benefit recipients?  |
| 4.6 | <b>Are compensatory measures established for the most vulnerable recipients?</b>   |
| 4.7 | Have specific measures been implemented for unforeseen or urgent/emergency social situations?  |

# AUDIT QUESTIONS (iii)

## ■ Social usefulness:

- **Question 5.** Has MSII contributed to improving the social and labor inclusion opportunities of beneficiaries in poverty or social exclusion?

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### Subquestions

**5.1 Are there measures in place to enable the social and labor inclusion of benefit recipients?**

**5.2** Have social and labor inclusion plans been developed during the reference period?

**5.3** Do the inclusion plans comply with the minimum content established by regulations?

**5.4** Is the time between the approval of the benefit and the drafting of the inclusion plans reasonable to ensure their effectiveness?

**5.5** Is there monitoring of the social and labor inclusion plans?

**5.6 Is the inclusion of benefit recipients tracked after they stop receiving the benefit?**

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# AUDIT QUESTIONS (iv)

## ■ Social impact:

- **Question 6.** ¿Has MSII contributed to reducing poverty and social exclusion?

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### Subquestion

6.1	What has been the evolution of the indicators used to measure poverty and social exclusion?
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6.2	What are the main factors influencing the trends in poverty and social exclusion rates?
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6.3	What has been the evolution of other indicators related to poverty and social exclusion?
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6.4	How many MSII beneficiaries have overcome their situation of poverty?
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# AUDIT QUESTIONS (v)

## ■ Covid-19:

- **Question 7.** Have relevant and timely measures been adopted to mitigate the consequences of Covid-19?

## ■ Incidence of MVI:

- **Question 8.** What has been the impact of the introduction of the MVI on MSII?

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### Subquestion

**8.1 Have measures been taken to integrate, coordinate, and complement MVI with MSII?**

**8.2** What are the main consequences of the appearance of this new benefit?

**8.3** What has been the level of MVI coverage in Andalusia?

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# MAIN CONCLUSIONS (i)

What has been the activity associated with MSII and to what extent has its management been effective?

- **The management of MSII has not been effective** mainly due to shortcomings observed in planning, monitoring, coordination, evaluation, and the IT system used.

Have public resources allocated to MSII been sufficient?

- Although the program's funding increased during the analyzed period, **the amount of the benefit remains below the poverty thresholds, making it insufficient** to meet the basic needs of the beneficiaries.

## MAIN CONCLUSIONS (ii)

Has there been an optimal use of resources in relation to the results obtained?

- **The management of the benefit has not been efficient,** mainly due to delays in processing the applications

What is the level of accessibility of the benefit for the target population?

- The complexity of the procedure, the limited dissemination of the aid, and the lack of training for potential beneficiaries **hinder access to the benefit.**

## MAIN CONCLUSIONS (iii)

Has MSII contributed to improving social and labor inclusion opportunities for beneficiaries in poverty or exclusion?

- The social component of the plan was included in 63.37% of approved resolutions, **the labor component of the plan is not being implemented.**

Has MSII contributed to reducing poverty and social exclusion?

- The **AROPE rate** showed a slightly downward trend from 2018 to 2020, although **in 2021 it increased** by 1.80 percentage points compared to the previous year, reaching 38.70%."

## MAIN RECOMMENDATIONS



Establish coordination mechanisms among the different services of the regional government for the granting and processing of the benefit, especially regarding employment.



Ensure continuous monitoring and evaluation of the benefit to guarantee its effectiveness and efficiency, as well as its alignment with citizens' needs.



Review the configuration of the benefit to eliminate elements that act as entry barriers or involve excessive complexity and bureaucracy.



Reinforce the personnel assigned to MSII

THANK YOU VERY MUCH