Assessing income support where no national minimum income scheme exists. Is it possible to apply the model family method to the Italian case?

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This article focuses on the application of a specific comparative methodology, the model family method (MFM), in measuring the income derived from minimum income schemes. The application of the MFM to the analysis of this policy field shows several criticalities such as the difficulty to analyze countries in which no national scheme exists, and in which both the intra-national variations and the discretionary power of street-level bureaucrats are significant. Stemming from the application of the MFM to the Italian case in the framework of an international project, the article analyzes whether and how this method can be developed also in said countries. In particular, it shows that, in order to do so, specific methodological choices and assumptions are necessary, built on a mixed research strategy aimed at complementing the data collected from institutional sources with in-depth interviews with social workersand the use of the vignettes technique.

KEYWORDS
Model family method; minimum income schemes; social assistance; vignettes; Italy

1. Introduction

The comparative analysis of social assistance income schemes is one of the most difficult in the study of the welfare state. Indeed, in this policy field the differences among national institutional structures are coupled with the relevance of other sub-national bodies (in contributing to determine available measures and the criteria to access them) and with a certain degree of discretional power of social workers in implementing this type of policy (Eardley *et al.* 1996, Saraceno 2002, Kazepov 2010).

From a methodological point of view, a specific research method adopted by scholars and international organizations (OECD 2007, Van Mechelen *et al.* 2011) for analyzing minimum income schemes, as well as other social policies, is the 'model family method' (henceforth MFM).

The MFM is based on a system of simulations through which the net disposable income of different given family types is calculated, stemming from gross disposable income levels and considering, on the one side, the amount of taxes and social contributions paid (plus other types of household costs, such as utilities and childcare), and on the other side the allowances and/or benefits received and fiscal reductions enjoyed. In this sense, the MFM

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ARTICLE HISTORY
Received 18 July 2016
Accepted 28 October 2016

allows to analyze in a comparative perspective not only how similar family types are supported in different national contexts, but also how the social benefit and fiscal systems interact in influencing the disposable income of different types of families in the same context.

As discussed more in depth in section 2, this method has both advantages and disadvantages. In particular, regarding the latter, one of the main criticalities concerns the difficulty in applying the MFM to cases characterized by a loose or even absent national regulation, and in which determining benefit eligibility, generosity, and duration can also be implemented in a different way, depending on street-level bureaucrats' discretion[1] (Van Mechelen *et al.* 2011, Nelson 2013). That is the case, in particular, of minimum income schemes in southern European countries like Italy.

Stemming from the analysis carried out in the framework of an international project on income protection schemes based on the application of MFM (more details are given in section 4), this article shows to what extent specific methodological assumptions need to be made in order to apply the MFM to the study of minimum income schemes in the Italian case. The article is organized in six sections: section 2 sets the frame for the analysis, giving some background elements on the Italian social assistance and minimum income policies; section 3 discusses the main difficulties in the comparative analysis of social assistance schemes and presents the MFM; section 4 presents the authors' questions and the data on which the article is based; section 5 illustrates how the MFM was applied to the Italian case, highlighting the implications of each assumption adopted; finally, section 6 sums up the main results and tries to provide some methodological suggestions on how to apply the MFM to specific policy fields and national contexts characterized by high intra-national variability and strong street-level bureaucrats' discretion.

2. Framing the case study: social assistance in Italy

Italy is considered a paradigmatic example of the southern European welfare model (Leibfried 1992, Ferrera 1996, Esping-Andersen 1999). A key element that distinguishes southern European countries from continental countries, despite their common Bismarckian basic structure, is the underdevelopment of the social assistance area of welfare provision in the former. As a matter of fact, in the Italian familistic welfare state, social assistance has always been a residual area of policy. It has also traditionally been considered a responsibility of the family to intervene in all cases in which individuals are not able to attain their independence and gain resources for their own welfare through their participation in the labor market (Ferrera 2005). A universal national minimum income scheme does not exist (the only other EU country where no such measure exists is Greece[2]) (Immervoll *et al.* 2015); the existing national minimum income schemes are strictly category based, namely addressed to low income disabled and older people[3] (Saraceno 2014).

In 1977 a national regulation transferred all competences relating to social assistance to the recently introduced regional bodies (already provided for by the Constitutional Chart of 1948, but created only in 1970), without contextually setting any national frame on the subject. Regions, in their turn, were called to legislate in order to attribute duties and resources to local bodies, and in particular to municipalities (Kazepov 2015). In the absence of a national legislative framework, each region legislated in a different way, and some regions did not intervene at all (Fargion 1997). In turn, the municipalities consolidated very different systems of support, also on the basis of the fact that cities had for long been the main welfare actors, especially in the domain of social assistance and income support. The result was the reproduction and a further advance of local variability, even between bordering municipalities, so that individual social rights in case of insufficient income may differ substantially according to the place of residence (Kazepov 2015). This also happened because municipalities had no clear obligation towards applicants or persons in economic need, and – in absence of earmarked transfers from the higher institutional levels – they allocated resources to social assistance on the basis of heavy budget constraints. The combination of the lack of subjective rights to income support with the presence of stringent budgetary restraints was, and still is, at the origin of the selection and ranking of applications. Social workers hold wide discretional power in evaluating the gravity of the need of applicants as well as their 'deservingness,' *de facto* establishing who actually receives support, how much, and for how long. Given the scarcity of resources, in most municipalities only applicants cumulating more than one reason of social disadvantage receive support (Bosco *et al.* 1999, Kazepov 1999). It is important to note that, despite the well known north/south divide, local variations are found throughout the country, also within the same macro-region, region, or even province (Kazepov 2010, Spano *et al.* 2013).

Despite some effervescence about welfare reforms in the second half of the 1990s, no major, encompassing and organic reform has ever been passed to tackle the main flaws of the Italian system and recalibrate the social expenditure (Sabatinelli 2009, Kazepov 2015). An experimental national minimum income scheme (*Reddito Minimo di Inserimento*, RMI) was introduced in 1998; after a testing phase limited in time and space, though, it was not institutionalized. The long awaited national framework law on social assistance and services was passed in 2000 (n. 328), fostering the development of universalistic measures and in-kind services, and introducing a *cascade* programing approach, with the state defining minima standards of provision, regions programing and allocating funds, municipalities providing services and supports and coordinating the provision by other territorial actors. Nevertheless, this on-paper innovative law was not accompanied by the structural allocation of funds. Moreover, immediately after it was contradicted by a constitutional reform passed by the same legislative majority that devolved all competencies on social assistance to regions in 2001, deeply reducing its impact (Kazepov 2015). While some regions have experimented minimum income schemes in a scattered and discontinuous way, at the national level only piecemeal, category based initiatives have been introduced, such as a (little generous) specific allowance for low income households with at least three children under 18 years of age, and a residual maternity benefit for women uncovered by the contributory indemnity linked to the maternity leave, both introduced in 1999 (Kazepov 2015).

As a consequence, the Italian welfare system ended up being inadequate to face the effects of the current Great Recession (Saraceno 2014). As a response, only emergency based patch-like schemes were introduced, such as measures to reduce payments for gas and electricity utilities for large families and households with older and dependent members. A small income support measure ('*Carta Acquisti*' or 'Social Card'[4]) was introduced in 2008 only for households with either a child under three or a member over 65, providing €40 a month on a debit card, to be spent for food, utilities, and few other basic expenses. In 2012, a further debit card (so-called '*Nuova Carta Acquisti*' or 'New Social

Card') was introduced in an experimental way in 12 cities with more than 250,000 inhabitants, destined to poor families with at least one member under age. Once again these measures were category based and only reach a very small minority of the poor people (in fact, during the years of the crisis, individuals under the absolute poverty threshold more than doubled, from 1.7 million in 2007 to 4.1 in 2014; ISTAT 2015), and only slightly relieve their income situation.[5]

Moreover, severe austerity measures were introduced in a welfare system already strained by long-lasting budgetary concerns, due to the Euro-zone parameters, and to the need to try and contain the huge national public debt. Sharp cuts were applied to social funds, as well as to general transfers from the state to municipalities (Simonazzi 2014). As a result, both the territorial variability of local minimum income schemes and the discretional power of social workers in implementing them probably further boosted, since local bodies can only rely on their own resources, while facing increasing demands (Lodi Rizzini 2013).

In the framework of such an incomplete and disorganized support structure, as well as huge local variability and a wide discretionary management of payments, the MFM raises specific methodological issues. After a brief presentation of the main issues concerning the comparative analysis of social assistance policies and the MFM, the following sections will present the questions and data on which this article is based. Finally, through specific examples, more details will be given on the assumptions made for the adoption of the MFM in the analysis of minimum income schemes in Italy discussing their main implications in a wider perspective.

3. The comparative analysis of social assistance policies and the MFM

In the field of comparative social policies analysis, the study of social assistance is one of the most difficult. Several methodological issues are correlated to the specific structural traits of this policy area. On the one hand, various types of interventions are involved (Adema 2006), combined in diverse ways in different countries: schemes of financial assistance aimed at guaranteeing a minimum standard of living, tax reductions and the use of negative income tax to increase the disposable income of low income households, in-kind benefits in order to cope with social contingency or to support the reintegration in the labor market, and measures that reduce fees for public services.

On the other hand – unlike pensions and unemployment benefits which are mainly defined at the national level – social assistance policies are also characterized by the involvement of several levels of government, in particular the sub-national ones (regions and municipalities) (Saraceno 2002, Kazepov 2010).

Even when focusing specifically on the comparative analysis of social assistance minimum income schemes, difficulties arise (Eardley *et al.* 1996, Heikkila and Keskitalo 2001, Saraceno 2002). In fact, in some countries these schemes tend to be more articulated including both an assistance based unemployment scheme and a general minimum income scheme, while in other countries only the latter exists (Immervol 2009, Figari *et al.* 2013). In some countries the cash amount also includes a specific component for housing costs, whereas in other countries these costs are covered by other institutional measures (ibidem). A further criticality is related to the intra-national variation, in terms of generosity of supports, available additional benefits, or even the criteria to access them. Finally, the potential space for social workers' discretional decisions contributes in making the comparison particularly complex (Barberis *et al.* 2010, Bergmark and Minas 2010).

From a methodological point of view, a specific method adopted in the comparative study of minimum income schemes is the MFM (Eardley *et al.* 1996, Bradshaw and Finch 2002). This method is based on a system of simulations through which, for given family types, the net disposable income is calculated, i.e. considering the amount of taxes, social contributions, and the fiscal and social benefits that family types respectively pay and receive. As recognized by literature, the MFM has both advantages and disadvantages.

The main advantage of the MFM is the 'like with like' comparison (Bradshaw and Finch 2002), comparing in detail the structure and level of welfare packages to which defined standard family types would be entitled in a specific country and at a given time. On the other hand, the main disadvantage of the MFM is that the comparison 'can only be illustrative and not representative' (Bradshaw and Tokoro 2014), insofar allowances, benefits, and fiscal reductions can and often do vary according to several individual and family characteristics that can hardly be considered in an all-encompassing way. For instance, the family size, the composition,[6] the age of family members, the actual working condition, the level of gross income, and, last but not least, the place of residence, can make a considerable difference in terms of the overall calculation of the welfare package.

The place of residence assumes even greater importance when the MFM is applied to cases in which the national regulation is loose or even absent. Moreover, the determination of benefit eligibility, generosity, and duration can also be implemented in a different way, due to street-level bureaucrats' discretion (Van Mechelen *et al.* 2011, Nelson 2013). As a consequence, countries with these characteristics are often excluded from comparative analyses adopting the MFM, especially in relation to some policy fields, such as minimum income social assistance schemes. Italy, in particular, is a case in point (Immervol *et al.* 2015).

4. Questions and data

The article aims at discussing if and how it is possible to apply the MFM to cases in which a national policy regulation is absent, and in which the determination of benefit eligibility, level, and duration can be affected by high social workers' discretion and is ultimately subject to a high degree of uncertainty. Our hypothesis is that in these cases the application of the MFM requires not only specific assumptions, but also a fruitful combination of data from institutional sources and information collected through a qualitative methodology in order to be able to draw such assumptions.

This hypothesis was tested in the field of noncontributory income support in Italy which, as illustrated in section 2, is a paradigmatic case due to the absence of a universal minimum income scheme, and a high degree of social workers' discretion in the implementation of sub-national last-resort schemes. The analysis was carried out by drawing on the data produced in the international project CSB-minimum income protection indicators (CSB-MIPI) dataset (Van Mechelen *et al.* 2011).[7] The project applied the MFM in several European countries and US states, taking into account four specific periods (1992; 2001; 2009; 2012), with regard to three main pillars of social protection:

minimum wages, means-tested guaranteed old-age pensions, and social assistance for able-bodied working-age households. Given the focus on the methodological challenges posed by policies with weak national regulation, this article draws on the data concerning social assistance for able-bodied working-age households, and uses in particular data from the 2009 wave.[8]

Within the CSB-MIPI project, each national unit filled out a matrix for 19 family types, resulting from the combination of five different household compositions with five different income conditions. The matrices were filled out following assumptions defined by the project coordinators and taking into account seven components: 'gross income' (which includes gross earnings, social assistance and minimum income for low-income older people); housing allowance (assuming all the families live in a rented apartment); income tax payable (which refers to all national and sub-national income taxes, including also tax credits); statutorily required social security contributions for employees; local property and other non-income taxes (including additional charges for water and garbage collection); child cash benefit (including also tax credits); and finally the net costs for childcare.[9] Moreover, each national unit filled out a general questionnaire, explaining additional assumptions or specifications used for the simulation, and giving background information.[10]

As mentioned above, several criticalities can arise in the data collection, in particular in the case of regional or local variations in defining social assistance benefits, as well as in the case of taxes or service fees. According to literature (OECD 2007, Nelson 2013), three main methodological criteria can be applied in the treatment of intra-national variations: a) considering national 'guidelines.' if and where these exist; b) using the mean value of the different regional/local benefits; c) selecting the largest regional/local case or the case which can be considered typical of the national context. As far as Italy is concerned, the first and the second criteria cannot be applied because there are no national guidelines for social assistance, and a systematic and detailed nationwide collection of data regarding local minimum income schemes is lacking.

On the basis of the third criteria, we selected as case study the municipality of Milan, capital city of the Region of Lombardy in the northern part of the country, and the second biggest city in Italy.[11]

Despite the well known intra-national differences concerning social policies provided at local level (Pavolini 2015), several comparative research results clearly indicate that the local means-tested minimum income schemes in Milan display the typical features of the Italian model, in terms of low generosity regarding the amount of benefits paid, strict access criteria (i.e. only people cumulating several social disadvantages receive the benefits), and wide social workers' discretion heavily conditioned by budgetary constraints (Kazepov 1999, 2010, Heikkila and Keskitalo 2001, Saraceno 2002). In this sense, following Bradshaw and Tokoro (2014), the selection of Milan within the application of the MFM was not aimed at providing a 'representative' case for Italy, but an 'illustrative' case of how social assistance minimum income schemes work in the Italian context. In fact, the Milanese case displays institutional mechanisms that can be observed in most of the Italian cities where local income support measures with some degree of institutionalization exist,[12] even though specific features of these measures (such as, for instance, thresholds and values of the equivalence scales) may and do vary from one city to another.

5. Applying the MFM to the Italian case

5.1. Identifying incomes based on local social assistance schemes

This section illustrates the steps undertaken in order to apply the MFM to social assistance schemes for able-bodied working-age households in Italy. It shows how different choices may give sensibly different results in terms of estimated income level, and how it is necessary to refine the assumptions made in order to minimize the risk of producing misleading results. Therefore, the focus was placed on the case of a single-member family receiving social assistance (due to an income equal to zero) in the Municipality of Milan (2009 research wave).

Historically, the poor, able-bodied single person has always been considered the least 'deserving' profile for benefitting from social assistance measures (Kazepov and Sabatinelli 2001: 23). Thus, focusing on this type of household allows to better test how social assistance measures work, net of classic accumulation of deservingness factors that give access to income support even in the least inclusive contexts such as the southern European countries.

The municipal regulation on social benefits and services of the City of Milan defines (art. 6) two measures of social assistance for able-bodied working-age households in economic need, with two different income thresholds. The first one is the so-called *Minimo Vitale* (MV, minimum living income). It defines the minimum threshold under which resources are not considered sufficient for covering daily life basic needs. The MV is related to the level of the national minimum old-age pension paid by the National Social Security Institute (INPS);[13] in 2009 the monthly amount for one person was €458.19, paid for 13 months (€5,956.47 a year).

For persons who already receive some kind of public support (and/or whose income situation cannot entirely be documented), a second threshold is defined: the so-called *Minimo Alimentare* (MA, food minimum), which identifies the amount of resources necessary only for mere survival. It is related to the *Pensione Sociale* (social pension).[14] In 2009 the monthly amount for one person corresponded to €337.09 paid for 13 months (€4,382.47 a year).[15] Both thresholds are updated on a yearly basis according to the indexation of pensions defined by the central state. For households with more than one person, an equivalence scale defined by the same municipal regulation is applied (see Table 1).

Consistently with the data wave used, the following analysis reflects the situation in 2009, based on the fieldwork and in-depth interviews with social workers. However, it should be noted that in the following years the municipal administration started a general

Table 1. Equivalence scale used in the Municipality of Milan (2009).

No. of components	Coefficients
1	100
2	165
3	212
4	253
5	295

Source: Regulation of municipal social services of the City of Milan, art. 6 (*Regolamento per gli interventi e servizi sociali del Comune di Milano*).

reorganization of the local schemes of income support, the results of which are not reflected in this article.

The amount of MV or MA, multiplied by the appropriate coefficient of the equivalence scale, is used – in principle – to define: a) whether applicants can be entitled to the measures (if their income is below the threshold); and b) the level of payment to which they are entitled (corresponding to the difference between their declared income and the threshold). However, previous research results based on the in-depth analysis of the Milanese local welfare system showed how, in practice, it was mainly used to define who is entitled, while the amount paid was generally fixed discretionarily at a much lower level than the official one (Kazepov and Sabatinelli 2001, Bonny and Bosco 2002). Therefore, filling out the matrices by calculating the social-assistance income merely on the basis of the official levels provided for by the municipal regulation in 2009 would have led to unrealistic results.

For more realistic estimations, the methodology adopted was enhanced by complementing the institutional analysis of official documents with in-depth interviews carried out with municipal social workers.[16] In order to estimate the real amount likely to be paid, the vignette technique was adopted. Vignettes are a methodological tool used in a number of fields of social research (Finch 1987, Barberis 2010), including the analysis and simulation of decision-making processes. In a face-to-face qualitative interview with a social worker, the researcher provides a detailed description of a specific case and asks questions aimed at reconstructing how it is managed in the institutional setting: whether it would receive support, of what type, of what entity and for how long. Our empirical results confirmed the existence of a gap between the official levels of the local minimum income schemes provided for by the municipal regulation and the actual ones provided by the social workers, also due to local budgetary constraints.

In order to show this gap, as already done in a previous comparative study on minimum income schemes (Kazepov and Sabatinelli 2001), two matrices for the social assistance cases were provided (see Table 2). The first one (column 1) displays the value for the MV scheme, which regards the specific family type assumed by the CSB-MIPI project having a zero income, drawn from the official municipal regulation. The second one, labeled 'MV real' (column 2), provides an estimate of the actual amount that is likely to be paid according to in-depth interviews with municipal social workers.[17]

First of all, the results show that the actual amount paid ('MV real') is almost 30% less than what provided for in principle by the municipal regulation: for a single person (with a zero income), according to the municipal regulation the basic amount paid would be €496.37 a month, whereas according to the interviews with social workers it is €365.18 a month.

Second, a crucial feature regards the duration of payments. In this case, the research protocol of the CSB-MIPI project requested only to provide amounts on a monthly

Table 2. Italy (Milan): single able-bodied working-age person receiving social assistance, monthly value in national currency (€), June 2009.

	1. MV	2. MV real	3. MV real_t
Single	496.37	365.18	182.59

Source: authors' elaborations based on the regulation of the municipal social services of the City of Milan and on in-depth interviews with social workers.

basis.[18] Indeed, in the other EU countries the duration of minimum income schemes usually tends to be unlimited, that is as long as the need persists (Kazepov and Sabatinelli 2001, Kazepov 2010). Therefore, if the assumption is that the family has zero income for 12 months, it is possible to attribute the payment of social assistance income support for 12 months. However, this is not the case of Milan, where – similarly to most Italian local contexts (Bonny and Bosco 2002, Lumino and Pirone 2013) – the duration of payments is not standard, but is heavily conditioned by budgetary constraints.

According to the interviews with social workers, the duration of a first period of monetary support is usually proposed – on the basis of consolidated practices – by the social worker dealing with the single case, and approved by a specific Municipal Commission. Recipients with minor children, and/or cumulating several social diseases may be entitled to more continuous income support than single adults. The income support is approved for a certain period, generally between three and six months. The social worker verifies the state of the art of the individual assistance project periodically (but manages it discretionally), and always before the expiry date of the income support. The overall duration is adjusted during the year, according to the trends in the number of applications (and their features), and the entity of the resources available. Duration depends on the deservingness attributed to the various categories and specific cases. A single, able-bodied person very rarely receives income support for more than six months a year.

In order to take this element into consideration, a third estimated benefit can be calculated, by applying the best hypothesis in terms of duration as emerged from interviews with social workers, that is equal to six months over a year. An 'MV real_t' estimate can then be calculated by multiplying the monthly amount by 6 and dividing it by 12. As shown by the data reported in Table 2 (column 3), based on the more realistic calculation of an actual, and not theoretical, amount paid for six, and not 12 months over a year, the estimated level of social assistance support is half the value of 'MV real', and represents less than 40% of what would be provided for on paper ('MV'). Thus, from a methodological point of view, the importance to consider potential time limits in a simulation based on an MFM is crucial in order to have a more precise comparative assessment of the generosity of social assistance schemes. This is also relevant in order to show how a similar condition of economic need is framed in different national contexts, according to varying degrees of 'institutional resources,' or, in other words, to the extent to which social assistance schemes are clearly institutionalized as social rights regarding, for instance, certainty of access and duration (Kazepov 1999).

5.2. Estimating undetermined benefits: the example of housing benefits

The previous section described the main methodological assumptions used in order to estimate the basic amount paid within the 'social assistance for able-bodied persons' in Italy, and in particular in Milan, the municipality chosen for the simulation. This is the initial income-basis on which other benefits, taxes and reductions must be added or subtracted in order to obtain an estimation of the 'disposable income.' In most countries, basic social assistance benefits are complemented by quotas of payments, or additional benefits, aimed at covering specific needs. In particular, housing costs are often considered in the definition of the final sums paid.

As recognized by comparative literature, housing benefits within social assistance packages are difficult to estimate for several reasons (Eardley *et al.* 1996). First of all, these types of measures are generally based on housing costs which tend to vary strongly according to the dwelling's size or its location, but also to the generosity and inclusiveness of local subsidies, etc.[19] (Bradshaw and Finch 2002). A second type of limitation is due to the fact that in some cases housing costs are covered directly (totally on in part) by minimum income schemes (Kuivalainen 2003), while in other cases housing benefits are addressed through other measures which might also depend on different institutions, responding to different regulatory frames and to different budgetary sources (Kazepov and Sabatinelli 2001).

In the Italian case, housing costs are badly covered (Allen *et al.* 2004). The main existing measure is a housing allowance, distributed through a specific annual bid organized by municipalities according to access criteria defined by regional governments. This scheme, financed by an earmarked regional fund[20] and co-financed by a compulsory financial integration by municipalities, would be the most pertinent to be chosen in order to apply the MFM. In fact, other existing measures are even more locally scattered as to their existence and definition, and more discretional and discontinuous in the management.

Considering the data related to the 2009 wave of the CSB-MIPI project, we took into consideration the criteria defined in 2009 by the region of Lombardy (in which Milan is located). According to regional law, the benefit should – in principle – correspond to the difference between the actually paid rent,[21] and a specifically calculated 'tolerable' rent level. Again in principle, the contribution should be recognized as a right, i.e. the individuals complying with specific requisites (that are defined annually by the regional government, and thus may change from one year to another) were entitled to the contribution. However, the budget is fixed annually on the basis of the resources available and political choices. Therefore, as it resulted also from an interview with a regional civil servant in charge of this measure, access is usually based on a ranking list, and not all applicants satisfying requirements have access to the allowance. For instance, in 2009 the official income threshold was €12,911/year, calculated according to the indicator ISEE-fsa,[22] but in fact only applicants with an ISEE-fsa income level up to €6,197/year (less than half of the official threshold) were effectively entitled to the benefit. Moreover, the amounts paid were reduced: applicants with an ISEE-fsa income level under €5,681 were entitled only to 50% of the amount fixed by the regional law, whereas applicants with an ISEE-fsa income level between €5,681 and €6,197/year only received 20% of the amount originally envisaged. The distribution of resources takes place ex-post on the basis of recalculations carried out by the regional offices and based on the number of eligible applications received, and of their specific features (income level, level of rent paid, etc.).

As a consequence of all these caveats, the degree of plausibility of an estimation of this housing allowance would be questionable. It was in fact virtually impossible – at the time in which we collected the data – to have precise information regarding: a) whether or not a particular case would effectively receive the regional housing allowance, and b) how much that specific case would receive. Also on the basis of the in-depth interviews with municipal social workers – who confirmed the unpredictability of the individual entitlement to the regionally-funded housing support – we decided to drop this allowance, and to consider for the MFM simulation a municipal housing support instead, which was more likely to be paid to beneficiaries of municipal social assistance. This

Table 3. Italy (Milan): support for the rent costs provided to a single able-bodied working-age person receiving social assistance, monthly value in national currency (€), June 2009.

	1. RHA	2. MHSreal	3. MHSreal_t
Single	191.67	172.65	86.33

Source: authors' elaborations based on the regulation of the housing allowance provided for by the Lombardy Region and the in-depth interviews with social workers of the City of Milan.

amount is a sort of lump-sum rent support provided by the Municipality of Milan, in particular as an additional support for social assistance beneficiaries. At the time in which the in-depth interviews were carried out, it generally covered about half of the estimated rent costs.[23] However, also this amount was provided by social workers discretionally (i.e. to those cases recognized as more 'deserving' than others), as well as limited by time constraints: two aspects that should be considered for a more precise estimation of the municipal housing support. The data in Table 3 show the official amount of the Regional Housing Allowance (RHA) (column 1) according to the institutional regulation provided in 2009, as well as two data regarding the municipal support (calculated on the estimated monthly rent paid by the beneficiary): an estimation of the generosity of the Municipal Housing Support (MHS) that is likely to be paid to a single able-bodied working-age person receiving social assistance (MV), respectively in absolute terms ('MHS real') (column 2) and considering also time constraints ('MHSreal_t') (column 3). The latter is the most realistic estimate; for our single-person case, it corresponds to €86.33 a month.

6. Conclusions

This article focused on the application of a methodology, the model family method, in a specific policy field, i.e. social assistance minimum income schemes, which is generally difficult to analyze in a comparative perspective. Comparative difficulties tend to be greater when national cases are characterized by intra-national variations taking place at regional and local levels, due to the absence of a national regulative frame of reference, and/or a high degree of discretion (regarding eligibility, duration, etc.) exercised by street-level bureaucrats. The risk is for these cases – as it occurs in Italy – to be excluded from comparative analyses of minimum income social assistance schemes adopting the MFM (see, for instance, the OECD tax–benefit model) (Immervol *et al.* 2015), thus limiting the comparative scope of the method.

Stemming from our research experience, the difficulties encountered in applying the MFM to this policy field in Italy were analyzed, showing each problem met step by step, as well as the specific methodological choices made to overcome them. These choices can lead to sensibly different results in terms of estimated income levels. Figure 1 summarizes the different levels of total estimated support (TES, including both minimum income schemes and local rent support) for a single able-bodied working-age person (with a zero income) receiving social assistance in the City of Milan in June 2009.

It appears evident how each of these estimations reflects a deeply different image of the generosity and adequacy of income support, and also how it can significantly change the

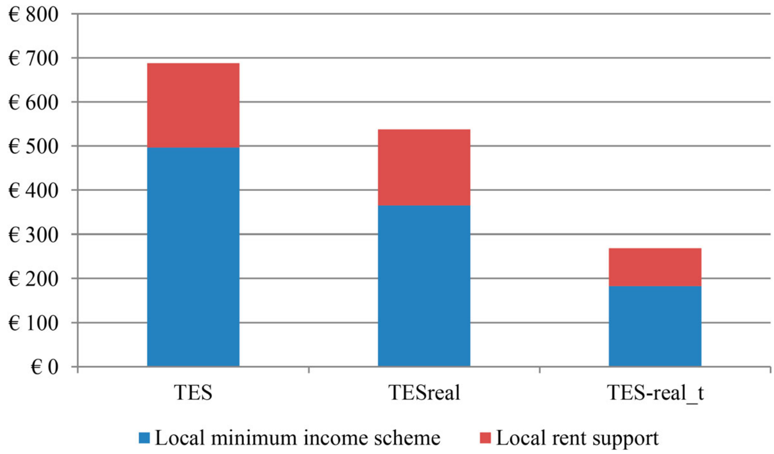

Figure 1. Italy (Milan): Total Estimated Support (TES) for a single able-bodied working-age person receiving social assistance (local minimum income scheme + local rent support), monthly value in national currency (€), June 2009. Source: authors' elaborations based on the information collected through institutional analysis (regulation of the municipal social services of the City of Milan and regulation of the housing allowance of the Lombardy Region) and in-depth interviews with social workers of the City of Milan.

position of the Italian case in a comparative perspective. The most realistic estimation (TES-real_t) is 60% lower than the one based on official regulations (TES).

The methodological assumptions presented in this paper can be also potentially useful in refining the estimated amount for social assistance provided for the Italian case within other databases adopting the MFM like, for instance, the SAMIP dataset in which detailed information about the generosity of minimum income schemes in 36 countries (including Italy) for the period 1990–2013 are collected (SPIN 2015).

Also in the case of the SAMIP, data for Italy are drawn from the CSB-MIPI research project considering the period 1992 and 2001, while data for the years 2002–2009 have been only estimated according to the yearly benefit increases for the period 1999–2001 (SPIN 2015). In this sense the level of social assistance refers to the so-called *Minimo Vitale* (MV) implemented by the Municipality of Milan and, more specifically, to the 'MV real' seen above (section 5.1) which provides a more realistic estimation of the amount likely to be paid. However, the effective duration of the payment is not taken into account. Therefore, the comparative assessment of the generosity of the social assistance scheme risks a loss of precision. For instance, for a single adult person household characterized by zero income for 12 months the monthly amount of the 'MV real' reported by the SAMIP dataset is Lit. 1.244.781,5 in 2009[24] (SPIN 2015, p. 6). Yet, if the best hypothesis in terms of duration as emerged from our interviews with social workers (i.e. six months over a year) (see section 5.1 above) was applied within the SAMIP dataset too, a more realistic estimation of the 'MV real' would emerge, equal to Lit. 622.390,75 (= 1.244.781,5*6/12).[25]

What can be drawn from a critical review of our research experience? In our view, a general result is that, in order to enhance the method and improve the results obtained as much as possible, it is crucial for researchers to refine the estimations on the basis of an accurate verification not only of the formal rules, but also of the actual accessibility, generosity, and duration of benefits.

In particular, our research experience highlights the need:

(a) to verify the plausibility that hypothetical applicants with a specific profile can access measures to which they are entitled according to formal regulation;
(b) to verify, when more than one measure exists according to the formal regulation, which one can be applied to the applicants' profiles as provided for by the research protocol.

Even when it is verified that hypothetical applicants can access the measure, and it has been clarified which measure can be applied for each specific case, there is still the need:

(a) to verify the level of monetary benefit that applicants are more likely to receive;
(b) to verify how long payments would last, as opposed to a hypothetical condition of need that lasts 12 months out of one year, and consider the actual duration of payments in the final estimation (for instance, for a disposable income estimated on a monthly basis, the sum of all the payments that the beneficiary is likely to receive within a year subdividing the total amount by 12).

All these difficulties can be overcome by combining data drawn from institutional sources with original empirical data produced through qualitative research methods. In particular, in-depth face-to-face interviews with gatekeepers of the access to local benefits – namely social workers and administrative civil servants – are crucial in order to obtain precise information about the actual practices and the entity of the deriving provision. In-depth interviews should also integrate the vignette technique (Finch 1987, Barberis 2010), in order to define in a more accurate way whether a specific family's profile would gain access to support, what level of benefits is likely to be paid and for how long, going beyond what is officially written on paper but often disregarded in practice. This allows a more realistic definition not only of the basic amount of the payment, but also of its duration, and of the entity of additional benefits, such as housing support, that may have a strong impact on the final overall disposable income. Moreover, such technique is easy to combine with the MFM, given the identification of family types already foreseen by this method.

These caveats are all the more necessary in contexts in which major estimation difficulties arise from the opacity, the lack of enforceability and the non-predictability of monetary measures. Nevertheless, it should be reminded that a (varying) margin of difference between what is formally provided for by regulation and what happens in practice is probably found in all contexts (Barberis et al. 2010, Bergmark and Minas 2010). Therefore, this procedure can be useful to enhance the accuracy of estimations even in contexts in which the level of discretional management is not reported to be high.

Moreover, the interest in complementing institutional data with originally produced qualitative data is aimed not only at being able to assess what happens in practice (rather than what is written on paper), but also at being able to assess the gap between estimations of formal and 'real' levels of support.

As mentioned in the introduction, however, difficulties in adopting the MFM in Italy arise not only due to a high degree of discretional management, but also due to a strong territorial variation. This is not solely an Italian or a southern European feature (social assistance in Austria is a case in point). In the absence of national guidelines, and due to the scarce data on regional and local benefits that would have allowed to adopt mean values as suggested in literature (OECD 2007), we chose Milan: a big municipality with an organized local welfare system if referring to the Italian scenario but, in a wider comparative perspective, characterized by the typical features of the Italian welfare regime, in terms of low generosity regarding the amount of the benefits paid, high access thresholds (i.e. only people cumulating several social disadvantages receive the benefits), and social workers' discretion heavily conditioned by budgetary constraints (Kazepov 1999, 2010, Heikkila and Keskitalo 2001, Saraceno 2002). In order to make the limits of such choice more explicit, one solution could be to clearly indicate the city chosen as reference in all the data dissemination (for instance, 'ITALY-Milan' instead of just 'ITALY'). Another option to be further explored in the future could be to fill in the matrices for more than one local case. Although rather burdensome in terms of workload, this option would be extremely useful in order to better understand the scope of territorial differences in each country, and particularly in those countries where a national framework does not exist.[26]

While caution on the representativeness of data should be maintained, together with the awareness that MFM results can only be 'illustrative and not representative' (Bradshaw and Tokoro 2014), the aim of this article is to contribute in enhancing the MFM, improving its results and broadening the parterre of countries that the method can put in comparison.

Notes

1. The degree of discretion of street-level bureaucrats in the social assistance policy field is widespread in every country (Barberis *et al.* 2010, Bergmark and Minas 2010). However, the specific meaning and the related impact of this phenomenon tend to be different according to the regulative context of reference. In this sense, in some countries (like Italy) where social assistance measures are not clearly institutionalized (Kazepov 1999), the discretion may be used to limit eligibility or decrease compensation (Bergmark and Minas 2010). In a different way, in countries (like the Nordic ones) in which social assistance measures define clear social rights that can be claimed in condition of economic need, the discretion can imply also a substantial expansion of social rights (Bergmark and Minas 2010).
2. Here, in the framework of negotiations with the European Commission, the European Central Bank and the IMF during the Greek debt crisis, an experimental local scheme and a possible national program have only recently started to be discussed (Hellenic Parliament 2014).
3. For disable people: *Pensione di inabilità* (for 100% disability. In 2016 the yearly income threshold is €16,532.10; the monthly amount is €279.75, paid for 13 months) and *Assegno mensile* (for 74–99% disability. In 2016 the yearly income threshold is €4,800.38; the monthly amount is €279.47, paid for 13 months). For older people: *Assegno Sociale* (Social Cheque) (in 2016 the yearly income threshold is €5,825; the monthly amount is €448.07, paid for 13 months).
4. Usually referred to in English also in the Italian policy discourse and press.
5. Within the Budget law 2016 a new national anti-poverty scheme was announced, to be introduced in 2017. In the meanwhile, starting from September 2016, the implementation of the

'New Social Card' has been transitorily extended to the whole national territory, with a partial modification of the access criteria defined in 2012.

6. Moreover, the focus on specific family types can lead to misleading interpretations of results, since some family types are quantitatively more important in some countries than in others (Figari *et al.* 2013).
7. For further information about the content and methodology of this project and scientific contributions based on CSB MIPI database see: http://www.centrumvoorsociaalbeleid.be/index.php?q=node/3270/en
8. More precisely, the CSB-MIPI project asked to select 30 June 2009 as reference date.
9. Considering – for family types with two-year-old children – the average monthly cost for the most common childcare service at the net of tax credits or deductions.
10. Moreover, for the 2009 and 2012 waves a more detailed questionnaire about conditionality in the social assistance schemes for able-bodied persons was filled out.
11. In order to maximize longitudinal comparability across time, this choice was maintained through all the waves of the research.
12. Indeed, due to the absence of a binding legislative framework (both at national and regional levels), many Italian municipalities (in particular smaller municipalities) are not endowed with specific municipal regulations regarding access threshold, amount, duration, etc. of local minimum income schemes.
13. For pensions whose yearly amount is under a specific minimum established by the central state (in 2016: €6,524.57 for a single-person household), an integration is provided so as to reach this minimum. If the individual's yearly income is higher (in 2016 up to a maximum of €13,049.14) a lower integration is paid.
14. The *Pensione Sociale* (Social Pension) is a national minimum income scheme paid to low-income old persons who were on benefit before the introduction of the *Assegno Sociale* (social cheque) in 1996 (see section 2 above).
15. This is lower than the previous one since the income to be compared with the threshold is calculated disregarding other kinds of public support or undocumented income.
16. We interviewed one coordinator and one social worker of the *Ufficio Adulti in Difficoltà* (Office for Adults in Difficulty) of the Municipality of Milan in Spring 2010.
17. From the interviews it resulted that social workers define these amounts on the basis of the levels provided for by the *Minimo Alimentare* mentioned above, which are lower than the amounts provided for by the MV.
18. In order to consider the duration of benefits, as well as Christmas and summer holiday bonuses, in the last CBS-MIPI wave (for 2012) the research protocol required each national unit to provide data expressed as yearly amounts.
19. Regarding this aspect, one option suggested by the OECD is to consider as estimated rent 20% of the gross earning of an average worker. The advantages of this type of estimation regard the simplicity, the transparency and the fact that other options are not easily available (OECD 2007). However, the main limit of this assumption is the fact that the incidence of rent on family income is assumed as a fixed percentage, disregarding features such as the household size or its income level (Nelson 2013). In the CBS-MIPI project, as required by the research protocol, we provided a specific estimation of rent costs for Milan (based on data from the Milan Province Dwelling Observatory), according to the different sizes of the selected family types.
20. The Regional funds for housing support are constituted by regional resources and by national resources transferred annually to the Italian regions. Each region defines its specific criteria for accessing the allowance. During the last years, national transfers to regions have decreased strongly, and thus access criteria have become stricter.
21. That in 2009 should not exceed €8,000 a year.
22. ISEE (*Indicatore della Situazione Economica Equivalente*, Equivalent Economic Situation Indicator) is a specific indicator (introduced by the national government at the end of the 1990s) that permits to assess the economic situation of families, and that is required in order to apply for social benefits (both national or local) or subsidized care services. It

takes into account: income movable and immovable assets; rent costs; the specific characteristic of the family (according to an equivalence scale defined by the national law). ISEE-fsa is a special ISEE modified by the region of Lombardy to be used specifically when applying for housing support allowance.

23. It should be noted that, according to the results of our interviews with the social workers, in 2010 social assistance payments no longer included such 'rent support lump-sum,' due to budget constraints.
24. In the SAMIP dataset for the Euro zone countries all benefits are expressed in the old currencies, i.e. for Italy the Italian Lire (Lit.).
25. Social assistance supplements to cover housing expenditure are not considered in the SAMIP dataset (SPIN 2015, p. 2).
26. A further element that deserves attention, although beyond the scope of this article, is how to assess the adequacy of local measures limiting distortion effects. One of the most used comparative measures in this sense is to compare disposable income levels resulting from the matrices with the median national equivalized income levels; however, in countries characterized by a high territorial variation, also average income levels and purchasing power vary significantly across regions. In order to avoid measuring the generosity of diversified local benefits against national average income levels, which would give misleading results, the use of localized estimations of income levels should be considered, similarly to what is done with poverty measures (Kangas and Ritakallio 2007).

Disclosure statement

No potential conflict of interest was reported by the authors.

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