

Best Practice: Social Protection and Investment for A Better Quality of Life

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CITY: SEOUL

POLICY AREAS: SOCIAL SERVICES

BEST PRACTICE

The Seoul Welfare Standard aims to improve the welfare of the citizens of Seoul in five major areas: income; housing; care; health; and education. The charter was adopted in October 2012 as a protector of people's basic livelihood, an enabler of civic integration, and a driver of social development. The charter was the first of its kind in South Korea, defining both minimum and decent standards of welfare. Following the charter's adoption, the City government now supports 190,000 citizens in need.

The project was a 2013 winner of the United Nations Public Service Award.

ISSUE

- **Citizens Losing Hope because their Quality of Life is far below the Level of the National Economic Development**
- **Negative Consequences of the National Development Drive: Income Polarization and Regional Imbalances**
 - Average housing price: 477 million KRW in Seoul, 260 million KRW nationwide, and 172 million KRW in metropolitan cities
 - Average monthly education cost: 550 million KRW in Seoul, 474 million KRW nationwide, 322 million KRW in counties
 - Average monthly income: 380 million KRW in the Southeast and 300 million KRW in the Northeast, where Seoul is located
 - Happiness index (on a scale of 10): 7.24 in the Southeast, and 6.10 in the Northeast
- **Provision of Selective Welfare based on National Standards discounting the Characteristics of Seoul**
- **Low Satisfaction with Welfare Policies Made without Social Consensus**

The Seoul Welfare Standard addressed the need to improve public welfare and living conditions in Seoul and increase civic participation for the city's citizens.

GOALS AND OBJECTIVES

The Seoul Welfare Standard sought to set both minimum and decent standards across five major areas related to public welfare through dialogue between City government officials, public citizens, researchers, and a support task force. A central goal of the project was to enable all citizens' participation, collect public opinion, and reach social consensus.

The individual objectives of the project, by category, include:

	Minimum Level	Decent Level
Income Standard	The minimum income level that is over the poverty line, set by the central government	A household income of more than 50% of the median household income in the city
Housing Standard	A rent payment less than 30% of one's income; a living space of more than 43m ² for a 4-person household	A rent payment less than 25% of one's income.; a living space of more than 54 m ² for a 4-person household

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Care Standard	Child/senior care expenses not exceeding 10% of the household income	Child/senior care services available within 10 minutes; care quality equals the average of OECD countries
Health Standard	No citizen not receiving medical services for economic or geographical reasons	The citizens' health level above the OECD average; regional health gaps to be eliminated
Education Standard	Educational costs to be reduced; every citizen will have the right to basic schooling	The quality of mandatory education to be upgraded to the OECD average; adults' life-long educational opportunities to be expanded

The expectation is that the improvement of these outcomes will boost the city's economy. Expansion of public welfare expenditures should lead to improved quality of labor, which will promote the domestic market, create jobs, and lead to economic growth.

IMPLEMENTATION

The development of the Seoul Welfare Standard began in February 2012 with an academic research project and the formation of the Seoul Welfare Standard Committee. Six groups and events contributed to the draft of the Standard: The Seoul Welfare Committee, policy workshops and a 1,075-person roundtable, a support task force, citizens (109 opinions gathered online), researchers, and the Seoul Welfare Meari Corps (a citizen panelist group). Throughout this process, the City built a cooperative system of engagement among citizens, experts, and public servants and defined their roles clearly.

The gap between ideals and reality was narrowed down through 162 meetings and the input of citizens. The Seoul Welfare Committee tried to maintain a balance between welfare experts and City officials. Welfare experts presented optimal measures to address the welfare issues of the City. City officials, however, had to consider the fiscal implications of the new measures and their unintended potential side effects.

The committee held general workshops in which all members participated. These workshops were held from May to June, 2012, with 594 participants and 278 ideas proposed. Inter-subcommittee meetings were also held every two weeks for the adjustment of the subcommittees' different interests. Each of the five areas was discussed in a separate policy workshop. In August, priorities were set and final edits were made at the 1,075-person roundtable by the citizens' voting. The final draft was completed by September, and the Standard was announced and adopted in October.

The adopted Standard includes the following, by category:

Income Standard:

- Introducing the Seoul Basic Security Scheme: relax the legal family support criteria so that an additional 190,000 citizens in poverty receive support by 2018
- Launching of Seoul Hope Public Work Program: offer work opportunities for Seoul's near-poor
- Implementing the Seoul Decent Job Program: goal of creating 25,000 jobs for youth, 100,000 community-based jobs to the elderly, and 27,000 jobs to women by 2018
- Introducing the Living Wage scheme: wage level of full-time workers that is above the central government's poverty line (the minimum cost-of-living for two to three persons)

Housing Standard:

- Supplying new public housing until its share reaches 10% of the total market
- Supplying semi-public rental housing and offering incentives such as financial support for renovating the house and tax breaks to the owners of private rental housing in exchange for a sufficient lease period (around 6 years) for tenants

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- Supplying customized rental housing to the members of co-operatives using the City's public land
- Expanding the housing expense subsidy for those earning at or below 150% of the minimum cost-of-living and raising the subsidy level
- Launching a program to improve home energy-efficiency to help reduce housing expenses for low-income persons

Care Standard:

- Launching a campaign for no out-of-pocket expenses daycare centers
- Subsidizing the out-of-pocket expenses of Long-Term Care Insurance
- Subsidizing the out-of-pocket expenses equivalent to 20% of facility benefits and 15% of at-home benefits for the elderly excluded from the social security scheme and requiring long-term care
- Subsidizing the out-of-pocket expenses of Comprehensive elderly Care Service for those excluded from the NBSL scheme
- In 2013: Supporting up to 20 hours per person for 4,500 out of estimated 45,000 elderly people requiring at-home services during recovery after discharge from hospital; service targets are those living at or below 180% of the minimum cost-of-living
- Expanding support for people with Grade I upper limb and lower limb disabilities
- Strengthening services by increasing the developmental rehabilitation service subsidy
- Increasing the rehabilitation service subsidy by 25% from the current level in order to improve quality

Health Standard:

- Increasing the number of public health center branches: establishing one public health center branch per population of between 50,000 and 100,000, making the centers within 10 minutes' walk from home for anyone in Seoul
- Establishing a general hospital in the Northwest area and a hospital for the elderly in the Southeast
- Strengthening prevention and management programs for key health issues at different life stages (childhood, youth, middle-adulthood, and late-adulthood)
- Through the public-private partnership, opening medical centers at night and on holidays
- Establishing the Seoul Health Call Center, ensuring citizens' access to safe and convenient medical care

Education Standard:

- Eliminating all primary and secondary school expenses outside of tuition
 - Eliminating high school tuition: actively ensuring people's right to education by financially subsidizing high school education, which almost all middle school graduates enroll to in Korea. Currently students of vocational high schools are exempt from paying tuition. Free tuition supported by the state is to be expanded to also gradually cover general high schools (in coordination with the plan by the central government)
 - Realizing full public coverage of educational expenses at the compulsory education level (removing all additional private expenses required for compulsory education); making expenses such as experimental learning and supplementary learning resources free)
- Expanding free provision of eco-friendly school meals to all elementary and middle schools by 2014 and offering education on health, nutritional balance, and school meal hygiene, etc. focusing on students' physical development

The Seoul Metropolitan Government formed a task force team composed of public officials in various fields related to the Standards and continuously reviewed the administrative feasibility and financial practicality of the Standards that the committee proposed. The City held seven meetings with the central government (the Ministry of Strategy and Finance and the Ministry of Health and Welfare), two meetings with twenty-five district offices, six meetings with the offices of education, and regular communication with the City Council. The City held meetings with its own officials twice to explain the contents of the standards.

The City of Seoul publicized the Seoul Welfare Standard and its key objectives. Electronic signage was used through BI (Brand Identity) posters on street kiosks (225 posters), street shoe repair shops (259 posters), city buses (974 posters) and

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subway cars (1,200 posters).

경향신문

2012년 08월 10일 금요일 014면 사회



서울시 복지정책 내손으로 '1000인 원탁회의' 서울시가 시민 복지기준선 완성을 위해 9월 올림피아드경기장에 마련한 '1000인 원탁회의'에 참석한 시민들이 소득, 주거, 돌봄, 건강, 교육 등 5개 분야별로 토론을 하고 있다. 서울시는 지난 6개월간 마련한 5개 분야 28개 복지정책과, 이날 원탁회의 현장에서 25개 정책 제안을 받아 '서울시민 복지기준을 실현할 10대 핵심정책'을 선정했다고 밝혔다. 김정근 기자 jedngk@kyunghyang.com

The Kyunghyang Newspaper

Page 14 Society, August 10, 2012

1,000-Person Roundtable where citizens are directly involved in deciding welfare policies that impact their lives

Citizens participating in the 1,000-Person Roundtable organized by the Seoul city government to gather public views on welfare standards of the city are engaged in discussion by five areas – income, housing, care, health, and education. The city government announced that it selected the top 10 policies to realize the Seoul Welfare Standard out of the 28 policies for the five areas it has devised over the past six months and 25 policy suggestions it gathered from the 1,000-Person Roundtable.

Reporter Kim Jeong-Geun

COST

Initial Investment (as of 2012)

- Total : \$542,419 / 571,818,000 (KRW)
 - Operational cost : \$230,032 / 242,500,000(KRW)
 - Research and development cost : \$312,386 / 329,318,000(KRW)

Annual Budget

(Unit : KRW)

2012	Total : 1.946 trillion	City Budget : 1.102 trillion
		National Budget : 161 billion
		Office of Education's Budget : 683 billion

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2013	Total : 2.747 trillion	City Budget : 1.441 trillion
		National Budget : 180 billion
		Office of Education's Budget : 1.116 trillion

RESULTS AND EVALUATION

- Elimination of Welfare Blind Spots and Shift to a Universal Welfare Regime
- Policy focus switched from “development” to “people”
- Communication with citizens now plays a bigger role in government decision-making; policy decisions are less bureaucratic
- Citizens participate in implementing the policy
- Change in housing sector performance indicators: e.g. “the number of homeless people on the street” to “the rate of housing assistance for the homeless”
- Creation of new health sector objectives: e.g. “increasing the amount of physical activity of vulnerable social groups”

TIMELINE

- **February 1, 2012:** Development of Seoul Welfare Standard begins with an academic research project.
- **February 14, 2012:** The Seoul Welfare Standard Committee is launched.
- **April 10, 2012:** The first draft of the Seoul Welfare Standard is written.
- **May 2012:** Six policy workshops are held, comprising 594 participants. Opinions on the first draft of the Standard are gathered.
- **May-July 2012:** Feasibility review of the first draft of the Standard.
- **August 2012:** Roundtable held with 1,075 participants; consensus-building and incorporation of final edits to the Standard.
- **September 2012:** Final draft completed.
- **October 2012:** The final version of the Seoul Welfare Standard is announced and adopted.
- **April 2013—:** Quarterly reporting of evaluation results.

LEGISLATION

- “Seoul Citizen’s Welfare Standard.” Establishment Master Plan (Initiative of Mayor No.21 11.2.2)
- “Seoul Citizens’ Welfare Standards.” Establishment Plan (Initiative of Mayor No.399, 12.12.18)
- “2013 Seoul Citizens’ Welfare Standards.” Implementation Evaluation & Management Plan (Initiative of Deputy Mayor No.14, 13.1.21)

As the costs of most of the programs selected by the Seoul Welfare Standard are to be shared by the central government, the Seoul City government's policy alone cannot fully actualize the Standard. Therefore, there is a need for the central government to expand the welfare budget and reform the relevant laws and systems.

LESSONS LEARNED

In the past, the City government struggled to encourage citizens to engage voluntarily. For this project, the City used various on- and off-line promotion methods as much as possible. To prevent interest groups from dominating specific issues at policy meetings, the City allocated participants evenly per table by analyzing their gender, age, location, educational background, job, etc., and assigned a facilitator to each table to mediate the meeting. In order to ensure that ideas moved beyond idealistic suggestions and into reality, city officials advised welfare experts on the fiscal implications

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TRANSFERABILITY

The Seoul Citizens' Welfare Standards were completed with the input of a minimum level of fiscal resources and a maximum level of human and technical resources. Fiscally, research expenses and office operation costs were all that the city had to pay. The rest was done through the voluntary services of many citizens and experts. So, if the system, which enables voluntary participation by citizens, would be set up, and the civil servants' administrative knowledge and policy review efforts would be added, the successful completion of the standards will be derived even if the given condition and situation are different among the cities.

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