The Family Branch of the French Social Security System
The French Social Security system’s Family Branch was created in 1945 and is one of the four components of the general Social Security Scheme alongside Health, Old Age, and Collections.

It plays a major role in France’s family policy and is allocated approximately 4% of the country’s GNP, or 82 billion euros, which is one of the highest rates worldwide.

In the aftermath of World War 2, its goal was to improve families’ living conditions, to help them access quality housing, to bring down income inequality (means-tested benefits) and to support demographic recovery (the baby boom).

The Family Branch of the French social security system currently has two priority goals:

- To improve families’ daily lives and, most especially, to help them balance work and family obligations;
- To strengthen the support system for the most vulnerable individuals, including those with disabilities.

It fulfills these goals through two programs:

- Paying financial benefits to families (family and social security benefits, housing benefits and minimum-income support such as the disabled adult allowance and active solidarity income (RSA));
- Supporting families and setting up or cofinancing various family-oriented community facilities and services (such as daycare centers).

It is designed to offer a complete range of services where families live while combating local and social inequality.

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(1) In addition to Family Branch expenditure, this figure includes State spending (a pro-family tax system that factors in a family quotient and tax breaks for child-related expenses), local government spending (mother-and-child protection services, family services financing, etc.) and Health insurance branch spending on daily maternity and paternity leave benefits. This figure does not include free preschool from age 3 or between ages 2 and 3; or free healthcare coverage for children.

In total, over 120 billion euros are set aside for family policy.

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**The Family Branch in numbers (2013)**

- Number of people receiving at least one benefit: 12 million
- Number of people covered: 31 million (nearly half of all residents)
- Total benefits paid: 83 billion euros
  - Including 5 billion euros in expenditure by the National Social Action Fund
- Number of Family Benefits Funds (CAsF) : 103
- Number of Family Branch employees: 33,000, including 400 at the National Family Benefits Fund (CNAF)
- Number of phone calls each year: 18 million
- Number of letters received: 84 million
- Number of people processed through reception: 17 million (88% had a wait time of under 20 minutes)
- Minimum income support (“minima sociaux”) applications processed in under 10 days: 93%

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**The Family Branch’s organization and relations with the State (governance)**

France’s family branch consists of a countrywide network of 103 local family benefits funds (Caf), plus a National Family Benefits Fund (Cnaf) in Paris.

Every five years, an “Agreement on Objectives and Management” (Convention d’objectifs et de gestion (Cog)) is signed. The Cog sets target goals along with the indicators to assess if they have been met. It also determines the budget allocated to the local and national family benefits funds and the target growth rate for social welfare expenditure.

The current Cog covers the 2013-2017 period. This Agreement on Objectives and Management addresses each local Family Benefits Fund individually, taking account of its particular circumstances and local specificities.

Every year, the Family branch’s budget is voted on by the French parliament as part of France’s Social Security financing law.
Family benefits are paid to families residing legally in France, regardless of their nationality or marital status (married, in a civil union, in a common-law union, cohabiting as a couple or living alone). Their children must be under the age of 16, or under 20 if they are dependents, or under 21 for housing assistance and assistance for large low-income families (family supplement).

Families can be eligible for more than twenty benefits depending on their family situation and their income:

- All parents with at least two children receive family benefits (beginning in 2015, the amount of these benefits will be income-dependent),
- Parents of children under 3 years old (under age 6 in specific cases) : the early child benefit program (Paje) helps parents stop working, reduce their working hours or pay for child care;
- Low-income parents with at least three children receive special assistance (the family supplement);
- Specific assistance is paid to parents of children with disabilities or serious illnesses;
- Other benefits are more narrowly targeted. These include the back-to-school benefit (paid once per year to help parents on the lowest incomes with school-related expenses) and the family support benefit, which is paid to single parents who do not receive child support from the other parent.

(1) Under age 6 in specific cases.
(2) The Cafs are playing an increasing role in recovering back child support.
Housing assistance
More than six million households receive housing assistance (more than 13 million people, including 830,000 students, are covered).
Housing assistance is awarded to pay a part of housing expenses for people with the lowest incomes. The amount varies by housing type and location as well as by household income and makeup. It is calculated according to a national scale and simulations can be done online on www.caf.fr.

Three types of housing assistance with specific objectives:
• Family housing assistance (Alf), created in 1948, is intended to families renting private-sector, non State-regulated housing;
• Low-income housing assistance (Als), created in 1971, is intended for people with no dependent children residing in private-sector, non State-regulated housing;
• Personalized housing assistance (Apl), created in 1977, is intended for people in public social housing or those buying their first home.

The Cafs have three objectives in awarding housing assistance: access to and continuity of housing, preventing evictions, and combating indecent housing conditions. This policy is carried out through the use of housing assistance and the involvement of social workers.

Assistance for the most disadvantaged and social inclusion
The Family Branch administers 2 minimum-income support benefits:
• The disabled adult allowance (Aah), created in 1975, is paid to persons over age 20 with a disability percentage of at least 50% and few financial resources.
• Active solidarity income (Rsa). This is awarded to people with no income or a very low income and aged over 25 or under 25 if they are expecting a child or have at least one dependent child. The amount of the award depends on the claimant’s family situation. The claimant signs a “social reintegration contract” or a personalized “return to employment contract” with an assigned mentor with whom s/he will meet regularly.

In this context, the Family branch works with France’s départements(1) to provide social assistance to certain families, particularly single-parent families (who make up more than one third of Rsa claimants).

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(1) The départements (General Councils) are in charge of providing social assistance to active solidarity income claimants, with the help of the Cafs and "Pôle emploi” employment offices to facilitate a return to work as quickly as possible
The CAFs play an essential role in France’s early childhood policy

The Family branch works hands-on locally (with local communities, associations and businesses) and is a major contributor to France’s early childhood policy for children under 3:

- It contributes to daycare centers’ investment and operating costs;
- It signs development contracts with local governments and businesses;
- It pays a “free choice of childcare” supplement (statutory family benefit) to parents who use alternatives to daycare centers (crèches); particularly registered childminders but also in-home employees;
- It runs an early childhood services observatory (Observatoire de l’accueil de la petite enfance) which publishes an annual report;
- It provides an online service, www.mon-enfant.fr to help families choose the right type of daycare for their children. This website provides highly detailed local information and has been recognized as a best practice by the European website Epic (European Website for Investing in Children).

In 2013, 11,716 new slots were created in daycare facilities (mainly crèches), bringing the total number of slots to nearly 384,000. Since 2000, the eight “crèche plans” implemented by the Family branch have financed the creation of 119,500 slots in daycare facilities run by local authorities, associations, public institutions (e.g. hospitals), or businesses. While 70% of these slots are in facilities run by local authorities (mainly communities) and only 5% by daycare companies, the latter have created 23% of the new slots.

The Cnaf has promised to create 100,000 new daycare center slots, 75% of which will be in locations that are considered a priority as they offer few daycare solutions.

At the same time, the CAFs will help to create 100,000 new slots in individual types of daycare by paying a bonus to new registered childminders and by awarding applicants a childcare facility improvement loan (Pala).
Caf’s play a major role in community life

Through its social action policy, which receives more than 5 billion euros in funding each year, the Family branch helps to expand available daycare solutions and contributes to community social life. It works with local communities, and less frequently with companies, to set up or cofinance non-profit organizations:

• Recreational activities for children and youths during their free time and school vacations;
• Programs to support parents (child-parent centers, family mediation, school support, opportunities to meet other parents, etc.)
• Programs and facilities that contribute to community social life (social centers, rural activities, etc.). A permanent community social life observatory has been operating experimentally since 2011,
• Social assistance for families in difficulty (support for household help associations, the Caf’s social workers, etc.);
• Housing-related assistance for families (preventing evictions, assistance with back rent, combating indecent housing conditions, etc.)

France’s Family Benefits funds offer a comprehensive range of services combining the monetary benefits they pay and their policy promoting those services that are useful to local inhabitants. They are currently rolling out experimental end-to-end local agreements with local communities.

A highly effective management system

This is one of France’s largest administrative management information systems. Indeed, it includes half of the French population.

Entitlements are paid each day when new customer files are opened.

Benefits are paid regularly each month.

Despite the extensive and complex nature of the applicable legislative framework (nearly 18,000 rules of law) every effort is made to facilitate the process for the public:

• It connects all of France’s social and administrative systems so that the information needed to process claims can be exchanged without asking applicants to provide it several times;
• All benefits applications and related information can be submitted electronically;

• All benefits claimants who have an online account on www.caf.fr are shown a specifically tailored list of services in their personal space;
• A decision-making information system (statistics and coordination) has been rolled out alongside the operating system (production) to facilitate strategic and operational coordination,
• Advanced technologies (data mining) are used to identify high-risk situations and cases and to combat fraud;
• An IP telephone system is integrated into the IT system (16 million calls are answered each year);
• Multifunctional, interactive video-equipped display terminals are available at CAF offices throughout France.

Entitlement access policies

In 2010, the Family branch rolled out a highly ambitious, ongoing plan to modernize user relations. It involves all means of contact: the telephone, the website caf.fr, on-site reception, email, text messages, interactive terminals, smartphones, and more.

A wide range of media are used to convey and exchange information between benefits claimants and the Cafs:

• Informational brochures on the various benefits and types of assistance provided by the Cafs: these are published in both paper and digital format and are distributed by the Cafs at their physical locations as well as by their partners (town halls, social service centers, etc.)

A few figures

The Family branch’s information system ensures that family and social benefits are paid in an equitable, regular and timely manner.

The website www.caf.fr is central to the Branch’s digital strategy and leads France’s social and public sphere in the use of digital technology. This website gets 24 million visitors per month and 4 million individual benefits claimants log into their account each month. It offers a wide range of paperless services and is used to perform 2 million housing assistance simulations per month, plus 1 million Rsa simulations.
Along with making self-reported data more reliable, the Cafs are also performing specific verifications: indeed, applications are double-checked internally to make sure that the information reported is consistent and matches the documentary evidence supplied, the validity of administrative documents is checked with the issuers (banks, internet and telephone access providers, utility companies, etc), and certified inspectors can be sent to the claimant’s home to conduct verifications for those applications with the highest risk.

Datamining was rolled out experimentally in 2011 and extended to all of the Cafs in 2012. This technique targets additional verifications based on risk and lets claimants with low-risk situations provide less documentary evidence. Datamining allows the highest-risk claims to be more thoroughly understood and uses modeling so that cases with comparable characteristics can be selected.

Verification and anti-fraud policy

A growing percentage of benefits applications is being submitted electronically on the website caf.fr. The requested information is reported online with no requirement to supply documentary evidence. This is made possible by the use of highly effective tools that can check the veracity of the information submitted by benefits claimants, particularly as regards their identity and their financial situation:

- The shared national social protection register (Rncps), created in 2009, is used by all of France’s Social Security and unemployment insurance organizations. Each organization contributes the information it has about each individual person and community authorities can check the register when deciding to award social assistance;
- Claimants’ financial situations can be checked through a direct exchange of information with the tax authority (direction générale des Impôts) and the unemployment office Pôle emploi (for unemployment benefits in particular). These automated exchanges of information make it easier to verify the information reported by claimants, who are less frequently asked to supply documentary evidence.

Results of verifications in 2013

For 11.5 million benefits claimants:
42.5 million verifications were conducted, including 37.5 million through communication with the tax authority and the employment/unemployment authority (Pôle emploi).
- In 2011, 4 in 10 verifications resulted in a reassessment (undue payments and revocations)
- In 2012, this figure was 5 in 10
- In 2015, it came to 6 in 10

647 certified inspectors performed nearly 202,000 on-site verifications.
90% of the 2.5 billion euros in undue payments detected were recovered (benefits paid erroneously due to an error by the claimant or by the Caf).
These verifications also result in revocations of benefits
23,000 cases of fraud worth 141 million euros were detected (compared to 81 billion euros in benefits paid)
- 70% of fraud cases = failure to update employment or financial situation
- 22% = failure to report cohabitation as a couple
- 8% = false reporting, counterfeiting and the use of counterfeit documents
HOW THESE RESULTS ARE EVALUATED

The 2013-2017 Agreement on Objectives and Management provides a set of indicators to assess the quality of service provided by the Cafs. These daily, monthly and annual indicators are used to monitor the Cafs’ work and help them achieve their objectives when necessary. They are consolidated by the Cnaf and reported to each Caf director.

- The daily indicators for each Caf’s results are the backlog of documents needing to be processed, the percentage of documents not processed within 15 days, and the number of days needed to eliminate the backlog;
- A monthly strategic management tool has been rolled out to compare various quality of service indicators against the previous month and against the same month of the previous year;
- The annual report covers more highly-detailed indicators with regard to the management of benefits, in addition to social action-related indicators (number of daycare center slots created, etc.).

In addition, the Cnaf’s and the State’s various statistics departments draw up a “family quality and efficiency plan” which deals with the achievement of family policy-related objectives. It is appended to the Social Security financing bill (along with other quality and efficiency plans) and is published online on the Social Security directorate’s website.

THE FAMILY BRANCH AND ITS PRESENCE ON THE INTERNATIONAL SOCIAL PROTECTION SCENE

The Family branch is present and active in all the major international institutions that deal with Social security and social action issues. Indeed, the president of the Cnaf’s board of directors is also president of the International Social Security Association (ISSA)’s family benefits committee.

The Cnaf hosts a large number of foreign delegations and takes part in cooperation projects alongside the Cafs.

As a member of the Representation of French Social Security Institutions in Brussels (Reif), the Cnaf monitors proposals to change European regulations in order to promote its interests and, more generally, those of France. It is also an active member of the European Insurance Institution Platform (Esip), which brings together most of Europe’s Social Security institutions and defends their positions in Brussels.

The Cnaf is also involved in the European project Essi (Electronic exchange of Social Security Information). By virtue of the new European regulation No. 883/2004 and its application regulation No. 987/2009, the European Union member states, along with Switzerland, Iceland, Lichtenstein, and Norway have decided to simplify regulations and phase out paper-based communications among Member States. The Essi project will make it possible for social protection organizations to exchange information by 2018.

In addition to producing statistics and publishing studies on families and France’s family policy, the CNAF finances other research, conducts international comparative research, and publishes informational reports on family policy in different countries. These statistics, reports, studies and research are available online on caf.fr (“Etudes et statistiques” and “International” areas).

(1) Number of visitors; visitors with waiting times < 20 minutes; telephone calls answered and processed (overall and by staff member); number of letters received and number of documents arrived; backlog of documents to be processed in days; percentage of documents processed in under 15 days; percentage of documents linked to a minimum income replacement application processed in under 10 days.

The Cnaf receives an Issa award for its range of services

On May 30, 2013, at the International Social Security Association’s European forum, the Cnaf received a “certificate of merit” from Issa’s Good Social Security Practices award program for its comprehensive services to families. This distinction recognizes the Cnaf’s efforts to best combine financial redistribution—through family benefits—with the services and facilities financed by the Branch’s social programs.

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