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NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Indicator Framework for Monitoring the Council Recommendation on the Integration of the long-term unemployed into the labour market

Delegations will find attached the PES Network proposal to EMCO for Quality Standards, including supplementary qualitative and quantitative indicators, to monitor implementation of the Council Recommendation on the integration of the long-term unemployed into the labour market.

European Public Employment Services (PES) Network Proposal to EMCO for Quality Standards including supplementary qualitative and quantitative indicators to monitor implementation of the Council Recommendation on the integration of the long-term unemployed into the labour market

1. Background

- (i) When adopting the Council Recommendation of 15 February 2016 on the integration of the long-term unemployed into the labour market the European Employment and Social Affairs Council (EPSCO) mandated the European Employment Committee (EMCO), in close cooperation with the Social Protection Committee with regard to the social services and income protection, to *monitor “the implementation of this recommendation through the multilateral surveillance within the framework of the European Semester and through the Joint Assessment Framework of indicators. The monitoring should follow up on the extent to which registered long-term unemployed persons have regained employment, whether their integration into the labour market is sustainable and the use of job-integration agreements. **The European Network of Public Employment Services shall contribute to this monitoring.**”*
- (ii) To this end, EMCO mandated the EMCO Indicators Group to develop a proposal for a set of indicators for monitoring implementation of the LTU Recommendation, with a view to possible endorsement by EPSCO in the autumn.
- (iii) A current proposal involves indicators at three levels of monitoring (aggregate, direct and follow-up levels) and includes indicators to monitor the number of Member States (MS) providing a Job Integration Agreement (JIA) to LTU before 18 months of unemployment. The JIA is essentially a written agreement between the registered unemployed person and a Single Point of Contact (SPOC) offering a plan for return to work at the latest at 18 months of unemployment.
- (iv) At a PES Network LTU Stakeholder Conference, held on 2nd June 2016, delegates concluded that a quality threshold for the JIA that defines minimal requirements is essential to underpin this future quantitative assessment as proposed by EMCO.

- (v) It was also stressed that development of a SPOC may require MS to put in place legal and institutional arrangements to ensure continuity and deliver a co-ordinated service offer which could provide amongst other services, job-search assistance and in-work assistance; the validation of non-formal and informal learning; rehabilitation, counselling and guidance; education; vocational education and training; work experience; social support; early childhood education and care; health and long-term care services; debt-counselling; and housing and transport support.. This will require inter-institutional co-ordination, a shared understanding of services, structured data sharing, strong local level organisations, and a joint framework setting out responsibilities. These should specify minimum essential SPOC service levels in terms of; accessibility, frequency of available contact, and range of services on offer.
- (vi) So in the Conference conclusions essential building blocks, necessary to enable successful implementation of the LTU Recommendation, were identified as follows:
- Defining **quality criteria** for **single points of contact** (SPOC) co-ordinated across and within partner organisations.
 - Development of individualised, flexible, and **goal orientated Job Integration Agreements**
- (vii) At its June 2016 meeting in Amsterdam the PES Board gave a mandate to a Working Group to prepare a PES Network contribution to the EMCO monitoring of the implementation of the Recommendation (as commissioned by EPSCO when adopting the LTU Recommendation in December 2015 - see paragraph 1(i) above. This contribution would be in the form of supplementary qualitative indicators to underpin the quantitative variables contained within the Joint Assessment Framework of Indicators.

- (viii) The Working Group, comprising representatives from PES Bulgaria, Poland, Slovakia and Spain produced draft proposals for monitoring implementation of the Recommendation. In addition to suggestions for qualitative indicators the Group also suggested some additional quantitative context indicators (listed at paragraph 6 (i)). As common data sets are not yet available to assess these areas the PES Network has commissioned a study to investigate how methodologies can be developed to measure these elements. MS PES will explore how they might need to adapt their data collection systems once this research is completed.
- (ix) This Paper summarises the findings of the Working Group and has now been endorsed by MS PES through the PES Network Board.

2. Single Points of Contact Quality Thresholds

- (i) According to the LTU Recommendation, Member States remain competent to choose the labour-market measures best suited to their individual situation and the actions proposed in this recommendation should take into account the diversity of the Member States and their different starting points as regards the macroeconomic situation, the level of long-term unemployment as well as its fluctuation rate, the institutional set-up, regional differences and the capacity of the various labour-market players. This should be taken into consideration when developing a set of indicators for monitoring implementation of the recommendation.
- (ii) The PES Network has developed recommendations on the integration of the long-term unemployed into the labour market, which identifies inter alia possible forms of providing single points of contact for the long term unemployed (see Annex 1). This may be a useful reference to define and clarify understanding of the term Single Point of contact.
- (iii) Noting that the Recommendation specifies that a JIA *should involve a written agreement between the LTU person and the institutions ensuring the provision of a SPOC.*

Therefore definition of a SPOC Quality Threshold is essential.

A three tier definition of Quality Standards is therefore suggested for SPOC as follows:

- Minima – specifying basic essential services MS **would be required to** deliver in order to meet the requirements of the Recommendation.
- Intermediate – defining elements of a more developed service which MS **should** introduce to offer a more integrated and personalised service.
- Advanced – describing a premium level of service which MS **could** provide for clients offering highly integrated and comprehensive support system.

3. Identification of a single point of contact

- (i) A range of actors can be involved in provision of a SPOC in this including (i.e. not an exhaustive list, and actors remits may overlap):
 - PES
 - Social Service Providers
 - Public authorities
 - Training and education institutions
 - Integrated Jobcentres (PES and Benefit Authorities)
 - Municipalities
 - Private employment agencies
 - NGO's
 - Organisational Consortia
- (ii) Single points of contact may be based on various models of cooperation, tailored to the specific circumstances of the Member States, taking into account the existing capabilities and scope of the competences of the labour market partners.
- (iii) One actor will have responsibility for ensuring provision of a SPOC (in most cases from one organisation) this will need to be determined.

4. Single points of contact service levels

(i) Minima

(a) In order to meet requirements of the LTU Recommendation a SPOC **will** deliver:

- Orientation towards a registration service.
- Capability to conclude and implement job-integration agreements with registered long-term unemployed persons at the very latest when they have reached 18 months of unemployment.
- One individualised contact point for referral of information received at SPOC to other actors, (i.e. organisations in charge of job search, management of benefits and sanctions, and social assistance and supporting services etc.) in compliance with data protection legislation.
- An individual service offer for registered long-term unemployed persons aimed as a minimum at finding them a job.
- Mechanisms for pooling client information through smooth and secure transmission of relevant information on the LTU jobseekers support history and individual assessments, between service providers and in compliance with data protection legislation.
- Mechanism for transmission between service providers of relevant information on job vacancies, training opportunities, and services provided for individual LTU persons.
- Access for registered long-term unemployed persons to job vacancies and training opportunities.

(b) Actors co-ordination and capacity building through:

- Existing structures if they are sufficient to provide services describing above.
- Partnership / cooperation agreements (e.g. at local/regional level).
- Inter-organisational agreement to aim at further alignment and co-ordination of offers.
- Co-operation enabled by National Framework agreement between authorities.
- Data transfer protocols between organisations.
- Case Management training at SPOC.

(ii) *Intermediate*

(a) Where possible a SPOC **should** provide:

- All services required within the minima level
- Direct access to at least one further support service tailored to the individual need of registered long-term unemployed persons (based upon specific expertise of SPOC provider – e.g. housing advice, disbursement of benefits / social assistance and referral to ALMPs).
- Individual in-depth assessment of employability prospects and follow up through a specified appointed case worker, in the context of a Job Integration Agreement.
- Sharing of data between actors (subject to legal provisions) to allow appropriate agents access to client case history records.

(b) Actors co-ordination and capacity building through:

- Inter-institutional partnership with joint-goals, including for employment/integration outcomes.
- Intention to develop referral pathways whereby available places are pre-reserved for beneficiaries coming from the SPOC.
- Enabled by multi-annual inter-institutional partnership with budgetary and service commitments.
- Case Management Training in both the SPOC and partner organisations.

(iii) Advanced

(a) A premium level service offer through a SPOC **could** include:

- All services required within the intermediate level.
- Data exchange (subject to legal provisions) to support integrated case management allowing appropriate agents access to full client case history records.
- Shared inter-institutional infrastructure delivered through a physical one-stop shop
- Professionalism of case management role through job description, list of competencies and appropriate training provision.
- Intensified case management, based upon a counsellor – client ratio lower than 1:100, and commencing at registration.
- One-stop shop services to employers who want to hire the long-term unemployed.
- Access of SPOC to employer subsidies and employer placement subsidies.
- Partnership agreement with employers for the placement of long –term unemployed jobseekers.
- Post-placement support services to employers following the placement of long-term unemployed persons.

(b) Actors co-ordination and capacity building through:

- Formal inter- institutional network/co-ordination body established by organisations coordinating service offer and establishing referral pathways.
- Agreement on performance standards, including placement targets and other key performance indicators integrated in the performance management of all organisations.
- Case management standards agreed between the organisations.
- Enabled by management board with representatives of all organisations, and at least some pooling of budgets.

5. Job Integration Agreements

(i) The role of delivery through Partnership organisations

The LTU Recommendation stipulates that a JIA will need to identify a SPOC and, as a minimum, comprise a minimum individualised service offer aimed at finding a job. The JIA should include explicit goals and obligations for both the jobseeker (e.g. taking active steps to find a job, participating in training measures, work experience etc) and service provider (e.g. job search assistance, counselling and guidance).

In order to develop quality JIAs participating service delivery organisations will need to:

- Identify the SPOC where the registered job seeker will sign the JIA.
- Define a package of individualised measures available at national level designed to support and empower a long-term unemployed person in overcoming specific obstacles to employment and
- agree how they will:
 - plan the availability of support places from their organisations (aligning the offer),
 - establish channels for referring registered LTU people between organisations (customer bridges),
 - structure the exchange of information on the degree to which LTU people participate in the interventions and their results.

(ii) *Job Integration Agreements Quality Standards*

Job Integration Agreements **should**:

- Be made in writing, at the very latest when a long-term unemployed person has reached 18 months of unemployment.
- Include individual assessment and specify individual follow up of the unemployed persons situation providing capacity for regular monitoring.
- Combine relevant services and measures provided by different organizations.

In order to meet requirements of the LTU Recommendation a JIA **will** specify:

- Realistic job goals (based upon jobseekers employment history, a skills assessment and the labour market situation).
- Results of an individual assessment of employability prospects, barriers to employment and previous job – search efforts.
- A clear offer of support to the LTU jobseeker, including employment and/or social services.
- Frequency and method of contact with jobseeker.
- Rights and obligations for both service providers and job seekers.
- Arrangements enabling regular review of jobseekers' progress towards re-integration.
- At least one service offer aimed at finding job.
- Mechanisms to ensure that relevant information which has a potential impact upon jobseekers' potential for re-integration is exchanged between all support service institutions Arrangements to enable a JIA to be updated within set periods and following specific changes in the jobseekers circumstances.

6. Monitoring

- (i) The Reporting Mechanism monitoring delivery of the LTU Recommendation will cover the following.
- **Level of service** delivered through a **SPOC**, i.e.: minima, intermediate, advanced *as assessed against criteria defined at paragraph 4 above*).
 - **Quality of JIAs** , checking that all aspects, *as described in paragraph 5 (ii), above* are in place,
 - **Supplementary quantitative indicators** (to provide context for qualitative indicators) measuring:
 - Caseloads of counselors
 - Frequency of follow up meetings between LTU jobseekers and counsellors post completion of JIA.
 - Number of times a customer has to provide further information to SPOC after initial contact.
 - **Models of partnerships / cooperation** used to implement LTU recommendation.
 - Co-ordination and capacity building measures supporting the delivery of the SPOC and of the JIA.
 - Details of employer support for the placement of LTU jobseekers, including subsidies, partnerships and post-placement support services.
- (ii) PES would report on the above qualitative indicators and supplementary quantitative indicators for implementation of the LTU Recommendation as part of the annual PES Network Capacity survey. Consideration could also be given to incorporating this monitoring within PES Benchlearning peer review, and to the introduction of a periodic EMCO LTU thematic review.

Extract from PES Network Working Group recommendations on the integration of the long-term unemployed into the labour market**Provision of single points of contact**

Across the European Union, there is a wide range of approaches towards providing single points of contact for the LTU. Several Member States provide a one stop shop service; others use partnerships and share data to good effect, whilst some do not currently provide any form of a single point of contact. Part of the challenge to provide this contact include aspects that are more difficult for the PES Network to influence, such as geographic issues or the current system design of local authorities/municipalities. Yet more can be done to overcome these, and other, issues and the Working Group outlined the following points:

- One stop shops do not need to be a physical building – the right information, guidance and individualised support can be provided by different service channels;
- Such a single point of contact can usefully (but does not necessarily need to) provide one-to-one individualised case handling with one stable case manager;
- The key partners that need to be involved in delivering a SPOC service include the PES, wider central government, regional authorities, local/municipal authorities, employers and charities and NGOs dealing with social issues;
- To enable these partnerships or networks to be effective, two crucial issues must be resolved at an early stage; data sharing and funding. It is also essential that the network retains a focus on the customer and that they understand the demographics of the area they are dealing with;
- Where partnerships already exist, financial (or other) incentives from the PES can be used to shift the focus onto the LTU if required;
- Strong frameworks need to be put in place to measure the success of these networks, to ensure they are effectively coordinated and delivering for their customers;
- The move to a more ‘local’ response is a positive step – it allows for those who know more about their local areas to take control over provision and contracts that can deal with particular issues that exist in that area. This may require reinforced cooperation between central, regional and locally managed services. Many Member States have been exploring models of giving some responsibility over LTU to municipalities, and incentivising them to step up to take control over the issue.

Glossary of terms:

- **unemployed** - shall refer to any person who is registered with the PES according to national legislation or practice in order to gain employment.
 - **long term unemployed** - shall refer to the unemployed person with continuous period(s) of unemployment as defined in national legislation or practice.
 - **service channels** - shall refer to any form or way of communication and distribution of PES services including those provided with the cooperation of labour market stakeholders.
 - **registration** - shall refer to the national system of registration of the unemployed with the PES.
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