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From: The Employment Committee  
To: Delegations  
Subject: Implementation of the Youth Guarantee - monitoring framework

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Delegations will find attached the Indicator Framework for Monitoring the Youth Guarantee of the  
Employment Committee.



# The Employment Committee

*Indicators' Group working group on Youth Guarantee*

## Indicator Framework for Monitoring the Youth Guarantee<sup>1</sup>

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<sup>1</sup> Note prepared by the EMCO IG and adopted by EMCO on 22-23 September 2014

## A) Introduction

This paper presents a proposal for monitoring the implementation and the results of the Youth Guarantee (YG) at EU level. This proposal is the result of the work of the working group on the YG within the EMCO Indicators Group. It builds on previous papers presented in February, March and May 2014<sup>2</sup>. The working group consists of members from Czech Republic, Finland, France, Germany, Greece, Hungary, Malta, Spain and the Commission.

As a general principle, EU-level monitoring of the implementation and results of the YG should be simple and operational.

Indicators are proposed in three categories:

1. Aggregate monitoring: macroeconomic indicators (based on LFS data).
2. Direct monitoring of YG delivery (based on administrative data).
3. Follow-up of individuals having received a YG offer (preferably based on administrative data).

It has been agreed within the EMCO-IG to proceed with an annual data collection/reporting for each of the three categories.

A new sub-policy area (PA3a-1 Results and impact of the Youth Guarantee) will be created under the JAF Policy Area 3: Active labour market policies. This policy area will include indicators at the macro level. Two separate subcategories will also be created: "PA3a-1.1: Implementation of the YG" and "PA3a-1.2: Follow-up of individuals having received a YG offer".

As a general principle, the analysis and monitoring of the implementation of the Youth Guarantee are based on the macroeconomic indicators (PA3a-1). The subcategories on implementation and follow-up levels of monitoring are aimed at providing information on the actual implementation of the Recommendation in the Member States<sup>3</sup>.

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<sup>2</sup> INDIC/01/06022014/EN and Monitoring the Youth Guarantee, 18032014

<sup>3</sup> The JAF is mainly designed for benchmarking and comparisons, which will not be suitable for presentation of incomplete administrative data on the implementation of the YG and follow up of individuals. Thus, the Indicator Group should work on an appropriate and sensible way of presenting these specific data.

The macro indicators (category 1 above) will be based on data from the EU Labour Force Survey (LFS). The micro indicators monitoring delivery and follow-up (categories 2 and 3 above) will require administrative data that are not yet collected at EU level. It is proposed to collect any required data through the Labour Market Policy (LMP) database developed by Eurostat and now managed by DG EMPL. A template for a pilot data collection covering the first 9 months of 2014 has been prepared. This covers only the data needed for indicators monitoring YG delivery since there will not yet be sufficient information available to complete follow-up indicators (e.g. situation 6 months after receiving an offer could at best be known only for persons leaving between January and March).

## **B) Proposed indicators**

### **1. Aggregate monitoring: macroeconomic indicators**

Macroeconomic indicators based on the LFS are intended to monitor the general situation of young people in the EU. They represent an indirect means of monitoring the effects of implementing the YG and may also be taken to reflect the impact of preventive measures to avoid young people falling into unemployment or inactivity in the first place.

The indicators presented below describe the context for YG implementation in each country and their evolution through time may give some indication of the impact of the YG. These general indicators are complemented by the indicators monitoring YG delivery and follow-up and together these will allow the impact of policy measures to be disentangled from general economic development and will monitor the efficiency and effectiveness of YG schemes.

It is important to note that the YG targets all young people not in education or employment and not only those who are enrolled in the Public Employment Service (PES). There are known to be important differences between (a) the number of young people neither in employment nor in education or training (NEET) based on the LFS; (b) the number of young people unemployed according to the ILO definition and c) the number of young people who are registered unemployed according to the national definition, which are not part of the macroeconomic indicators. For example, some NEETs may not be registered in PES, while some young people registered in PES may neither be unemployed nor NEETs. These differences should be analysed in detail using LFS data and appropriate national sources and taken into account when assessing the implementation of the YG.

General monitoring of the implementation of the YG:

- Main indicator: The **NEET rate** (the percentage of young people 15-24 years that is not employed and not in education or training).
- **Supplementary indicators (1):** This set of indicators complements the main indicator by giving more detailed information on the labour market situation of young people.
- **Supplementary indicators (2):** This set of indicators is intended to measure the longer-term consequences of implementing the YG on educational attainment and labour market attachment. As such the age range goes beyond the age range of 15-24 as defined in the Council Recommendation for YG.

**PA3a-1 (explained):**

<b>Main Indicator</b>	<b>NEET rate (15-24) (%)</b> Number of people aged 15-24 not employed and not involved in any further education or training / Number of people aged 15-24
<b>Supplementary indicators (1)</b>	<p><b>NEET rate (15-24) by labour market status (unemployed/inactive) (%)</b></p> <p><b>NEW: Employment rate of young people aged 15-24 (%)</b> Number of people employed aged 15-24 / Number of people aged 15-24</p> <p><b>Youth unemployment ratio 15-24 (%)</b> Number of unemployed aged 15-24 / number of people aged 15-24</p> <p><b>Ratio of youth unemployment ratio (15-24) to adult unemployment ratio (25-74)</b> <i>N.B: This indicates structural aspects in the labour market</i></p>
<b>Supplementary indicators (2)</b>	<b>Youth education attainment level 20-24 (%)</b> Number of people aged 20-24 with at least an upper secondary education attainment level (ISCED 3) / number of people aged 20-24

**NEW: Youth unemployment rate 15-24 (%)**

Number of unemployed aged 15-24 / number of people aged 15-24 in the labour force

**NEET rate 25-29 (%)**

Number of people aged 25-29 not employed and not involved in any further education or training / Number of people aged 25-29

**NEW: Employment rate of young people aged 25-29 (%)**

Number of people employed aged 25-29 / Number of people aged 25-29

**Employment rates of recent graduates (20-34 years old) having left education and training no more than three years before the reference year<sup>4</sup> (%)**

Number of people employed aged 20-34 who have left education and training between 1 and 3 years / Number of people aged 20-34 who have left education and training in the past 3 years

**Proportion of people with low educational attainment level aged 20-29 (%)**

Number of people aged 20-29 with low educational attainment level (ISCED 0-2) / Number of people aged 20-29

**Proportion of people with tertiary educational attainment level 30-34 (%)**

Number of people aged 30-34 with tertiary educational attainment level (ISCED 5-6) / Number of people aged 30-34

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<sup>4</sup> This indicator applies only to those with ISCED 3-6 education attainment level to bring it in line with the established ET2020 benchmark. The indicator could be broken-down by ISCED education attainment levels 3-4 and 5-6 for information.

**Proportion of early leavers from education and training 18-24 (%)**

Number of people aged 18-24 with at most lower secondary education and not in further education or training / Number of people aged 18-24

## **2. Direct monitoring of YG delivery**

Section 1 outlined the indicators proposed for the aggregate monitoring of the situation of young people in the EU. Whilst useful and important, this is an indirect means of monitoring the effects of implementing the YG. Therefore it needs to be complemented by indicators that better measure the direct impact of policy and the speed of delivery of offers to young people (efficiency of delivery).

For more direct means of monitoring, it is necessary to rely on administrative data following individual pathways. Such administrative data on YG inflows and outflows is not currently collected at European level. However, a framework for the data collection exists: the LMP database<sup>5</sup>. It is therefore proposed to create an additional module for the LMP database to accommodate the data needed for YG monitoring.

Indicators proposed for monitoring the delivery of the YG are based on analysis of the possible inflows and outflows of individuals from the YG system, as described in the Annex. They measure the core gateways of the process but, if desired, additional points of the process could be measured at national level.

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<sup>5</sup> The LMP database collects information on participants (stock, entrants and exits) and expenditure associated with each public intervention. All participant variables are broken down by sex, age and unemployment duration. In addition, entrants are broken down by previous labour market status and exits by destination.

The indicators require clear entry and exit points to/from the YG schemes (see definitions in Annex below), which must be known for all participants. A key objective of the monitoring is to assess whether young people receive a YG offer within 4 months. The phase of the YG scheme of interest for this purpose is therefore the time between initial registration/enrolment with a YG provider and either the provision of a confirmed offer or an exit for any reason (drop-out, sanction or positive outcome found on self-initiative) before an offer has been made. This is the period of "YG service" when the YG provider is required to work towards delivering an offer. This period ends when an offer is made or the young person otherwise leaves the service.

National implementations of the YG may differ in terms of how the scope of the YG scheme is perceived and how/when young people are considered to be clients of the YG provider (e.g. some may remain registered whilst waiting for an offer to start) but for monitoring purposes it is important that common definitions are applied. Member States are urged to ensure that data provided in the pilot collection comply with the definitions provided here and to inform in case of any divergence from these.

The indicators focus on young people currently in the YG scheme and on positive outcomes. Working group discussions revealed that, for many YG providers, it would not be possible to identify in a systematic manner negative outcomes in the form of 'drop outs' (young people leaving the YG scheme for unemployment or inactivity before receiving an YG offer) or "non-take up" (young people having received an offer but not taking it up). For this reason, no indicators are proposed in relation to negative outcomes.

Furthermore no indicators are proposed in relation to the average expenditure of each initiative. Although the LMP database could provide data on the costs of subsidised offers, which might then be used to monitor the cost-effectiveness of the YG, there are potential complications in cases where young people are referred to LMP interventions open also to persons outside the YG scheme. Therefore for the time being, the focus is kept on the scope and quality of the YG schemes.

All indicators will be calculated for the target group of age 15-24, in accordance with the Council Recommendation, with breakdown for the age groups 15-19 and 20-24 and by gender. Additionally, the indicator could be calculated, separately, for the age group 15-29 with a breakdown for the age group 25-29.<sup>6</sup>

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<sup>6</sup> In some Member States the Youth Guarantee was extended to the age group 15 to 29. Therefore a monitoring of this age group should also be possible.



The implementation indicators below refer to those "registered with the YG provider" and therefore concern any YG provider within a Member State and may not necessarily be equivalent to those registered with the PES.

**PA3a-1.1 (explained):**

<b>Main Indicator</b>	<p><b>Proportion of young people in the YG service beyond the 4 month target</b></p> <p>Average annual stock of young people still in the YG service after 4 [6, 12] months after the date of registration/ Average annual stock of young people in the YG service<sup>7</sup>.</p> <p>Calculation method: for each duration, calculate the average stock across the year and compare to the average total stock across the year.</p> <p>Definitions: a young person is considered to have entered the YG service once they have: contacted a YG provider for assistance; been assessed as eligible for support; and had their personal details recorded in some form of register/database of YG clients. They are considered to remain in the YG service until they either receive a confirmed offer (including offers found on own initiative) or are otherwise deregistered by the YG provider (drop-out or sanctioned). Persons who have received an offer and are waiting for it to start are always considered to have exited the YG service even if they are still registered with the PES or another YG provider.</p> <p>Objective: Monitor the time taken to deliver an offer by measuring the duration of the YG service.</p> <p>Note that the use of a negative indicator (still in YG service) does not mean that the difference from 100% is all positive since young people who dropped out (into unemployment or inactivity) within 4 months are treated equally with those that received an offer or found</p>
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<sup>7</sup> Average Yearly Stock =  $\left( \sum_{i=1}^{12} \text{monthly stock}_i \right) / 12$ , where i=1...12 is the number of months in a year.

one on their own initiative. Therefore the results should be considered in conjunction with the 1st supplementary indicator.

The indicator assesses the extent to which offers are made within 4 months in accordance with the Council Recommendation. The additional periods of 6 and 12 months will provide a broader picture to reflect gradual implementation<sup>8</sup> of the YG in some Member States over a period of time.

**Supplementary indicators**

**Positive and timely exits from the YG service**

Number of young people exiting the YG service with a positive known outcome within 4 months / total exits from the YG service

Breakdowns of exits into employment, continued education, an apprenticeship and a traineeship.

Calculation method: This indicator is calculated according to the total yearly outflow for all categories.

Definitions:

Exiting from the YG service occurs when a young person receives a confirmed offer (including offers found on own initiative) or is otherwise deregistered by the YG provider (drop-out or sanctioned). Persons who have received an offer and are waiting for it to start are always considered to have exited the YG service even if they are still registered with the PES or another YG provider.

"Deregistration with the YG provider" does not necessary mean deregistration from PES.

"A positive known outcome" is defined as the YG provider having confirmation that the young person has received a YG offer (to start work, education, an apprenticeship or a traineeship).

<sup>8</sup> Point 27 of the Council Recommendation states "With regard to the Member States experiencing the most severe budgetary difficulties and higher rates of NEETs or of youth unemployment, gradual implementation could also be considered".

Objective: This indicator complements the main indicator which does not identify those who have left the YG scheme due to drop-out, by focussing on positive known outcomes.

**Average annual stock of young people in the YG service / NEET population (annual average)**

Objective: To give an approximate indication of the possible proportion of NEETs registered in the YG scheme.

It is recognised that this indicator combines administrative data (average annual stock of young people in YG service) with survey data (yearly NEETs stock). Whilst this is not ideal, nevertheless the indicator is considered very useful as it can provide information that is complementary to that provided by the other implementation indicators.

### **3. Follow-up of individuals who have received a YG offer**

Follow up indicators are needed to show whether sustainable labour market outcomes were achieved for individuals through the YG system. They will contribute to monitoring the quality of the offers received by young people going through the YG scheme.

Currently there is a lack of follow-up indicators for employment and unemployment aspects, based on existing data sources and indicators. This section presents a list of proposed indicators and reflects on how to collect the data. The proposed indicators aim to identify the labour market status of individuals some time after exiting the YG scheme, with a break down by type of offer received (employment, continued education, apprenticeship or traineeships).

The main follow-up indicator covers all young people who have been through the YG scheme, irrespective of whether they received an offer or not. The supplementary indicators then follow-up all young persons that received an offer, irrespective of whether it was subsidised or not. The indicators therefore have a more comprehensive coverage than the follow-up indicators for monitoring of the YEI (Youth Employment Initiative) which, by definition, cover only young persons who benefitted from a subsidised offer (i.e. an intervention funded, wholly or partly, by the YEI)<sup>9</sup>. Further, the YEI longer-term result indicators measure the situation of young people 6 months after the intervention (i.e. subsidised offer) has ended whilst the indicators proposed for monitoring of the YG measure the situation 6 (and 12/18) months after the offer was made or (for the main indicator only) the young person otherwise left the YG service. The proposed indicators will be calculated for the target group of age 15-24 and should be broken down by gender and age groups: 15-19, 20-24. Additionally the indicator could also be calculated, separately, for the age group 15-29 with a breakdown for the age group 25-29.<sup>10</sup>

#### PA3a-1.2 (explained):

<b>Main indicator</b>	<p><b>Situation of young people 6, 12 and 18 months after exiting the YG service</b></p> <p>Number of young people who 6, 12, 18 months after exiting the YG service are in a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown<sup>11</sup> (all other) status / total number of YG exits.</p> <p>Calculation method: For each young person that exited the YG service during year n, observe their situation 6, 12 or 18 months after their individual exit date. For example, for a person exiting the YG service at the end of March the 6 month observation would be at the end of September while for a person exiting in October the observation point would be the following April.</p>
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<sup>9</sup> Indicators for monitoring of the YEI are defined in Annex II of the ESF Regulation (1304/2013): <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:347:0470:0486:EN:PDF>

<sup>10</sup> In some Member States the Youth Guarantee was extended to the age group 15 to 29. Therefore a monitoring of this age group should also be possible

<sup>11</sup> The category unknown is considered neutral. It may for instance contain persons who are self-employed or in education if these are not registered and thus not counted as having a positive status.

**Supplementary indicators**    **Situation of young people 6, 12 and 18 months after receiving a YG offer by type of offer**

- **Employment offer:** Number of young people who 6, 12, 18 months after exiting the YG scheme with a YG offer of employment have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / total number of young people who exited the YG scheme with a YG offer of employment.
- **Continued education offer:** Number of young people who 6, 12, 18 months after exiting the YG scheme with a YG offer of continued education have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / young people who exited the YG scheme with a YG offer of continued education.
- **Apprenticeship offer:** Number of young people who 6, 12, 18 months after exiting the YG scheme with a YG offer of an apprenticeship have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / young people who exited the YG scheme with a YG offer of apprenticeship.
- **Traineeship offer:** Number of young people who 6, 12, 18 months after exiting the YG scheme with a YG offer of a traineeship have a positive (employment, apprenticeship, traineeship, education), negative (unemployed or inactive) or unknown (all other) status / young people who exited the YG scheme with a YG offer of traineeship.

## **C) Considerations on data collection**

### **1. General points on the proposed data collection**

The proposed indicators for monitoring YG delivery and follow-up of individuals once they exited the YG scheme are to be derived from administrative data based on having clear registration and exit points from the YG schemes that must be known for all participants/Youth Guarantee providers.

The use of administrative data leads to a dataset that identifies the transition of individuals from unemployment/inactivity into the YG scheme and out of it into an offer of employment, education, an apprenticeship or a traineeship. This allows having as accurate figures as possible for the monitoring indicators: measuring flows into provision and exits from provision enables a close monitoring of the implementation of the YG scheme. The purpose is therefore not to undertake multilateral surveillance on each and every step of YG implementation, but to have accurate data that would feed into the proposed indicators.

At the same time, this dataset will enable Member States to trace back any weak performance on these indicators regarding processes that led to this outcome (for instance young people exiting the scheme to an unknown outcome, that could be dropping out of the support), as well as to disaggregate by gender, age, etc. This will benefit the continuous improvement of the schemes.

It is foreseen that the relevant data will be provided to the YG co-ordinating authority, which is responsible for the collection of aggregate data from each of the different agents through which the delivery of the YG may take place (e.g. PES, Social/Youth Services or the education system).

Whilst the overall goal should be to monitor the YG delivery in its entirety, given the complexity in collecting data from all relevant YG actors, it is proposed, in the cases where this is not possible, as a first stage to collect data from PES and other ALMP providers. Eventually, data from all agents delivering the YG should be aggregated by the YG coordinating authority and provided to the LMP coordinator (or equivalent).

Ultimately the dataset should cover all participants in the YG in the whole territory of each country and be collected with reference to each calendar year.

It should be noted that, in some Member States, national data protection legislation and constitutional law must be adhered to when considering the linking of different registers for data collection purposes.

## 2. Options to collect data for the follow-up indicators

To collect data for the proposed follow-up indicators existing data sources may need to be complemented by new sources in a number of member States. This may require intensive and possibly expensive extra work to produce reliable information. Therefore it should be noted that this may entail making use of national data, though the common practice in the EMCO IG is rather to rely on data from harmonised sources.

For the calculation of the proposed follow-up indicators two options could be considered:

- **Option 1:** collecting data on long-term outcomes via longitudinal follow-up surveys. However, it is recognised that such surveys are very resource intensive.
- **Option 2:** use of administrative data as proxies for the follow-up of participants who have received YG offers and overcome the difficulty in collecting data on the labour market status of YG participants after support. In particular:
  - **Data collection on positive labour market status:** Data on positive labour market outcomes can be collected through the linkage of registers within a Member State, i.e.:
    - Data on which young people are in employment/ paid apprenticeships/ paid traineeships immediately after support/ 6 months/ 12 months/18 months after receiving a YG offer can be collected via linking the YG register to the Social Security register.
    - Data on which young people are in continued education/ unpaid apprenticeships(part of the formal education system) immediately after support/ 6 months/ 12 months/18 months after receiving a YG offer can be collected via linking the YG register to the data of the education system.

For subsidised offers (especially for ALMPs), data on positive labour market outcomes should be easier to collect given that the young people remain registered with a service provider.

- **Data collection on negative labour market status.** Data on negative labour market outcomes, namely for unemployed people, can be obtained through “negative” indicators, i.e. indicators which measure the number/share of young people who stayed unemployed or returned to unemployment after participation in the YG scheme. Monitoring these aspects provides relevant information about the success/failure of the YG – the lower these numbers are, the more efficient the YG has been.

However, this information /data is able to capture only young people who return to the unemployment register. Data on other unemployed or inactive young people cannot be collected through this approach.

**Proposed method of indirect measure of negative labour market status:** Proportion of young people returning to registered unemployment or registered YG 6/12/18 months after receiving a YG offer / number of registrations.

- **Data collection on unknown labour market status.** Such data can be calculated only as the remainder of the indicators on positive and negative labour market outcomes. However, such data is important as it gives an indication of the extent of the follow-up of participants in the YG scheme within a Member State.



## ANNEX: Additional information

### A) Target population

The target population according to the Council Recommendation is all young people under the age of 25 years who are unemployed or have left formal education. It should cover the current stock of young people in that situation as well as those who will enter that status from now on<sup>12</sup>. The table below outlines the practical implications of the target group as defined in the Council Recommendation.

*N.B. Due to the different data sources in section one (LFS) and two and three (administrative data) the definitions of the target population are slightly different. This is the case especially for the unemployed persons: for macroeconomic indicators (section 1) the status of unemployment is defined according to the ILO while for indicators monitoring YG delivery and follow-up unemployment (sections 2 and 3) it is likely to be defined in accordance with the national requirements for being considered as registered unemployed.*

**Table 1: Youth Guarantee target population (highlighted in yellow)**

All young people under 25								
Employed	Unemployed <sup>13</sup>				Inactive			
	In full-time education	In part-time (PT) education		Not in education or training	In full-time education or training	In part-time (PT) education or training		Not in education or training
		PT education fulfils YG education offer criterion	PT education does not fulfil YG education offer criterion			PT education fulfils YG education offer criterion	PT education does not fulfil YG education offer criterion	
YG not applicable	YG not applicable	YG not applicable	YG	YG	YG not applicable	YG not applicable	YG	YG

<sup>12</sup> The phrasing "becoming" and "leaving" in "receiving a good-quality offer (...) within a period of four months of becoming unemployed or leaving formal education" refers to the fact that offers need to be made within a period of 4 months from entering the status, but does not imply that those who are in that status already should not also be given an offer as quickly as possible.

<sup>13</sup> Not employed during the reference week, had actively sought work during the past four weeks and were ready to begin working immediately or within two weeks.

## **B) Flows through the YG scheme**

### **a) Inflows (registration with YG provider / start of YG service)**

Entry to the YG scheme is considered to coincide with registration with a YG provider. This means that a young person has:

- contacted a YG provider for assistance;
- been assessed as eligible for support; and
- had their personal details recorded in some form of register/database of YG clients.

After registration with a YG provider a young person is considered to be in the “YG service” phase. In the YG service a young person can expect to receive information and support from the YG provider. This can range from basic information on where and how to apply for offers, individual case-management for those requiring more support, or training services (e.g. basic skills, soft skills, mentoring, etc.).

For monitoring purposes, a young person that is registered with a YG provider but does not actually benefit from any services is still considered to be in YG service.

A young person remains in YG service until he/she receives an offer (including offers found on own-initiative) or is otherwise deregistered by the YG provider before receiving an offer. Deregistration may occur because the young person drops out of the scheme or is sanctioned.

#### ***Special case: restart of YG service for persons still registered with a YG provider***

Depending on national practices (or the practices of specific YG providers), young persons who have received an offer (and who are therefore considered to have exited the YG service) may remain registered with the YG provider. For example, whilst waiting for an offer to start or if the offer is a subsidised intervention managed by the provider. If the young person fails to take-up or complete the offer it is then possible that they may restart the YG service phase whilst still registered. For monitoring purposes this should still be counted as a new entry and the time spent in YG service should restart from zero.

## ***b) Information to be recorded about entrants to the YG service***

### ***Personal characteristics***

Age and gender should be recorded for all persons entering the YG scheme. For monitoring purposes the age on entry should be used for all subsequent observations – i.e. stocks and exits should be reported in relation to age on entry and not age at the time of any subsequent observation.

### ***Previous labour market status***

Youth Guarantee schemes target all young people not in employment or education/training (see Table 1). Young people entering the scheme can therefore only be unemployed or inactive on joining and this previous status should be recorded in the monitoring system.

Young people entering the scheme on the first day after a previous job ended should be recorded as having previous status unemployed since it is the situation of unemployment that makes them eligible for support.

### ***Previous YG experience***

In the case that participation in the YG scheme does not lead to sustainable employment young people may re-enter the scheme. Indeed, the level of re-entry may reflect on the quality of offers and be useful indicator of policy effectiveness. Previous experience of YG schemes should be recorded for all participants. Initially it is proposed to distinguish (for those with previous YG experience) only between those that received an offer or not. A more detailed breakdown – for example distinguishing non-take-up of offers and non-completion of offers may be considered at a later date if it is considered practical to do so in terms of data availability.

## ***c) Outflows (exit from YG service)***

Exit from the YG service is considered to occur when a young person receives an offer (which is the objective of the YG scheme) or is otherwise deregistered from the service before receiving an offer. Deregistration may occur because the young person drops out of the scheme or is sanctioned.

Exits from the YG service may be positive (received an offer), negative (returned to unemployment or inactivity), or (occasionally) unknown if the young person drops out from the system and cannot be traced.

### ***j) Positive exits: receiving an offer***

The Council Recommendation requires that young people receive an offer within four months of a young person becoming unemployed or leaving formal education. This is monitored by the time spent in YG service (i.e. after registration with a YG provider). Transition to the offer stage may take place directly at the time of registration with the YG provider or should otherwise occur within four months.

#### ***Concept of receiving an offer***

"Receiving an offer" means that the young person has received a confirmed offer to start work, education, an apprenticeship or a traineeship.

Encouraging a young person to apply to a vacancy or ensuring that the young person is invited to a job interview is not equivalent to "ensuring that they receive an offer", though this represents a useful first step.

Therefore, "Receiving an offer" means that the young person is presented, for instance, with an employment contract or with an individualised letter from an education institution stipulating their right to enter a specific continuous education programme.

#### ***Self-initiative offers***

Some young people may find employment/education/training on their own initiative and without any support from the YG provider. Subject to the opportunity fulfilling the criteria for an eligible YG offer such outcomes should be counted as YG offers and treated equally with YG offers delivered by the YG provider<sup>14</sup>.

#### ***Types of offer***

Offers should be classified into the four categories recognised in the Recommendation: employment, continued education, apprenticeship or traineeship. To allow for the diverse situation in Member States, national definitions for these categories may be used, subject to the offers considered being eligible YG offers.

Since the YG provider should verify all offers the type of offer should be known in all cases.

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<sup>14</sup> The Council Recommendation refers to ensuring that young people receive an offer, not that young people receive this offer necessarily through a third-party agent. Applying independently and successfully to a job or training position is a positive YG outcome for that person.

### ***Subsidised and non-subsidised offers***

A distinction can be made between offers that are subsidised and those that are not. Subsidised offers refer to placement in work/education/training through publicly funded interventions that are specifically targeted at disadvantaged groups (i.e. interventions that fulfil the definition of a measure in LMP categories 2-7). Non-subsidised offers refer to placement in the open market or in regular education/training and which would not be considered as an LMP intervention. In other words, subsidised offers are equivalent to the transition from LMP category 1 (the YG service) to another LMP intervention (measure in categories 2-7) while non-subsidised offers exit from LMP altogether.

### ***Waiting for an offer to start***

In practice, the delivery of an offer may not coincide with the day the young person actually starts work, education, an apprenticeship or a traineeship. This delay can range from a few days to a few months (for example, an apprenticeship or continued education may not begin until a number of months after the offer is made). This delay will not be reflected in the indicators monitoring YG delivery, which focus on the delivery of an offer, but may be reflected in follow-up indicators. For example, in the 6 month follow-up a young person may appear as unemployed whilst still waiting for their offer to start. This illustrates the importance of having both delivery and follow-up indicators to give a complementary picture of how the system is working and the actual situation of young people.

### ***Registration after receiving an offer***

Depending on national practices (or the practices of specific YG providers), young persons who have received an offer (and who are therefore considered to have exited the YG service) may remain registered with the YG provider. For example, whilst waiting for an offer to start or if the offer is a subsidised intervention managed by the provider. Persons still registered should not be considered as still being in the YG service because the delivery of an offer is considered the end of the YG service phase. They may, however, restart the YG service as a new entrant if the offer is not taken-up or not completed (see above for treatment of already registered entrants).

### ***Special cases: non-take-up and non-completion of offers***

Receipt of an offer is considered to end the YG service. However, this does not necessarily mean that the offer is completed as intended. Two cases are possible:

- Non-take-up: an offer has been made (and initially accepted) but the young person later decides or is unable (e.g. due to illness) not to take it up, or the offer is for some reason cancelled/withdrawn (e.g. course oversubscribed, economic circumstances force an employer to withdraw an apprenticeship offer).
- Non-completion: some young people may take up an offer, but fail to complete it either through their own choice or other circumstances.

In both cases the delivery of an offer will already have been counted as a positive exit and the subsequent situation will be picked up in follow-up indicators.

Young people affected by non-take-up or non-completion may re-enter the YG scheme and their previous experience should be recorded accordingly. In relation to this recording, it is recognised that monitoring of non-take-up and non-completion may be difficult, particularly in the case of non-subsidised offers where the YG provider may have no further contact with the young person once the offer has been made. Therefore, for the present time, previous YG experience of this group is not distinguished from others that receive an offer and take it up or complete it (see above section on information required about entrants to the YG service). A further breakdown would be interesting in terms of assessing quality of offers but needs to be considered in relation to practical issues of data availability.

#### ***ii) Negative exits: drop-out to unemployment or inactivity***

Exit from the YG service occurs on receiving an offer or deregistration before an offer is received. Deregistration may occur because a person drops-out of the scheme or is sanctioned (e.g. because they fail to fulfil a mutually agreed obligation to participate in services offered by the YG provider).

In the case that the young person returns to unemployment or inactivity this is a known negative exit. Persons that leave to take up an employment or training opportunity on their own initiative – and where this is confirmed by the YG provider - are considered to have received a YG offer (see above) and therefore have a positive exit.

Persons who have received an offer are always counted as positive exits when monitoring YG delivery. If they subsequently have a negative outcome – for example they do not take-up or complete the offer – this will be picked up in follow-up indicators.

### ***iii) Unknown exits***

In the case that a young person drops out from the YG scheme and cannot be traced their situation should be recorded as unknown. By definition, the group of unknowns may include people in both positive (e.g. people who found a job without reporting it to the YG provider) and negative situations. The intention of the YG scheme to provide comprehensive help to all young people implies that it should be a target to have zero exits with unknown destination.

## Summary of data collection:

- **Entrants to YG service (inflows)** (equivalent to LMP category 1 entry): Number of young people entering the YG service (new registrations with a YG provider) in the period by previous labour market status. The history of previous YG experience should also be recorded.

### Previous labour market status:

- unemployed
- (of whom) registered unemployed
- inactive

### Previous YG experience

- none (i.e. first entry to YG)
- did not receive offer (previous drop-out)
- received an offer (previous YG beneficiary)
- unknown

### Breakdowns:

- Gender: M/ F
- Age Groups: 15-19, 20-24, [25-29]

- **Stocks:** Number of young people currently in the YG service by duration of registration (average over the period)

### Duration:

- <4 months
- 4-6 months
- 6-12 months
- >12 months

### Breakdowns:

- Gender: M/ F
- Age Groups: 15-19, 20-24



- **Exits from YG service (outflows)**: Number of young people exiting the YG service in the period by type of destination.

Types of destination:

- Positive destinations
  - Employment
  - Continued education
  - Apprenticeship
  - Traineeship
- Negative destinations
  - Unemployment
  - Inactivity
- Unknown

Breakdown for positive destinations:

Total and of which subsidised

Breakdowns for all outflows:

- Gender: M/ F
- Age Groups: 15-19, 20-24

