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The emerging design of local labour market integration – elements and performance indicators

**Indicators for the evaluation of local labour market policies with a view to
social inclusion**

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The project EMDELA was carried out in co-operation between the Chair for Comparative Health- and Social Policy at the Justus-Liebig-University Gießen and Zoom – Society for Prospective Developments e.V., Göttingen, Germany. EMDELA developed indicators to depict design, implementation and results of local active labour market policies and to assess their contribution to social inclusion. For the project case studies were conducted in Germany, Finland, Italy and Great Britain. In an open approach, aspects are considered which go beyond the question of social inclusion through work intergration.

This is a short-version of the final report comprising the parts concerning the EMDELA indicators. The whole report comprises as well country reports from UK, Germany, Italy and Finland (based on empirical research) and policy recommendations. It is to refer under the following adress:

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contents

- 1 Introduction to the Indicators – the ratio and process of their development4
 - 1.1 Aims of indicator development.....4
 - 1.2 Initial conditions4
 - 1.3 Challenges in developing indicators5
 - 1.4 How are our indicators structured?6
 - 1.5 Summary: Limits of indicators.....6
- 2 The list of indicators7
 - 2.1 Proposal list of assessment-indicators.....7
 - 2.2 Proposal list of context indicators19
- 3 Recommendations for the implementation of the proposed indicators25
 - 3.1 Principles of the Emdela indicator list25
 - 3.2 Levels of implementation of the EMDELA indicators27

1 Introduction to the Indicators – the ratio and process of their development

1.1 Aims of indicator development

In many publications and strategy documents which have appeared in the context of European co-ordination of inclusion policies, active labour market policies are considered to play an important role in overcoming poverty and social exclusion. In implementation, however, in many European member states a separation can be observed between the policy areas of “labour market policies” and “social inclusion”, as well as a one-sided concentration of social policy towards labour market targets. The indicators which we propose are intended to assist in the collection of information on the form, implementation and results of local labour market policies from the point of view of their impact on social inclusion.

In developing the indicators, we started with two leading questions:

1. To what extent can Europe-wide trends be discerned? We started by considering different elements of active labour market policies which seemed to be appearing as Europe-wide trends, and which were often considered to be helpful in reaching social and labour market targets: the decentralisation of active labour market policy through the shifting of responsibility to local bodies, the rise in importance of co-operation and networks, increased use of case management, the increasing importance of measuring performance, and finally an increasing connection between social inclusion and labour market integration.
2. To what extent does local labour market policy contribute to the politics of social inclusion – perhaps also depending on how these trends are implemented?

1.2 Initial conditions

Evaluation and monitoring activities have become more important in the areas of social inclusion and active labour market policies, both on the national and EU levels. One of the central challenges in developing the indicators was, however, that the existing and utilised indicator systems in both policy areas show little overlap, or points of entry for the evaluation of active labour market policies with a view to social inclusion. This is in part due to the fact that labour market and social policy aims are not necessarily congruent, and may indeed conflict.

At the same time, on an institutional level both within the EU as well as in the member states, the policy areas “social inclusion” and “employment strategy” have been largely separate, leading to a lack of cohesion between the corresponding systems of evaluation and monitoring.

Amongst the labour market policy evaluation and monitoring activity examined by the project team, aspects of social inclusion were thus for the most part not explicitly present, despite the fact that, on the strategic level, active labour market policies are considered to be very important for social inclusion. At the same time, a one-sided orientation towards the success criterion “job placement” was noticeable: other questions were mostly ignored, on sustainability, integration, work conditions, wage levels, but also wider economic effects such as the promotion of insecure and underpaid jobs through forced acceptance of job offers. In addition, aspects and success criteria beyond simple employment in the labour market, which are particularly relevant for people who are disadvantaged in the labour market (target group consideration, social stabilisation / market substitute function) are mostly completely ignored in the evaluation of labour market policy effectiveness.

It is particularly important to collect appropriate information given the background that, in many EU countries, the use of specific measures is being decided increasingly using

business efficiency criteria. This can lead to creaming effects (selection of the “best”), especially when measures are only financed under the requirement that there be a high probability of employment, and thus reduction in costs.

The initial thesis of the project, on the other hand, was that active labour market policies make a contribution to social inclusion when they

- provide chances for participation in society through improving competencies, raising income and offers of social support
- are based on social rights, or respect them
- take account of the most disadvantaged.

This differentiates these measures from those which only deal with social problems to the extent that they affect employability. It further brings into question a praxis which assumes that problems of social exclusion effectively vanish as a side-effect of employment, even in precarious jobs. Work on social problems should not simply be instrumentalised for any and all forms of labour market integration; strategies for labour market integration should rather be understood as one dimension of social inclusion.

1.3 Challenges in developing indicators

- One reason for the one-sided orientation on employment in the first labour market taken by labour market policies is the fundamental methodological difficulty of collecting data on non-quantifiable target dimensions. For example, so far no measuring indicators have been developed for social stabilisation and employability – two important dimensions of active labour market policies. An instrument for the evaluation of local labour market policies should however do justice to the different phases of political development and implementation, and also take process-like and qualitative aspects into account.
- The indicators should enable local praxis in different EU countries to be presented and compared. Different task dimensions and functions bring with them different and sometimes contradictory demands on the indicators (local/European, self-evaluation/comparison, detailed/based on classification). Before the background of local and country-specific framework conditions and structures for active labour market policies, on the one hand many, detailed indicators are necessary for the data to be fully informative. On the other hand, the number of indicators should be as small as possible in order for them to be readily handled and applied.
- A further methodological difficulty lies in the fact that much quantitative data is only available as nationally aggregated sample data, and/or is only available for research but not as a basis for evaluation on a local level.

Different types of indicator

Our indicator set combines indicators of different type and function.

- Some indicators are based upon the extraction and use of quantitative empirical data. These include data from employment offices or Job Centres such as reintegration statistics, as well as statistical data on labour market development, unemployment and poverty.
- Some indicators seek to extract qualitative information. These are particularly used for achieving an overview of the framework conditions, design and general direction of local labour market policies, e.g. questions of the use of local leeway, the contribution made by civil society, links to other fields of policy.
- Some of the indicators ask for information which may not be available everywhere. These indicators nonetheless have an important function of sensitising to aspects of self-evaluation (rotating door effects/how much exclusion from benefits/availability of social services).

1.4 How are our indicators structured?

The indicator set is divided between evaluation indicators and context indicators.

The context indicators contain on the one hand questions on the labour market, poverty and other aspects of social exclusion, and on the other questions intended to examine the structural and institutional framework conditions in the various countries. These data are intended as background information and basis for interpretation. A classic example: the proportion of people finding employment is to be interpreted against the background of different labour market dynamics. It is also important to record which groups are being targeted by active labour market policies in the different countries. In Germany, for example, the definition of employability is comparatively wide. The result of this is that in the UK, for example, many more people receive long-term incapacity benefit, and are thus not included in the target group of the long-term unemployed.

The evaluation indicators are largely divided along the 6 European tendencies described at the beginning. Some of the evaluation indicators are suggested as “key indicators”, and highlighted within the indicator list.

1.5 Summary: Limits of indicators

It is very difficult for indicators to prove that the results of labour market policies are indeed due to their effects. Other instruments are required to explain causes and effects. Indicators can in total, however, provide clues to patterns of cause and effect. Indicators can certainly not replace the processes of determining targets and evaluating success, they can only support these and provide them with a foundation. One important function of indicators on a local level should be the provision of information for self-evaluation. This requires a strong willingness to learn, however. A public political and scientific discussion of measurement results is also needed, in order for the data and information won to have practical relevance.

The list of indicators is the result of a working process

- that is based on reports on problems and developments in the respective fields from four EU – countries
- where concepts of a set of indicators have been used for an evaluation of developments in two municipalities of the respective countries and
- where a preliminary version of the list of indicators presented here has been tested and commented upon both in the framework of the national and local reports and in the course of expert meetings in the respective countries.

2 The list of indicators

The following list of indicators is the result of a working process

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- and where a preliminary version of the list of indicators presented here has been tested and commented upon both in the framework of the national and local reports and in the course of expert meetings in the respective countries.

2.1 *Proposal list of assessment-indicators*

the main indicators are marked by *

2.1.1 Decentralisation

Many active labour market policy experts emphasise the necessity of strengthening the local dimension with respect to more competences and resources at the local level. The EU also pursues this approach and provides programmes which fund local labour market policy networks. The following arguments in favour of decentralisation have been established:

- At a local level the participation of all relevant actors (administration, policy makers, social organisations) is easier to organise, which allows for a more comprehensive approach of active labour market policy, integrating aspects of local and economic development as well as social services.
- Local existing knowledge and resources can be bundled more efficiently together.
- The performance and effects of policies and measures can be evaluated directly and the results of such evaluations may enter into further policy development processes.
- measures can be tailored more flexibly and be more appropriate at a local level for the unemployed and also be more responsive to the demands of the local economy. This is possible because of the more detailed knowledge of the local labour market conditions held by local agencies.

The indicators in this chapter aim to clarify the degree there is a local room for manoeuvre in the field of active labour market policy and to what extent competences and resources are actually available for the local actors.

In order to evaluate the inclusive or exclusive performance of active labour market policy the structural framework determining the relation between central state and local actors has to be outlined first. The indicators in this chapter are divided into two parts. The indicators in the first part should provide information about the local room for manoeuvre. This entails questions of strategic discretionary power and financial resources available for the local accountable actors who hold such responsibilities. Is decentralisation just an administrative act to fulfill central defined tasks by local authorities or does a real strengthening of a more independent local policy take place through the devolution of discretionary power?

The indicators in the second part should provide information on the degree, the given scope of freedom to develop local active labour market policy is actually used by the local actors and how it is formed in view of social inclusion needs. This entails questions of defining goals and strategies, the use of financial resources and how far there is a systematic link to other relevant policy fields. K11-16

Local room for manoeuvre

1. Local discretionary power about financial resources (cf. K13)

What is the share of local available financial resources for ALMP for longterm unemployed for which the responsible local institution has discretionary power?

*** 2. Local design of measures (*)**

Is there scope for freedom, as well as a flexible budget, for the local accountable institution/body concerned with ALMP to develop its own locally specific measures?

*** 3. Definition of local target groups (vgl. K21) (*)**

Is it possible to decide at a local level which groups are the main target groups?

Use of local room for manoeuvre

*** 4. Strategic approach of local ALMP (*)**

Does the local accountable institution that is responsible for ALMP have a local specific framework and binding local agreements on the aims of local employment policy – beside those given by the national government?

If so, are these

- defined by the organisations delivering the services/or the administrative agency delivering or commissioning the service?
- defined by the local legislative, or political committee, or a local council

5. Aim dimensions of ALMP

Which long-term objectives of local ALMP are - beside placement - officially recognised by the local accountable institution? (e.g. a decrease in expenditure of social assistance/unemployment benefit; strengthening of the regional work force; fostering social integration/and social stabilisation)

*** 6. Influence on the amount of financial resources**

Are there activities of the local accountable institution responsible for ALMP to increase the locally available amount of financial resources for ALMP measures?

- by acquisition of additional programme or project related funding beside that already available at the local level
- By supporting other (e.g. third sector) local actors in acquisition (e.g. by ko-financing)
- by acquisition/allocation of additional communal resources directly through local authorities

7. Link to other relevant policies and funding programmes

Are there programmes concerned with regional or urban development locally being implemented?

- What proportion of the whole local labour market budget held by the labour administration is spent in supporting such local regional or urban special programmes (e.g. where the administration supports such other programmes by, for example, subsidising places within these other programmes)

2.1.2 Co-operation and Networking

The use of any local room for manoeuvre is not only dependent on the vertical relation between central state and local authorities but also on the ways, the relations between economy, state and civil society on the local level are shaped. In the context of European

social and employment policy the activation of all relevant actors is pointed out as an important factor for success in developing strategies to reduce poverty and unemployment. Intersectoral, 'horizontal', networks of representatives of the state, the economy and the civil society are supposed to bundle the specific competences and to make better use of them. Within the European social inclusion and employment strategies it is particularly emphasised that the participation of civil society actors in those networks is an important condition to enable the identification of social problems and to develop solutions related to target groups. Networks play also an important role at the level of implementation and practical day to day cooperation, e.g. between labour and social service departments. The indicators in this chapter focus on both items- policy networks and functional cooperation.

In the first part of this chapter the main question is whether civil society actors do actually participate already in the decision making process and whether their political influence is weakened or promoted by the design of the respective networks.

The indicators in the second part should provide information about practical cooperation in ALMP. This includes issues concerning the financial and organisational framework of ALMP related organisations. This aspect is relevant when it comes to the question concerning the degree the available infrastructure of employment related and social services is reasonable and sufficient to help unemployed people.

Relevance of intersectoral networks in designing ALMP

*** 8. Participation of civil society in policy development**

Is there a cross sectoral network/ committee (involving the municipality, local economy and civil society actors) which is involved in developing the overall local ALMP?

If so,

- What is the share of civil society actors in the total number of participants?
- Are representatives of unemployed people involved?
- Are representatives of work integration organisations involved?
- Are representatives of social services involved?
- Are representatives of school and education services involved?

*** 9. Competences policy network**

What is the main function of the network?

- Information given by the responsible body
- Communication and consultation (with rights for hearing)
- Co-operation and steering (certain level of discretionary power)

*** 10. Transparency and accountability**

Is there a continuous and obligatory reporting and documentation mechanism of the local responsible body about the implementation and effects of ALMP?

- as internal documentation at the level of the operating or delivery unit?
- as a report to local political committee and council?
- as a report to the public or publicly available documentation?

Organisational framework of workintegration and social services

13. Discreteness of workintegration organisations

Are the work integration providers obliged to refer individual case-related information which might be relevant for sanctions against their clients?

*** 12. Plurality/ Range of workintegration services**

Number of locally involved work integration providers related to the local number of unemployed

- Share of expenditures on measures by local providers

13. Public financing of workintegration services

In which way are workintegration organisations financed by the relevant accountable public body which commissions their services?

- Service level agreements with competitive tendering
- Continuous service level agreements without tendering
- Public grants
- others

*** 14. Social inclusion as a task of workintegration organisations**

Are aims like assistance with wider social inclusion needs and overcoming poverty explicitly mentioned within the service level agreements/ service descriptions with work integration organisations?

- Are additional financial resources provided to achieve these aims?

15. Transition school/ labourmarket

Does the institution which is locally responsible for almp (e.g. Job Center) regularly cooperate with schools or youth welfare services?

*** 16. Availability of social services/ contact-points**

Which of the following social services might be available within about four weeks of them being requested by the client?

- Financial debt counselling
- Childcare service
- Careservice of relatives in need of care
- Psychosocial counselling and assistance
- Addiction counselling
- Counselling or advice on social benefits and assistance
- Low threshold drop-in contact points

Are these services available for all citizens in equal measure independent of their labour market status?

2.1.3 Case management

Case management is an approach which allows for an integrated counselling of the unemployed and gives access to the various kinds of support and services they need. Installing personal advisers and similar offers can often be seen as steps in this direction. In the framework of the European social and employment policy the link between social and work intergation is increasingly emphasised. The main reason for this is that it is asserted, that unemployment is very often not an isolated problem but connected with other aspects of exclusion like psychological problems, housing problems or indebtedness. In many member states the connection between both, social inclusion and employment policy areas finds its

expression in organisational co-operation or even complete fusion of the previously separated social assistance and labour offices at the local level, e.g. in the framework of Job Centers. At individual level the adoption of case management in the field of active labour market policy is supposed to be an appropriate tool to implement the connection between social and employment integration and to meet the individual needs of the unemployed.

The managing of a case process by one agent should theoretically be the base to develop and implement an integrated and individually tailored treatment. The indicators in the first part ask, to what extent the personal and organisational conditions are given to make case management and similar practices of personalized advice and treatment a supportive counselling process. The second part consists of indicators concerning the use of different steering instruments like integration plans and profiling. In this way questions can be tackled concerning the extent these instruments are applied individually or more in terms of standardisation and selection.

Kontext indicators : K 19-21, 33

Professional and organisational framework

17. Advice and placement framework

Do the advice and placement activities of the institution responsible and accountable for active labourmarket policy follow an explicitly defined professional concept?

*** 18. Qualifications of casemanager/ advisors**

What is the proportion of casemanagers/ advisors who have an explicitly defined professional qualification? (e.g. an pertinent university degree or vocational training or an additional skill with at least 200 hours training)

19. Performance criteria casemanagement/ advice

Which are the performance criteria for staff members (e.g. number of placements, number of placements differentiated between target groups, number of interviews.)

*** 20. Turnover of personell**

What is the annual turnover of case managers per year expressed as a percentage of the total number of such case managers?

*** 21. Assignement of personnel**

How many unemployed people, on average at one point of time, does one casemanager/ advisor have as their clients

- all categories of unemployed people
- young unemployed people

Steering

*** 22. Competences casemanager / advisor**

To what extent of fundings the case manager have the power to decide about the application of any given measures to the unemployed person?

23. Information system local infrastructure

Does a current information system exist for casamenagers/ advisors on the locally available supportive services?

24. Integration plan

Is there a written agreement between the casemanager/ advisor, which defines rights and responsibilities of both the institution and the clients, for example an “integration agreement” or “personal contract”?

- Is this document used more as a symbolic underpinning documentation of the counselling and integration process?
- Is this document a binding contract which includes checking on implementation.

If so, is the participation and signature by the unemployed person optional?

25. Profiling

Does an individual analysis of strengths, weaknesses and resources exist?

- Does this analysis lead to sorting the clients into groups designed according to both the likelihood of placement and the needs of the unemployed person?
- What is the percentage rate of unemployed per year who change their profiling group?
- Which criteria are applied to assign clients to the group of unemployed with hardly any chance to get employed? (cf. K19)

26. Composition of profiling-groups

What is the composition of the profiling groups concerning age, sex and migration status?

2.1.4 Empowerment and upgrading duties

Activation, as the main principle of recent labour market policies, has been identified with the approach of empowerment when it entered the European labour market discussion.

Such an empowerment approach implies that ALMP should aim at the use and the enrichment of resources and competences of the unemployed. Particularly in the case of a long period of unemployment this can only be successful if the respective unemployed are individually and comprehensively appreciated, supported and encouraged in their self-confidence.

Concerning the required support therefore, more and more attention is paid to case management and advice as the appropriate base for an individually tailored application of measures. In this view the relationship between casemanager / advisor and unemployed plays an important role.

On the other hand activation is as well related with an approach that emphasises the workfare character of labour market services, making financial benefits and assistance dependent on the willingness of the addressees for taking up any kind of job or measure. Instruments of activating labour market policy are thereby to various degrees using measures that test the willingness of the unemployed person to work.

The indicators in this chapter reflect three main aspects of the tensions between the empowering and coercive elements of activation strategies. What is the framework for the contact between the unemployed person and casemanager / advisor and how is it designed? To what degree are the functions of advisor and case manager oriented to the enrichment of the competences and resources, the needs and wishes of these clients?

With a view to empowerment on the one hand, and workfare practices on the other hand, it has to be asked which rights unemployed have towards the responsible and accountable institution / administration dealing with the active labour market policy - and which means are available for them to bring their rights into force.

Contact between clients und case manager

27. Intensity of counselling

What is the average total amount of time spent on counselling till an integration plan is agreed between a client and the case manager?

*** 28. Availability**

Are there consultation times during which the casemanager/ advisors directly available for the clients?

*** 29. Change option**

Is it possible for the client to request a change of case manager?

Ressource orientation of the counselling and integration process

*** 30. Consideration for different aims of inclusion**

Does the integration and counselling process explicitly consider the following aims and the necessary support in the framework of the integration plan?

- Improvement of the material situation (e.g. guidance concerning debt relief, maintenance or improvement of accomodation)
- Improvement of their formal/ informal job-related qualification (e.g. by language courses, courses with educational degrees, further education and re-education courses)
- Requirements for a support framework (e.g. by arranging care service placement for elderly, children or other dependents, giving support for mobility requirements)
- Improvement of the social and health-related situation (e.g. by referral to addiction counselling, access to health services)

*** 31. Protection of qualifikation**

In some countries there can be a protected period during which a long term unemployed person is not obliged to take a job outside their qualification or skill base. How long do such limits last before a person is obliged to take a job offer outside their skill base or undertake community service?

- Is such procedure written into legislation, internal instructions or does it depend on the decision making powers of the case manager?

32. Reasonability limits for obligatory job offers

Which regulations are locally applied?

- Reasonable salary per hour as a proportion of the average salary for this work
- Hours of reasonable driving time to place of work per week related to working hours per week

Is such procedure written into legislation, internal instructions or does it depend on the decision making powers of the case manager?

33. Mobility requirements and limits

Are long term unemployed people obliged to move for a job offer?

- If so, which limits and exceptions are accepted by the local labour administration?

Rights of unemployed

*** 34. Rights of objection**

Do rights of objection exist?

- Number of complaints and objections per 100 clients

- What is the average processing time for handling objections related to social benefits and assistance? (in months)

35. Legal means

Is there a legal guarantee that clients would not have to pay legal fees for any objection or appeal?

36. The location of arbitration or ombudsman processes

Does an arbitration process exist as part of the administering agency?

*** 37. Independent counselling**

Is there an independent contact point which deals with social benefits and welfare rights advice free of charge?

- Is it publicly funded?

38. Voluntariness of measures

Is the participation in measures voluntary?

- If not, which sanctions are imposed in the case of the client's refusal?

2.1.5 Work Integration and Social Inclusion

2.1.5.1 Output – measures

The integration of measures supportive for social and occupational inclusion entails two aspects. On the one hand it concerns the joined action of labour market related and social services – as well beyond short hand employability objectives. This aspect has been already covered in the chapter “cooperation and networking”. On the other hand steps towards upgrading social inclusion aspects within the programmes for occupational integration raises questions about the social inclusion orientation and effects of the ALMP-measures themselves; this is the subject of the following chapter.

Active labour market policy is considered as a core strategy for overcoming poverty and social exclusion in Europe. Nevertheless there is no systematic connection between active labour market policies and social inclusion policies yet. The different targets of ALMP are to be considered in terms of social inclusion. This entails to improve the chances of employment and higher income in the private labour market, the maintenance of employability, job creation, social support and the promotion of the local community.

Which kinds of labour market instruments and measures are used has a crucial influence on the prospective opportunities and the social situation of the clients. Local ALMP has to improve the chances of a sustainable and sufficient income and to develop the individual resources and employability to make a contribution to the social inclusion of the unemployed person. The most disadvantaged should be particularly able to get special and suitable measures. The first part of the indicators of this chapter is concerning the extent, measures consider the variety of instruments and the different target groups of unemployed. In relation to social inclusion this aims at avoiding creaming effects. The second part entails indicators about the orientation of active labour market measures towards resource enrichment and the capacity building of the clients.

Context indicators: K4,6,7,18,19,27-30,32

Considering target groups and variety of measures

- * 39. Situation of long-term unemployed (cf. K 4,7,28,30)**

Total long-term unemployed population as a proportion of the total unemployed population aged 15 years and over.

- Proportion of long-term unemployed receiving benefits or assistance
- Proportion of long-term unemployed receiving ALMP-measures
- Proportion of long-term unemployed placed to supportive services

40. Allocation of instruments (cf. K 16)

Proportion of every single type of integration instrument as a proportion of all active measures. X % of all regional/ local measures are:

- Start up loans
- Unpaid work experience (Low or only symbolically paid, only occasionally linked to qualification aims)
- Wage subsidies (employment incentives)
- Job creation (additional, related to public goods, based on usual work contracts, close to proper jobs)
- Qualification measures/ training with certificate (further education, vocational training, school graduation)
- Job sharing

* 41. Allocation of instruments/policy mechanisms in different profiling groups¹

Allocation of instruments or policy mechanisms addressing long-term unemployed in different profiling-groups differentiated by extent of placement problems. (data in %)

	Start up	Unpaid work	Wage sub.	Job creation	Quali.	Job sharing	None	
without placement problems								100%
with solvable placement problems								100%
with severe placement problems								100%

42. Allocation of instruments/policy mechanisms in target groups

X % of all long-term unemployed of the respective target groups participate in the following:

	Start up	Unpaid work	Wage sub.	Job creation	Quali.	Job sharing	None	
Women								100%
Re-employed								100%
Migrants								100%
Disabled								100%
Older (50plus)								100%
Younger (under 25)								100%

¹ An enfolded analysis is possible by a collection of the absolute numbers.

*** 43. Sanctions**

Proportion of cases with imposed sanctions

- Are there binding regulations when to impose sanctions?

Resource Enrichment / Capability Orientation

*** 44. Duration of measures**

Average proportion of short-term measures (under 6 months) in relation to long-term measures (longer than 6 month) within one year

- expressed by number who participate in those measures
- expressed by financial resources

45. Considering the clients discreteness/ autonomy

Is it possible for the clients to themselves organise undertaking formal qualifications and still maintain social benefits or gain other special financial assistance (e.g. diplomas, postgraduate study)?

*** 46. Care/ counselling after measures**

Proportion of measures which provide post-counselling and assistance for the participants concerning their future career direction and to help them in their transition into stable work or into unemployment without measure?

2.1.5.2 Outcome: impact and evaluation of labour market measures and services

In addition to the placement of people into the private labour market, the long-term effects and the quality of the new jobs (income etc.) are also important in order to measure the impacts of active labour market policy. Any evaluations related to social inclusion should include further aspects of labour market policy such as measures to help create social stability by access to counselling and supportive services. This has to be considered in designing systems for strategy-development and evaluation processes when using indicators. The unemployed receiving no benefits or assistance (anymore) should be considered in such systems as well.

The first part of these indicators asks for the scales and methods of evaluation within the local labour market policy as well as for the impact of evaluation results regarding a redesigning or refinement of policies. The second part deals with the effects of active labour market measures on improving employment opportunities and reducing poverty. Furthermore, the potential effects on exclusion and - in terms of sustainability – the effects of 'churn', whereby some unemployed people are simply 'recycled' through support programmes, are considered relevant here.

Evaluation and defining aims of ALMP

47. Social supportive measures within evaluation

Are activities of workintegration organisations concerning supportive advice and other support services (e.g. access to social counselling, health and child care etc.) considered within the performance measurement and evaluation of ALMP?

*** 48. Practical experience feedback**

Are the experience and knowledge gained by the counsellor and case managers, as well as of the external partners dealing with ALMP, considered within the development of design of future ALMPs?

*** 49. Inquiries of participants/ clients**

- Are there obligatory anonymous client's inquiries on the services offered of the Job Center?
- Are there obligatory anonymous inquiries of participants of ALMP measures?

If so, which of the following dimensions are participants asked about

- Development of financial/ material situation
- Development of social and familial situation
- Development of individual capacities
- Development of occupational competencies
- Labour market related success of measures

Does an obligatory procedure to integrate the results of such interviews into the further design and development of ALMPs exist?

Success of measures

*** 50. Completion and break-off of from measures**

- Proportion of participants who break-off from a measure before completion/ finishing a measure.

	Break-off	Break-off due to employment	Completion
a) Start up loans			
b) Unpaid work experience			
c) Wage subsidies			
d) Job creation			
e) Qualification measures			
f) Job Rotation/ Job sharing			

- Proportion of participants of qualification measures (e) finishing a measure with success (e.g. with a certificate).

51. Transition rates after successful completion

Share of participants who participate in the following measures:

- Start up loans
- Unpaid work experience
- Wage subsidies
- Job creation
- Qualification measures
- Job sharing

And which of the following situations result after successfully finishing the measure (data in %)?

- Pension / incapacitated to work
- Other (maternity protection, illness, emigration, death, ...)
- Continuance in unemployment, thereof:

- with social assistance
- without social assistance
- with subsequent ALMP measure
- Continuance or transition to the so called private labour market, thereof:
 - with marginal employment without social insurance
 - with further wage subsidies
 - with further additional credits/benefits to reach a minimum income

	Pension	Other	Continuance in unemployment			Transition to private LM				
			Total	With benefit	With-out benefits	With measure	Total	Marg. empl.	Wage sub.	Additional credits
a)										
b)										
c)										
d)										
e)										
f)										

*** 52. Transition rates 12 month**

Share of participants who participate in the following measures:

- a) Start up loans
- b) Unpaid work experience
- c) Wage subsidies
- d) Job creation
- e) Qualification measures
- f) Job sharing

and what is the situation that results 12 months after successfully completing the measure (data in %)

- Pension / incapacity to work
- Other (maternity protection, illness, emigration, death, ...)
- Continuance in unemployment broken down by those
 - with social assistance
 - without social assistance
 - with subsequent ALMP measure
- Continuance or transition to the so called private labour market, broken down by those:
 - with marginal employment without social insurance
 - with further wage subsidies
 - with additional credits/ assistance to reach a minimum income

	Pension	Other	Continuance in unemployment			Transition to private LM				
			Total	With benefit	With-out benefits	With measure	Total	Marg. empl.	Wage sub.	Additional credits

	Pension	Other	Total	With benefit	With-out benefits	With measure	Total	Marg. empl.	Wage sub.	Additional credits
a)										
b)										
c)										
d)										
e)										
f)										

Sustainability and Exclusion effects

*** 53. Churn effects**

What is the proportion of people currently drawing benefits who are, in fact, ‘returners’: people who are claiming again after having left the register during the last two years?

- proportion of returned claimants who originally left to take up an ALMP measure
- proportion of returned claimants who originally left to go into mainstream employment in the regular job market
- proportion of returned claimants who originally left but stayed unemployed and did not claim for a time.

*** 54. Leaving rate**

Proportion of long-term-unemployed who opt out of social benefits but stay unemployed (p.a.)

2.2 Proposal list of context indicators

The following indicators refer to the national and local conditions for active labour market policies. They comprise quantitative statistical indicators but also qualitative information about organisation and structure of ALMP. The context indicators should allow for a precise interpretation of the indicators considering the given national as well as the local background.

Indicators used at the EU-level (sog. Laeken Indicators)

The Laeken Indicators give an impression of the national situation of poverty and social exclusion. They are very useful to interpret and to compare the different national results in an appropriate and more precise way. All Laeken Indicators are relevant and available for all Member States, although we made a shortlist regarding our objective of a quick international orientation and comparison.

K1. At-risk-of-poverty rate

Share of persons living in households with an income below 60% of national median income. Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+
- household types
- migrants
- disabled people

Corresponding to Laeken Indicator no. 1, supplemented by breakdowns by migrants and disabled people

K2. Persistent at-risk-of-poverty rate

Share of persons with an income below the at-risk-of-poverty threshold in the current year and in at least two of the preceding three years. Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+

Corresponding to Laeken Indicator no. 4

K3. Relative median poverty risk gap

This indicator marks to which degree poor people are poor. Difference between the median income of persons below the at-risk-of-poverty threshold and the threshold itself, expressed as a percentage of the at-risk-of-poverty threshold. Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+

Corresponding to Laeken Indicator no. 5

K4. Long-term unemployment rate

Total long-term unemployed population (≥ 12 months; ILO definition - in short: the unemployed are those who are out of work, available for work and are seeking work) as a proportion of the total active population aged 15 years or more. Breakdowns by

- age
- gender
- migrants
- disabled people

Corresponding to Laeken Indicator no. 7, supplemented by breakdowns by migrants and disabled people

K5. Early school leavers not in education or training

Share of persons aged 18 to 24 who have only lower secondary education (their highest level of education or training attained is 0, 1 or 2 according to the 1997 International Standard Classification of Education – ISCED 97) and have not received education or training in the four weeks preceding the survey. Breakdown

- by gender

K6. Poverty risk by the work intensity of households

Poverty risk for the total population aged 0+ in different work intensity categories and broad household types. The work intensity of the household refers to the number of months that all working age household members have been working during the income reference year as a proportion of the total number of months that could theoretically be worked within the household. Individuals are classified into work intensity categories that range from WI=0 (jobless household) to WI=1 (full work intensity). Breakdown by

- Age
- Gender

K7. Poverty risk by most frequent activity status

Poverty risk for the adult population (aged 18 years and over) in the following most frequent activity status groups: employment (singling out wage and salary employment);

unemployment; retirement; other inactivity. The most frequent activity status is defined as the status that individuals declare to have occupied for more than half the number of months in the calendar year for which information on occupational status is available. Breakdown by

- Gender

K8. Gini coefficient

Summary measure of the cumulative share of income accounted for by the cumulative percentages of the number of individuals; values ranging from 0% (complete equality) to 100% (complete inequality)

Corresponding to Laeken Indicator no. 16

Financial Resources

National

K9. National expenditures on ALMP

National share of expenditures on active work integration policy, expressed as a % of the GDP.

K10. National expenditures on training measures

National share of expenditures on any training measures for long-term unemployed, expressed as a % of the GDP.

K11. National expenditures on subsidised jobs

National share of expenditures on any kind of subsidised jobs for long-term unemployed, expressed as a % of the GDP.

Local

K12. Local responsibility

Is the spatial responsibility of the public administration and those of the related ALMP administration the same?

K13. Locally available financial resources for ALMP

What is the size of financial resource available for the long-term unemployed (related to ALMP) which the responsible and accountable local institutions can decide about? Express this as a proportion of all financial resources devoted to that area ALMP?

- Does a regulation exist by law, or from an administrative directive, concerning this competence?

K14. Share of project and programme related fundings

What share do additional specific project- and programme related fundings (e.g. by the European Commission) have in financing local active employment policy compared to regular mainstream funding of measures?

K15. Local expenditures on ALMP

The local amount of expenditures on ALMP for long-term unemployed divided by the total long term-unemployed population.

K16. Local expenditures on training measures

The local amount of expenditures on any training measures for long-term unemployed divided by the total long term-unemployed population.

K17. Local expenditures on subsidised jobs

The local amount of expenditures on any kind of subsidised jobs for long-term unemployed divided by the total long term-unemployed population.

Unemployment on National Level

K18. Unemployment rate

Unemployed population (ILO definition) as a proportion of total active population aged 15 years and over. Breakdowns by

- age
- gender
- qualification (ISCED)
- important regions (e.g. northern and southern Italy)
- migrants
- disabled people

Fluctuation (rate of new claimants and leaving claimants per year as a proportion of the total unemployed population aged 15 years and over)

K19. Adjacent systems of benefits or assistance

National proportion of people of employable age (16-65) getting benefits other than unemployment related. (E.g. pension, early pension, incapacity benefit etc.)

- breakdown by type of benefit

K20. Legal definition of unemployed

K21. Legal definition of target groups of ALMP

Which groups are considered as target groups with special needs from ALMP?

K22. National legal differentiation between unemployed and long-term unemployed

K23. Minimum wage

Does a minimum wage exist?

- What % of the average wage does the minimum wage amount to?

Unemployment and Poverty on Local Level

It should be possible shortly to collect the Laeken-indicators regionally adapted.

K24. Local at-risk-of-poverty rate

Proportion of persons living in households in the particular region with an income below 60% of the national median income. Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+
- migrants

The regional rate of poverty should be collected not only in relation to the national poverty threshold, but also in relation to the regional poverty threshold

K25. Local persistent at-risk-of-poverty rate (60% of median income)

Proportion of persons in the particular region with an income below 60% of the national income in the current year and in at least two of the preceding three years.

Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+

K26. Local relative median poverty risk gap

This indicator marks to which degree poor people are poor. Difference between the median income of persons in the particular region below the at-risk-of poverty threshold and the threshold itself, expressed as a percentage of the at-risk-of-poverty threshold. Breakdown by

- age with inter alia children aged 0-15 and elderly aged 65+ as specific groups
- gender for people aged 16+

K27. Working poor (in-work poverty risk)

Individuals living in the particular region, aged 16 years and above, who are classified as employed (distinguishing between wage and salary employment and self-employment) according to the definition of their most frequent activity status and who are at risk of poverty. This indicator needs to be analysed according to personal, job and household characteristics. Breakdowns by

- age
- gender

K28. Local unemployment rate

Unemployed population as a proportion of total active population aged 15 years and over. Breakdowns by

- gender
- age
- qualification (ISCED)
- migrants

Fluctuation (rate of new claimants and leaving claimants per year as a proportion of the total unemployed population aged 15 years and over)

Share of long-term unemployed

K29. Vacancies and unemployed

Proportion of vacancies notified and the total number of unemployed at a local level

- Breakdowns by main branches

K30. Average duration of unemployment

Breakdowns by

- Age
- Gender

K31. Housing

Share of unemployed living in the particular region and having debts because of un-paid rents/arrears.

K32. Social infrastructure

Financial resources for social services divided by the number of inhabitants of the particular region.

K33. Societal participation

Are there any publicly implemented entitlements enabling unemployed access to cultural and free-time activities, public transport at reduced or no cost?

K34. Responsibility for case management

Which is the local institution responsible for case management and counselling/ placement respectively?

- Public labour market service
 - centrally managed
 - managed with decentralised decision-making powers in this field
- Municipality
- Assigned or contracted non-profit organisation
- Assigned or contracted for-profit organisation

3 Recommendations for the implementation of the proposed indicators

3.1 Principles of the Emdela indicator list

The project's task was the development of indicators for the assessment of Active Labour Market Policies (ALMP) at local level from a Social Inclusion perspective.

The main challenge derived from the hitherto existing lack of linkages between the policy areas "Social Inclusion" on the one hand and "employment-strategy" on the other, both at the level of the EU and Member States. This lack has also a huge impact on the policy assessment methods and criterias applied. Aspects of Social Inclusion are largely unrecognised within the most evaluation and monitoring activities in the field of ALMP although ALMP is considered an important strategy for Social Inclusion. Thus the indicators proposed by the project team can mainly act as indicators for mainstreaming Social Inclusion in labourmarket related assesment activities.

A wide range of qualitative and quantitative indicators were created and discussed within the international team based on case studies and national hearings. In this paper we want to point out possibilities and ways to implement the indicators. Before we formulate proposals in which way different level actors can use and implement the indicatorlist we want to prefix three general considerations.

First of all, the indicators differ concerning their data-availability. Secondly the multi-level character of the Social Inclusion policy process beginning at the European Commission and ending at the local level has to be taken into account. Thirdly the participation of different actors - such as political parties, civil society organisations, social partners, administration, statistical offices- in this process is very important.

3.1.1 Multiple character of the indicator list

Assessment instruments of ALMP should cover the different phases of policies - comprising development, implementation, output- and outcome performance and evaluation. This requires the integration of qualitative and process-related indicators.

The sofar existing evaluation and monitoring instruments in the field of Social Inclusion policies are mainly to take in the situation of socially excluded citizens. Statements on policy impacts are often made based on the changes of respective indicators. But this does not allow to analyse the reasons why a policy is (un-)succesful, e.g. due to the policy-strategy itself or to the implementation of policy.

To asses coherences between policy-strategies, implementation, effects and impacts indicators should be targeted also on structures, processes and general approaches of policies. In this view our proposed indicator list can serve as a useful base because the different chapters refer to different phases of policy. Considerations to integrate some of our inidcators – no matter at which level – should therefor include indicators from all chapters.

The list includes quantitative indicators, which are consistent in the present policy practice and the statistical offices (e.g. LEAKEN indicators). Some of the indicators can be easily implemented within the policy process due to their quantitative character and their binding character within the legal framework of many Member States which means they are already applied in statistical offices or departments. Of course the introduction of other quantitative and qualitative indicators has to be discussed within the statistical offices. But the adjustment of statistical routines and the recognition of new indicators are in most cases a subject of political process. Even if some indicators may not be introduced in the statistical framework due to their discursive character these indicators are nevertheless useful in terms of self-evaluation by political and administrative actors. They can initiate a debate about the character of labour market policy within the region and the involved networks. The indicators

should help to structure these debates and can flow in a reporting on Social Inclusion aspects within the local labour market policy.

3.1.2 Multi-Level cooperation

The Community Action Programme to combat Social Exclusion is a typical example for multi-level-cooperation between the European Commission, the Member States, the regions and the municipalities. The governance within and between different vertical levels can cause many problems and has to fulfil many prerequisites. The indicators have to be implemented in different structures of representations at different levels involved. Particularly the efficiency and democratic quality in integration indicators in the policy process can be difficult. Democratic deficits can be based on incompatibilities between the different levels and structures and the different procedures of targeting, competences and resources between the different political and administrative levels. Thus, the realisation of the indicators at other levels than the local self-evaluation needs cooperation between the different administrative, vertical levels. This kind of multi-level governance includes a coordinated discussion and common agreement about the used indicators with political and administrative representatives from all different levels. While the most indicators are proposed for the reporting of local ALMP practices, at national level these information have to be aggregated.

We found out that in some countries many quantitative information is collected at the local level (by Job Centers) only for aggregation at national level. These data is not worked out or is even not available at all for policy actors at the local level.

Therefore, beside the improvement of data collection the preparation and availability of yet existing data should be enforced at the local level. Respective local efforts should be flanked by national ministries, e.g. by defining the framework and the clarification of property rights.

3.1.3 Multi-Sector cooperation

A main function of our proposed indicators is to deliver information for self-evaluation and steering by local actors. In this view data should serve as a base for mutual learning by cognition of problems and demands inducing the adaptation of policies and its implementation. For that a more public discussion of policies and results involving different actors from the state, service providers and civil society is needed as well as the willingness to learn.

A good introduction of the indicators presupposes also the participation of different actors such as civil society organisations, public administration, social movements and political parties. Participation helps to collect necessary information for the indicators, strengthens the democratic legitimacy of the indicators and provides a public discussion about the Social Inclusion quality of ALMP. While public administrations mainly have an eye on the quantitative data about unemployment, information and competences on other aspects of labour market policy are mainly provided by civil society organisations. Therefore, cooperation within multi-sector networks in the process of introduction of the indicators is important to realise Social Inclusion mainstreaming in ALMP.

3.2 Levels of implementation of the EMDELA indicators

3.2.1 National Context Indicators

Some of the indicators are partly used by the statistical offices of the European Union (Eurostat) and the Member States within the OMC-framework. In some Member States the respective statistical information still has to be introduced. The national context indicators are mainly relevant for a cross-country comparison.

3.2.2 Regional Context Indicators

The statistical quantitative information is partly already provided by the local labour market offices or municipalities, partly based on obligatory reporting mechanisms towards the national level. It is important to ensure that collected data can be used for evaluation at the local level. These indicators are particularly to apply to a comparison between municipalities and for local self-evaluation.

3.2.3 Policy Assessment Indicators

In general our list of indicators has to be seen as a collection of proposals. With respect to different labour market policy structures, a different extent of data availability as well as to the general need to restrict the time and effort of data collection a selection of indicators will be necessary. Based on the empirical results we propose certain indicators for selection. A selection should be based on significance and data feasibility (not availability). But depending on the national and local framework it is possible that in other contexts other indicators prove to be as more relevant. For that we recommend the list as a cafeteria-system. The number of indicators should differ between the different levels. The more the indicators serve as an instrument for a comparison and benchmarking between municipalities or even countries the more the number has to be shortened. Nevertheless the balance between quantitative and qualitative indicators as well as the integration of indicators from each chapter – related to different phases of the policy process - should be maintained. The discussion of the indicators should be initiated in administrative bodies at all policy levels which are assigned to the development of indicators in the field of ALMP.

3.2.4 Use of the indicator-list at EU-level

- With regard to the Social Inclusion Mainstreaming process we deem important that EU-representatives responsible for Social Inclusion monitoring take efforts to work towards a discussion and selection of indicators in the field of the European Employment Strategy and the respective monitoring activities. This demands an adjustment of data collection and presentation between the policy fields based on an intensive cooperation.
- Within a pilot-project some municipalities across EU-25 should be selected to apply the list of indicators. This entails firstly an availability check of data covering all indicators we propose. Secondly a procedure of selection and application of indicators within local networks as described below. This negotiation process can start at local level and end in a network of municipalities at the European level. As a result a core list of indicators available and useful for all countries should be worked out. Further a procedure how to select and use indicators for self-evaluation at the local level should be developed. This does not mean that the locally chosen indicators are the same in every country or municipality.
- An availability check of data should be carried out among EU-25 Member States. This can be based on an e-mail inquiry of local actors. To gain access to those actors the existing EU-networks of state bodies, social research and civil society organisations should be involved. The e-mail inquiry should help to obtain comments concerning the

usefulness and significance of the indicators in different contexts. In order to motivate actors to participate an online-based discussion forum should be established as well as the provision of incentives.

- The list of indicators should be discussed with the Council of European Municipalities and Regions – CEMR – and other networks of municipalities across Europe. Additionally, the indicators should be the base for discussion with the Social Partners at the European level. Also many welfare organisations, anti-poverty networks and social enterprises have European umbrella organisations or agencies in Brussels.
- A dissemination of the indicator list at the local level in the Member States can be provided by the above mentioned European Networks. This should be encouraged by the EU.

3.2.5 Use of the indicatorlist at national level

A selection of national agreed but locally collected indicators should be made by a cross-sectoral working group in which representatives/staff from the following institutions/organisations should take part: ministries and bodies in the field of ALMP and social policy and the respective statistical offices and departments, networks of municipalities and local administration as well as civil society organisations.

Additional to the data aggregation based on national selected data comparative studies about ALMP, Social Inclusion and local cooperation practices should be part of the evaluation practices of national labour market agencies. The collected and aggregated data information should be available to all relevant actors and organisations in the labour market policy at local and national level. National selected indicators should be published on internet.

3.2.6 Use of the indicatorlist at local level

The existing strategic policy networks at local level should have the task to gather information and define policies. As one part of it commonly agreed indicators have to be chosen and worked out by all relevant actors in the field of ALMP, among them labour administration, social and school offices, social services, work integration organisations, independent counselling centres for unemployed and other civil society actors. The results of monitoring and evaluation based on the selected indicators should also be an issue of discussions in the strategic policy network at the local level. The networks should therefore be a forum for obligatory reporting by the local responsible institution of ALMP. Additionally obligatory reports from the local to the national level can support the national aggregation of data and reporting to the European level.

Indicators related to administrative practice of Case Management as well as quantitative and qualitative output and outcome indicators should be mainly provided by the responsible administration. The selection of the respective indicators in the framework of local networks should be based on policy demands as well as on data records. Criteria should not be the availability but the feasibility of data.

A local policy network has to count on the cooperation and transparency of the administration. This approach is due to the assumption that the governance of local labour market policy has to change from a New Public Management only related to output measurements towards a governance approach based on a consultation process and willingness to learn.

3.2.7 Some general recommendations concerning the outcome indicators

- The statistical information system of the local authorities in the field of labour market policy should be upgraded with indicators on target groups of measures and projects, profiling groups, time perspective of the measures and the destination of the participants.

- Secondly the social partners and social enterprises should develop a common report system which can help to monitor the measures and the destination of the participants.
- Anonymous inquiries of clients and participants of measures should be obligatory for the public authorities/ local responsible institutions in the field of ALMP.
- In general the statistical information system should be developed more to a longitudinal analysis system.
- Statistical information should be added by discursive procedures to gain information about administrative practice, measures and effects by using the experience of people who have direct contact to unemployed like casemanager, independent counsellors, workintegration or social service organisations. To use this knowledge in a systematic way is also a possibility to compensate lack of statistical data.