



# Public Consultation on Long-term Unemployment

A public social services response

## 1. Introduction

### Consultation on Long-term Unemployment

In Europe, half of the unemployed are currently long-term unemployed (more than 12 months). Long-term unemployment is therefore emerging together with youth unemployment as the main employment legacy of the crisis.<sup>1</sup>

Alongside the European Commission's focus on jobs and growth, the Commission is keen to help Member states to reduce unemployment through structural reforms and support for job creation and employability measures. The European Commission highlights cooperation between organisations as a means of reducing long-term unemployment. In line with this, the European Commission published a Public Consultation on Service Provision to Long-term Unemployed.

### About the European Social Network

The European Social Network (ESN) is the network for local public social services in Europe. ESN brings together people who plan, finance, research, manage, regulate and deliver local public social services, including health, social welfare, employment, education and housing.

ESN is a network of over 100 member organisations in 34 countries which comprise national associations of directors, governmental departments of social welfare, regions, counties and municipalities, funding and regulatory agencies, universities and other research and development organisations. Depending on the country and on the organisation, ESN members have responsibility for social work, income support and employment services. They are responsible for strategic development, securing funds and planning expenditure and have a significant role in building effective partnerships and quality assurance.

This is the response drafted by the European Social Network on the basis of a consultation with some of its members with specific responsibilities for employment services or joint initiatives between social and employment services. The views gathered ranged from local authorities responsible for social services and/or employment support to organisations working in applied research. In this paper, the European Social Network makes particular reference to its members' views on individualised support and integration of service delivery.

With regards to the different categories of the long-term unemployed that were differentiated in the consultation under point 5, ESN members' priorities lie with the low-skilled unemployed. They generally feel that the medium and high-skilled unemployed can often achieve what they need without much support if they are given the right direction. At a time when public services have to target resources, they also highlight that the best option is to invest in the low skilled group at an early stage, as their distance from the labour market will only grow, and the necessary support will only become more costly, if not tackled early enough.

ESN has adapted the questionnaire from the public consultation drafted by the European Commission (see annex) and requested its members' input. ESN Members from Spain, the Netherlands, Germany, Belgium, France and Denmark responded to the questionnaire.

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<sup>1</sup> [Background document](#) by the European Commission on the Public Consultation on Long-term Unemployment.

## Background Information

In 2008, the European Commission published the Recommendation on Active Inclusion of people excluded from the labour market. In the Recommendation the European Commission proposed an integrated approach based on three pillars:

- Adequate income support
- Inclusive labour markets
- Access to quality services.

In 2012, ESN produced a review of the implementation of the Active Inclusion Recommendation in ten EU Member States. In this review ESN stresses the role of social services (including social work) as key together with employment support and social assistance in working with people who are furthest from the labour market. Besides providing services to address poor mental health, drug-addiction or over-indebtedness, social services also ensure access to mainstream services such as health and housing, and social assistance.

In 2013, in line with the Social Investment Package, the European Commission reviewed how Member States are implementing this Recommendation. The review highlights the following developments in EU countries between 2008 and 2012:

- the risk of poverty rose amongst people of working age
- in-work poverty rose significantly in a third of EU countries
- the impact of social transfers has increased in nearly half of EU Member States
- Member States have tightened eligibility conditions and linked the right to income support to the willingness to work and a minimum commitment to seeking a job.

The ESN Working Group "Leadership, Performance and Innovation" provided input for the review of the Active Inclusion Recommendation in 2013.

The financial and economic crisis, changing labour markets and family structures and demographic change call for a reorganisation of employment and social policies. A series of public policy reforms in many countries have put the emphasis on activation policies, flexicurity models and service integration. A study by Heidenreich and Aurich shows that a combination of active labour market policies and social services leads to better inclusion of young, female and unemployed persons in the labour market, higher employment rates and lower poverty rates.<sup>2</sup> However, almost all Member States still face difficulties in implementing this approach. The obstacles are organisational fragmentation, overlapping competencies and problems of working between the national level (employment services) and local level (social services).<sup>3</sup>

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<sup>2</sup> Heidenreich, M., Aurich, P. (2013). European Worlds of Employment and Social Services: The Local Dimension of Activation Policies. p.7.

<sup>3</sup> Ibid. p.12.

## 2. Policy features of the consultation

### 2.2. Individualised services and tailored support for the long-term unemployed

*According to the European Commission, service integration and tailored support address **cooperation between organisations** delivering activation support, benefits and social services resulting in one-stop-shop delivery. Such coordinated service offers can include for instance activation support (e.g. training or subsidised employment), benefits (unemployment or social benefits) and social services (e.g. care or childcare). Collaboration may involve public and private organisations, including social partners, education and training providers, NGOs, voluntary organisations and social enterprises. Through the cooperation of services, tailored services can better **address the individual needs** of those unemployed for more than one year.*

#### Recommendations by ESN

ESN Members stressed that individualised approaches to long-term unemployed are necessary in order to consider the complex needs that a long-term unemployed person might have, individual, family and local contexts, and the local or regional labour market. This approach does not only require cooperation between employment support, income support and social services, but also with training providers, housing and health sectors and employers.

#### Cooperation across sectors and with employers and training providers

In order to implement individualised approaches for the long-term unemployed, gradual support towards employability is needed, for example through individual action plans. ESN members see a need to combine the provision of financial benefits (unemployment, child care, housing benefits etc.) with activation measures such as intensified training and job search assistance.

All members stressed the long-term integration of the long-term unemployed into the labour market as an important issue. As many jobseekers, who have been unemployed for a long time, lose their job within the first months<sup>4</sup>, long-term monitoring and support after job placement is needed.

Members emphasised the need to address a balance between the needs and interests of the individual and the structural demands of the labour market. This requires close cooperation between employment support and training, as well as ensuring that qualifications respond to demands in the labour market. This also implies that a regional strategy for future labour market needs is jointly developed by services, employers and education.

The consultation by the European Commission also asks if training of the long-term unemployed provides the skills needed to re-introduce them effectively into the labour market. ESN members stress an individualised approach and underline that training can be effective in some cases. For example, the City of Leiden in the Netherlands explained that they have implemented a number of initiatives after which most participants were successful in finding employment or education. The project JA for young people from 18 to 27 aims to

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<sup>4</sup> For example, see [presentation](#) by the German Federal Employment Agency from the European Social Services Conference 2014: every second long-term unemployed person loses his or her job after the first 6 months.

support unemployed youth by providing training that helps them to maintain a daily routine and to acquire basic employee skills. A case manager and a trainer work jointly with young people and know their abilities and interests. The project JA started at a time when the number of unemployed youth had risen dramatically due to the financial crisis. In 2013, 373 young people participated in the project of which 129 obtained a job and 41 progressed into education. In 2014, 439 young people participated in the project of which 151 obtained a job and 53 progressed into education. Managers responsible for the project at the City of Leiden believe that the project has had an impact on young people, not only in terms of employment, but also by social contact and guidance in their daily lives.

### Organisational aspects

One member raised concerns that different policies for different target groups might lead to a fragmentation in service provision. All ESN members who answered this consultation agree generally with the 'one-stop-shop' approach that combines services in order to implement more personalised services. However, they also stated that there is no 'one size fits all' solution and the outreach approach of social work is necessary to direct people to 'one stop shops' or assistance where their needs are assessed. An ESN member, the Jobcenter of Offenbach in Germany, recommended the following organisational aspects in order to provide individualised support:

- keep the legal framework simple and flexible in order not to overregulate services
- avoid overregulation by concentrating on the correct implementation of regulations in every single case
- curb bureaucracy
- design the organisation as a responsive and service-minded agency
- develop, maintain and manage local networks (inter-institutional, inter-agency, cross-sector)
- make skills development of staff a key issue
- pay attention to the service attitude of staff and ensure that staff members develop their skills (not only technical skills but also in terms of ethics and service attitude).

### Youth unemployment

Three member organisations emphasised local cooperation with a focus on youth unemployment as a way to prevent long-term unemployment. The City of Hanover in Germany and the City of Leiden in the Netherlands named two local initiatives to tackle youth unemployment. The 'Youth Employment Agency' in Hanover and the 'Actieplan Jeugdwerkloosheid' in Leiden implemented an individualised approach and services provide young people with comprehensive and holistic counselling. The 'Youth Employment Agency' in Hanover implemented a 'one-stop shop' approach that combines services provided by the Public Employment Agency, the organisation providing benefits and the youth welfare service (social services) in one building - where they also work closely with schools.

The 'Actieplan Jeugdwerkloosheid' in Leiden works with a network of social and health services as well as with employers to support young people. There are quick referrals to services if psychological or behavioral problems are detected. Two principles guide their work:

1. that the unemployed person feels that he or she is heard and understood by their case worker
2. that good relationships are maintained with employers, before during and after placement.

## Alternatives to the competitive labour market

Members recognise that the objective of a regular job is not always possible for every service user. For those who are unable to find a job in the competitive labour market (whether in the short or long-term) due to disability or ill health, members recognise the importance of alternatives to the competitive labour market, such as an extended social economy, guided volunteer work and other initiatives to acquire work experience and develop social networks.

### **2.3. Mutual responsibilities**

*According to the European Commission, the concept of mutual responsibilities addresses setting minimum standards for the activation of persons unemployed for more than one year with mutual binding commitments from both the individual and the organisations delivering services. These commitments could be formalised through individual action plans or other forms of written agreements.*

The consultation asks if all services provided to long-term unemployed should be subject to mutual responsibilities. ESN members have had different experiences and some responses ranged from not relevant to very relevant. In general, members agree that taking responsibility helps the individual to become more autonomous and independent as well to prevent long-term dependency on social services. However, ESN members also highlighted that giving too much responsibility to certain service users, who have been absent from the labour market for a long time, might be ineffective. Here, the emphasis lies on an individualised approach that gives people the support they need.

For example, the Dutch City of Leiden stated that some people, who have been unemployed for a long time and may have severe disabilities or mental health problems, may be too vulnerable to be expected to respond positively to the mutual responsibilities approach.

### **Recommendations by ESN**

ESN members recommend a balance of rights and responsibilities that is based on a co-production approach. Service users should not be passive recipients of support, but the co-producers of individual, step-by-step measures to ensure they can access employment. Practical examples of this approach are motivational conversations, and shared responsibilities for training. For example, measures financed by the public sector and applications for 'on-the job' training by service users.

In many countries, public policies have put an emphasis on different combinations of activation methods that include certain conditionalities for receiving benefits, for instance, a minimum number of job applications or participation in training. Most of our members who answered this consultation not only guide and assist the long-term unemployed, but also clearly communicate expectations and duties (participation in training, job search) to the service user. In the French Pas-de-Calais County Council, public services arrange support agreements between the service and the individual. According to another member, the City of Hanover, mutual agreements between the service user and the agency or agencies providing these services make sense for people who have not been unemployed for a long time or when training costs are covered by the public service.

However, conditionality should not be applied in a universal manner, since ethical aspects, fair individual assessment and individual contexts need to be considered. According to our member from Belgium, the Association of Flemish Directors of Social Services, individuals' social integration is more important than the implementation of sanctions. According to our

member from Hanover mutual binding agreements may be ineffective in some cases. If an individual is motivated to find a job, there is generally no need for additional mutual agreements. Moreover, conditionality also depends on the availability of measures that can be provided. If individuals stay unemployed for a long time, available support measures, such as training, may actually decrease and the accountability of agreements might become very limited.

#### **2.4. Adequate incentives and services for employers to employ long-term unemployed**

*According to the European Commission, this addresses direct support to employers who recruit, train or provide short-term work experience for the long-term unemployed. The support provided includes subsidised employment, tax or social contribution reductions and post-placement support and more general support to broad groups of employers (e.g. awareness building among employers on hiring long-term unemployed).*

Stable and good cooperation with employers is necessary to integrate people into the labour market for a long period of time. People, who have been long-term unemployed, do not always have the possibility to fully perform adequately from the beginning in a new job in the competitive labour market. Therefore, the provision of support by a social worker, ongoing training or language support (for those with limited skills in the countries' mother tongue) is often necessary to stabilise the situation of somebody who has been unemployed for a long time. This support is necessary in order to communicate the needs and possibilities of service users to the future employer and to provide ongoing support for the full integration of the employee at their new workplace.

Our members underlined that services should act as providers in the interest of both, the job-seeker and the employer. Employment services need to understand the companies and sectors they are working with, skills requirements and recruitment procedures (for example, SMEs have no time for long hiring procedures). Measures to estimate the potential of jobseekers can improve job matching, such as online tools or the ABC-method. This method, developed in the Netherlands and applied also in several Jobcenters in Germany is a survey that measures attitudes, the 'personal balance' and competences for better job matching. Moreover, subsidies that are easy to apply for, social clauses in procurement, employment in social enterprises or internships can be instruments to lower barriers to employment.

Two members highlighted that alternatives to the competitive labour market or vocational training may also be a good route to introduce long-term unemployed to working routine and skills. The City of Hanover's experience whereby public employment training companies prepare the unemployed for regular jobs has been very positive, especially in the sectors of craftsmanship and care. In France, the scheme '*Insertion par l'activité économique*' (Integration through Economic Activity) involves businesses who hire especially long-term unemployed representing a specific economic sector and another form of implementing employment policies.

### **3. EU-level action**

*According to the European Commission, current EU-level action includes support to Member States in addressing long-term unemployment policies through mutual learning and the European Semester process. Furthermore, ESF supports Member States' investment priorities related to long-term unemployment and the reform of the labour market.*

The European Commission asked in its consultation whether further action was needed at EU level in terms of raising awareness and keeping political momentum for improving the

effectiveness and efficiency of Member states' actions when tackling long-term unemployment. ESN members are split between those who consider that the EU should recommend a detailed guidance for the introduction and development of an "individual activation offer", and those who believe that the EU should focus instead on defining general principles for an effective activation framework with recommendations for Member States. However, there were also concerns that obligations from a supra-local level may be harmful to more individualised local approaches or that non binding guidelines might not be taken very seriously. It was also suggested that the EU could play a role in co-financing the collaboration of local actors, to facilitate partnerships on equal terms, and to invest in projects to experiment or to try out new methodologies in a continuously changing society.



#### 4. Annex: Questionnaire (developed by the European Commission)

##### 1. Service Integration

**1. How important is the integration of service provision in the support for long-term unemployed?**

- Not important at all
- Not important
- Neutral
- Important
- Very important

**2. How relevant is it that services for the long-term unemployed are individualised?**

- Not relevant at all
- Not relevant
- Neutral
- Relevant
- Very relevant

**3. How efficient is the training of long-term unemployed in providing the skills needed to re-introduce them effectively into the labour market?**

- Not efficient at all
- Not efficient
- Neutral
- Efficient
- Very efficient

**4. What recommendations would you make to improve individualised services to long-term unemployed? Please explain your recommendations with policy and practice examples from your own context.**

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**2. Mutual responsibilities**

**1. How relevant is the mutual responsibilities approach for interventions for the long-term unemployed?**

- Not relevant at all
- Not relevant
- Neutral
- Relevant
- Very relevant

**2. Should all services provided to long-term unemployed be subject to mutual responsibilities?**

- Yes
- No

**3. What recommendations would you make on the application of a mutual responsibilities approach? Please explain your recommendations with policy and practice examples from your own context.**

**3. Adequate incentives and services for employers to employ long-term unemployed**

**1. What recommendations would you make to improve the efficiency of the services delivered to employers? Please explain your recommendations with policy and practice examples from your own context.**

**4. EU-level action**

**1. in your view, is there a need for further EU level action, targeted at raising awareness and keeping political momentum for improving effectiveness and efficiency of Member States' actions when tackling long-term unemployment?**

- Yes, the EU should define general principles for an effective activation framework and recommending guidelines for measures to be used in Member States

- Yes, the EU should recommend a set detailed guidance for the introduction and development of an "individual activation offer", bringing together the policy features described above into a coordinated package of services. The guidance would include required parameters to ensure effective outcomes, based on the general principles for an effective activation framework
- No, there is no need for further action at EU level

**5. Please rank the following categories of long-term unemployed according to how important it is that they are eligible for intensive support, e.g. through an "individual activation offer"**

1. Long-term unemployed that are:

Please note that you can only choose one category per level of priority. It is not possible to assign two or more categories with the same level of priority.

	Lowest priority	Low priority	Medium priority	High priority	Highest priority
Aged under 24	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aged 25-35	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aged 35-45	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aged 45-55	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aged over 55	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

2. Long-term unemployed that are:

Please note that you can only choose one category per level of priority. It is not possible to assign two or more categories with the same level of priority.

	Lowest priority	Medium priority	Highest priority
Low skilled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medium skilled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High skilled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>